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M E M O R A N D U M

To: House Committee on Natural Resources, Fish and Wildlife
House Committee on Agriculture and Forestry
Senate Committee on Natural Resources and Energy

From: Michael C. Snyder, Commissioner, Department of Forests, Parks and Recreation,
Chair, Act 171 Forest Integrity Study Committee

Date: February 3, 2017

Re: Act 171 Forest Integrity Study Committee Report

The Act 171 Forest Integrity Study Committee responded thoughtfully to our responsibilities, worked hard, listened and learned. We considered, from many perspectives, and to the best of our abilities, within five meetings the impacts of the different policy issues we were asked to review as directed by the 2015/2016 Legislature.

We learned that very few projects in forests are subject to Act 250, therefore any additional statutory language may need to consider different jurisdiction. We also heard testimony from ANR about the successful mapping of high value forest blocks and habitat connectivity. To better understand the economics of forestland ownership and responsible forestry already in practice, the Committee collaborated with forest owners, foresters, forest products businesses, and the Vermont Forest Roundtable, a long-time forum of organizations and individuals interested in maintaining healthy forests.

The Committee respectfully acknowledges, and recommends, for the best public policy, that these issues need more comprehensive review and consideration by the Legislature, and all stakeholders, over a longer period of time. The members of the Forest Integrity Study Committee were well balanced in representation of many views, and we achieved an active process of soliciting and discussing various proposals for potential changes. We sincerely regret that we were unable to reach agreement on specific recommendations beyond continued consideration.

The range of ideas we discussed to conserve and protect healthy, productive forests and habitat connectivity, through changes to Act 250 and Chapter 117, are outlined in the Tables and other exhibits within the attached report. We offer gratitude and thanks to Joanne Garton, for her work in recording and compiling the excellent spreadsheets that summarize our work process.

Please give special attention to the Section II of the Report, which includes an opportunity for Committee members to contribute additional statements for your review. In this section we have tried to provide a starting place for further discussion on a broad range of views.

On behalf of the Act 171 Forest Integrity Study Committee, I welcome any questions or requests for additional testimony on this Report.

Evaluation of potential changes to statewide and local forestland planning and regulation to support forest integrity

February 3, 2017

Submitted to:

The House Committee on Natural Resources, Fish and Wildlife
The House Committee on Agriculture and Forestry
The Senate Committee on Natural Resources and Energy

Designated participants:

- 1) Commissioner of Forests, Parks and Recreation -- Michael Snyder
- 2) Commissioner of Housing and Community Development -- Lucy Leriche, Secretary, Agency of Commerce & Community Development
- 3) Chair of the Natural Resources Board -- Diane Snelling
- 4) A current officer of a municipality, appointed by the Vermont League of Cities and Towns -- Karen Horn
- 5) Vermont Association of Planning & Development Agencies -- Bonnie Waninger
- 6) Vermont Natural Resources Council and Forest Roundtable -- Jamey Fidel
- 7) Vermont Working Lands Enterprise Board -- Joe Nelson
- 8) Vermont Forest Products Association -- Sam Lincoln
- 9) Vermont Woodlands Association -- Put Blodgett

TABLE OF CONTENTS

I. INTRODUCTION1

II. STUDY COMMITTEE MEMBER COMMENTS2

III. POTENTIAL CHANGES AND IMPACTS.....9

IV. EVALUATION OF DEFINITIONS ADDED TO 24 V.S.A. § 4303 BY ACT 171..... 27

V. THE BACKGROUND OF ACT 171 OF 2016 27

 Authority and Scope..... 27

 Legislative Charge..... 28

 Process 29

APPENDIX A: PUBLIC COMMENT AND INPUT FROM THE VERMONT FOREST ROUNDTABLE

APPENDIX B: MEETING MINUTES

I. INTRODUCTION

In 2016, Act 171 (H.857) was passed by the Vermont General Assembly and signed into law by Governor Shumlin. The Act comprised multiple provisions related to forests and forestry and included the charge to develop a study committee to evaluate land use regulation and forest integrity with regards to 10 V.S.A. chapter 151 (Act 250) and to 24 V.S.A. chapter 117, subchapter 7 (bylaws).

As background for the following report and associated tables:

- Act 250 contains ten main criteria to address environmental, community and cultural impacts of land use and development. Two of these criteria are discussed within this report: Criterion 8(A), which addresses wildlife habitat and, indirectly, intact forests, and Criterion 9(c), which is intended to protect productive forest soils for commercial forestry.
- Chapter 117 of Title 24, the Municipal and Regional Planning and Development Act, sets standards and goals for municipal and regional plans to identify, protect and preserve significant natural areas, outstanding water resources, significant scenic roads and views, and the quality of air, water, wildlife and land resources.

The study committee considered many potential revisions to Act 250 and Chapter 117, and evaluated the definitions added to 24 V.S.A. § 4303 by Act 171. Study committee members voted on several proposed concepts, but due to time limitations, the committee was not able to meet to reach consensus on final recommendations to the legislature. The committee recognizes that any proposals to change the system of land use planning and regulation must engage a diverse cross-section of Vermonters. For that reason, the study committee advises that any changes to state and local permitting processes should undergo a more comprehensive and complete process of review and consideration well beyond the work of this group. Additionally, there are numerous additional interests and potentially affected parties that were not directly involved in the work of the study committee, specifically the Agency of Transportation and the Agency of Agriculture, Food and Markets. Public comments are included in Appendix A of this document.

Section II of this report is composed of summary statements from each study committee member regarding his or her position on potential changes to land use regulation at the completion of the study committee's work. Section III includes all potential changes identified and discussed by the study committee and interested parties, as listed in Tables 1, 2 and 3. Within these tables, potential changes, clarifying questions and associated potential impacts of the changes are assigned to their contributors. Section IV summarizes the study committee's evaluation of definitions added to 24 V.S.A. § 4303 by Act 171. Lastly, Section V outlines the background of Act 171 and the composition and process of the ensuing Act 171 Forest Integrity Study Committee.

II. STUDY COMMITTEE MEMBER COMMENTS

The study committee considered many potential revisions to Act 250 and Chapter 117, and evaluated the definitions added to 24 V.S.A. § 4303 by Act 171. Study committee members voted on several proposed concepts, but due to time limitations, the committee was not able to reach consensus on final recommendations to the legislature. However, the committee allowed each member to offer his or her position on recommendations to the legislature. Listed below are these individual statements written at the completion of the study committee's session. Statements reflect the diversity of positions on potential changes to Act 250 and Chapter 117, opinions on definitions in 24 V.S.A. § 4303, , and guidance for the next steps regarding municipal and regional plans that address forest fragmentation.

The Commissioner of Housing and Community Development:

Chris Cochran, Department of Housing and Community Development for Lucy Leriche, Secretary, Agency of Commerce & Community Development

Included with the other items tasked to the Forest Integrity Study Committee was:

(5) a review of the definitions added by Sec. 15 of this act to 24 V.S.A. § 4303 and the amendments made by Secs. 16 and 17 of this act to 24 V.S.A. §§ 4348a and 4382, a recommendation on whether to make revisions to these provisions and the reasons for the recommendation and, if the recommendation is affirmative, the revisions that the Committee suggests be made.

Act 171 added broad definitions to the Planning and Development Act (24 V.S.A. Chapter 117) for the following terms: forest block, forest fragmentation, habitat connector and recreation trail. These are now in effect and apply to all actions enabled by Chapter 117, including local and regional planning, adopting and administering land use regulations and a host of non-regulatory municipal activities intended to implement local plans. The definitions are intended for local and regional efforts to prevent forest fragmentation, but are too general to be useful for that purpose and can be applied to a much larger set of issues with the potential for unintended consequences.

For example, the definition for forest block identifies recreation trails as a feature that can be considered part of a forest block. Recreation trail is defined separately as a "corridor that is not paved..." While the definition may be appropriate in the context of forest fragmentation, Vermont has miles of existing paved recreation trails and municipalities with those trails have plans, regulations and capital planning that may be affected by the definition. At best, those paved trails would need to be called something other than a recreation trail. At worst, there may be funding and permitting processes that would be undermined. Questions about what constitutes pavement would need to be answered.

ACCD therefore recommends that the legislature either remove the definitions added to 24 V.S.A. 4303 through Act 171 or limit the use of the definitions to the relevant sections of statute before they go into effect on January 1, 2018.

The Chair of the Natural Resources Board:

Diane Snelling

Thank you for the opportunity to participate in the Study Committee on forest integrity and habitat connectivity in Vermont. The strongest area of agreement was that these issues need further review over a longer period of time, among all stakeholders.

The charge from the Legislature was to review possible changes to existing statutes, specifically Act 250 and Municipal Chapter 117, to increase protection to high value forest blocks and critical habitat areas. Regarding Act 250, the Committee identified and discussed multiple different language changes for possible impacts. There was robust conversation on the concerns, and the necessary criteria, but very little agreement on the potential for expanding jurisdiction, which would provide increased protection.

The NRB believes that ANR's successful mapping of Forest blocks and habitat connectivity statewide is an opportunity to be very specific and focused in establishing greater protections for forest integrity. Act 171 also named a Committee to study the intergenerational transfer of large forestlands. The combination of mapped knowledge and collaboration with landowners could provide clarity and certainty in balancing long term planning with private and public investments.

Vermont has reached a new phase of development expansion that requires acknowledgement of the significant regional and municipal planning tools developed in the last thirty years. In addition, at ACCD, the Downtown Development Review Board, a stakeholder planning entity, has developed a highly disciplined and productive system of designating areas for development.

The NRB recommends the establishment of a new Commission on the Vermont Landscape. A Joint Legislative Committee would be established for a term of three years. The Committee would have an Advisory Board, and collaborate to develop an educational outreach process to engage in an open discussion about how Vermont looks.

The process would be intended to create legislation that accurately produces the outcomes the public wants to see for balance between the common good of the Vermont landscape and opportunities for smart growth development.

We look forward to an opportunity to explore this recommendation with your committees.

A current officer of a municipality, appointed by the Vermont League of Cities and Towns:

Karen Horn

The Vermont League of Cities and Towns appreciated the opportunity to participate in the Forest Integrity Study Committee. We do not underestimate the difficulty in reaching any consensus with as diverse a group of interests and backgrounds as were represented on the committee and we thank the Commissioner for his efforts.

In the last biennium, the legislature passed and the former governor signed three comprehensive bills relating to water quality (Act 64), Forestry (Act 171), and siting of renewable energy facilities (Act 174). Each bill – without regard to the others and without sustainable funding to accomplish its goals – imposed significant new obligations, costs, and, in several instances, fees on municipal planning commissions, development review boards, zoning boards of adjustment, road crews and selectboards. Even Act 90, which extended the life of municipal plans from five to eight years, imposed new obligations for check-ins and assessments of progress toward implementing municipal plans. There seems to be minimal understanding of the ability of municipal volunteer board to address the many priorities that the legislature continually establishes for cities and towns.

At VLCT's annual meeting and Town Fair in October 2016, we heard loud and clear from municipal officials – most of whom are volunteers – that they are having tremendous difficulty deciphering how to implement Acts 64, 171 and 174 and how to incorporate each piece of legislation's requirements with each other and with local visions for their communities' futures.

If you seek to extend municipal flexibility and authority to implement locally adopted municipal plans, we are happy to help. But please do not impose additional new requirements on local officials. Rather, give local officials the space and time to implement the laws that the legislature enacted this past biennium.

A representative of the Vermont Association of Planning and Development Agencies:

Bonnie Waninger

VAPDA appreciates the opportunity to participate in an evaluation of potential changes to forestland planning and regulation to support forest integrity. The study committee achieved consensus that the challenges to maintaining forest integrity lie in: bolstering the forest products economy, public engagement on the importance of maintaining forest integrity, and modernizing and using regulatory and non-regulatory tools.

Chapter 117

VAPDA strongly supports a comprehensive review of Chapter 117 to modernize and streamline it. Regular legislative changes to Chapter 117 for the past 10 years suggest Vermont statute may not address 21st century challenges sufficiently.

Statutory changes in 2016 modified local and regional plan requirements, enabling sufficient planning tools within Chapter 117 for addressing fragmentation and forest integrity. These changes targeted the three challenges noted above. For instance, Chapter 117 currently

enables forest districts. Plans and bylaws could be modernized to use conservation design principles as a tool in these districts. Chapter 117 requires plans to be updated every eight years. The statutory changes should be evaluated in four years for trends in their effectiveness for addressing maintenance of forest integrity.

Act 250

VAPDA recommends no changes to Act 250 Criteria 9C, productive forest soils, or Criteria 8A, imperilment of necessary wildlife habitat or endangered species.

Act 250 is designed to review and manage impacts from major subdivisions and developments. Limited use of Criteria 9C reflects trends that placed major subdivisions and developments nearer to population centers and the criteria's unwieldy use for protecting forest integrity rather than forest soils. The Agency noted it works with Act 250 applicants to apply conservation design principles that minimize impacts to critical forest blocks and connecting corridors.

A representative of the Vermont Natural Resources Council and Forest Roundtable:

Jamey Fidel

Vermont Natural Resources Council has spent the last decade researching and examining the issue of forest fragmentation, and we have consulted many professionals in the forest policy and planning community about the adequacy and shortcoming of our land use regulations to address forest fragmentation. This work has included ten years of discussion at our statewide Forest Roundtable, which resulted in a final report with land use recommendations, and a Land Use Forest Fragmentation Action Plan, developed with state government and land use planning experts.¹

It is clear based on our research that the existing Act 250 criterion related to forests, Criterion 9(C), does not adequately address impacts to forests. It only examines project impacts to forest soils for commercial forestry, and does not consider the overall integrity of forests and the full suite of ecological and economic benefits that forests provide. Criterion 8(A), necessary wildlife habitat, does not serve this function either.

In addition, Criterion 9(C) is underutilized. Our research found only one case where a project was found to have a significant reduction in the potential of soils for forestry under 9(C). Furthermore, very little subdivision activity appears to trigger Act 250. Our research of subdivision activity in 22 case study towns between 2003 and 2009 found that of 925 subdivisions creating 2,749 lots, only 1-2% of the subdivisions triggered Act 250 (the exception was land already under Act 250 jurisdiction).² Compounding this limitation is that when the

¹Multiple VNRC reports are available on the study committee webpage referenced in this report.

² Approximately 10% of the subdivisions fell under Act 250 jurisdiction because they were on parcels that were already subject to Act 250. This means some large subdivisions continue to fall under Act 250 jurisdiction, and therefore it makes sense to have criteria that maintains the integrity of forests.

“road rule” was rescinded, Act 250 lost the ability to review the impacts of incremental development with long roads that penetrate intact forest blocks.

This leads us to conclude that Act 250 should be improved in two ways: strengthen the criteria to maintain intact forests and wildlife connectivity, and modify Act 250 jurisdiction to review projects that may fragment priority forest blocks and connectivity areas. Without action, Act 250 will continue to be severely limited in its ability to minimize the impacts of large subdivisions and development on the integrity of our forests and wildlife connectivity areas.

The tables in this report identify potential strategies to maintain intact forest blocks and connectivity areas. The study committee minutes from the Dec. 13, 2016 meeting (Appendix C), reflect that a majority of committee members supported drafting language to further consider how to address impacts to significant forest blocks and connectivity areas in Act 250. We encourage you to review strategies #1.1 – 1.13 in the charts; our primary recommendation is within strategies #1.9 – 1.13.

In regards to Chapter 117, the Municipal and Regional Planning and Development Act, we believe that there are small, but important tweaks, that would elevate our ability to maintain intact forests and connectivity areas. For example, the meeting minutes on Dec. 13, 2016 reflect that a majority of members supported drafting language to consider the proposed recommendation 2.6, which would allow conservation of a greater percentage of large intact forestland by reducing the minimum lot size that zoning may require in zoning districts intended for low density development.

In regards to the definitions included in Act 171, it is important to have guiding definitions in Chapter 117. Legislators worked to craft definitions that recognize the value of planning for forest blocks that may include recreational trails. There is some confusion that the Act 171 definitions, such as recreational trail, may have unintended consequences within other parts of Chapter 117. We offer a clarification: that the statute be amended so that the definitions of “forest block,” “forest fragmentation,” “habitat connector,” and “recreational trail” only apply to the forest planning provisions within Chapter 117 to address fragmentation, and not to other parts of Chapter 117.

A representative of the Vermont Forest Products Association:

Steve Hardy

The Vermont Forest Products Association holds a huge stake in this discussion. Representing landowners and the entire forest products industry, our membership is more impacted than any constituency by policies affecting large forest blocks. Our membership enjoys the benefits of large blocks of manageable timberland, along with the hunting, fishing and recreational opportunities. As the committee has reviewed various proposals to address Forest Fragmentation, several concepts other than regulatory intervention through Land Use

Regulations and Act 250 changes have been brought forth for consideration. These alternative concepts address the root causes of fragmentation.

Landowners, foresters, loggers, sawmills and others who have invested capital in land, machinery, infrastructure, transportation capacity, education and human resources to manage our forests must have certainty that those investments will have a return. Currently conditions in the northeastern U.S. including an unprecedented market decline for low grade forest products (pulp for paper, biomass chips, traditional firewood and pellet stock) undermine that return and the very reason for investing in land. This market decline will impact all aspects of forest management. To be done properly, it requires efficient harvesting of low grade timber to improve the health and value of forestland. Weeding the garden is essential to growing the higher-value wood that provides the return on investment. While markets undergo this transformation, there is continuous pressure and consideration of restrictions or regulations on forestland ownership, silviculture and forestry operations. Reduced operability through market decline and regulations, or the threat of them, reduces the incentive to invest and subsequently, manage and hold forestland intact.

Restrictive land use regulations and Act 250 expansion intervene with forest fragmentation as a preventative measure long after the decision has been made to fragment. Landowner decisions to subdivide their land do not arise from bad intentions, but rather from financial necessity. Were Land Use Regulations changed to limit development as a way to combat forest fragmentation, it would reduce the equity and consequently the borrowing power of forestland owners. This would limit their options and lower their balance sheet in a time of financial need. Without the ability to borrow, they may need to subdivide their land to recover their capital with the outcome being the opposite of our intention to prevent fragmentation.

Forestland ownership is a major long term investment that has traditionally been low yield, but at least fairly stable. With a wide "bundle of rights", various values such as certain wood products, recreational use, and development options cycle up or down through economic changes. The long-term trend has been a gradual increase in value, which is acceptable to long term investment. Landowners are growing a crop that takes 60-120 years to mature, and decisions are made on this timeframe. The continuing unpredictability of forest land taxation and regulation is also a major issue to be considered. Use Value Appraisal has been a political football with uncertainty, increasing costs and regulations. The recent drastic increase in the Land Use Change Tax is one example. This was particularly directed at reducing forest fragmentation. Now that it has been enacted, will the proponents be satisfied? Proposed "per acre" taxes to clean up Lake Champlain would harm those forest landowners who contribute the cleanest water. Landowners who wish to own land long-term need to know what the future holds. We should allow for predictability and stability for these landowners who have been providing these large tracts which we all value. Negative impacts of additional regulatory oversight in Act 250 and local planning further erode their confidence. Reducing forest landowner's options and value in their land is a major disincentive to forest landownership.

Vermont should support policies that encourage long-term forest land ownership and investment, not create disincentives and remove value.

In light of the aforementioned, the Vermont Forest Products Association recommends no changes to Act 117 or Act 250. There already exist a multitude of local and statewide land use regulations that restrict development in forest blocks. Both farm and forest landowners have held unbroken land, simultaneously providing wildlife habitat and creating economic activity, in a continuously improving manner for generations. We must look to their example and the reasons why they have chosen to do so in order for us to develop effective and sustainable recommendations to combat fragmentation.

It should be mentioned that while fragmentation is occurring on a limited basis, in particular areas, it is certainly not a crisis. At the same time, there is aggregation of forest parcels occurring. This is an opportunity for further review and discussion. Where and why is this occurring? What are the obstacles to further aggregation? How can it be encouraged?

To have an impact on forest fragmentation the Legislature could do several things:

- Ensure the long-term viability and predictability of the Use Value Appraisal program and thereby reduce land ownership costs through property tax reductions. UVA is too often "up for discussion" to give certainty to those that have come to rely on it for long term policy. UVA is the primary tool to retain large unbroken tracts of forestland, with a long history of success. It should be simple, fair and stable.
- Lower the cost of doing business in Vermont where possible. The price of our products is determined globally, but the costs are determined locally. Vermont's working landscape is faced with higher costs than many other states in the region. Insurance, taxes, fees, utilities, entitlements and payroll related obligations accumulate up and down a business owner's profit and loss statement and are cited as being disproportionately higher in Vermont and serve as a disincentive to invest.
- Creating a limited exemption from the property transfer tax and the land gains tax would encourage aggregation of forested parcels.
- Adding more value to our local forest products and increasing demand for both high-value and low-grade wood sends an economic signal to grow trees. Easing permitting requirements or creating conditional exemptions would encourage long term investment in facilities and systems that utilize and process all forms of forest products; currently such requirements discourage the development, expansion or continuation of those facilities. Much of our wood products are sold out of state and overseas, and current regional declines in low-grade markets are a troubling trend. Access to in-state, diverse and robust market for those products brings value to land ownership and the rural economy.

A representative of the Vermont Woodlands Association:

Put Blodgett

I am torn.

As a forest landowner, I am very supportive of large forest blocks necessary to support the landowner, loggers, truckers, sawmills and the forest products industry and to provide wildlife habitat and connectivity.

However, I find it very troubling that a planning board can designate some areas for development, thus potentially enriching those landowners, and designate other areas as forest or agricultural, thus limiting the potential of those landowners to ever realize more than the value of forest or agricultural products.

III. POTENTIAL CHANGES AND IMPACTS

Study committee members submitted 35 potential changes to Act 250, 17 potential changes to Chapter 117, and 52 potential changes to land use regulation and policy guidance. All potential changes and their contributors are included in Tables 1, 2, and 3 in the following pages.

Table 1: Potential changes to Act 250 are grouped according to those that suggest: (a) potential changes to criteria within Act 250 (b) a review of jurisdictional triggers, and (c) other potential changes.

Table 2: Potential changes to Chapter 117 are grouped according to those that: (a) alter zoning (b) create jurisdictional triggers (c) clarify terms and provide definitions, and (d) suggest other potential changes.

Table 3: All other potential changes that the committee believes would also support forest integrity and habitat connectivity, but do not directly relate to Act 250 or Chapter 117 revisions, are grouped according to those that: (a) alter municipal assistance and zoning (b) review licensing, regulation, workers compensations and sales tax in the forest economy (c) support outreach and education on forest values and benefits (d) invest in strategic forestland conservation (e) increase landowner incentives to keep intact forests, and (f) promote sustainable forestry and the Vermont forest economy.

The legislative charge also directed study committee members to perform an evaluation of the impacts of options to revise Act 250 and the bylaw provisions of Chapter 117. These potential impacts, along with any clarifications or questions regarding the corresponding potential changes, are captured in Tables 1, 2 and 3. (Act 250) and Table 2 (Chapter 117) and are listed by contributor. Two generalities emerged from committee evaluation of potential changes: 1) there was agreement that all potential changes considered were put forth because they were thought to be helpful to the maintenance and protection of forest integrity and/or habitat connectivity, and 2) there was agreement that any potential changes carried risk of unintended consequences and required more complete analysis and input from affected stakeholders.

Act 171 Forest Integrity Study Committee Draft Summary of Potential Changes Presented on Oct. 18, 2016				Notes from November 18, 2016 Meeting and Follow-up Correspondence			
Table 1: Potential Changes to Act 250				Questions, Clarifications, and Potential Impacts to Changes to Act 250			
#	Contributor / Organization Name	Potential Change	Notes	Contributor	Clarifications, Questions	Contributor	Potential Impacts
Potential changes to Criteria within Act 250				Potential changes to Criteria within Act 250			
1.1	Bonnie Waninger VAPDA	Utilize Criterion 9(C) to affect protection of forest integrity and habitat connectivity by refining the definition of "productive forest soils".	Add a "productive forest soils" to online mapping resources.	B. Waninger	This will help clarify the location of productive forests.	J. Wood	Definitions of "productive" will affect the outcome and impacts. There may be unintended consequences of a poorly defined product. Pending suitable definitions the negative impact of 1.1 (above) will be remedied in 1.2. The potential change would require legislative change.
1.2	Bonnie Waninger VAPDA	Alternative of 1.1 (above): Modify Criterion 9(C) to focus on protection of forest blocks and their connectivity, rather than on forest soils.		B. Waninger	This will encourage wildlife habitat.	Study Committee	Regarding 1.1 -1.5: Promotes forest health and integrity.
1.3	Diane Snelling NRB	Modernize Criterion 9(C) to better protect defined "forest blocks" and minimize the impacts of proposed development projects on forest blocks.	Make changes in a manner similar to those applied to Criterion 9(L) two years ago.			B. Waninger	Regarding 1.1 - 1.5: Without clear definitions, effective protection or maintenance of forest blocks and other discussed natural resources will be difficult and unclear.
1.4	Jamey Fidel VNRC	Develop guidance for the effective implementation of Criterion 9(C), including the development of a statewide map of productive soils for forestry.	Based on a review of case law relevant to Act 250, VNRC does not believe Criterion 9(C) is effectively maintaining soils for commercial forestry as it is supposed to.			B. Waninger	Regarding 1.1 -1.5: This language provide a new criteria for property owners to address while addressing others.
1.5	Agency of Natural Resources	Amend Criterion 9(C) to focus on forest blocks instead of soils.				J. Wood	Regarding 1.1 - 1.5: Landowners who have kept forestland as forest would now face restrictions for future use. This is mostly encompassed in the 'forest block' concept.
						S. Smith	Regarding 1.1 -1.5: This may conflict with already protected prime ag soils.
1.6	Agency of Natural Resources	Authorize off-site mitigation for impacts under Criterion 9(C).		P. Gill	Couple this potential change with 1.11 (below).	Study Committee	Promotes forest health and integrity.
1.7	Agency of Natural Resources	Enhance criterion 8(A) to include explicit consideration of significant forest blocks and connecting habitat.		B. Coster	This change could allow Criterion 9(C) to remain the same while adding conditions to Criterion 8. Definitions are needed. Under 8(A), the burden is on others to show that the applicant is impacting natural resources.	Study Committee	Regarding 1.7 - 1.8: Promotes forest health and integrity.
				J. Wood	Clarify definitions of 'critical wildlife habitat' and 'connecting wildlife habitat'.	D. Snelling	Regarding 1.7 - 1.8: Changes to Act 250 are far reaching.
				S. Smith	Would including habitat affect conduct of forestry operations?	P. Gill	Regarding 1.7 - 1.8: We need parity between Act 250 and municipal land use.

Act 171 Forest Integrity Study Committee Draft Summary of Potential Changes Presented on Oct. 18, 2016				Notes from November 18, 2016 Meeting and Follow-up Correspondence			
Table 1: Potential Changes to Act 250				Questions, Clarifications, and Potential Impacts to Changes to Act 250			
#	Contributor / Organization Name	Potential Change	Notes	Contributor	Clarifications, Questions	Contributor	Potential Impacts
				M. Snyder	No, no effect on conduct of forestry operations.		
1.8	Agency of Natural Resources	Add definitions to 10 V.S.A. § 6001 for 'significant forest blocks' and 'significant connecting habitat', so that those features of forest integrity can be addressed specifically in Act 250.				Study Committee	As in 1.7 above.
1.9	Jamey Fidel VNRC	Expand Criterion 8 10 V.S.A. § 6601 to include definitions for "Forest blocks"; "Forest fragmentation"; "Habitat fragmentation"; "Habitat connectivity" or "habitat connector".		L. Leriche	Needs definitions, particularly because they might change in legislature.	Study Committee	Promotes forest health and integrity.
				M. Snyder	We do have definitions in the law.		
				J. Wood	Do any changes extend any exemption for 'forestry operations' consistent with definition for municipal regulation?		
1.10	Jamey Fidel VNRC	Change Criterion 8 10 V.S.A. § 6086. (a) (8) Issuance of permit; conditions and criteria. Will not have an undue adverse effect on the scenic or natural beauty of the area, aesthetics, historic sites, rare and irreplaceable natural areas, <u>forest blocks, or habitat connectivity.</u>		J. Fidel	This could be coupled with 1.7 (above).	Study Committee	Promotes forest health and integrity.
1.11	Jamey Fidel VNRC	Expand Criterion 8 10 V.S.A. § 6086. (a) (8) to include <u>(B) Forest blocks. A permit will not be granted unless it is demonstrated by the applicant that a development or subdivision will not have an undue adverse impact on forest blocks as defined in § 6001 of this section. Undue adverse impacts to forest blocks may be reduced or eliminated through project design that minimizes forest fragmentation, or through mitigation according to 10 V.S.A. § 6094.</u>	Methods for avoiding such adverse impacts may include the following: i) Locating buildings and associated development envelopes to reduce incursion into forest blocks. ii) Designing roads, driveways and utilities to avoid and/or minimize the fragmentation of forest blocks. This could be accomplished by following or sharing features such as existing roads, tree lines, stonewalls and fence lines. iv) Clustering buildings and associated building envelopes to avoid and/or minimize the fragmentation of forest blocks.	J. Fidel	This change can build in more options as to how to address forest connectivity, for example, how to avoid and minimize impacts of development while not leading to an interpretation of no development unless the applicant failed entirely to address it.	Study Committee	Promotes forest health and integrity.

Table 1: Potential Changes to Act 250

Questions, Clarifications, and Potential Impacts to Changes to Act 250

#	Contributor / Organization Name	Potential Change	Notes	Contributor	Clarifications, Questions	Contributor	Potential Impacts
1.12	Jamey Fidel VNRC	Expand Criterion 8 10 V.S.A. § 6086. (a) (8) to include <u>(C) Habitat connectivity. A permit will not be granted unless it is demonstrated by the applicant that a development or subdivision will not have an undue adverse impact on habitat connectivity as defined in § 6001 of this section. Undue adverse impacts to habitat connectivity may be reduced through project design that minimizes habitat fragmentation, or through mitigation according to 10 V.S.A. § 6094.</u>	Methods for avoiding such adverse impacts may include the following: i) Locating development as far away from the center of a habitat connectivity area as possible when a practical development site is available (e.g., when there is an option for development to be located towards the middle of the corridor, versus at the edge, development must be placed toward the edge) unless the less disruptive option involves locating development in close proximity to other existing development in the connectivity area. Similarly, locating development to leave the greatest contiguous land areas as undisturbed habitat to facilitate wildlife travel through the area. ii) In the event that there is no land that is practical for development outside of the connectivity area, design the development to minimize impacts on the continued viability and use of the area by wildlife.			Study Committee	Promotes forest health and integrity.
1.13	Jamey Fidel VNRC	Expand Criterion 8 10 V.S.A. to include <u>§ 6094. Mitigation of forest blocks and habitat connectivity.</u> <u>(a) Mitigation for undue adverse impacts to forest blocks and habitat connectivity to satisfy subdivision §6086(a)(8)(B)-(C) of this title.</u> <u>(1) Project located outside a designated center. If the project is not located in a designated center as defined by 10 V.S.A. §6001(30), mitigation may be allowed if the applicant demonstrates the following:</u> <u>(A) The applicant has first avoided direct, indirect or other impacts by relocating, redesigning or making adjustments to the project so there is not forest or habitat fragmentation;</u> <u>(B) If avoidance of impacts is not possible, the applicant has minimized direct, indirect or other impacts by relocating, redesigning or making adjustments to the project to minimize forest or habitat fragmentation;</u>				Study Committee D. Snelling	Promotes forest health and integrity. These potential changes might require rulemaking.

Table 1: Potential Changes to Act 250

Questions, Clarifications, and Potential Impacts to Changes to Act 250

#	Contributor / Organization Name	Potential Change	Notes	Contributor	Clarifications, Questions	Contributor	Potential Impacts
		<u>(C) If the applicant has taken all [practicable] measures to avoid and minimize undue adverse impacts of the development consistent with subcriteria (A) and (B) above, but there is still an undue adverse impact, the district commission may consider a proposal to mitigate the undue adverse impacts through compensation. Compensation may include the protection of areas of a similar quality and character, or other compensation measures outlined by the natural resources board in consultation with the agency of natural resources in rules, which could include a deposit into an offsite mitigation fee into the Vermont Housing and Conservation Trust Fund established under section 312 of this title for the purpose of preserving forest blocks and habitat connectivity [lands, or habitat connectors] of equal or greater value.</u>					
Review of jurisdictional triggers				Review of jurisdictional triggers			
1.14	Diane Snelling NRB	Adjust Act 250 triggers to include projects mapped within a "forest block" or those with specified size, location, or other characteristics that affect forest blocks.		J. Wood	Regarding 1.14 - 1.15: Clarify extent of "adjust triggers".	Study Committee	Regarding 1.14 - 1.15: Promotes forest health and integrity.
1.15	Diane Snelling NRB	Create a method for project development applicants, or any other interested party, to rebut determination of whether or not a parcel is in a "forest block"				J. Wood	Regarding 1.14 - 1.15: Significant reduction in land value for forestland owners, and potentially future investors.
1.16	Jamey Fidel VNRC	Adjust triggers that prompt the Cumulative Road Rule to include jurisdiction over a total of 1,200' of combined road and driveway on any parcel within a 10-year period.		J. Wood	Are forestry operations subject to this change?	Study Committee	Promotes forest health and integrity.
				J. Fidel	VNRC does not intend for the road rule to apply to forestry roads but would anticipate it applying to forestry roads that are then converted to roads for development.	D. Snelling	In past, it was difficult to administer and there were many unintended consequences.
						J. Wood	Unintended consequence on legitimate forest management roads.
						L. Leriche	Unintended consequence of landowners building an ill-advised short road that is poorly constructed regarding drainage, stormwater (e.g. landowner builds shortest road straight up a hill). VNRC should amend change so that forestry roads are not triggers.

Table 1: Potential Changes to Act 250

Questions, Clarifications, and Potential Impacts to Changes to Act 250

#	Contributor / Organization Name	Potential Change	Notes	Contributor	Clarifications, Questions	Contributor	Potential Impacts
1.17	Jamey Fidel VNRC	<i>Adjust triggers that prompt Setback rules to include jurisdiction over any development located 1,000' or greater from an existing state highway or class 1, 2 or 3 town highway.</i>		D. Snelling	More study attributed to 1000' length. Would that length limit or prohibit development or would it promote smarter development?	Study Committee	Promotes forest health and integrity.
						B. Waninger	Potential negative consequences to existing developed areas.
						J. Wood	Unintended consequence of limiting subdivision of forested parcels during intergenerational land transfer, or any land transfer.
						J. Wood	Unintended consequence of set number (1000') may promote loopholes. Should be site-specific.
1.18	Jamey Fidel VNRC	<i>Adjust triggers that prompt Rural Road Development rules to include jurisdiction over any development located on a class 4 road.</i>		P. Gill	Amendment jurisdiction should be considered for any in "Review of Jurisdictional Triggers".	Study Committee	Promotes forest health and integrity.
				C. Cochran	Need to study each potential change to understand impacts more thoroughly – applies to any in "Review of Jurisdictional Triggers".	S. Webster	May enhance value of existing camps.
						L. Leriche	May anger hunters.
1.19	Jamey Fidel VNRC	<i>Adjust triggers that prompt Location Relative to Habitat rules to include jurisdiction over development within an identified forest block or area of connectivity. This could be limited to expanding jurisdiction to just the highest ranking forest blocks or areas of connectivity. This could also include utilizing the various jurisdictional tools only in areas where ANR mapping indicates that there are forest blocks as defined by the Act. For example, in areas within or near forest blocks, Act 250 jurisdiction will be triggered by the building of roads over a certain size, extending utility lines or other infrastructure, developing a reduced number of residential lots, and commercial development on a small number of lots – more than ½ acre or acre – whether or not the municipality has subdivision and zoning bylaws.</i>		J. Fidel	This change suggests that Act 250 is triggered only when parcel is in a highest forest ranking block. This is suggested as a concept without the details – what are the parcels and who decides this? Other processes might identify most critical habitat. The details would need to be worked out, including identification of the priority forest blocks that would trigger jurisdiction likely utilizing the ANR maps that identify priority forest blocks.	Study Committee	Promotes forest health and integrity.
				S. Smith	This could be municipally driven, not state driven.	L. Leriche	Impact cannot be addressed without more detail.
1.20	Jamey Fidel VNRC	<i>Adjust triggers prompted by the Number of Lots/Units to reduce the jurisdictional trigger to 3/6 lots located outside of a designated center.</i>				Study Committee	Promotes forest health and integrity.

Act 171 Forest Integrity Study Committee Draft Summary of Potential Changes Presented on Oct. 18, 2016				Notes from November 18, 2016 Meeting and Follow-up Correspondence			
Table 1: Potential Changes to Act 250				Questions, Clarifications, and Potential Impacts to Changes to Act 250			
#	Contributor / Organization Name	Potential Change	Notes	Contributor	Clarifications, Questions	Contributor	Potential Impacts
1.21	Jamey Fidel VNRC	Repeal the Act 250 Utility Line Exemption . Go back to the historical standard of reviewing both the direct impacts of utility lines that are long enough to trigger Act 250 review, and the secondary impacts of utility line extensions (meaning the impacts of growth associated with the utility line). As part of the policy, ensure that landowners are co-applicants in the Act 250 process to share in the responsibility of reviewing the impacts of development that could result from utility line extensions.		J. Fidel	Utility lines in this context are associated with landowner development; that is, utility lines for individual homes.	Study Committee	Promotes forest health and integrity.
1.22	Agency of Natural Resources	Change Act 250 jurisdictional trigger for the subdivision of parcels situated in high ranking habitat blocks.				Study Committee	Regarding 1.22 - 1.24: Promotes forest health and integrity.
1.23	Agency of Natural Resources	Change Act 250 jurisdictional triggers based on the proposed depth of intrusion into high ranking blocks to encourage landowners to locate lots on the periphery of the block rather than the interior.				J. Wood	Direct disincentive to subdivide land.
1.24	Agency of Natural Resources	Consider other jurisdictional changes to Act 250 that enable the state to protect critical forest blocks					
Other potential changes				Other potential changes			
1.25	Bonnie Waninger VAPDA	Update Act 250 Definitions and Section 6086 to incorporate 2016 Chapter 117 changes to address undue impacts to forest blocks.				Study Committee	Promotes forest health and integrity.
						B. Waninger	Aligning definitions would provide clarity and consistency.
1.26	Lucy Leriche ACCD	Create a new committee of stakeholders to perform a complete review and modernization of existing jurisdictional thresholds and Act 250.		L. Leriche	This potential change examines where Act 250 and Chapter 117 intersect.	Study Committee	Promotes forest health and integrity.
1.27	Bonnie Waninger VAPDA	Strengthen ANR participation in Act 250 participation in support of forest integrity and habitat connectivity.		M. Snyder	VT F&W is highly involved; county foresters used to be involved.	Study Committee	Promotes forest health and integrity.
				B. Waninger	This potential change should be reviewed by foresters.		
1.28	Sam Lincoln Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting	Ensure that Forestry Operations continue to remain exempt from Act 250 oversight.		J. Wood	Change 'silviculture' to 'forestry operations' to align terms between Act 250 and Chapter 117.	Study Committee	Promotes forest health and integrity.
				J. Fidel	If the forestry operations definition expands the kinds of activities that are not currently exempt from Act 250, it would be important to understand whether certain types of impacts usually addressed under Act 250 would no longer be reviewed.		

Table 1: Potential Changes to Act 250

Questions, Clarifications, and Potential Impacts to Changes to Act 250

#	Contributor / Organization Name	Potential Change	Notes	Contributor	Clarifications, Questions	Contributor	Potential Impacts
1.29	Steve Webster for Put Blodgett	Remove Act 250 jurisdiction of forestry operations over 2500' and move jurisdiction to Vermont Department of Forests, Parks and Recreation.		S. Webster	Working with ANR would be a less formal and quicker process for small operations than working through Act 250 and the NRB.	P. Gill	Criteria right now that are evaluated under Act 250 may potentially not be evaluated by FPR.
						P. Gill	Removing them from Act 250 review may reduce the ability to evaluate impacts and/or have the landowner participate in review.
						P. Gill	Public process of Act 250 review may omitted.
1.30	Agency of Natural Resources	Develop services to assist forest product processing enterprises with the state and local permitting required to establish and expand their operations.		M. Snyder	Relax some forestry enterprises that support forest integrity.	Study Committee	Promotes forest health and integrity.
1.31	Agency of Natural Resources	Create expedited permitting processes or other changes to state and local land use permitting that enable forest product processing enterprises to locate and operate in rural locations that may not be appropriate for certain commercial activity, but are key for forest product enterprises given proximity to managed forest land.		M. Snyder	This potential change would promote forest integrity by working with forests and supporting the forest economy.	Study Committee	Promotes forest health and integrity.
				S. Smith	These concepts parallel many efforts in the Agency of Agriculture. The two agencies could benefit from collaboration.	B. Waninger	Creates inherent conflict with siting rules.
	D. Snelling	Help foresters' businesses grow where they need to but could be "pre-approval"; that is, these industries must still be exposed to appropriate review.					
1.32	Sam Lincoln Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting	VFPA recommends that Local land use planning and Act 250 and/or 248 offer conditional exemptions for small to moderate sized operations (firewood processors, chipping and screening operations for fuelwood chips, pellet mills, sawmills, community scale cogeneration plants for district power and heating, etc.) that purchase, process and otherwise utilize raw forest products. Reasonable limits to noise levels, dust and truck traffic could be established that exempt businesses from Act 250/248 review.				J. Fidel	While this could be positive for promoting forest products and energy projects/activities, this would reduce the ability to evaluate criteria covered under Act 250, and would eliminate review or participation from neighbors or affected individuals.
1.33	Vermont Woodlands Association	Do not make incremental changes to Act 250.	Changes to Act 250 could undermine criterion 9(L) that directs new development to settled areas and reduces development in greenfields and forested areas.			M. Snyder	Regarding 1.29 - 1.31: This may miss an opportunity to make easy and helpful change.
1.34	Lucy Leriche ACCD	Do not make incremental changes to criterion 9(C).		L. Leriche	This could be folded into 1.26 (above).		

Table 1: Potential Changes to Act 250

Questions, Clarifications, and Potential Impacts to Changes to Act 250

#	Contributor / Organization Name	Potential Change	Notes	Contributor	Clarifications, Questions	Contributor	Potential Impacts
1.35	Karen Horn <i>Vermont League of Cities & Towns</i>	Do not make adjustments to Act 250.	Towns are already challenged, both financially and logistically, to meet obligations presented by legislation passed in the last biennium, specifically Acts 64, 171 and 174. Give cities and towns time to address significant changes to the planning statutes made in the 2015-2016 biennium.				

Act 171 Forest Integrity Study Committee Draft Summary of Potential Changes Presented on Oct. 18, 2016			Notes from November 18, 2016 Meeting			
Table 2: Potential Changes to Chapter 117			Questions, Clarifications, and Potential Impacts			
#	Contributor / Organization Name	Potential Change	Contributor	Clarifications, Questions	Contributor	Potential Impacts
Alter zoning			Alter zoning			
2.1	Jamey Fidel VVRC	Change 24 V.S.A. § 4414. Zoning; permissible types of regulations (1) (B) Agricultural, rural residential, forest, and recreational districts. (ii). Forest districts, permitting commercial forestry <u>forestry operations, management for maintenance of forest blocks</u> , and related uses and prohibiting all other land development	J. Wood	Clarify definitions of 'forest block'.	Study Committee	Promotes forest health and integrity.
			S. Webster	What is the goal of "forest management" in this language? Landowners are already allowed to managed their forest – why do landowners need a permit to do something that they can already do?	S. Webster	Someone interpreting the law may interpret this to do more than is within their jurisdiction.
			J. Fidel	Here, "permitting" does not refer to the requirement for a permit. It encourages planning that promotes forest integrity.	J. Wood	This could be an additional mandate on town planning.
2.2	Jamey Fidel VVRC	Change 24 V.S.A. § 4414. Zoning; permissible types of regulations (2). Overlay districts. Special districts may be created to supplement or modify the zoning requirements otherwise applicable in underlying districts in order to provide supplementary provisions for areas such as shorelands and floodplains, aquifer and source protection areas, ridgelines, <u>forest blocks, wildlife habitat and habitat connectivity</u> , and scenic features, highway intersection, bypass, and interchange areas, or other features described in section 4411 of this title.	J. Wood	Clarify definitions of 'forest block', 'wildlife habitat' and 'habitat connectivity'.	Study Committee	Promotes forest health and integrity.
			J. Fidel	Note that some terms have no set definitions (e.g. "ridgelines").	J. Fidel	Raise intention and awareness at local level to give some of these features attention.
					L. Leriche	Could further restrict landowners use if their land falls within an 'overlay district'.
2.3	Jamey Fidel VVRC	Change 24 V.S.A. Section 4414. Zoning; permissible types of regulations. (3) Conditional uses. (B) <u>(v) Criteria related to the protection of natural resources including air and water quality, wildlife, forests, agricultural soils, or other natural resource features.</u>	J. Fidel	These are characteristics that may be supplemented to conditional uses	Study Committee	Promotes forest health and integrity.
			G. Zakov	This change may already be included under (5).	J. Wood	Seems broad and far-reaching. Could have impacts on the value of their property.
			J. Fidel	Including it as (6) would emphasize more natural resources review.	J. Nelson	No impact - it just raises awareness. But, towns could then "put the hammer down".
2.4	Lucy Leriche ACCD	Encourage towns to use their authority in 19 V.S.A. § 304 (a)(21) to limit the impacts of development on large forest blocks and habitat corridors.	M. Snyder	Is there a way to encourage this? Who should encourage, and how?	Study Committee	Promotes forest health and integrity.
			G. Campoli	Should towns include this in consideration for town planning re: access, water quality, drainage?	D. Snelling	Positive review.
					C. Cochran	Towns have right to review an existing curb cut. This suggestion encourages town to use that right to review
			J. Wood	Should it say "permit" or "require"?	Study Committee	Promotes forest health and integrity.

Act 171 Forest Integrity Study Committee Draft Summary of Potential Changes Presented on Oct. 18, 2016			Notes from November 18, 2016 Meeting			
Table 2: Potential Changes to Chapter 117			Questions, Clarifications, and Potential Impacts			
#	Contributor / Organization Name	Potential Change	Contributor	Clarifications, Questions	Contributor	Potential Impacts
2.5	Agency of Natural Resources	Permit or require municipalities to adopt bylaws to address forest blocks and connectivity under 24 VSA § 4412 and/or 4414.	B. Coster	These could be divided into two recommendations. So, let's address 'permit' – this is the same as 2.1.	G. Zakov	This would be too burdensome on towns – there is a lot to address and would be a huge departure from what Ch. 117 address (regarding access to housing). This may also be conflicting with the intent of Chapter 117.
			B. Waninger	If supported, this language should be included in 24 VSA § 4412, not 4414.	J. Wood	Could conflict with other protection for use, for example, uses/protection of a riparian buffer. It would be a burden for landowners to fight this on an 'ad-hoc' basis.
2.6	Agency of Natural Resources	Add density waivers enabled under 24 VSA § 4414(1)8 to encourage higher density away from high-productivity forests	J. Wood	Evaluation of this change is pending definitions.	Study Committee	Promotes forest health and integrity.
			L. Leriche	Municipalities can already do this Planned Unit Developments (PUDs). Clarify how this is different from PUDs.	J. Wood	May have benefits to forestland owners
2.7	Agency of Natural Resources	Institute maximum setbacks that would constrain development to edges of forest blocks	B. Coster	Already have minimum setbacks	Study Committee	Promotes forest health and integrity.
					L. Leriche	When added to other restrictions, land use planners may have no options left for placement of infrastructure.
2.8	Agency of Natural Resources	Encourage greater use of Forest District designations in local zoning.			Study Committee	Promotes forest health and integrity.
					G. Zakov	Hard to find distinct impact out of this broad language.
					D. Snelling	This could be part of a guide to promote recommendations.
B. Waninger	This language does less to nuance to forest land use and more to restrict forest use.					
2.9	Agency of Natural Resources	Amend local zoning bylaws to include clustering provisions (either mandatory or encouraged by meaningful incentives) to minimize the parcelization of large forest parcels	B. Coster	This could "encourage" towns to include clustering provisions in bylaws. It is similar to recommendation 2.6 that requires certain densities.	Study Committee	Promotes forest health and integrity.
2.10	Agency of Natural Resources	Utilize fixed-area based zoning or comparable provisions that foster the creation of small building lots and low overall development densities in designated zoning districts	B. Coster	Already incorporated in above. Note: ANR may withdraw.	Study Committee	Promotes forest health and integrity.
2.11	Joe Nelson, VWLEB	Encourage towns to establish zoning districts where forest industry is encouraged, and where zoning bylaws encourage establishment of forest industry through less restrictive standards, including those for aesthetics, noise, and traffic.				
Create jurisdictional triggers			Create jurisdictional triggers			
					Study Committee	Promotes forest health and integrity.

Act 171 Forest Integrity Study Committee Draft Summary of Potential Changes Presented on Oct. 18, 2016			Notes from November 18, 2016 Meeting			
Table 2: Potential Changes to Chapter 117			Questions, Clarifications, and Potential Impacts			
#	Contributor / Organization Name	Potential Change	Contributor	Clarifications, Questions	Contributor	Potential Impacts
2.12	Bonnie Waninger VAPDA	Encourage use of triggers, such as land use changes, to manage forest block impacts.			J. Wood	Mandating that land must be kept as forestland could have a "chilling effect" on land investors wanting a "full suite of options" for their investment.
Clarify terms and provide definitions			Clarify terms and provide definitions			
2.13	Lucy Leriche ACCD	Clarify the term "recreational trail" within the context of Section 15 24 V.S.A. § 4303: Definition (37). As written, the definition of "recreation trails" as "not paved" could have unintended consequences without an ADA exception or additional explanation on what is meant by "non paved" with regard to universally accessible trails.	L. Leriche	Already addressed in Forest Roundtable minutes.	Study Committee	Promotes forest health and integrity.
2.14	Agency of Natural Resources	Define forest blocks and landscape and habitat connectivity in 24 VSA § 4303.	M. Snyder	Definitions are ready for ANR leadership review. Leadership will review next week for signing memo and will be shared it with Study Committee for input.	Study Committee	Promotes forest health and integrity.
			A. Sheldon	Group could revisit some of legislature's previous discussions.		
Other potential changes to Chapter 117			Other potential changes to Chapter 117			
2.15	Jamey Fidel VNRC	Change 24 V.S.A. Section 4418. Subdivision bylaws. (D) Standards for the protection of natural resources, including forest blocks, agricultural lands, air and water quality, wildlife habitat, and cultural features and the preservation of open space, as appropriate in the municipality.	G. Zakov	"Must" or "may"?	Study Committee	Promotes forest health and integrity.
			J. Fidel	Could use "including" or "such as" to reduce burden of showing all impacts.	J. Wood	Problematic if subdevelopment always means fragmentation. This may take away options for thoughtful forestland investors.
			C. Cochran	The change should be enabling.	G. Zakov	4418 (2) This is under "shall" but should be under "may". This would be a "heavy lift" for towns. A better area for this may be the "may". If it is in the "shall, it establishes an increased burden on the applicant and towns.
2.16	Bonnie Waninger VAPDA	Update Chapter 117 to incorporate 2016 legislative changes and create consistency between statutory language related to plans, subdivision regulations, and zoning regulations. Specifically, enable criteria related to forest integrity and other natural resources in both zoning and subdivision that would strengthen a municipality's position if these factors were challenged.			Study Committee	Promotes forest health and integrity.
2.17	Karen Horn Vermont League of Cities & Towns	Make no adjustments to local planning statutes, Title 24 Chapter 117.		Changes add burden to towns. Towns are already challenged, both financially and logistically, to meet obligations presented by legislation passed in the last biennium, specifically Acts 64, 171 and 174. Give cities and towns time to address significant changes to the planning statutes made in the 2015-2016 biennium.	M. Snyder	No changes miss an opportunity to help towns do it better.
			G. Zakov		B. Waninger	Lost forest integrity.

Act 171 Forest Integrity Study Committee Draft Summary of Potential Changes Presented on Oct. 18, 2016			Notes from November 18, 2016 Meeting			
Table 2: Potential Changes to Chapter 117			Questions, Clarifications, and Potential Impacts			
#	Contributor / Organization Name	Potential Change	Contributor	Clarifications, Questions	Contributor	Potential Impacts
2.18	Lucy Leriche ACCD	Fund the development of model standards for new roads and driveways to minimize resource fragmentation and related impacts. Design standards should emphasize grades, stormwater controls that keep water and sediment from flowing directly into streams, and adequately sized bridges and culverts to ensure emergency vehicle access.				

Act 171 Forest Integrity Study Committee
Draft Summary of Potential Changes Presented on Oct. 18, 2016

Table 3: Other Potential Land Use and Policy Changes

Contributor / Organization Name	#	Type	Potential Change	Notes
Municipal Assistance and Zoning				
Lucy Leriche ACCD	3.1	Municipal assistance	Improve local and regional capacity to support town plan implementation	Help towns and regions use ANR's Atlas and BioFinder
Moved to Potential Changes to Chapter 117: 2.18	x	Roads	Regarding driveways and curb cuts. See 2.18: Chapter 117 potential changes.	
<i>Agency of Natural Resources</i>	3.3	Section 248	Ask the regulatory reform task force described above to consider changes to Section 248 so that applicants would address impacts to forest integrity in the certificate of public good process	
Bonnie Waninger VAPDA	3.4	Municipal assistance	Enable towns and citizens to know how they can better reach the goal of forest health and integrity. The challenge for addressing the issues lies in public and organizational education and engagement, and in modernizing and using regulatory and non-regulatory tools.	
Review Licensing, Regulation, Workers Compensation and Sales Tax in the Forest Economy				
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.5	Forester Licensing and Other Regulation	Clarify whether or under what conditions a logger can acquire and harvest a job without a licensed forester involved.	
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.6	Forester Licensing and Other Regulation	Address the number of foresters on the ground and available to evaluate and prepare jobs.	
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.7	Forester Licensing and Other Regulation	Streamline management plan approvals and amendments to minimize turnaround time and assist loggers responding to market changes.	Prioritize approving changes that will put a harvesting operation back to work.
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.8	Forester Licensing and Other Regulation	Reduce chip harvest notification to a two day turnaround.	
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.9	Uniformity in Truck Weight Limits	Create uniform weight regulations for trucks in light of increased delivery to neighboring states.	
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.10	Workers Compensation Insurance	Differentiate in premium rates between certified loggers and non-certified loggers.	

Act 171 Forest Integrity Study Committee
Draft Summary of Potential Changes Presented on Oct. 18, 2016

Table 3: Other Potential Land Use and Policy Changes

Contributor / Organization Name	#	Type	Potential Change	Notes
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.11	Workers Compensation Insurance	Removed from report on January 20, 2017.	
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.12	Workers Compensation Insurance	Provide state-led assistance to develop a self-insured trust or to recognize the various certifications obtained by safety-oriented loggers and truckers to lower their rates.	
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.13	Workers Compensation Insurance	Create a policy that gives loggers the ability to pay workers compensation premiums in a manner similar to payroll tax, as used, on a bi-weekly or quarterly basis	
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.14	Sales Tax Policy	Clarify sales tax policy on forestry equipment, including tracked forestry equipment and rubber tire equipment, in order to encourage investments.	
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.15	Sales Tax Policy	Make forestry equipment, parts and supplies exempt from sales tax as is done in the agriculture industry and in other Northeastern states.	
Support Outreach and Education on Forest Values and Benefits				
<i>Agency of Natural Resources</i>	3.16	Education and Outreach	Expand the role of county foresters to support forest integrity.	
<i>Agency of Natural Resources</i>	3.17	Education and Outreach	Expand the services of the Vermont Farm and Forest Viability Program (VFFVP) to reach a wider network of landowners and forest products sectors, increase implementation grants, increase financing to help businesses put plans and system upgrades into practice.	
<i>Agency of Natural Resources</i>	3.18	Education and Outreach	Promote forest integrity by offering technical assistance from the Vermont Working Lands Enterprise Board (WLEB) to targeted forestland that have the highest impact on regional integrity.	
<i>Agency of Natural Resources</i>	3.19	Education and Outreach	Further support the Staying Connective Initiative.	
<i>Agency of Natural Resources</i>	3.2	Education and Outreach	Continue to support mapping tools that help professionals plan for growth, conservation, and resource protection; continue funding of state-wide LiDAR coverage,	
Invest in Strategic Forestland Conservation				
			Enhance forestland conservation by targeting parcels that:	

Act 171 Forest Integrity Study Committee
Draft Summary of Potential Changes Presented on Oct. 18, 2016

Table 3: Other Potential Land Use and Policy Changes

Contributor / Organization Name	#	Type	Potential Change	Notes
<i>Agency of Natural Resources</i>	3.21	Conservation	<ul style="list-style-type: none"> - are located within or adjacent to existing blocks of conserved forestland - rank high in the Department of Fish and Wildlife Habitat Block Assessment - provide important climate adaptation and regional connectivity functions - have long term contracts to provide sustainably harvested wood projects or fuel for in-state processing and consumption. - provide a high level of ecosystem services or conservation values 	
<i>Agency of Natural Resources</i>	3.22	Conservation	Enhance forestland conservation strategy that facilitates the intergenerational transfer of large forestland blocks without parcelization.	
<i>Agency of Natural Resources</i>	3.33	Conservation	Enhance forestland conservation strategy that shifts large tracts of forestland into alternative ownership models, such as cooperatives, that prevent further fragmentation.	
<i>Agency of Natural Resources</i>	3.34	Conservation	Expand land trust services (purchase of development rights to help farmers pass on large tracts of land, guidance on estate and tax planning around land transfers) to focus on conservation investments that facilitate the intergenerational transfers of large forestland blocks.	
Increase Landowner Incentives to Keep Intact Forests				
Joe Nelson VWLEB	3.34	Landowner Incentives	Consider reducing or eliminating Transfer Tax when adjoining parcels are combined into one ownership.	
<i>Agency of Natural Resources</i>	3.35	Landowner Incentives	Maintain the Use Value Appraisal program to keep annual property tax affordable.	
<i>Agency of Natural Resources</i>	3.36	Landowner Incentives	Revise the Use Value Appraisal Program to allow enrollment of large forested parcels for values other than timber management, expanding the provision that allows enrollment of land that provides unique ecological services.	
<i>Agency of Natural Resources</i>	3.37	Landowner Incentives	Revise the Use Value Appraisal program to increase the benefit levels for parcels that comprise high ranking forest blocks according to the Department of Fish & Wildlife Habitat Block Assessment.	
<i>Agency of Natural Resources</i>	3.38	Landowner Incentives	Revise the Use Value Appraisal Program to establish tiers of commitment, where tax benefits would increase the longer a landowner commits to keep a parcel in the program; award highest benefits to parcels under conservation easement.	
Joe Nelson VWLEB	3.39	Landowner Incentives	Reduce the per acre Forestland value on larger forested parcels enrolled in the program. Consider a sliding scale, such that as parcel size increases, the per acre value decreases.	This would decrease the property tax burden on larger parcels, and encourage larger land ownerships.
<i>Agency of Natural Resources</i>	3.4	Landowner Incentives	Lessen the impact of estate taxes or provide enhances estate planning for forestland owners.	

Act 171 Forest Integrity Study Committee
Draft Summary of Potential Changes Presented on Oct. 18, 2016

Table 3: Other Potential Land Use and Policy Changes

Contributor / Organization Name	#	Type	Potential Change	Notes
<i>Agency of Natural Resources</i>	3.41	Landowner Incentives	Monetize ecological services that forestland provides; socialize the cost of these services and provide modest income or additional tax benefits to forestland owners.	
Promote Sustainable Forestry and the Vermont Forest Economy				
<i>Sam Lincoln Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.42	Promote Sustainable Forestry and the Vermont Forest Economy	Assist Forest Product Industry to market low-grade timber and encourage economic viability of low-grade timber harvests.	The entire chain of the forest product industry, beginning with forestland ownership, is affected by the lost marketability of low-grade timber.
<i>Sam Lincoln Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.43	State Agency Operation	Prioritize efforts of all related departments with interaction or oversight of the Forest Products industry to assist the largest volume consumers of low grade timber, existing or proposed, until at least 75% of the tonnage harvested in Vermont that has lost a market in the past 12 months, has been recovered.	
<i>Agency of Natural Resources</i>	3.44	Promote Sustainable Forestry and the Vermont Forest Economy	Support and improve training for loggers.	See section 3.4.a in Recommendations in support of Forest Health and Integrity in response to Act 61 of 2015
<i>Agency of Natural Resources</i>	3.45	Promote Sustainable Forestry and the Vermont Forest Economy	Promote and improve infrastructure that supports the local wood industry.	See section 3.4.b in Recommendations in support of Forest Health and Integrity in response to Act 61 of 2015
<i>Agency of Natural Resources</i>	3.46	Promote Sustainable Forestry and the Vermont Forest Economy	Expand modern wood heating in Vermont.	See section 3.4.c in Recommendations in support of Forest Health and Integrity in response to Act 61 of 2015
<i>Sam Lincoln Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.47	Energy and Development Policy	Ensuring that the Ryegate Power Station and Burlington Electric Department remain viable.	
<i>Sam Lincoln Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.48	Energy and Development Policy	Ensuring that information is included in all future energy discussions regarding the need to market low grade timber to fulfill UVA management plans and the economic impact of low grade timber harvesting.	
<i>Sam Lincoln Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.49	Energy and Development Policy	Ensure that state policy encourages development of low grade timber harvests.	

Act 171 Forest Integrity Study Committee
Draft Summary of Potential Changes Presented on Oct. 18, 2016

Table 3: Other Potential Land Use and Policy Changes

Contributor / Organization Name	#	Type	Potential Change	Notes
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.50	Energy and Development Policy	Through policy changes, encourage the construction and location of biomass and processing and consuming facilities where the combined heat and/or power produced can be marketed and utilized.	Industrial parks and industrial zoned areas are ideal settings.
Sam Lincoln <i>Lincoln AgriSource, LLC and Lincoln Farm Timber Harvesting</i>	3.51	Energy and Development Policy	Use procurement standards for biomass facilities, such as the SFI Forest Management and Fiber Sourcing Standard and Vermont’s Acceptable Management Practices. Random audits by facility or independent foresters would review harvesting conditions to ensure they are meeting the standards.	
<i>Agency of Natural Resources</i>	3.52	Promote Sustainable Forestry and the Vermont Forest Economy	Expand markets for Vermont wood products.	See section 3.4.d in Recommendations in support of Forest Health and Integrity in response to Act 61 of 2015
<i>Agency of Natural Resources</i>	3.53	Promote Sustainable Forestry and the Vermont Forest Economy	Recognize and promote the value of forests in outdoor recreation and tourism.	See section 3.4.e in Recommendations in support of Forest Health and Integrity in response to Act 61 of 2015

IV. EVALUATION OF DEFINITIONS ADDED TO 24 V.S.A. § 4303 BY ACT 171

The fifth and final charge to the study committee was a review of the definitions added by Section 15 of this act to 24 V.S.A. § 4303 and the amendments made by Section 16 and 17 of this act to 24 V.S.A. § 4348a and § 4382, a recommendation on whether to make revisions to these provisions and the reasons for the recommendation and, if the recommendation is affirmative, the revisions that the Committee suggests be made. The study committee did not reach a consensus on potential revisions and no recommendations are included at this point.

V. THE BACKGROUND OF ACT 171 OF 2016

Authority and Scope

In 2016, the Vermont General Assembly passed and Governor Shumlin signed into law Act 171 (H.857) with multiple provisions related to forests and forestry, including: expanded findings on the importance of forests and forestry as stated policy of the state, a definition of forestry operations exempted from municipal regulation, a license charge for the use of State lands for maple production, the creation of the Forestland Intergenerational Transfer Study Committee, conformity between the environmental enforcement authority of the Department of Forests, Parks and Recreation with that of the Agency of Natural Resources, recommendation of a harvest notification program for the state, compensation for fire wardens, reimbursement for costs of fire suppression, permits from town forest fire wardens for certain open burning of natural wood, clarifications on the release of liens by the Department of Taxes for property enrolled in the Use Value Appraisal program, and the exemption of land use change tax on land acquired by the Agency of Natural Resources and Green Mountain National Forest.

The Act also included amendment of municipal and regional planning goals to encourage management of forestlands to maintain and improve forest blocks and habitat connectors and, identification of forest blocks and habitat connectors in regional and municipal plans.

Further, it more specifically required “creation of a Study Committee on Land Use Regulation and Forest Integrity to study potential revisions to 10 V.S.A. chapter 151 (Act 250) and to 24 V.S.A. chapter 117, subchapter 7 (bylaws) to protect contiguous areas of forestland from fragmentation and promote habitat connectivity between forestlands.

The Study Committee was composed of the following membership:

- (1) the Commissioner of Forests, Parks and Recreation or designee;
- (2) the Commissioner of Housing and Community Development or designee;
- (3) the Chair of the Natural Resources Board or designee;
- (4) a current officer of a municipality, appointed by the Vermont League of Cities and Towns;

- (5) a representative of the Vermont Association of Planning and Development Agencies, appointed by that Association;
- (6) a representative of the Vermont Natural Resources Council, appointed by that Council, to represent the Council and to provide input from the Vermont Forest Roundtable;
- (7) a representative of the Vermont Working Lands Enterprise Board established under 6 V.S.A. § 4606, appointed by that Board;
- (8) a representative of the Vermont Forest Products Association, appointed by that Association; and
- (9) a representative of the Vermont Woodlands Association, appointed by that Association.”

Legislative Charge

Section 18 of Act 171 (H.857) of 2015 (Adj. Sess.) directed the Study Committee to respond to the following charge on or before January 1, 2017.

Sec. 18. STUDY AND REPORT; LAND USE REGULATION; FOREST INTEGRITY

(c) Powers and duties. The Committee shall study potential revisions to Act 250 and 24 V.S.A. chapter 117, subchapter 7 (bylaws) to protect contiguous areas of forestland from fragmentation and promote habitat connectivity between forestlands. This study shall include the following:

- (1) a review of the relevant provisions of Act 250 and 24 V.S.A. chapter 117 as they exist on passage of this act;
- (2) a development and review of options to revise Act 250 and the bylaw provisions of chapter 117 to protect forestland from fragmentation and promote habitat connectivity;
- (3) an evaluation of the impact of those options on land use;
- (4) a recommendation on whether to make such revisions and the reason for the recommendation and, if the recommendation is affirmative, the revisions that the Committee suggests be made; and
- (5) a review of the definitions added by Sec. 15 of this act to 24 V.S.A. § 4303 and the amendments made by Secs. 16 and 17 of this act to 24 V.S.A. § 4348a and § 4382, a recommendation on whether to make revisions to these provisions and the reasons for the recommendation and, if the recommendation is affirmative, the revisions that the Committee suggests be made.

The following sections of this report outline the response of this study committee to this specific legislative charge.

Process

The Act 171 Forest Integrity Study Committee held its first meeting on August 18, 2016 at the Agency of Natural Resources offices in Montpelier. Study Committee membership included the mandated representatives from organizations outlined in Section 18 (b) of Act 171.

The Study Committee unanimously elected Michael Snyder, Commissioner of the Department of Forests, Parks and Recreation, as the committee's chair. As specified in Section 18 of Act 171, a majority of the membership in attendance constituted a quorum. Designees for absent members were allowed and encouraged, with written notice to the Chair.

Additional meetings were held on September 13, October 18, November 18 and December 13, 2016 at the Agency of Natural Resources offices in Montpelier. All meeting materials, including public comment and working documents, were updated and made publicly available at <http://fpr.vermont.gov/forest/act-171-study-committee>.

The following meetings included presentations from State staff involved in land use planning and forest health studies:

August 18, 2016: ANR Analysis & Understanding of Vermont Forests

John Austin, Lands and Habitat Program Manager, Vermont Department of Fish & Wildlife
Eric Sorenson, Natural Communities Ecologist, Vermont Department of Fish & Wildlife
Kim Royar, Special Assistant to the Fish & Wildlife Commissioner

August 18, 2016: Primer on Act 250 and Forest Land Use

Peter Gill, Associate General Counsel, Natural Resources Board

August 18, 2016: Primer on Municipal Regulation and Forest Land Use

John Adams, Planning and Policy Manager, Agency of Commerce & Community Development

October 18, 2016: A Primer on Staying Connected and the Governors and Premiers' Resolution on Ecological Connectivity, Adaptation to Climate Change, and Biodiversity Conservation

John Austin, Lands and Habitat Program Manager, Vermont Department of Fish & Wildlife

October 18, 2016: Case Studies on Forest Fragmentation

Eric Sorenson, Natural Communities Ecologist, Vermont Department of Fish & Wildlife

Study committee members submitted potential changes to forestland use planning and regulation in Vermont via email between the October 18th and November 18th meetings. These potential changes were then compiled and grouped by their relevance to Act 250, Chapter 117, or other changes to municipal assistance for land use planning, education and outreach tools, forestry, conservation initiatives, landowner incentives, and the Vermont forest economy.

All potential changes considered by the study committee, related clarifications, and potential impacts regarding Act 250 are captured in Table 1; potential changes to Chapter 117 are captured in Table 2. All other potential changes and public comment are presented in Appendix A. At the November 18th meeting, study committee members reviewed the complete list of potential changes to Act 250 and Chapter 117 and provided any needed clarification to potential changes. Members and interested parties in attendance reviewed the impacts of each potential change. All clarifications, questions and potential impacts are also included in Tables 1 and 2.

At the December 13th meeting, study committee members put forward recommendations for consideration by the committee for inclusion in its final report. Members voted on support of the recommendation, either as worded or pending approval after re-drafting. Votes are recorded in the December 13, 2016 meeting minutes in Appendix B. The draft report, including draft recommendations, was circulated to the study committee on December 21, 2016 for review and comment. The study committee chair compiled and incorporated committee input, revised the report, and sent the draft to each committee member on December 21, 2016 for vote of approval by email.

Ultimately, the short time frame and diversity of perspectives prevented the Study Committee from reaching a consensus on its recommendations to the legislature. In order to reflect the progress of the study committee's work, the report was re-drafted to include position statements by contributing members of the study committee, now comprising Section II.

APPENDIX A:

PUBLIC COMMENT AND INPUT FROM THE VERMONT FOREST ROUNDTABLE

- Sept. 23, 2016 letter from Peter Gregory: Two Rivers – Ottauquechee Regional Commission
- Nov. 29, 2016 input from the Forest Roundtable
- Dec. 9, 2016 letter from Stephanie Smith, Agency of Agriculture, Food and Markets

September 23, 2016

Michael C. Snyder, Commissioner

Vermont Department of Forest, Parks and Recreation
1 National Life Drive, Davis 2
Montpelier, VT 05620-3801

Dear Commissioner:

Thank you for asking Vermont's regional planning commissions for comments on ways to avoid future forest fragmentation and parcelization. We had hoped to be part of a joint letter, but are sending these comments ahead as we are not sure if a joint letter is forthcoming.

In the land use planning and regulatory world, we see three primary areas of concern:

- Construction or upgrading of infrastructure into forest blocks – primarily roads and power lines;
- Development in more sensitive areas of forest blocks – interiors, wetlands, feeding and sheltering areas; and
- Parcelization through subdivision.

Regarding roads, towns have little ability to restrict the *private upgrading* of a Class IV road. This is done when someone buys a camp, or even a vacant lot, and then decides to put in a new home and they want a nice drive and are willing to foot the bill. This leads to greater impacts in the forest block as well as future development pressure and arguments for the eventual upgrading to a Class III road. Towns could reduce this risk, and keep the recreational access afforded by the Class IV road, by reclassifying it as a trail and reducing the right of way to 20 feet. This option needs to be better explained to towns.

Each of the above areas of concern could be addressed in local zoning and/or subdivision bylaws, increasing regulatory scrutiny. For towns with zoning, most do not regulate the construction of private roads or driveways as 'structures', but they *could*, since they often define a structure as "an assemblage of materials". This power could be *enhanced* by clearer enabling through the addition of a new 24 VSA subsection to 4411(a), "(6) private roads and driveways."

Forest zoning districts are clearly enabled under 44141(B)ii, but many towns do not have large contiguous areas where forming such a district makes sense. Rather, there are large parcels here and there in rural districts that would benefit from special provisions, but that is difficult to do on a parcel basis since zoning applies equally throughout a district. However, there is a provision in 24 VSA section 4411(b)3 that does allow for special site-based considerations, and adding a new subsection, "(l) large forest tracts" would more clearly enable the creation of a special protective standard that could apply on a parcel by parcel basis. This does not mandate such, but gives towns the opportunity.

Zoning also deals with lots once they are created, and typically the only locational requirement then is that development not occur within minimum front, side, and rear setbacks. Towns are enabled and could be encouraged to also look at *maximum* setbacks in order to keep development that does occur on a large block near the edge.

128 King Farm Rd.
Woodstock, VT 05091
802-457-3188
trorc.org

For towns with zoning and no subdivision bylaws (which is common), the attempt to limit development in undeveloped areas clumsily plays out

William B. Emmons, III, Chair
Peter G. Gregory, AICP, Executive Director

through adoption of large lot size requirements, often 10 acres. This of course results in lots too small for forestry or the Current Use program. Here, it would be of benefit to retain forests if towns were to adopt in their bylaws a density waiver enabled under 24 VSA section 4414(1)8. This can keep the *density* of development light, but allow for lots as small as an acre. So instead of a 40-acre lot becoming four 10-acre lots, the owner could create four one-acre lots for sale along the edge and also a 36-acre lot where development is precluded. This is perhaps the single easiest and most effective step towns could take right now.

Similarly, for towns with subdivision bylaws, they could adopt a standard that allows or even *requires* minimizing forest fragmentation through such use of density waivers as well as placement of lot lines, roads and utilities. We have a few model provisions that do this that we offer to towns, and such provisions could be more widely disseminated. The effect of such provisions is similar to the Planned Unit Development provisions enabled in 24 VSA 4417, but is much easier to administer.

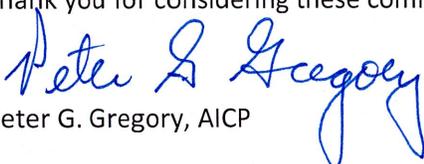
Finally, transfer of development rights, which are enabled under 24 VSA 4423, can be a very useful local mechanism to channel development away from some areas while giving the owners of the undeveloped areas some financial gain, but this appears to be a complex mechanism that most towns are not familiar with or up for administering, and it requires a conservation easement. Much of the benefit of such a mechanism can be achieved by simply expanding the density waiver mentioned above across parcel lines to adjacent parcels or even distant parcels. It would be beneficial if such a model provision was developed.

Outside of the regulatory arena, these three areas of concern could also be addressed in policies in local plans and regional plans, which, if specific enough, would have weight in projects that trigger Act 250. Directive language in local plans is also the foundational step for any regulations. Both plans must also be considered during Section 248 proceedings for energy projects, but their effect there is currently relatively weak.

Besides potential statutory changes in the 248 process, we believe that local and regional plans have sufficient enabling in 24 VSA (sections 4302(c)1, 5, 6 and 9; sections 4348a(a)1, 2 and 6; sections 4382(a)2 and 5) for towns and regional planning commissions to adopt policies that would help to preserve forest tracts. Actually writing and adopting those policies is another matter. The usual best first step along that path is to develop model plan language that towns and regions can consider, as well as educational materials as to why they should consider these things. For example, while it may be obvious that keeping large blocks of forest is good for habitat, and also creates the potential for harvesting timber, it may not be so obvious that these blocks are carbon sinks, filtration and storage for groundwater supplies, recreational areas, and a draw for tourists. One task that regional planning commissions could do is develop and/or disseminate such model plan language.

We believe that Act 250 criteria found in 10 VSA section 6086(a)8A, 9C, 9L, and 10 are sufficiently broad to enable greater protection of forest tracts from incursion than has historically been the case, but this largely depends upon stronger plan language, as well as more ANR involvement in pushing the envelope inside of the existing language.

Thank you for considering these comments.



Peter G. Gregory, AICP

Executive Director

Forest Roundtable Input on Act 171 - November 3, 2016
Working Group on Land Use Regulation and Forest Integrity

Greg Boulbol of the Natural Resources Board gave an overview of Act 250 and Criterion 9C.

Steve Sinclair (Dept. of Forests, Parks and Recreation): What is used to define productive forest soils? Is it based on NRCD definition?

Michael Snyder: Not defined or used.

Greg Boulbol: 9C has not been used a lot in Act 250's 50-year history.

Jamey Fidel gave overview of the Forest Roundtable recommendations on land use planning and research to date (these have already been shared with the Working Group). Jamey also gave an overview of the charge of Act 171 working group on land use regulation and forest integrity.

Input from Forest Roundtable:

Updates from Working Group Members:

Karen Horn: Highlighted charges to towns based on recent legislation (energy, water, forest, with no additional funding to address these changes) – opposed to more charges, give time for implementation and take a breath.

Sam Lincoln: My business relies on having intact forest blocks, but at the same time we are talking about ways to address fragmentation versus addressing root causes of fragmentation like ownership costs, markets for forest products, etc.

Greg Boulbol – The Natural Resources Board sees an opportunity to modernize Criterion 9C to address forest blocks. 9C hasn't been utilized. The Board is open to updating.

Michael Snyder gave the overview that planning for fragmentation as required under Act 171 doesn't consider silviculture or recreational trails to be a fragmenting feature. Also, this can be an opportunity to help profitability of forest industry – deregulation for example.

Michael also gave an update on the requirements of the Governor's signing statement: Will require a rule or procedure to define areas, etc. as a tool for towns. Requires a model bylaw for towns that want to do something and guidance for the ACCD planning manual.

Input from Forest Roundtable Participants:

Cliff Allard (Allard Lumber): In regards to Act 250, fees and fines should go into general fund, versus putting pressure on Act 250 to generate funds for operation. Need to standardize or better educate coordinators to provide equal treatment from each district. Need to look at who gets party status – people out of state? If the permitting process was as fast as enforcement, we would get a lot more done. Act 250 is a frustrating and expensive

process. Not sure he could build his operation (Allard Lumber) from scratch right now. We need an Act 250 liaison to help with the permitting process. We have done development through Act 250 that has turned out okay. Gravel pits need attention.

Greg Boulbol (NRB): Act 250 penalties go into the general fund, and permitting fees go to the administration of the program. We are working on gravel pits.

Jen Hollar (VHCB): The recently added Criterion 9L protects forests by focusing development along existing settlement patterns and was controversial. What can we learn from its rollout? Is it the experience of the Natural Resources Board and communities that it is working well? If so, it should be retained. At the same time, there is a lot of concern about the need for more housing. Another study committee is focusing on how to facilitate its development. Consider together? Balance making it easier to develop where appropriate while making sure full consideration is given to development impacts on forests in rural areas?

Jon Binhammer (TNC): We should look at the aggregation of land.

Steve Hardy (Forester): I am seeing aggregation among landowners who own agricultural lands and among my forestry clients.

Lynn Levine (Forester): My town tried to remove any reference to wildlife corridors from the town plan, but the Act 171 legislation helped to refocus the need for this.

John Roe (Upper Valley Land Trust): We are at a place where Criterion 8A and 9C need to include an emphasis on the importance of forest blocks. ANR has gone through a lot of work to identify the importance of these areas. We do not need to talk about using a sledge hammer, versus defining the most important areas for Act 250 purposes and linking it to the ANR Conservation Design. This is the time to bring Act 250 into our current knowledge of forests. Development and growth is going to happen, especially with pressures from climate change.

Karen Horn: Candidates are talking about economic development. How are young people going to stay in the state? How can the forestry industry contribute to rural economic development.

Sam Lincoln: I am working on deregulation options. Not sure how many people or businesses will trigger my idea, but it involves a lot of trucks, especially for low-grade wood. We need to address permitting process so trucks can be located in a way that works.

Kathy Doyle (Ecologist): Technical assistance – how can we engage county foresters and NRCD to provide more ecological info that considers the whole town versus a parcel? A town may not have a high quality forest block, but it still needs intact forestland to help maintain water quality.

Jim Shallow (Audubon Vermont): We should look at mitigation as an option. How do we make use of mitigation funds similar to impacts to agricultural soils? There is a lack of funds for forest issues – how does mitigation happen?

Greg Boulbol: Mitigation is required by statute, but the Natural Resources Board has flexibility to implement.

Kris Hammer (VHCB): Criterion 9B mitigation funds come to VHCB. There are approximately \$100,000 to \$200,000 annually for ag. mitigation. Jen Holler has info on ag side.

Cliff Allard: We need a large facility to deal with low-grade wood. The rail system on the east side of state unworkable. There are challenges such as too much truck traffic.

Michael Snyder: Secretary Cole is interested in looking at rail issues and the viability of industry.

Cliff Allard: Rail issues and cost of transfer are very high. Adds 20% to Burlington Electric Department for rail utilization for the McNeil plant.

Charlie Hancock (Forester): Municipal planning grants are an amazing tool to help provide resources for planning. Regarding definitions, they can be difficult to craft considering the fluid nature of defining these areas, for example wildlife habitat.

Lynn Levine (Forester): We need to help funnel funds to conservation commissions.

Sam Lincoln: In regards to maps, if some areas are flagged as too difficult to develop where does landowner value come into play?

John Roe: To address taxation we have UVA, which is part of the existing puzzle. Intergenerational transfer group looking at tax credits, and tools to help landowners. We are coming at it from both directions.

Charlie Hancock (Forester): In our town (Montgomery), we looked at conditional use review as tool. If development is proposed in the conservation district, maybe some development won't be approved, but there is a pause to first address impacts – that is the major emphasis.

Keith Thompson (Dept. of Forests, Parks and Recreation): We need tools to help towns, including consultants to provide ongoing support for planning commissions, etc. We need help educating towns, etc.

Eric Vorwald (Central Vermont Regional Planning Commission): Can fragmentation be reversed? How can land regenerate, and discourage harvesting that is merely a precursor for development.

Jim Shallow: Habitat value of young forest is valuable.

Jon Binhammer: There may not be a monetary value, but there is development value. How do we discourage development as the option that follows timber management versus maintaining young forests, etc.

By Electronic Mail

December 9, 2016

Commissioner Michael Snyder
Department of Forest, Parks and Recreation
Agency of Natural Resources
1 National Life Drive, Davis 2
Montpelier, VT 05620-3801

Subject: Act 171, Forest Integrity

Dear Commissioner Snyder:

Thank you for the opportunity to comment the initial work of the Act 171 Committee. The Agency supports a viable forestry industry and the efforts of this Committee, and appreciates the many benefits gained from protecting wildlife habitat. While not a member of the committee, we are one of many state agencies and departments whose policies and programs may be touched by proposed changes to Vermont planning law. Unfortunately, there was not enough time to fully understand and vet all the suggestions. We look forward to being an active participant in further discussions on any future proposals implementing these recommendations including those not focused on planning, such as workers' compensation and sales tax related issues, which are also being discussed by the Working Lands Enterprise Board policy committee.

We respectfully offer our feedback on the initial concepts presented at a November 18 Committee meeting.

Act 250

The Agency shares the concern held by Committee members that proposing changes to Act 250 may undermine existing Act 250 policies that are meant to protect farm and forestland from development. Of importance, specifically to the VAAF, is to preserve policies that seek to protect these natural resources, and that require mitigation for impacts to "primary agricultural soils" as currently defined in Act 250 and administered by statewide district commissions.

- Changing the definition of "productive forestry soils" in tandem with provisions for mitigation of impacts to "productive forestry soils" may have an adverse impact on current policies to protect and mitigate impacts to primary agricultural soils, the procedures of the VAAF, and the review process of district commissions.
 - Has potential to create overlapping natural resources and force a decision on which natural resource should take priority for protection and mitigation
 - Creates uncertainty for applicants, the VAAF, and possible confusion for district commissioners
- Introducing new review sub-criteria or standards for protection of forest blocks and habitat connectivity, and to prevent "forest fragmentation" or "habitat fragmentation" additionally has the potential to create overlapping natural resources resulting in similar impacts as outlined above.

- New policies could impact the state's well established farmland conservation program by potentially reducing the off-site mitigation fees paid to the Vermont Housing and Conservation Board. These funds leverage significant federal and local dollars to support conservation of farmland, forestland, sensitive natural areas including wetlands and riparian buffers areas that enhance water quality and serve the agricultural industry.
- The Agency understands that once Act 250 jurisdiction attaches to a parcel of land/project, "farming" is no longer a land use that is exempt from Act 250 review, and that farming must comply with all conditions within a permit. Adding criteria to address "Forest blocks"; "Forest fragmentation"; "Habitat fragmentation"; "Habitat connectivity" or "habitat connector" may impact the ability to clear land that is suitable for farming.

In addition to the above, the Agency believes that recommendations addressing Chapter 117 changes may benefit the agricultural industry in addition to the forestry industry, and welcomes further discussions and vetting of any future proposals to implement recommendations that are inclusive of all state agencies and departments to ensure a holistic approach that considers the statewide planning and process goals.

Regards,



Stephanie Smith
Chief Policy Enforcement Officer
Agency of Agriculture, Food & Markets

CC: Lucy Leriche, Secretary, Agency of Commerce and Community Development
Diane Snelling, Chair, Natural Resources Board
Gina Campoli, Environmental Policy Manager, Agency of Transportation
Rebecca Ellis, Senior Counsel for Government Affairs, Agency of Natural Resources

APPENDIX B:
MEETING MINUTES

- August 18, 2016
- September 13, 2016
- October 18, 2016
- November 18, 2016
- December 13, 2016

Act 171 Forest Integrity Study Committee

Meeting Minutes

August 18, 8am-11am

The ANR Catamount Room, National Life Building, Montpelier

1. The meeting commenced at 8:10am with introductions and welcomes by ANR Secretary Deb Markowitz and Department of Forests, Parks and Recreation Commissioner Michael Snyder.
2. Commissioner Snyder reviewed the mandate and background of Act 171.
3. Trey Martin reviewed the legislative charge and outlined committee expectations including governance. Diane Snelling moved to elect Commissioner Snyder as chair of the committee; Lucy Leriche seconded the nomination. The committee unanimously voted to elected Commissioner Snyder as the chair.
4. Vermont Fish & Wildlife staff John Austin (Lands and Habitat Program Manager), Eric Sorenson (Natural Communities Ecologist) and Kim Royar (Special Assistant to the Commissioner) presented an *ANR Analysis & Understanding of Vermont Forests*.
5. Peter Gill (Associate General Counsel at the Natural Resources Board) presented a *Primer on Act 250 and Forest Land Use: Selected Portions of the Act 250 Statute*.
6. John Adams (Planning and Policy Manger in the Agency of Commerce & Community Development) presented a *Primer on Municipal Regulation and Land Use Planning in Vermont*.
7. Commissioner Snyder summarized legislatively mandated ANR and stakeholder work to date regarding policy recommendations in support of forest integrity.
8. The committee heard public comments and questions.
9. The meeting adjourned at 11am.

The next meetings of the study committee will be held in the Agency of Natural Resources Offices, 1 National Life Drive, Montpelier:

Tuesday, September 13, 8:30am – 11:30am: **The Montpelier Room**

Tuesday, October 18, 8:30am – 11:30am: **The Catamount Room**

Friday, November 18, 8:30am – 11:30am: **The Catamount Room**

Study committee members in attendance:

Put Blodgett, *Vermont Woodlands Association*
Jamey Fidel, *Vermont Natural Resources Council*
Lucy Leriche, *Agency of Commerce & Community Development*
Sam Lincoln, *Vermont Forest Products Association*
Joe Nelson, *Vermont Working Lands Enterprise Board*
Diane Snelling, *Natural Resources Board*
Michael Snyder, *Department of Forests, Parks & Recreation*
Bonnie Waninger, *Vermont Association of Planning & Development Agencies*
Karen Horn, *Vermont League of Cities and Towns*

Interested parties and State of Vermont Agency staff in attendance:

John Adams, *Agency of Commerce & Community Development*
John Austin, *Agency of Natural Resources*
Billy Coster, *Agency of Natural Resources*
Rebecca Ellis, *Agency of Natural Resources*
Joanne Garton, *Agency of Natural Resources*
Pete Gill, *Natural Resources Board*
Kaitlin Hayes, *Vermont Natural Resources Council*
Deb Markowitz, *Secretary, Agency of Natural Resources*
Trey Martin, *Deputy Secretary, Agency of Natural Resources*
Matt McMann, *MMR*
Kim Royar, *Agency of Natural Resources*
Amy Sheldon, *Legislator*
Eric Sorenson, *Agency of Natural Resources*
Steve Webster, *Landowner*

Act 171 Forest Integrity Study Committee

Meeting Minutes

September 13, 2016, 8:30am - 11:30am

The ANR Montpelier Room, National Life Building, Montpelier

1. The meeting commenced at 8:35am with a welcome from Michael Snyder and introductions.
2. Diane Snelling moved to accept the minutes from the Aug. 18 meeting. Lucy Leriche seconded the motion and the minutes were unanimously approved.
3. Jamey Fidel reviewed the history of the Vermont Forest Roundtable. The committee decided to ask Jamey to coordinate a future Roundtable meeting to respond to ideas presented by the Study Committee. Jamey also agreed to present at the next meeting a summary of Roundtable findings and recommendations to date as well as his overview of approaches to land use regulation from other states.
4. Following a question from Sam Lincoln and discussion about the trends and data that led to the study committee's charge, Sam offered to share the proposed new language regarding forestland zoning and planning in his town (Randolph). This will be posted on the committee's website.
5. Commissioner Snyder reviewed the "2015 Forest Fragmentation Report" and gave a brief history of the 2016 legislative report titled "Recommendations in Support of Forest Health and Integrity". The Study Committee then discussed guidance for municipalities that encourage zoning promoting forest integrity, including examples of subdivision regulations that reduce forest fragmentation and practices that increase the viability of a forest-based economy. Also included in the discussion were proposed revisions to Act 250 triggers, concerns about the effectiveness of Criterion 9(c), and proposed alterations to land use change taxes.
6. Commissioner Snyder requested that study committee members email him before the next meeting a list of proposed recommendations related to changes to municipal land use regulations and Act 250.
7. The group discussed revisions to Act 250 triggers and concerns about the effectiveness of Criterion 9(c).
8. The committee heard public comments and questions from Stephen Webster (landowner) regarding the requirement to file Act 250 Disclosure Statements in town land records prior to the division of land. Stephen Webster also requested that Act 250 triggers caused by roads built above 2,500 feet be addressed by ANR instead of NRB. Pete Gill (NRB) spoke to these road regulations and how they are currently addressed in Act 250. Eric Sorenson (ANR) noted that forest fragmentation and landscape connectivity are issues missing in Act 250 that are addressed in Section 248. Diane Snelling followed up with a question for Eric Sorenson about effectiveness of Section 248.
9. The meeting adjourned at 11:35am.

The next meetings of the study committee will be held in **The Catamount Room** at the Agency of Natural Resources Offices, 1 National Life Drive, Montpelier:

Tuesday, October 18, 8:30am – 11:30am

Friday, November 18, 8:30am – 11:30am

Study committee members in attendance:

Put Blodgett, *Vermont Woodlands Association*

Jamey Fidel, *Vermont Natural Resources Council*

Lucy Leriche, *Agency of Commerce & Community Development*

Sam Lincoln, *Vermont Forest Products Association*

Joe Nelson, *Vermont Working Lands Enterprise Board*

Diane Snelling, *Natural Resources Board*

Michael Snyder, *Department of Forests, Parks & Recreation*

Bonnie Waninger, *Vermont Association of Planning & Development Agencies*

Karen Horn, *Vermont League of Cities and Towns*

Interested parties and State of Vermont Agency staff in attendance:

Billy Coster, *Agency of Natural Resources*

Rebecca Ellis, *Agency of Natural Resources*

Joanne Garton, *Agency of Natural Resources*

Pete Gill, *Natural Resources Board*

Trey Martin, *Deputy Secretary, Agency of Natural Resources*

Matt McMahon, *MMR*

Dan Potter, *Southern Windsor County RPC*

Eric Sorenson, *Agency of Natural Resources*

Steven Webster, *Landowner*

Act 171 Forest Integrity Study Committee

Meeting Minutes

October 18, 2016, 8:30am - 11:30am

The ANR Catamount Room, National Life Building, Montpelier

1. The meeting commenced at 8:35am with a welcome from Michael Snyder and introductions by the study committee members and interested parties.
2. The group confirmed that all methods of communication (including the study committee website <http://fpr.vermont.gov/forest/act-171-study-committee>) from and to ANR were working well. Put Blodgett moved to accept the minutes of the September 13, 2016 meeting. Joe Nelson seconded the motion and the minutes were unanimously approved.
3. Michael reviewed the “five point charge” and summarized the scope of discussions from previous meeting. He reminded the study committee that it is committed to examining and evaluating municipal bylaws and Act 250. Karen Horn stated that she would like to include other notes from other disciplines, not just municipal land use regulation and Act 250. Sam Lincoln and Put Blodgett agreed.
3. Jamey Fidel presented on *The Forest Roundtable*. He provided an overview of the Forest Roundtable Report and the Forest Fragmentation Action Plan (available on the study committee website). He also reviewed approaches to land use regulation and forest fragmentation in other states (Puerto Rico, Oregon, Maine) but commented that the Study Committee would benefit from a more thorough state-by-state comparison.
4. John Austin reviewed the Staying Connected Initiative, an inter-state and international cooperative program that places emphasis on the development of scientific study of regional ecosystem connectivity. John also reviewed the Governors and Premiers’ Resolution on Ecological Connectivity, Adaptation to Climate Change, and Biodiversity Conservation, noting that the memo charges all organizations to work with transportation agencies across jurisdictions to marry safe transportation systems with connected ecosystems.
5. Eric Sorenson presented *Forest Fragmentation case studies* using data from the “Forest Blocks” layer and “Vermont Conservation Design” layer on BioFinder. An updated BioFinder website will become available within a few weeks that will include an “Ecologically Functional Landscape” layer.
6. Each Study Committee member reviewed his/her proposed recommendations regarding changes to municipal land use regulations and Act 250. Commissioner Snyder reminded committee members that these proposed recommendations can be amended or altered over the next several weeks, particularly as discussions ensue with Study Committee members.
7. Commissioner Snyder reviewed the goals for the next meeting to be held on November 18. Discussion will continue regarding any potential changes to either chapter 117 statutes or Act 250 and Commissioner Snyder will welcome more input. Study Committee members should review the impacts -- both positive and negative -- of any potential changes. This review will be

the focus of the next meeting. The following meeting will focus on the creation of a list of recommendations for any changes to be included in the final report of the committee.

8. Jamey Fidel requested an outline of what he should bring from the Study Committee to the next Forest Roundtable meeting. The group agreed that he should provide an explanation of the broad charge, an overview of process that the Study Committee is taking, and provide an invitation for input.
9. The meeting was opened for public comment. Steve Webster, a landowner, reminded the group that the Constitutional Convention went further than its charge, and that he recommends that this group look broader than its charge to find ways to enhance forest products industry. He highlight the word “whether” in the section of Act 171 pertaining to this Study Committee. He also asked for a discussion of the function of “forest soils” and proposed that discussion of these soils be removed from this Study Committee’s work.
10. The meeting adjourned at 11:40am.

The next meetings of the study committee will be held on Friday, November 18th from 8:30am-11:30am in **The Catamount Room** at the Agency of Natural Resources Offices, 1 National Life Drive, Montpelier.

Study committee members in attendance:

Put Blodgett, *Vermont Woodlands Association*
Jamey Fidel, *Vermont Natural Resources Council*
Lucy Leriche, *Agency of Commerce & Community Development*
Sam Lincoln, *Vermont Forest Products Association*
Joe Nelson, *Vermont Working Lands Enterprise Board*
Pete Gill for Diane Snelling, *Natural Resources Board*
Michael Snyder, *Department of Forests, Parks & Recreation*
Bonnie Waninger, *Vermont Association of Planning & Development Agencies*
Karen Horn, *Vermont League of Cities and Towns*

Interested parties and State of Vermont Agency staff in attendance:

John Austin, *Vermont Fish & Wildlife*
Dale Azaria, *Department of Housing and Community Development*
Gina Campoli, *Agency of Transportation*
Chris Cochran, *Department of Housing and Community Development*
Warren Coleman, *MMR*
Billy Coster, *Agency of Natural Resources*
Tim Follensbee, *VELCO*
Joanne Garton, *Department of Forests, Parks and Recreation*
Kate McCarthy, *VNRC*
Matt McMahan, *MMR*
Kim Royar, *Vermont Fish & Wildlife*
Amy Sheldon, *Legislator*

Eric Sorenson, *Vermont Fish & Wildlife*
Steven Webster, *Landowner*

Act 171 Forest Integrity Study Committee

Meeting Minutes

November 18, 2016, 8:30am – 11:30am
The ANR Catamount Room, National Life Building, Montpelier

1. The meeting commenced at 8:35am with introductions from the Study Committee and Interested Parties. ANR Commissioner Snyder outlined the meeting agenda and goals.
2. Diane Snelling moved to approve the minutes from the October 18, 2016 Act 171 Study Committee meeting. Lucy Leriche seconded this motion. The meeting minutes were unanimously approved with no further discussion.
3. Study Committee members received printed meeting materials that included the meeting agenda, Draft Tables of Potential Changes, and comments from Sam Lincoln, now included at the end of these minutes.
4. Jamey Fidel reviewed the minutes from the Forest Roundtable meeting focused on input for the Act 171 Forest Integrity Study Committee. Diane Snelling made a motion to accept the minutes from the Roundtable as part of the Study Committee's record. Lucy Leriche seconded this motion. The group unanimously approved the Forest Roundtable minutes as written. Jamey Fidel asked that the Study Committee review any changes from the Roundtable after he receive the Roundtable's approval.
5. The Study Committee then reviewed the accuracy of the Draft Tables of Potential Changes to Chapter 117, Potential Changes to Act 250, and Other Potential Land Use and Policy Changes sent to the Working Group on Wednesday, November 16. Joe Nelson noted that his potential changes were missing. Joanne Garton will revise the table to include these potential changes. Representatives from ACCD also wish to submit revisions in the coming week. The group also reviewed and accepted the Draft Table of Public Comment without any changes.
6. Commissioner Snyder stated the group's charge to review the impacts of all potential changes. After this review, the group will then choose recommendations, if any, to changes to Act 250, Chapter 117, or other changes. Diane Snelling expressed concern for time efficiency and stated that she would like the group to choose recommendations first, then evaluate the impacts of the chosen recommendations.
7. Members of the Study Committee then clarified their proposed changes and evaluated the impacts of each. The clarifications and impacts were noted during the meeting and will be compiled into a spreadsheet to be distributed to the Study Committee along with these meeting minutes.
8. Commissioner Snyder reviewed next steps for the study committee: 1) Committee members will review the clarifications and potential impacts of proposed changes as recorded at the meeting. Any revisions should be submitted to Joanne Garton, joanne.garton@vermont.gov. 2) Study Committee members should consider which proposed changes should be put forward as recommendations to the legislature, noting that the group can submit majority and minority

opinions. 3) Study Committee members should come prepared to discuss the definitions in Act 171 (the 5th point of this legislative charge).

9. The meeting adjourned at 11:40 a.m.

Study committee members in attendance:

Steve Webstore for Put Blodgett, *Vermont Woodlands Association*
Jamey Fidel, *Vermont Natural Resources Council*
Lucy Leriche, *Agency of Commerce & Community Development*
Jonathon Wood for Sam Lincoln, *Vermont Forest Products Association*
Joe Nelson, *Vermont Working Lands Enterprise Board*
Diane Snelling, *Natural Resources Board*
Michael Snyder, *Department of Forests, Parks & Recreation*
Bonnie Waninger, *Vermont Association of Planning & Development Agencies*
Gwyn Zakov, *Vermont League of Cities and Towns*

Interested parties and State of Vermont Agency staff in attendance:

Gina Campoli, *Agency of Transportation*
Chris Cochran, *Department of Housing and Community Development*
Warren Coleman, *MMR*
Billy Coster, *Agency of Natural Resources*
Rebecca Ellis, *Department of Environmental Conservation*
Joanne Garton, *Department of Forests, Parks and Recreation*
Pete Gill, *Natural Resources Board*
Jon Groveman, *Vermont Natural Resources Council*
Matt McMahon, *MMR*
Kim Royar, *Vermont Fish & Wildlife*
Amy Sheldon, *Legislator*
Stephanie Smith, *Agency of Agriculture*
Eric Sorenson, *Vermont Fish & Wildlife*

Hello all - Please accept these written comments and my apologies for not attending Friday's meeting.

I have listened intently to the discussion and presentations in this committee. Outside the committee, I have conversed with landowners and seasoned foresters who have an objective view on the ebb and flow of land ownership. These have combined to reinforce my position that adding or modifying land use and Act 250 regulation attempts to intercept forest fragmentation at the counter of the Town Clerk's office, rather than at the kitchen table of landowners, well after the decision to fragment has been made. The kitchen table is where the most substantial and sustainable gains could be made in keeping larger blocks of land intact. Without simultaneously and adequately addressing the loss of equity incurred from development prohibition or restrictions, changes to tax policy (property, transfer and land gains) and the looming decline in the ability to manage one's forestland through lost markets, I could not recommend these increased regulatory proposals be advanced as a standalone way to address fragmentation under the charge of the committee.

As a brief example, in 2007 I purchased a bare piece of land in a nearby town as an investment. I purchased it under the premise that development typical to the the property's history and the neighborhood could occur. In 2014, post-Irene, the town decided that there could no longer be a house site on the property, and thus the valuation was reduced by the assessed house site value, approximately one third. I subsequently had to reduce the value of that land on my balance sheet. I acknowledge that this isn't an exact apples to apples comparison but I suffered a loss in equity through a municipal regulation change with a corresponding reduction in property taxes so small that it will take approximately 80 years to recoup the equity value in today's dollars. Use Value Appraisal is a political football and isn't an adequate tool to permanently account for mandated changes in highest and best use from wide swaths of new zoning and it does not address a loss in equity.

My timber harvesting and farm operations would clearly benefit from a future with unbroken tracts of land and I value the need for quality wildlife habitat. However, my family and many like it, have shed blood, sweat and tears for generations to own land and build equity. This equity helps maintain the ability to borrow instead of selling off assets, such as house lots, in times of financial need. For many, the land is our greatest asset and one that we wish to pass on to another generation, intact and managed better than ever before. In my opinion, if equity or value is lost with the stroke of a regulatory pen, as described above, with no corresponding plan to address the ramifications, it would be a significant disincentive to invest in or hold forestland.

Regarding deregulation incentives to forest products based businesses, it is the recommendation of the VFPA that local land use planning and Act 250 and/or 248 offer conditional exemptions for small to moderate sized operations (firewood processors, chipping and screening operations for fuelwood chips, pellet mills, sawmills, community scale cogeneration plants for district power and heating, etc) that purchase, process and and otherwise utilize raw forest products. Reasonable standards and levels of noise, dust and truck traffic could be established that a business could operate at or below and be exempt from Act 250/248 review. Any business conceived or expanded to receive and process low grade timber in a reasonable setting should have all the support it can get as it will be a push back against the market forces driving land fragmentation of the future.

Respectfully submitted, Sam Lincoln

Act 171 Forest Integrity Study Committee

Meeting Minutes

December 13, 2016, 8:30am – 11:30am

The ANR Montpelier Room, National Life Building, Montpelier

1. The meeting commenced at 8:45am with introductions and a review of the agenda by Commissioner Michael Snyder.
2. Commissioner Snyder reviewed the outline of the draft report to the legislature and the process of drafting by FPR staff followed by review by the study committee. All study committee members agreed with this process.
3. Commissioner Snyder reviewed the state's policy on the importance of forests and opened the floor for proposed recommendations by the Study Committee.

- ANR proposed a general recommendation that Act 250 be examined and reviewed to support forest integrity. Review should encompass Criteria 8(a) and 9(C).

In support of drafting language for this proposed recommendation: Chris Cochran, Joe Nelson, Put Blodgett, Michael Snyder, Karen Horn, Brian Shupe

Non-committal: Sam Lincoln, Bonnie Waninger

Opposed to drafting language for this proposed recommendation: Diane Snelling

Action item: Michael Snyder will draft language for this proposed recommendation.

- NRB proposed supporting a process to examine creation of a jurisdictional trigger based on the location of a project within certain areas of ANR's Forest Block Project map.

In support of drafting language for this proposed recommendation: Diane Snelling, Put Blodgett (in support of process), Chris Cochran (in support of exploring idea)

Opposed to drafting language for this proposed recommendation: Sam Lincoln, Karen Horn, Joe Nelson, Bonnie Waninger, Michael Snyder, Brian Shupe

- ACCD proposed a recommendation to develop model driveway standards that town can use to minimize erosion and protect water quality.

In support of drafting language for this proposed recommendation: Karen Horn, Joe Nelson, Put Blodgett (without any driveway length), Brian Shupe, Sam Lincoln (suggested using "mirror" instead of "develop"), Bonnie Waninger, Michael Snyder, Diane Snelling, Chris Cochran

Opposed to drafting language for this proposed recommendation: None.

Additional request: Diane Snelling would like to see this recommendation included in a list of all enabling tools for the towns as recommended by the study committee. ANR will compile this list for committee review

Action item: Chris Cochran will refine language for this recommendation.

- Vermont Forest Products Association proposed a recommendation to address the root causes of forest fragmentation by encouraging viable economic options for forestland owners. Michael Snyder suggested using the language of this proposed recommendation as

text in the introduction of the report appendix addressing concepts for forestland protection other than regulatory intervention through Act 250 and Chapter 117. The group concurred with this suggestion.

Action item: Sam Lincoln will draft this text, Michael Snyder will offer assistance.

- ANR proposed a recommendation to consider expedited permitting processes for forest product processing enterprises.

In support of drafting language for this proposed recommendation: Michael Snyder, Brian Shupe, Sam Lincoln, Joe Nelson, Put Blodgett

Possible support: Chris Cochran, Bonnie Waninger

Opposed to drafting language for this proposed recommendation: Diane Snelling

No vote: Karen Horn (absent)

Action item: Michael Snyder will draft language for this proposed recommendation.

- VNRC proposed recommendation of potential changes 1.7 and 1.8 that enhance Criterion 8(A) to include consideration of significant forest blocks and connecting habitat.

In support of drafting language for this proposed recommendation: Bonnie Waninger, Joe Nelson, Put Blodgett, Diane Snelling, Michael Snyder, Brian Shupe

Possible support: Sam Lincoln, Chris Cochran

Opposed to drafting language for this proposed recommendation: None

No vote: Karen Horn (absent)

Action item: Brian Shupe will draft language for this proposed recommendation.

- VNRC proposed recommendation of potential change 1.20 that adjusts triggers prompted by the number of lots/units and amended it to apply to those lots within forest blocks.

In support of drafting language for this proposed recommendation: Diane Snelling, Brian Shupe, Put Blodgett (as modified)

Opposed to drafting language for this proposed recommendation: Joe Nelson, Sam Lincoln, Bonnie Waninger, Chris Cochran, Michael Snyder

No vote: Karen Horn (absent)

Action item: Brian Shupe will draft language for this proposed recommendation.

- VNRC proposed decoupling density requirements from lot size limitation. A similar potential change was put forward by ANR as 2.6.

In support of drafting language for this proposed recommendation: Bonnie Waninger, Joe Nelson, Put Blodgett, Diane Snelling, Brian Shupe, Michael Snyder, Sam Lincoln

Opposed to drafting language for this proposed recommendation: None

No vote: Karen Horn (absent)

Action item: Brian Shupe will draft language for this proposed recommendation.

4. Study committee members were asked to review definitions in Section 15 of Act 171 and provide an evaluation of this definitions electronically to Commissioner Snyder by **Friday, December 16.**

5. Study committee members are asked to provide draft text by **Friday, December 16.** Commissioner Snyder will compile the input for a pre-final draft. The report will be recirculated for review by the study committee ASAP in advance of a vote on the report by Dec. 23. The report is due to the legislature on January 1, 2017.
6. The meeting adjourned at 11:30am.

Study Committee members in attendance:

Put Blodgett, *Vermont Woodlands Association*
Chris Cochran for Lucy Leriche, *Agency of Commerce & Community Development*
Sam Lincoln, *Vermont Forest Products Association*
Joe Nelson, *Vermont Working Lands Enterprise Board*
Brian Shupe, *Vermont Natural Resources Council*
Diane Snelling, *Natural Resources Board*
Michael Snyder, *Department of Forests, Parks and Recreation*
Bonnie Waninger, *Vermont Association of Planning & Development Agencies*
Karen Horn, *Vermont League of Cities and Towns*

ANR staff and interested parties in attendance:

John Austin, *Vermont Fish & Wildlife*
Diane Bothfeld, *Agency of Agriculture*
Warren Coleman, *MMR*
Billy Coster, *Office of Planning, Agency of Natural Resources*
Rebecca Ellis, *Department of Environmental Conservation*
Joanne Garton, *Forests, Parks and Recreation*
Pete Gill, *Natural Resources Board*
Jon Groveman, *Vermont Natural Resources Council*
Matt McMann, *MMR*
Kim Royar, *Vermont Fish & Wildlife*
Steve Webster, *Landowner*
Eric Sorenson, *Vermont Fish & Wildlife*