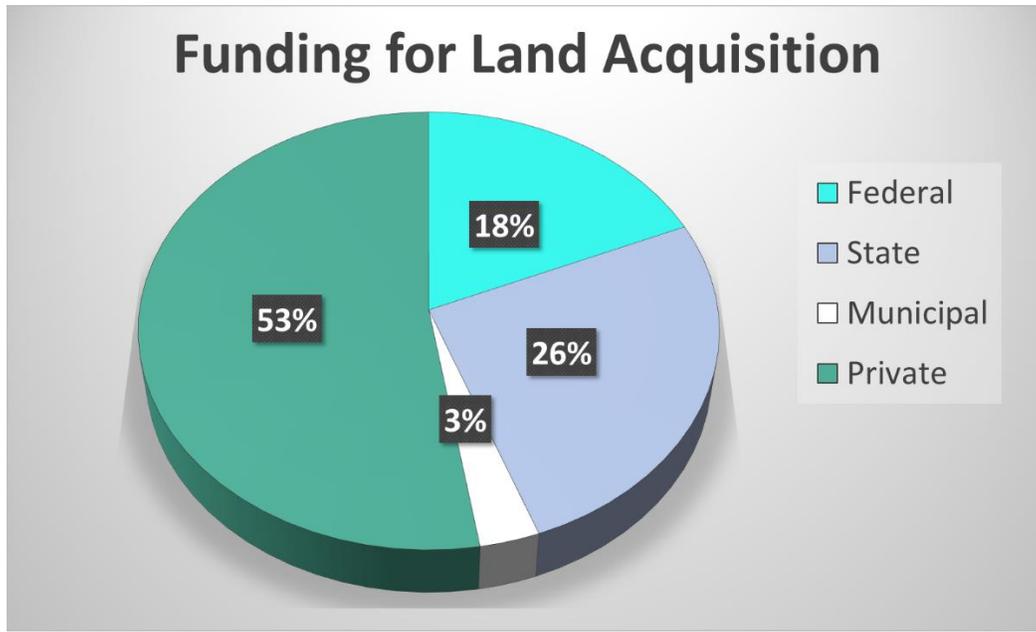


**LAND CONSERVATION TASK FORCE  
BACKGROUND PAPER: LAND CONSERVATION FUNDING**

**I. Introduction**

Over the past 30 years, at least \$600 million of funding has gone to the acquisition of lands and conservation easements in Maine. As indicated by the pie chart below, that amount is about evenly split between public and private funding.



The pace of funding for land conservation in Maine, both public and private, has substantially slowed in recent years for a host of reasons.

**II. Existing Funding Sources for Land Conservation**

Below is an overview of funding sources for land conservation. Under state and federal funding programs, sources are generally presented in the order of their overall contribution to funding Maine land conservation, however this can vary greatly from year to year and from project to project.

State Land Conservation Funding Programs

**Land for Maine’s Future Program (LMF):** Since its beginning in 1987, LMF has played a role in conserving approximately 600,000 acres of land, approximately 20% of the land conserved during that period. Funding is derived from bond issues passed by Maine voters which have totaled approximately \$132 million (more information below).

**Maine Natural Resource Conservation Program (MNRCP):** MNRCP is a state-wide mitigation program funded by developer fees that awards grants to projects that restore and protect high priority aquatic resources throughout Maine. Since its launch in 2008, MNRCP has awarded over \$11 million to non-

profit groups, municipalities and public agencies to help restore, enhance or preserve wetlands and other important habitats at 88 project sites across the state.

**Maine Outdoor Heritage Fund (MOHF):** Funded through sales of a special lottery ticket, MOHF provides grant funding for a wide range of conservation projects including land and easement acquisition. Its grants are small and typically supplement other funding for land acquisitions. Approximately \$2 million has been allocated to land and easement acquisitions since the program was established in 1996.

#### Federal Funding Programs

**Forest Legacy Program (FLP):** Historically, FLP has been a major funder of large forest conservation projects in Maine, often providing multi-million-dollar grants to one or two projects annually. Projects typically involve large tracts of working forest lands. Overall, FLP has awarded \$76 million for 35 projects in Maine since its establishment in 1990. It is worth noting that Maine FLP projects have repeatedly scored at the top of the national list of ranked projects due to their size and quality.

**Land & Water Conservation Fund (LWCF):** LWCF is the oldest and most important of the federal funding sources for land conservation. It is funded through off-shore oil and gas lease revenues which provide \$900 million annually, however Congress typically only allocates a portion of the available funds. In its 52 years of operation, LWCF has invested more than \$187 million in Maine. It has acquired federal lands to expand places like Acadia National Park, Rachel Carson National Wildlife Refuge and the Appalachian Trail. LWCF “state-side” funding is allocated directly to states and has been used to add lands to Maine’s state parks and historic sites. State-side funds are also made available through a competitive grant process open to municipalities for both the acquisition and development of conservation and recreation lands. LWCF is set to expire later this year and its reauthorization has become a major public policy debate.

**North American Wetlands Conservation Act (NAWCA):** Administered by the U.S. Fish & Wildlife Service, NAWCA offers both large (\$1 million) and small (up to \$100,000) grants to increase bird populations and restore/protect wetlands. Over the years, Maine has generally been successful receiving at least one large grant annually as well as numerous smaller grants. The scoring criteria favors locations nearer to the coast.

**National Coastal Wetlands Conservation Grant Program (Coastal Wetlands Grants):** Also administered by the U.S. Fish & Wildlife Service, this program offers grants of up to \$1 million for projects that protect coastal wetlands. The program is very competitive with only about \$19 million distributed nationally over the past year, however Maine has received at least one grant annually since 2010.

**Federal Farm Bill/Agricultural Conservation Easement Program (ACEP):** The Farm Bill includes a variety of land conservation programs administered by NRCS, which, taken in total, are the largest single federal source of funding for private land conservation. ACEP provides funding to help conserve agricultural lands, contributing up to 50% of the cost for easements that protect working agricultural lands with high quality agricultural soils. In recent years, Maine has received between \$250,000 - \$500,000 annually for the program. Maine Farmland Trust is the Maine partner for ACEP projects.

**Readiness and Environmental Protection Integration (REPI):** The REPI Program protects these military missions by helping remove or avoid land-use conflicts near installations and addressing regulatory restrictions that inhibit military activities. The REPI Program is administered by the Department of Defense. REPI funds are used to acquire conservation easements to preserve critical lands and habitats near military installations. A \$2 million REPI allocation has led to the conservation of over 10,000 acres near the Navy's remote wilderness training facility in Maine's western mountains.

**Endangered Species Act – Section 6 Grant Programs (Section 6):** There are several Section 6 grant programs administered by U.S. Fish & Wildlife Service which are all targeted towards protection of endangered species habitat. Grants to Maine projects have been infrequent but have included significant grants to land conservation projects along Atlantic salmon rivers such as the Machias River.

**Community Forest Program:** The U.S Forest Service's Community Forest and Open Space Conservation Program (Community Forest Program) provides funding for communities to acquire and conserve forests that provide public access and recreational opportunities, protect vital water supplies and wildlife habitat, and provide economic benefits from timber and non-timber products. The Community Forest program recently helped fund the acquisition of the North Falmouth Community Forest.

**Regional Conservation Partnership Program:** The Regional Conservation Partnership Program (RCPP) promotes coordination between NRCS and its partners to deliver conservation assistance to producers and landowners through partnership agreements and through program contracts or easement agreements. A recently funded RCPP project in the High Peaks region of Maine includes funds for easement acquisitions in the area.

**Pittman Robertson Wildlife Restoration (PR):** PR funding is raised through a federal tax on guns and ammunition and is distributed by formula to state fish & wildlife agencies for restoration of wild birds and mammals and to acquire, develop and manage their habitats. While PR funds have been used for land acquisition in the past, MDIF&W has currently been allocating these funds to other priority funding needs within the department.

### Local Funding

Local funding for land conservation has been substantial over the past generation though only a modest number of Maine towns have participated (estimated at 20 - 30) raising at least \$19 million over the past generation. Some towns like Wells, Falmouth, Freeport and Readfield have created dedicated Open Space Funds which are replenished either through bond issues or annual appropriations. A few towns have established dedicated revenue sources for their Open Space Funds such as penalties received from tree growth tax withdrawals or the net proceeds from the sale of properties taken by tax foreclosure. These funds are made available for acquisitions through a structured allocation process either through special committees and/or select boards/city councils. Other towns raise funds specifically targeted toward a specific acquisition project(s), typically as match to other sources of grant funds. Based upon the information available, townspeople have generally responded favorably to funding land conservation when asked, passing 12 of 13 referendum questions pertaining to land conservation funding.

## Private Funding

Private sources of funding, which includes individuals, foundations and businesses, has contributed at least half of the land conservation funding in the past generation. Of these, individuals and foundations provided the bulk of the funding. Amongst individuals, major donors have included both Maine residents such as the late Leon Gorman, as well as summer residents, particularly along the coast. The same can be said for foundations, with Maine foundations such as the Elmina B. Sewall Foundation and Davis Conservation Foundation making gifts to numerous acquisition projects alongside national foundations. In some instances, both individuals and foundations were attracted to Maine projects simply because they were exceptional opportunities not matched elsewhere in the country. Some private donors, both individuals and foundations, only choose to contribute to a particular type of project, for example ecological preserves. In recent years, there appears to have been fewer and generally smaller foundation grants for land acquisition projects. Whether this represents a trend in the philanthropic world or is a by-product of reduced availability of public funding is not yet clear.

### **III. Focus on Land for Maine's Future Program**

About two-thirds of states have developed dedicated funding sources for land conservation. Of those, about a dozen, including Maine, utilize bonds to fund their programs. Other states use a variety of dedicated taxes (e.g. real estate transfer, sales tax), or fees (e.g. recording fees), oil and gas royalties, and legislative appropriations.

Between 1987 and 2012, Maine voters approved six Land for Maine's Future bond referendums. The 1987 referendum established the program with \$35 million. Maine voters subsequently approved additional referendums in 1999 for \$50 million, in 2005 for \$12 million, in 2007 for \$35.5 million (\$20 million for LMF), in 2010 for \$9.75 million, and in 2012 for \$5 million. The bonds have received strong public support with approval levels of between 59% and 69% with support coming from all parts of the state. One LMF bond was defeated when it was combined with a confusing proposal to fund a dam replacement.

The various bond issues have included various directives. In some cases, certain amounts have been allocated to specific LMF programs such as working waterfronts. In other cases, priorities for fund expenditures have been included, such as deer wintering area protection. Moreover, the bond issues also include minimum requirements such as requiring that lands and easements purchased with LMF funds be open to hunting, fishing and trapping (except farmlands and working waterfronts, or where restricted by law).

One unique quality of the LMF Program that sets it apart from programs in most other states is the level of involvement of land trusts in developing acquisition proposals, managing the acquisition process and providing matching funds to supplement LMF funding. LMF will provide a maximum of 50% of the acquisition price and eligible transaction costs.

LMF does not provide any funding other than a small allocation (up to 5% of LMF's contribution is allowed, but currently it is set at 2%) to improve public access to the conservation property.

#### **IV. Progress over past thirty years and any major shortcomings.**

As stated repeatedly, the investment in land conservation from both public and private sources has been unprecedented over the past generation allowing for a four-fold expansion of conservation lands in Maine. Strong support for land conservation has driven public policy through most of this period particularly with regard to LMF. While, by the numbers, LMF has provided about one-fifth of the funds spent on land acquisition, its importance has been far greater. For many land conservation projects, both large and small, LMF has been the cornerstone for funding. It provides a project with legitimacy and recognition that can then be leveraged to secure funding from other public and private sources.

Despite the successes of the past generation, land conservation projects continue to be very challenging endeavors for a variety of reasons including the following:

- Unpredictability of public funding sources from one year to the next;
- The length of time and landowner patience required for acquisitions involving public funds can potentially undermine important projects;
- Demanding appraisal and other transaction requirements that can make acquisitions more difficult and expensive, particularly for small land trusts;
- Rising stewardship responsibilities and costs, both for public agencies and land trusts, has impacted the capacity to pursue new acquisitions in some situations.

#### **V. Some key issues and questions for the future**

- Land for Maine Future funds are largely expended. If the program is to continue, its coffers need to be replenished.
- Should Maine continue to rely on bonding as the primary source for state funding of land acquisition? Are there other funding sources that could be politically acceptable?
- Will the Land & Water Conservation Fund be reauthorized this year. Will it ever be fully funded to its originally intended levels?
- What will it take to attract private funding for land conservation at levels achieved from 1998 – 2010?
- Is a boost in stewardship funding for both public and private lands needed in order to enable agencies and land trusts to live up to the public's expectations for conserved properties?
- How can we make the acquisition process more user-friendly and timely?

#### **VI. Suggested resources for those who want to dig deeper**

Trust for Public Land: Conservation Almanac – Tracking Investments in Protected Lands:

[http://www.conservationalmanc.org/National\\_Overview/Conservation\\_Funding\\_at\\_a\\_Glance.pdf](http://www.conservationalmanc.org/National_Overview/Conservation_Funding_at_a_Glance.pdf)

The Land & Water Conservation Fund Coalition: <https://www.lwcfcoalition.com/home/>

Conservation Finance Feasibility Study for State of Maine: December 2013 (TPL)

[https://docs.wixstatic.com/ugd/d5eca1\\_cccd4e1677bf466fae18667cbed27e8.pdf](https://docs.wixstatic.com/ugd/d5eca1_cccd4e1677bf466fae18667cbed27e8.pdf)

Land for Maine's Future Program: <https://www.maine.gov/dacf/lmf/>

Websites for other public funding sources are not listed here but can be provided upon request.