



# Saving the Goodliest Land

A Five-Year Plan for Investing in North Carolina's  
Land, Water, History and Future

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**LAND** *for* **TOMORROW**

[www.landfortomorrow.org](http://www.landfortomorrow.org)

4705 University Drive • Suite 290  
Durham, NC 27707

T 919-403-8558 ext. 1009  
F 919-403-0379



## LAND *for* TOMORROW

# Saving the Goodliest Land: A Five-Year Plan for Investing in North Carolina's Land, Water, History and Future

### Executive Summary

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In 1585, Sir Walter Raleigh sent Lieutenant Ralph Lane and a group of surveyors to establish the first English colony in the New World. Adventuring off Roanoke Island, Lane's men explored the mainland to the west and declared it "to bee the goodliest soile under the cope of heaven."

That "goodliest soile" became North Carolina. Since then the farms, forests, fields, mountains, rivers, sounds and oceans have provided livelihoods for our citizens and astonished visitors with their beauty. Lane's men were right: we truly live in the "goodliest" land.

Today, the quality of North Carolina's natural and rural lands and its water are just as important as they were 400 years ago.

- A significant amount of the state's jobs and gross product depend on quality land and water including those in tourism, agriculture, forestry fishing and on military bases.
- Other businesses strongly consider quality of life and a healthy environment for their employees when they make decisions about where to locate.
- Public health depends on safe drinking water, clean air and places to exercise.
- Our quality of life is enhanced by the state's parks and trails, places celebrating our history and the sheer beauty of the land.
- North Carolina's geographic diversity produces a special variety of native plants and animals that makes this one of the world's ecological "hot spots."

North Carolina is a "hot spot" for people. Between 1990 and 2000 our population grew by 21% and is expected to increase by 50% by 2030. You can travel almost anywhere in North Carolina and see firsthand the pressures our population creates on the land. More than one million acres of natural and rural areas have been developed over the last decade. North Carolina lost more prime farmland between 1987 and 1997 than any other state except Ohio and Texas. And for the first time since the 1930s, forest acreage declined.

To help protect these critical areas, the General Assembly created the Clean Water Management Trust Fund, Farmland Preservation Trust Fund, Natural Heritage Trust Fund and Parks and Recreation Trust Fund. The General Assembly also set a goal of conserving one million acres of critical lands between 2000 and 2009. Significant progress has been made, but efforts have fallen short because of lack of funding. The Farmland Preservation Trust Fund has received no funding for the last two years. In 2004, the Clean Water Management Trust Fund had only \$62 million in appropriations compared to \$350 million in grant requests. Protecting our critical land is only going to get harder and more costly.

Because of the need to expand land and historic conservation efforts in North Carolina, several of the state's leading nonprofit organizations joined together to form Land for Tomorrow in 2003.

Their goals are to:

- Build awareness of the importance of land conservation and historic preservation to North Carolina's future.
- Advocate for expanded funding to meet that need.

Land for Tomorrow began its work by interviewing business, government and nonprofit leaders from across the state and polling registered voters and farmland owners to learn more about what people in North Carolina think about conservation. We studied conservation finance techniques used in North Carolina and other states to develop a better understanding of options available to increase funding at the federal, state and local levels.

Based upon this information, research into land and historic properties in North Carolina and current programs to protect them, and advice from more than one hundred experts, the Coalition presents this report, *Saving the Goodliest Land: A Five-Year Plan for Investing in North Carolina's Land, History and Future*, which:

- Examines changes in land use and ownership that are creating economic, public health, ecological and quality of life challenges in urban and rural areas.
- Recommends how the state can address these challenges by increasing funding for land conservation and historic preservation.
- Recommends the following five-year conservation goals:
  - **Rivers, Wetlands, Floodplains and Coastal Waters** – 6,000 miles of stream banks and flood plains
  - **Working Farms** – 50,000 acres of productive farmland
  - **Working Forests** – 25,000 acres
  - **Local Parks and Trails** – 35,000 acres and needed trail and park facilities
  - **State Parks and Trails** – 60,000 acres and needed trails and facilities
  - **Game Lands and Other Natural Areas** – 150,000 acres
  - **Historic Places** – Restore 350 historic landmarks for public use and protect 3,000 acres of important archeological sites and land around State Historic Sites
  - **Land Visible from Scenic Highways** – 50,000 acres along the Blue Ridge Parkway and other scenic highways
  - **Urban Forests** – Increase tree canopy in areas that are not meeting air quality standards
- Estimates that the projected cost to North Carolina state government to meet these conservation goals is an additional **\$200 million annually for five years** which can be used to leverage federal, local and private matching funds.
- Recommends creating one new initiative to help communities take advantage of their critical land and historic places to create sustainable jobs and a higher quality of life.
- Recommends building on the State's excellent existing conservation trust funds, One North Carolina *Naturally* program and the creative, vibrant work of local governments, nonprofits and community groups to accomplish these goals.

Land for Tomorrow presents this plan as a proposal for discussion. We hope it will be used by legislators, state agencies, citizens and organizations to craft an action plan to save North Carolina's critical land and historic places and ensure a bright future for our citizens and communities.

If we're successful in this effort, our children and grandchildren will still think of North Carolina as the "goodliest land" with:

- Clean air and water
- Sustainable jobs and vibrant communities
- Thriving farms and forests
- Places to enjoy the beauty of North Carolina, to exercise, to hunt and fish
- Places of historic significance and ecological value

In 1971, North Carolina voters approved Article XIV, Section V of the State Constitution, which mandates that we must use "every appropriate way to preserve as part of the common heritage of this State its forests, wetlands, estuaries, beaches, historical sites, openlands and places of beauty." Implementing *Saving the Goodliest Land* is the best way to follow through on that Constitutional commitment.

We must protect North Carolina's critical land and historic places now. There will be no second chance.

**Table 2: Existing and Proposed Funding Levels for Land Conservation, Historic Preservation and Investment in Communities and Jobs**

Program	Purpose	Annual Funding Level		
		Current Funding/Year	Proposed Additional Funding/Year	Proposed Total Funding/Year
Coordination and Planning	Provide leadership for land conservation and historic preservation in North Carolina; coordinate work of all NC departments and trust funds in land and historic preservation; encourage participation by local governments and nonprofits; evaluate North Carolina's progress in protecting important land and historic properties	\$0	\$3 million	\$3 million
Job Creation through Land and Historic Resources	New initiative to fund creation and retention of jobs and related economic and community development in ways that promote land conservation, historic preservation, parks and recreation, and related facilities and programs	\$6 million	\$30 million	\$36 million
Clean Water and Air	Enhance and restore degraded water, protect unpolluted water, contribute toward network of urban tree cover, riparian buffers and trails for water and air quality improvement and other environmental, educational and recreational benefits	\$62 million	\$54.5 million	\$116.5 million
Natural and Cultural Heritage	Protect the state's ecological diversity and cultural heritage and inventory the natural areas and historic properties of the state	\$15 million (plus \$15 million annual appropriations for historic properties)	\$62.5 million	\$92.5 million
Parks and Recreation	Improve and expand state and local parks and provide access to coastal and estuarine waters	\$40 million	\$20 million	\$60 million
Working Farms and Forests	Conservation and protection of farm and forest land and viable agricultural communities	\$0	\$30 million	\$30 million
<b>EXISTING AND PROPOSED STATE FUNDING</b>		<b>\$138 million/yr OR \$700 million/5 yrs</b>	<b>\$200 million/yr OR \$1 billion/5 yrs</b>	<b>\$338 million/year</b>



# North Carolina Land Conservation Financing Study

## Executive Summary

Over the past decade (1990 – 2000), North Carolina was among the fastest growing states in the country, with the sixth highest numeric population change. The state added 1.4 million new residents (21 percent) during that time period. The state’s population is expected to increase by 35 percent from 2000 to 2020 to nearly 11 million. The current rate of growth and housing development is consuming approximately 277 acres of open space a day, mostly in the state’s seven largest metropolitan areas.

In January 2000, the North Carolina General Assembly voted overwhelmingly in support of a mandate to preserve one million acres by December 31, 2009. The Million Acre Plan would increase the percentage of preserved land from 8.8 percent to 12 percent, however no additional money was attached to the plan beyond existing funding. Governor Mike Easley directed the state Department of Environment and Natural Resources to undertake a planning process for protecting the state’s land and water resources, called One North Carolina Naturally. A draft strategic plan was released in the spring of 2003.

To meet the land conservation objectives outlined in these plans, the Environmental Finance Center (EFC) at the University of North Carolina, Chapel Hill, estimates that approximately \$1.85 billion is needed, or \$256 million a year in new acquisition and management funds over the next seven years.<sup>1</sup> Currently, the state funds land conservation through four separate conservation trust funds. According to EFC data, the trust funds spent approximately \$50 million on conservation land acquisition in Fiscal Year 2002. While the current funding is significant, it is not sufficient to meet the state’s land conservation goals. Furthermore, the sources of these funds are not permanently dedicated and therefore could be diverted to other programs in tight economic times.

North Carolina also has a good policy framework in place to support land conservation. The state’s conservation tax credit program – one of the first established in the country – has become a model for many other states. North Carolina also participates in a wide array of federal land conservation programs, accessing significant funds and matching grants for land protection throughout the state. There are, however, a number of policy changes that could go a long way toward strengthening the state’s framework and bringing additional funds to the table. Specifically, TPL recommends:

- In 2004
  - **Enabling certificates of participation.** State legislators should consider authorizing the issuance of certificates of participation (COPs) for land conservation. COPs authority would enable the conservation trust funds to issue debt in order to acquire and protect additional lands in the near-term while it is available and less expensive than in the future.
  - **Leverage State Revolving Loan Funds.** By using a portion of its Clean Water and Drinking Water state revolving loan funds (SRFs) as collateral for revenue bonds, the state could produce additional monies for low-interest loans for open space land acquisition.

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<sup>1</sup> North Carolina State Agency Conservation Funding Needs Assessment, Environmental Finance Center at University of North Carolina, 4/16/2003.



- In 2004 - 2005
  - **Strengthening local participation.** North Carolina counties and municipalities should be strong partners for the state, but they are currently not committing local funds for land conservation to any great extent. The state should enact enabling legislation authorizing additional local funding sources and provide greater incentives.
  - Model programs from several other states including New Jersey, Florida and Massachusetts provide guidance for developing a framework that will create state incentives for local participation in land conservation funding. For example, in New Jersey a 1989 constitutional amendment allocates (for 30 years) \$98 million in annual sales tax revenues to open space. The state also authorized counties and municipalities to raise local funds by establishing voter-approved open space trust funds supported by dedicated property taxes. State incentives, in the form of 50 percent matching grants, are provided to local governments that adopt an open space tax. As of November 2003, all 21 counties and more than 200 municipalities in New Jersey have a dedicated open space tax in place, generating more than \$200 million in annual local funding.
  - TPL presents a scenario whereby the 10 fastest-growing counties could generate between \$200 and \$300 million in local funds over ten years with a dedicated tax or issuance of general obligation bonds.
  - **Increasing the state's funding commitment.** Recent budget shortfalls and rising indebtedness present significant challenges to pursuing additional state funds for land conservation. However, the state does have some additional debt capacity, and there exist a few other potential revenue sources that should be explored further.
  - **Securing the state's funding investment.** Stable state funding fosters program development and long-term vision, and establishes the program as a reliable partner for federal and local conservation efforts. A portion of the state's current investment in land conservation is secured by a dedicated revenue stream, but other funds are subject to annual appropriation. In order to defend land conservation programs against potential budget cuts, the state should consider dedicating revenue to this purpose through a constitutional amendment. Since 1992, seven states have adopted constitutional amendments to secure funding for parks and land conservation.
  - **Leveraging federal funds.** North Carolina should intensify its efforts to obtain a range of federal conservation dollars, including funding from the Farm and Ranch Land Protection Program, Forest Legacy, Land and Water Conservation Fund, and the North American Wetlands Conservation Act.

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If you would like a copy of the full *North Carolina Land Conservation Financing Study*, visit the Land for Tomorrow website: [www.landfortomorrow.org](http://www.landfortomorrow.org) or contact Kate Dixon, Director, Land for Tomorrow, 4705 University Drive, Suite 290, Durham, NC 27707; 919-403-8558x1009; [kdixon@landfortomorrow.org](mailto:kdixon@landfortomorrow.org)



### State Land Conservation Spending 1999 - 2004

Annual spending in millions of dollars

	1999-2000	2000-01	2001-02	2002-03	2003-04	Total Spending	Annual Avg.	2000 Pop.	Annual per Capita
Florida <sup>1</sup>	416	457	390	417	416	\$ 2,096,000,000	\$ 419,200,000	17,019,068	\$ 24.63
Maryland <sup>2</sup>	100	135	115	150	80	\$ 580,000,000	\$ 116,000,000	5,508,909	\$ 21.06
New Jersey <sup>3</sup>	3 Yr. Total 99-02 = \$508 million					\$ 508,000,000	\$ 169,333,333	8,638,396	\$ 19.60
Massachusetts <sup>4</sup>	49	57	74	36	18	\$ 234,400,000	\$ 46,880,000	6,433,422	\$ 7.29
Rhode Island <sup>5</sup>	Proceeds from 2000 Bond					\$ 23,500,000	\$ 5,875,000	1,076,164	\$ 5.46
North Carolina <sup>6</sup>	34	34	35	52	50	\$ 206,000,000	\$ 41,200,000	8,049,313	\$ 5.12
Georgia <sup>7</sup>	78	30	30	10	10	\$ 80,000,000	\$ 30,000,000	8,186,453	\$ 3.66
New York <sup>8</sup>	6.2	69	46	46	42	\$ 281,000,000	\$ 56,200,000	19,190,115	\$ 2.93
Virginia <sup>9</sup>	\$56M from 2002 bonds					\$ 62,000,000	\$ 20,666,667	7,078,515	\$ 2.92
Tennessee <sup>10</sup>	8	23	17	12	14	\$ 74,000,000	\$ 14,800,000	5,689,283	\$ 2.60

<sup>1</sup> Florida DEP: [www.dep.state.fl.us/secretary/stats/land.htm](http://www.dep.state.fl.us/secretary/stats/land.htm)  
<sup>2</sup> Maryland Land Conservation Programs, Gov. Ehrlich's office 12.03  
<sup>3</sup> CT OLR Research Report on NJ Garden State Preservation Trust, 9. 14. 04  
<sup>4</sup> Massachusetts Audubon Society  
<sup>5</sup> Grow Smart RI  
<sup>6</sup> TPL North Carolina Land Conservation Financing Study  
<sup>7</sup> <http://www.biodiversitypartners.org/policy/funding.shtml>  
<sup>8</sup> The Nature Conservancy, New York Chapter  
<sup>9</sup> <http://www.biodiversitypartners.org/policy/funding.shtml>  
<sup>10</sup> Tennessee State Comptroller's Office, Tennessee Wildlife Resource Agency