



## **2009 FISCAL YEAR-END REPORT**

July 1, 2008 – June 30, 2009

**A Report to the Governor and General Assembly**

Dee Freeman, Secretary  
N.C. Department of Environment  
and Natural Resources

J. Robert Gordon, Chairman  
Board of Trustees  
N.C. Natural Heritage Trust Fund

# **NORTH CAROLINA NATURAL HERITAGE TRUST FUND FISCAL YEAR-END REPORT 2008-2009**

## **Section 1 – Origins and Mission**

The North Carolina Natural Heritage Trust Fund (NHTF) was established by the 1987 General Assembly (G.S. 113-77, effective July 1, 1987) as a supplemental funding source for state agencies to acquire lands and to pay for the inventory of natural areas by the N.C. Natural Heritage Program. A 12-member board of trustees administers the trust fund.

## **Section 2 – Board of Trustees**

NHTF is delegated the authority to grant funds to eligible state agencies pursuant to applications that meet statutory criteria and board guidelines. The governing authority for the trust fund is a 12-member board of Trustees. This number was increased from nine members during the 2001 legislative session. Four members are appointed by the governor, who also designates the chairman. Eight members are appointed by the General Assembly; four are recommended by the president pro-tempore of the Senate and four are recommended by the speaker of the House. Appointments are made effective Jan. 1 and are for staggered six-year terms. Persons appointed are to be knowledgeable in the acquisition and management of natural areas.

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Richmond County  
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Thomas W. Reese  
Catawba County  
2004-2010

### **Section 3 – Natural Heritage Trust Fund Staff**

Executive Director:

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In addition to the executive director, the NHTF is supported by Ann Prince (part-time) who works on dedicating the properties acquired with NHTF monies, and Eric Galamb (part-time) who assists in grant administration. The NHTF also funds a real estate agent housed in the Department of Administration's State Property Office to assist applicant agencies in developing and implementing NHTF-funded land acquisitions. Operating expenses for personnel, producing and distributing grant materials, meeting expenses, etc., continue to be below 1 percent of the program expenditure.

### **Section 4 – Funding Sources**

The primary source of funding for the NHTF is the state excise tax on real estate conveyances. NHTF receives 25 percent of the state's portion of the \$2 per \$1,000 value deed stamp tax. The county retains half of this tax, while the state receives 50 percent, less allowable administrative costs.

The second major source of funding is a portion of the additional fee charged for personalized license plates. The state charges an additional fee of \$30 for each personalized license plate; \$15 of this additional fee is credited to the NHTF. NHTF also receives a portion for specialty license plates in some cases: \$10 for each "First in Forestry" license plate, \$15 for the "State Parks" license plate, and \$15 for each out-of-state college specialty license plate. Monies not expended remain in the interest-accumulating Natural Heritage Trust Fund account and do not revert to the General Fund.

The final source of funding is interest from funds in the trust fund account. Table 1 summarizes the NHTF income on an annual basis since its inception in 1987.

### **Section 5 – Grant Criteria and Eligible Agencies**

Grants are awarded for the purposes of acquiring lands that:

- represent the state's ecological diversity to ensure their preservation and conservation for recreation, scientific, education, cultural and aesthetic purposes;
- add to the system of parks, state trails, aesthetic forests, wild and scenic rivers, fish and wildlife management areas and other natural areas for the beneficial use and enjoyment of the public; and
- help to develop a balanced state program of historic properties.



Funds are also allocated to the N.C. Natural Heritage Program for natural area inventories and conservation and protection planning of natural areas. These data are then used to help guide land management and conservation decisions by state and federal agencies, and also by private groups and businesses, ensuring that conservation dollars are spent strategically to protect the highest quality areas.

In 2004, the General Assembly also authorized the NHTF to be used to retire debt incurred by funding land acquisitions for the purposes listed above.

State agencies authorized to apply for grant awards are:

- Department of Environment and Natural Resources,
- Wildlife Resources Commission,
- Department of Cultural Resources, and
- Department of Agriculture and Consumer Services.

Priority consideration is given to protection of land having outstanding natural or cultural heritage values. Land with outstanding natural heritage values is land that is identified by the N.C. Natural Heritage Program as having state or national significance. Land with outstanding cultural heritage value is land that is identified, inventoried or evaluated by the Department of Cultural Resources.

### **Section 6 – Income**

Between 1987 and June 30, 2009, NHTF has contributed to the protection of more than 286,534 acres through 469 grants totaling more than \$300 million in funding (Table 2). The locations of these projects are shown on Figure 1.

As shown in Table 1, income for fiscal year 2008-2009 (FY 2009) was **\$14,294,716**, representing an overall decrease of more than 31 percent from the previous year (\$20,804,364) and more than a 40 percent decrease from fiscal year 2007 (income of \$23,964,497). The decrease was stabilized somewhat by the interest income and by a slight increase in the income from the sale of personalized license plates. Income from the deed stamp tax (real estate transfer tax) alone was down more than 50 percent from its high point in FY 2006 and FY 2007, as might be expected given the current national real estate market. In FY 2009, the overall state economy was down significantly; the impact of this downturn is further discussed below in Section 9.

### **Section 7 – Awards**

During fiscal year 2009, NHTF awarded 23 grants totaling \$35,636,128. These grants will contribute to the protection of almost 11,000 acres (Table 3). Grants significantly exceeded income in FY 2009 because NHTF was authorized to use a special financing mechanism (certificates of participation, or COPs) as described in the section below. The locations of these projects are shown in Figure 2 and project descriptions are contained in Table 4. Important to note in the project descriptions is the leveraging of NHTF funds; many, if not most, include matching funding from federal, private, and/or other state sources.



NHTF typically holds two grant cycles per year; one in the fall and one in the spring. Applications were submitted in February in anticipation of an April/spring NHTF Board meeting. NHTF received 22 request for \$20,764,337 in funding. However, due to the state's budget shortfall, NHTF delayed the spring meeting. No spring awards were made. In addition, many of the previously funded projects (projects funded with the 2008 COPs) are now considered unfunded as discussed in Section 8 below.

### **Section 8 – Certificates of Participation**

Recognizing the need to protect important lands in our quickly developing state, the General Assembly authorized the use of a special financing mechanism referred to as certificates of participation during three legislative sessions – in 2004, 2007 and 2008. This form of bond sales allowed the state to acquire properties of high natural and/or cultural heritage value that would have otherwise been lost to development. NHTF now repays the debt and interest on the 2004 and 2007 COPs using annual receipts.

For FY 2010, the COPs debt repayment is \$4,427,043 based on correspondence from the State Treasurer's Office. If income remains at about \$14 million as in FY 2009, the debt repayment would represent about 30 percent of the NHTF income.

The 2008 legislative session authorization of COPs [S.L. 2008-107 Section 2.78(a)(28) ] specified the issuance of \$50 million *to finance the acquisition of State park lands and conservation areas for the Land for Tomorrow initiative in the Department of Environment and Natural Resources (DENR) and in support of the conservation priorities of the One North Carolina Naturally program.* This \$50 million is split between the NHTF and the Parks and Recreation Trust Fund (PARTF). Thus, approximately \$25 million was available to NHTF.

Without the 2008 COPs funding, we would only have been able to fund a fraction of the projects we funded this past year. NHTF allocated \$21,293,472 of the \$25 million 2008 COPs.

### **Section 9 – Effect of Economic Downturn on NHTF**

The overall economy was depressed and state income was down significantly. In order to balance the budget, \$2,832,961 was transferred to the General Fund from NHTF to cover the budget shortfall, at the direction of the governor.

For similar reasons, the General Assembly passed session law 2009-209 (Technical Corrections to the Two-Thirds Bond Act of 2008) that effectively delayed implementation of most of the certificates of participation that were authorized in 2008. Section 2(a) of S.L. 2009-209 specifies that no more than \$10 million of the \$50 million in COPS authorized for the *Land for Tomorrow* initiative in the Department of Environment and Natural Resources can be issued prior to July 1, 2011. Of the \$10

million that can be issued, \$5 million is allocated to the Parks and Recreation Trust Fund (PARTF) and \$5 million is allocated to NHTF. This means that issuance of the remaining \$40 million (split between PARTF and NHTF) is delayed until fiscal year 2012.

Due to the delay in issuance of most of the 2008 COPs, many projects are now considered unfunded. Fortunately, NHTF was able to fund three high priority time-sensitive projects using the first \$5 million of 2008 COPs that were released for issuance: Wildlife Resources Commission's Pond Mountain project; Wildlife Resources Commission Sandhills Game Land Addition/Carpenter Tract; and one of the additional tracts to Chimney Rock State Park.

### **Section 10 – Conclusions and Recommendations**

Fiscal Year 2009 has been an unusual year as we have transitioned away from a time of rapid development, growth and increased funding (through both income and use of COPs). The pace of acquisitions is slowing in response to the overall state economy and reduced available funds. NHTF income has declined, and will likely decline or stay at the reduced level, as long as the economy remains weak. COPS debt repayment will increase significantly in fiscal year 2010; thereby further reducing income available for grants. In response to the severe budget shortfall this past year, the state slowed its acquisitions and, in anticipation of continued economic weakness, acquisitions will likely continue to be delayed.

Protecting our natural resources is key to our state's economic success. Many of our conservation lands buffer military sites and allow them to continue operating, supporting the \$23 billion per year that the military industry brings to North Carolina. Our outstanding natural resources are one of the main attractions supporting the \$16.5 billion per year tourism industry in North Carolina.

NHTF will continue to provide funds to help implement the state's Million Acre Initiative – a collaborative endeavor to permanently preserve an additional one million acres of land. Although acquisitions are slowing, NHTF hopes to be able to take advantage of opportunities provided by the economic downturn. Many of the projects we have authorized are coming in under budget as prices decline. A few key properties that our applicants thought were lost to developers are now on the market. NHTF must continue to encourage creative funding of projects through bargain sales, matching funds from other grant programs and private donations. The statewide One NC Naturally Conservation Planning Tool, developed in part by a grant from NHTF, is helping NHTF and other organizations ensure that the state's limited resources are used most effectively on the highest priority areas.



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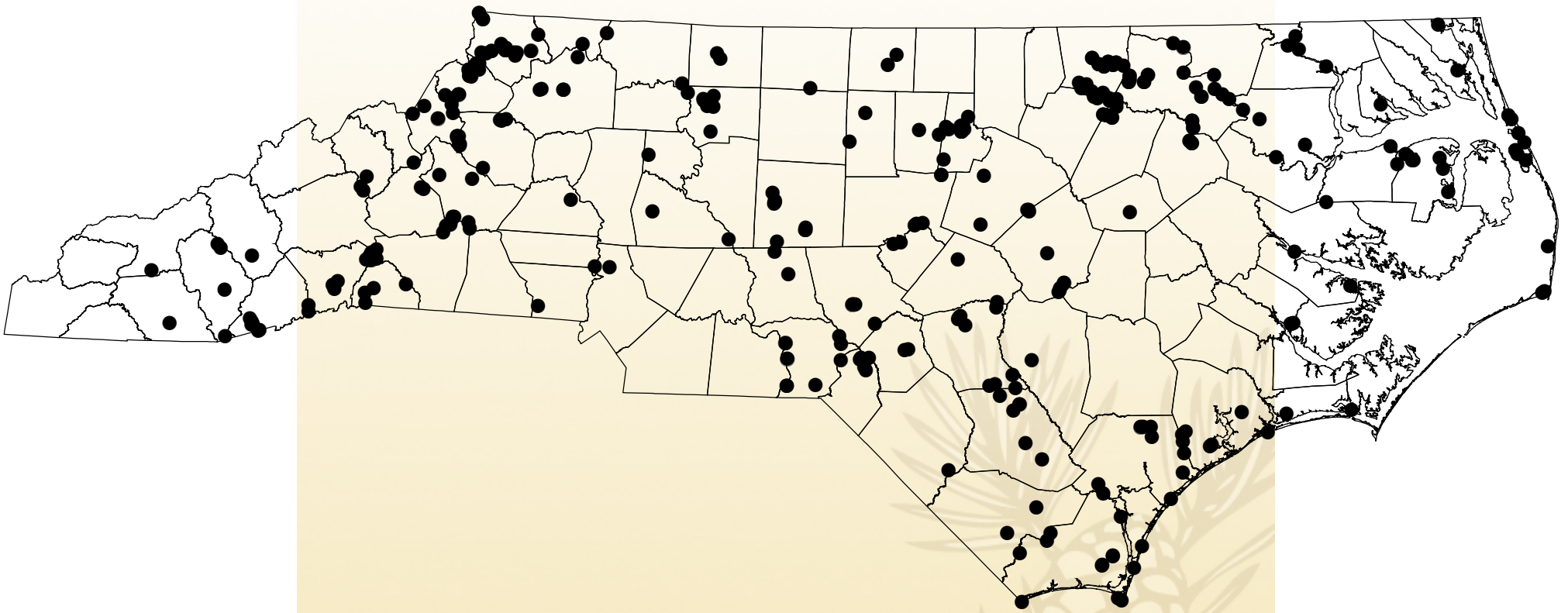
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Figure 1  
Natural Heritage Trust Fund  
Project Locations  
1988-Spring 2009



**Table 1**  
**Natural Heritage Trust Fund**  
**INCOME BY FUNDING SOURCE**  
**as of June 30, 2009**

<b>Fiscal Year</b>	<b>Personalized License Plates</b>	<b>Transfer Tax</b>	<b>Interest</b>	<b>TOTAL INCOME</b>
Original Appropriation				\$275,000
1987-88	\$0	\$0	\$15,546	\$15,546
1988-89	\$0	\$0	\$24,316	\$24,316
1989-90	\$1,073,165	\$0	\$53,766	\$1,126,931
1990-91	\$1,761,140	\$0	\$144,662	\$1,905,802
1991-92	\$1,627,304	\$1,326,848	\$232,156	\$3,186,308
1992-93	\$1,661,943	\$2,012,107	\$309,750	\$3,983,800
1993-94	\$1,713,091	\$2,089,776	\$326,920	\$4,129,787
1994-95	\$1,787,029	\$3,579,453	\$393,892	\$5,760,374
1995-96	\$1,856,167	\$3,134,801	\$335,131	\$5,326,099
1996-97	\$1,914,104	\$6,019,264	\$616,282	\$8,549,650
1997-98	\$1,930,813	\$6,949,967	\$1,080,042	\$9,960,822
1998-99	\$2,004,740	\$8,148,689	\$1,396,073	\$11,549,502
1999-2000	\$2,189,995	\$8,599,107	\$1,925,497	\$12,714,599
2000-01	\$2,386,509	\$8,412,962	\$1,845,783	\$12,645,254
2001-02	\$4,622,580	\$6,570,386	\$1,183,199	\$12,376,165
2002-03	\$2,550,269	\$9,494,785	\$508,397	\$12,553,451
2003-04	\$3,067,375	\$12,365,476	\$405,251	\$15,838,102
2004-05	\$5,028,710	\$13,810,698	\$492,612	\$19,332,020
2005-06	\$3,978,992	\$18,779,600	\$880,832	\$23,639,424
2006-07	\$4,227,510	\$18,611,071	\$1,125,916	\$23,964,497
2007-2008	\$4,353,457	\$15,195,744	\$1,255,164	\$20,804,364
<b>2008-2009</b>	\$4,365,328	\$9,009,424	\$919,964	<b>\$14,294,716</b>
<b>Total Income</b>	<b>\$54,100,221</b>	<b>\$154,110,158</b>	<b>\$15,471,151</b>	<b>\$223,956,529</b>

**Table 2**  
**Grant Awards Summary**  
**1987 – June 2009**

<b>Total Awarded to Date</b> (since 1987) (469 awards)	<b>\$300,987,787</b>
<b>Returned Funds</b> (Applicant unable to acquire land; award money returned to NHTF)	\$25,666,460
<b>Total Transferred</b> (spent)	\$240,576,862
<b>Total Obligated</b>	\$34,744,465
<b>Acres Protected</b>	<b>286,539 acres</b>
<b>Requests to Date</b> (667 requests)	\$586,930,262
<b>Requests Unable to Fill</b> (49%)	\$285,942,475

**Table 3**  
**Grant Award Totals by Agency**  
**Fiscal Year 2008-2009**

<b>Agency</b>	<b>Acres</b>	<b>Grant Total</b>
Department of Agriculture & Consumer Services <i>Plant Conservation Program</i> (five grants)	1,074	\$4,349,840
Department of Cultural Resources (two grants)	8	\$320,000
Department of Environment and Natural Resources (10 grants)	5,944	\$19,859,250
Wildlife Resources Commission (six grants)	3,892	\$11,107,038
<b>Total</b> <b>(23 grants)</b>	10,918	\$35,636,128



**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DCR-1	Horne Creek State Historic Site	Surry	\$190,000	\$190,000	\$0	\$0	8.03	Fee simple acquisition of 8.03 acres immediately opposite the main visitor entrance to the Horne Creek Living Historical Farm State Historic Site, and across the main road from the site's extensive Southern Heirloom Apple Orchard. The objective of this acquisition is to provide a permanent scenic buffer property along the main visitor entrance to the site, to preserve the presently rural character and setting. The proposed property consists of seven platted lots in an area now being developed as part of a new subdivision in this location. The Horne Creek Living Historical State Historic Site is operated by the department's Division of State Historic Sites to preserve and demonstrate the methods of farming and the way of life of a typical northern Piedmont farmstead during the early 1900's. The farmstead consists of a two-story frame and log house built about 1880 for Thomas and Charlotte Hauser, along with six period outbuildings and the family cemetery. The proposed property will be maintained and managed by the DCR as an extension of the department's existing 104 acre historic site. No matching funds proposed.
DCR	Averasboro Civil War Battlefield Site	Harnett & Cumberland	\$130,000	\$130,000			63.60	Amended Fall 2007 award by \$130,000. Matching funds from Civil War Preservation Trust Fund will not be available in the court-mandated timeframe for closing on easement (result of 2-year litigation.)
DCR	<b>AWARDS</b>	<b>SUBTOTAL</b>	\$320,000	\$320,000			<b>8.03</b>	

**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
WRC -2	Pond Mountain	Ashe	\$5,000,000	\$1,500,000	\$0	\$3,500,000	1,795.00	The Pond Mountain landscape offers the unique opportunity to manage for a host of state listed and SWAP priority species that require habitat types which are rare in NC. Approximately 750 acres of the Pond Mountain tract is currently in grassy/shrubby habitat and Christmas tree production and offers an excellent opportunity to manage for high elevation early successional habitat. The remainder of the tract contains northern hardwood forest. The tract will further serve as a wildlife corridor from the adjacent National Forests in TN and VA south to conservation areas in NC such as Three Top Mtn. and the Pisgah National Forest. The tract also serves as the headwaters of both Big Laurel and Big Horse Creeks and acquisition will be a significant step in protecting water quality in these drainages. As part of WRC game land program, will offer a variety of dispersed recreational opportunities to the public. Matching funds of \$1.3 million private donor and \$2 million CWMTF (Originally project was planned for \$7,426,498 CWMTF funding.) Total cost is \$13,458,955. Previous grant of \$2.5 million from NHTF.
WRC - 3	Whitehall Plantation - Cape Fear Lowlands	Bladen	\$4,212,000	\$0	\$4,212,000	\$0	1,440.00	Time-sensitive acquisition to protect large natural area from future development to include upland pine and Cape Fear lowland hardwoods and swamp drainages. Will protect key neo-tropical migrant bird (one of only two possible nesting sites in NC for swallow-tailed kites), black bear, and waterfowl habitat. Protection of the site will reduce non-point source pollution into the Cape Fear River. The property falls within a strategic landscape scale conservation plan being developed by the Cape Fear Arch due to it's proximity to Bladen Lakes State Forest and Singletary Lake State Park and includes Regionally Significant Natural Areas – Cape Fear Lowlands, Cape Fear Sloughs, Cypress-Gum Swamps, Coastal Plain Levee Forest, and proximity to Conkill Bay Complex. WRC plans to incorporate site into the Cape Fear Wetlands Game Lands. No matching funds.

**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
WRC-4	Miller-Hufnagel (Three Top Mountain Game Land Addition)	Ashe	\$254,896	\$254,896	\$0	\$0	103.26	The Miller-Hufnagel tract is adjacent Three Top Mountain Game Land and would provide direct access to the game land from SR 1125 where no public access currently exists. Acquisition of this property is also highly significant as part of the total management project in the Three Top Mountain area. The Three Top Mountain macrosite contains numerous plants and community types that are considered to be of national significance. Matching grants confirmed from both private (\$270,447) and CWMTF (\$316,000).
WRC-5	Carpenter Tract - Sandhills Game Land	Scotland	\$636,972	\$0	\$0	\$636,972	263.00	Tract contains approx. 23 acres of mature longleaf pine forest including canebrake and streamhead pocosin, and 240 acres of readily-restorable longleaf/wiregrass forest with intact native groundcover diversity. Tract is extremely important as a strategic connector between large blocks of existing protected habitat of the Sandhills Game Lands, and barring protection was destined for horse farmettes. Currently the mature longleaf forest stand needs only fire to manage and maintain floral diversity, while the cut portion will be burned in the Spring of 2009, and planted back to longleaf pine that following Winter. While the tract is primarily made up of Xeric Sandhill Scrub and Pine/Scrub Oak Sandhill communities, its Southern boundary is a Streamhead Pocosin wetland along Little Muddy Creek, which the property shares with a 635 acre private conservation easement to the south that protects red-cockaded woodpecker habitat. This recent protection of both sides of Little Muddy Creek will allow the use of prescribed fire to open up the ecotone and to reduce shrub density along the creek. \$208,000 Army ACUB funding confirmed. Total project cost \$833,000.



**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
WRC -6	Elam Tract - Wilson Creek	Caldwell	\$238,500	\$238,500	\$0	\$0	73.00	The Elam tract is surrounded by protected properties in the Wilson Creek watershed. To the north is the Edgemont Ltd. property, to the east is Pisgah National Forest, and to the south is the Lutz tract. The Foothills Conservancy of NC will close on a conservation easement on the Edgemont Ltd. Property in late 2008 or early 2009, the U.S. Forest Service owns the Pisgah National Forest, and WRC is acquiring the Lutz tract with NHTF and CWMTF grants. Much of the tract is in the nationally designated Wilson Creek Wild and Scenic River corridor. This corridor is a nationally significant aquatic natural heritage area and feeds the Johns River, a State SNHA. The tract is also within the Wilson Creek Slopes/Lost Cove Creek/Thorps Creek regionally SNHA. Although the tract contains only a small amount of perennial stream, its acquisition would link other existing protected lands. It would be accessible from the Lutz tract and national forest lands, but not from the road. Purchase of this tract would permanently protect the area from development. The owners have offered it at a bargain sale price, pending confirmation via appraisal.
WRC -7	Johnson Tract	Ashe	\$764,670	\$764,670	\$0	\$0	218.00	The Johnson tract is the first of several expected opportunities to expand the adjacent Pond Mountain (pending) major acquisition. This tract would serve as a significant wildlife and ecological corridor from the adjacent National Forests in Tennessee and Virginia south to conservation areas in North Carolina such as Three Top Mountain, other Game Lands, various Natural Heritage areas and the Pisgah National Forest. Along with Pond Mountain, the Johnson tract offers a unique opportunity to manage for a host of state listed and SWAP priority species that require habitat types which are rare in NC. The majority of the tract contains northern hardwood forest. The tract also serves as the headwaters of Big Horse Creek further complimenting our anticipated purchase of Pond Mountain. The Johnson tract will be entered into the Game Lands Program and will offer a variety of dispersed recreational opportunities to the public. Total cost \$1,721,770 with planned proposed application to CWMTF for \$823,900 in 2/2009.
<b>WRC</b>	<b>AWARDS</b>	<b>SUB-TOTAL</b>	\$11,107,038	\$2,758,066	\$4,212,000	\$4,136,972	<b>3,892.26</b>	

**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DPR -8	Proposed Grandfather Mountain State Park - Initial Acquisition	Avery, Caldwell, Watauga	\$6,000,000	\$0	\$6,000,000	\$0	3,200.00	Funding requested for the initial acquisition for proposed Grandfather Mountain State Park. Project includes fee simple acquisition of 2,600 acres and a conservation easement on 600 acres. Property is a nationally significant SNHA and an International Biosphere Reserve. A total of 73 rare species have been documented for the mountain, and of these 32 are endangered or threatened. The mountain supports 16 distinct ecological communities including red spruce-Fraser fir forest, heath bald, high-elevation red oak forest, rich cove forest, Canada hemlock forest, and spray cliff. Grandfather Mountain also contains the headwaters of both the Linville and Watauga rivers. Important component of a larger network of conservation lands in the area, which include the Blue Ridge Parkway, Pisgah National Forest, and holdings by TNC. Total cost \$12,180,000. PARTF expected grant \$6,180,000. Authorization for a new state park will be requested in the 2009 session.
DENR/ DPR -9	Carvers Creek State Park - Clark II and Carvers Falls Tracts	Cumberland	\$5,035,000	\$401,500	\$791,000	\$3,842,500	1,316.00	Funding requested for two tracts as an addition to Carvers Creek State Park. One is Clark II tract located between existing state ownership and Fort Bragg and the other is around Carvers Falls. These two tracts are keystone tracts for this state park. The Clark II tract connects the existing state ownership to Fort Bragg permanently protecting this outstanding matrix of Sandhills natural communities and Red-cockaded woodpecker habitat. The Carvers Falls tract brings a unique geologic feature into public ownership that will eventually be accessible to the public. Once these tracts are acquired, they will be managed as part of Carvers Creek State Park for the protection of the natural resources and the interpretation of the resources and the natural processes that affect them. Total project cost \$14,271,000; Army ACUB grant \$3,850,000; PARTF proposed \$5,253,500.

**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DPR-10	Chimney Rock State Park - Round Top Mountain, Cane Creek and Lost Colony Tracts	Rutherford	\$2,477,500	\$0	\$0	\$2,477,500	287.00	As part of both the Southeastern Escarpment Megasite and the Hickory Nut Gorge Macrosite, this 287-acre project is part of a larger conservation effort including TNC's Bat Cave and Rumbling Bald Preserves. Because of the project area's position on the eastern edge of the Blue Ridge Escarpment, it hosts distinctive geological features and a large diversity of natural community types. At least nine significantly rare plants have been documented on or very near the subject properties, two of which are federally endangered, and four rare, special concern animals have been found in close proximity to the project area and have the potential to be found on site as well. The tracts in this project are within the following significant natural heritage areas: Cane Creek Mountain (national significance) and Round Top Mountain/Rumbling Bald (national significance.) Tracts will be managed as part of Chimney Rock State Park. Total cost \$6,677,560; PARTF proposed grant \$3,435,280.
DENR/ DPR-11	Gorges State Park, Phase IV	Transylvania	\$1,256,000	\$768,500	\$0	\$487,500	190.00	Request funds for acquisition of four tracts in the acquisition plan for Gorges State Park. The tracts in this request are from landowners who contacted the state with their interest in selling to the state. Three of the four tracts are listed on the open market. Gorges State Park was established to protect the natural resources in the escarpment gorges and to provide outdoor recreation in the southwestern part of the state. There are 23 rare plant and animal species found in the Gorges State Park project area. The Gorges State Park project area encompasses the Toxaway River Gorge SNHA and is part of the Escarpment Gorges Megasite. Both of these are nationally significant. Once acquired, these properties will be managed as part of the Gorges State Park for the protection of the natural resources and water quality. Low impact public recreation such as hiking and nature study may occur on these tracts. Total cost \$2,677,000; PARTF matching grant proposed - \$1,384,500.



**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DCM-12	Kitty Hawk Woods - Hard Tract	Dare	\$87,500	\$87,500	\$0	\$0	16.04	Kitty Hawk Woods Coastal Reserve is one of the largest (ca. 1,900 acres) maritime forests on the Outer Banks. The extensive maritime forest occupies a relict beach ridge and swale system. The ridges are comprised of Maritime Deciduous Forest while the swales support Maritime Swamp Forest and coastal marsh. According to the N.C. Natural Heritage Program, both community types are globally extremely rare. Kitty Hawk Woods and Nags Head Woods are the only extensive occurrences of Maritime Deciduous Forest in NC. The Hard Tract contains examples of both the Maritime Deciduous Forest and Swamp Forest, which have extreme ecological importance. The Maritime Deciduous Forest of Kitty Hawk Woods is one of only two extensive and diverse examples left in the state. The tract identified for acquisition is located adjacent to the Reserve, which has been designated by the NC Natural Heritage Program as a Nationally-significant SNHA. Total cost - \$350,000; \$262,500 USF&W Service Grant
DENR/ ZOO-13	Ridges Mountain Nature Preserve - Phase II	Randolph	\$490,000	\$490,000	\$0	\$0	93.00	In partnership with the Piedmont Land Conservancy, the NC Zoo proposes to add 93 acres to the 186-acre Ridges Mountain Nature Preserve, a site that was identified during the Randolph County Natural Heritage Inventory as a top priority for protection. Ridges Mountain contains high quality examples of uncommon natural communities, including Basic Piedmont Monadnock Forest, Basic Oak-Hickory Forest, Upland Pools and Upland Depression Swamp Forest. Two of the three tracts have mature high-quality Basic Oak-Hickory Forest. A newly-discovered Upland Pool is located on the boundary between the Zoo property and the Allen tract. On a landscape scale, Ridges Mountain is significant due to its connectivity to other SNHAs. All three properties buffer the existing Preserve and provide breeding habitat for wildlife, including forest interior bird species and neotropical migrants. Tracts will provide nature-based recreation, such as low impact hiking and bird-watching, environmental education, and research on its biological and ecological resources. Threat of development is high for these parcels, which are convenient to a major highway. Zoo to contribute \$2,000.

**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DPR-14	Mount Jefferson State Park - Vannoy Heirs and Phillips Tracts	Ashe	\$1,479,500	\$187,500	\$0	\$1,292,000	253.50	Funds requested to acquire two key tracts on the slopes of Mount Jefferson. Mount Jefferson is an amphibolite peak and supports very high quality examples of natural communities. Twelve rare plant species and six rare animal species are found at Mount Jefferson State Natural Area. The addition of these two tracts to the state natural area will protect the mid slopes of Mount Jefferson from residential development. The owners of these tracts have been approached by developers. The larger tract is currently on the market. These slopes are very scenic as well as containing Northern Hardwood Forest natural communities. Once acquired, these tracts will be managed as part of Mount Jefferson State Natural Area for the protection of the natural and scenic resources and for low impact recreation such as hiking and nature study. Total cost \$4,633,000 with PARTF grant expected for \$2,332,000.
DENR/ NHP-15	Boiling Spring Lakes, Sections 14 and 5 (Pretty Pond Limesink Complex)	Brunswick	\$325,000	\$325,000	\$0	\$0	9.40	Project area is located in the northeastern section of the City of Boiling Spring Lakes. It is immediately adjacent to the privately managed Orton Plantation (5,000 acres) and a 135-acre conservation easement held by TNC. Site contains undeveloped upland longleaf and pocosin habitat within the Pretty Pond Limesink Complex, a SNHA. Acquisition will protect habitat for current populations of the Federal and State endangered Red-cockaded woodpecker ( <i>Picoides borealis</i> ). It will complement the 7,000 acres of land previously protected in the Boiling Spring Lakes Plant Conservation Program Preserve and establish a core base for essential land management activities in the vicinity. The tracts will provide buffer for the privately held conservation lands, opportunity for passive recreation, and offer ecological research opportunities. NHP plans to manage the property through a management agreement with TNC.

**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DPR-16	Mount Mitchell State Park - Bagwell, Begley and Wilson Heir tracts	Yancey	\$833,750	\$833,750	\$0	\$0	314.00	Funding requested for acquisition of key tracts to be added to Mount Mitchell State Park. Mount Mitchell State Park was the first state park in NC and includes the highest point east of the Mississippi River. The tracts in this request have the highest value in the DENR Conservation Planning Tool. These tracts contain high quality Northern Hardwood Forest and Red Spruce-Fraser Fir Forest natural communities. Both of these natural communities are high protection goals for the state parks system. These tracts are visible from multiple public use areas of the state park. The owners of these tracts have been approached by developers. These owners would prefer to sell to the state to avoid the development of their property. Once acquired, these tracts will be included in Mount Mitchell State Park and managed for the protection of the natural and scenic resources. Total cost \$6,726,400 with expected \$3,395,700 PARTF grant.
DENR/ DPR-17	Roan Mountain - Atria Tract (Big Yellow Mountain)	Avery	\$1,875,000	\$1,875,000	\$0	\$0	265.00	Funds requested for acquisition of 265 acres to protect important natural resources in the Nationally Significant Big Yellow Mountain SNHA. This tract contains numerous, extensive High Elevation Seeps embedded within the Northern Hardwood Forest. Gray's Lily, a Federal species of concern and State Threatened species, is known to occur on the tract and the seeps have a high potential for other rare plant species. The tract adjoins the Big Yellow Mountain Preserve owned by TNC and is nearby the Roan Mountain Preserve owned by the Southern Appalachian Highlands Conservancy. The site will be managed for the protection of significant natural resources and to provide interpretation of its ecosystems. Acquisition of these tracts will help protect a widely recognizable and visible peak and ridge system and contribute to the connectivity of 17,000 acres of protected land, including nearby Roan Mountain in the Pisgah National Forest. Total cost \$3,800,390. Adjoining 177 acres will be protected via donated easement valued at \$1,875,000. Not eligible for PARTF because not in new Yellow Mt. State Natural Area.
<b>DENR</b>		<b>SUBTOTAL</b>	\$19,859,250	\$4,968,750	\$6,791,000	\$8,099,500	<b>5,944</b>	

**TABLE 4**  
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Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DACS/ PCP-18	Ochlawaha Bog Preservation - Ward, Fortescue & CMLC Additions	Henderson	\$347,590	\$347,590	\$0	\$0	30.78	Request is to add 30.79 acres to the Ochlawaha Bog Plant Conservation Preserve, established in 1996 with the purchase of 2.4 acres, and which harbors Bunched Arrowhead, one of NC's most endangered plant species. Bunched Arrowhead is a federally and state endangered species known to persist in only two populations in NC. This site is considered to be a critical conservation priority and has been the focus of protection and restoration efforts by the state, CMLC, the US F&W Service and others. Site is currently ditched and used for growing tomatoes. The proposed acquisition would eliminate the most critical ongoing threat to the Bunched Arrowhead colony while providing PCP, and its partners, the opportunity to restore the hydrology in portions of the project area with the goal of re-establishing both a healthy, functioning riparian area as well as expanding the population of this endangered species. A feasibility study for wetland restoration, emphasizing creation and maintenance of suitable habitat for Bunched Arrowhead, has already been completed. Other funding: \$6,350 CWMTF mini-grant and \$85,000 private donor. Bargain sale, valued at \$45,600.
DACS/ PCP-19	Boiling Spring Lakes - Management Areas 7 and 22	Brunswick	\$360,000	\$360,000	\$0	\$0	574.00	Proposed funding for inholdings in two of the most critical areas of the existing preserve. Boiling Spring Lakes (BSL) preserve, the largest existing PCP preserve, became a focus of major acquisition efforts in 1999, with NHTF supplying majority funding since that time. The Preserve, now exceeding 6,000 acres in size, features an outstanding complex of natural communities as well as a collection of rare plant and animal species. The Venus flytrap ( <i>Dionaea muscipula</i> ), and the federally endangered rough-leaf loosestrife ( <i>Lysimachia asperulifolia</i> ) are notable examples of some of the many rare plant species known to be present. Protecting and restoring the natural habitats and rare species populations is the overarching management goal upon acquisition, with a significant portion of the effort focused on reintroducing controlled burns across the Preserve. PCP has recently narrowed the Preserve focus area and this request is to complete two critical management areas in the newly defined focus area. Request includes \$367,148 for management costs. Awarded the \$300,000 estimated to close within a year plus \$60,000 stewardship monies.



**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DACS/ PCP-20	Paddy Mountain Preserve - Cook & Rash Tracts	Ashe	\$1,337,000	\$0	\$0	\$1,337,000	143.00	Funding requested to add two tracts to the Paddy Mountain Plant Conservation Preserve. This Preserve, established with grants from the NHTF Board in 2002 and 2003, protects several rare plant species including the federally endangered Heller's Blazing Star ( <i>Liatrix helleri</i> ), and one of only three known NC populations of the Allegheny Onion ( <i>Allium allegheniense</i> ). Protecting the high elevation rock outcrop habitats for these rare species as well as the surrounding rich forested slopes from incompatible land use is the primary protection and management goal. The proposed acquisitions are some of the most important parcels on the acquisition plan for the site.
DACS/ PCP-21	Tater Hill - Ball and Greer Tracts	Watauga	\$2,220,000	\$0	\$0	\$2,220,000	324.00	Funding requested to add two tracts to the Tater Hill Plant Conservation Preserve. The project area has been a priority for protection efforts for years and the NHTF Board has awarded seven previous grants for acquisition efforts there. The Preserve is designed to protect a number of rare plant species and natural plant communities. Rare plants present include Gray's lily ( <i>Lilium grayi</i> ), American fly-honeysuckle ( <i>Lonicera canadensis</i> ), Tall larkspur ( <i>Delphinium exaltatum</i> ), and long-stalked holly ( <i>Ilex collina</i> ). The proposed tracts occur along the northern boundary of acquisition plan for the site. Protecting the rare plant species and natural habitats present on these tracts from incompatible land use is the primary protection and management goal.

**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DACS/ PCP-22	Eno River Diabase - Pickett and Arrington Tracts	Durham	\$85,250	\$85,250	\$0	\$0	2.11	PCP in partnership with Eno River Association is proposing to add two tracts to the Eno River Diabase Sill Plant Conservation Preserve. These tracts, which have been priorities since the project inception, were not previously acquired due to title issues (these issues are being addressed). The importance of establishing this Preserve has been well recognized by the NHTF Board, as evidenced by seven previous grants for the Preserve, which is designed to protect a host of rare plant species including the federally endangered Smooth Coneflower ( <i>Echinacea laevigata</i> ), and the Piedmont region's only remaining population of Tall Larkspur ( <i>Delphinium exaltatum</i> ). Restoration of the habitats for these species, once protected, is the number one management priority. Since 2004, management efforts by PCP and its partners have resulted in dramatic increases in several of these rare species, most notably the Smooth Coneflower.
<b>DACS</b>		<b>SUBTOTAL</b>	\$4,349,840	\$792,840	\$0	<b>\$3,557,000</b>	<b>1,073.89</b>	
<b>ALL APPs.</b>		<b>TOTAL</b>	<b>\$35,636,128</b>	<b>\$8,839,656</b>	<b>\$11,003,000</b>	<b>\$15,793,472</b>	<b>10,918.12</b>	
<b>WRC</b>	Tuckertown					\$2,000,000		Was funded in Spring 2008 with 2007 COPS, now switched to 2008 COPS
<b>DPR</b>	Chimney Rock/Bottomless Pools					\$3,500,000		Was funded in Spring 2008 with 2007 COPS, now switched to 2008 COPS
		<b>GRAND TOTAL</b>	<b>\$41,136,128</b>	<b>\$8,839,656</b>	<b>11,003,000</b>	<b>\$21,293,472</b>		

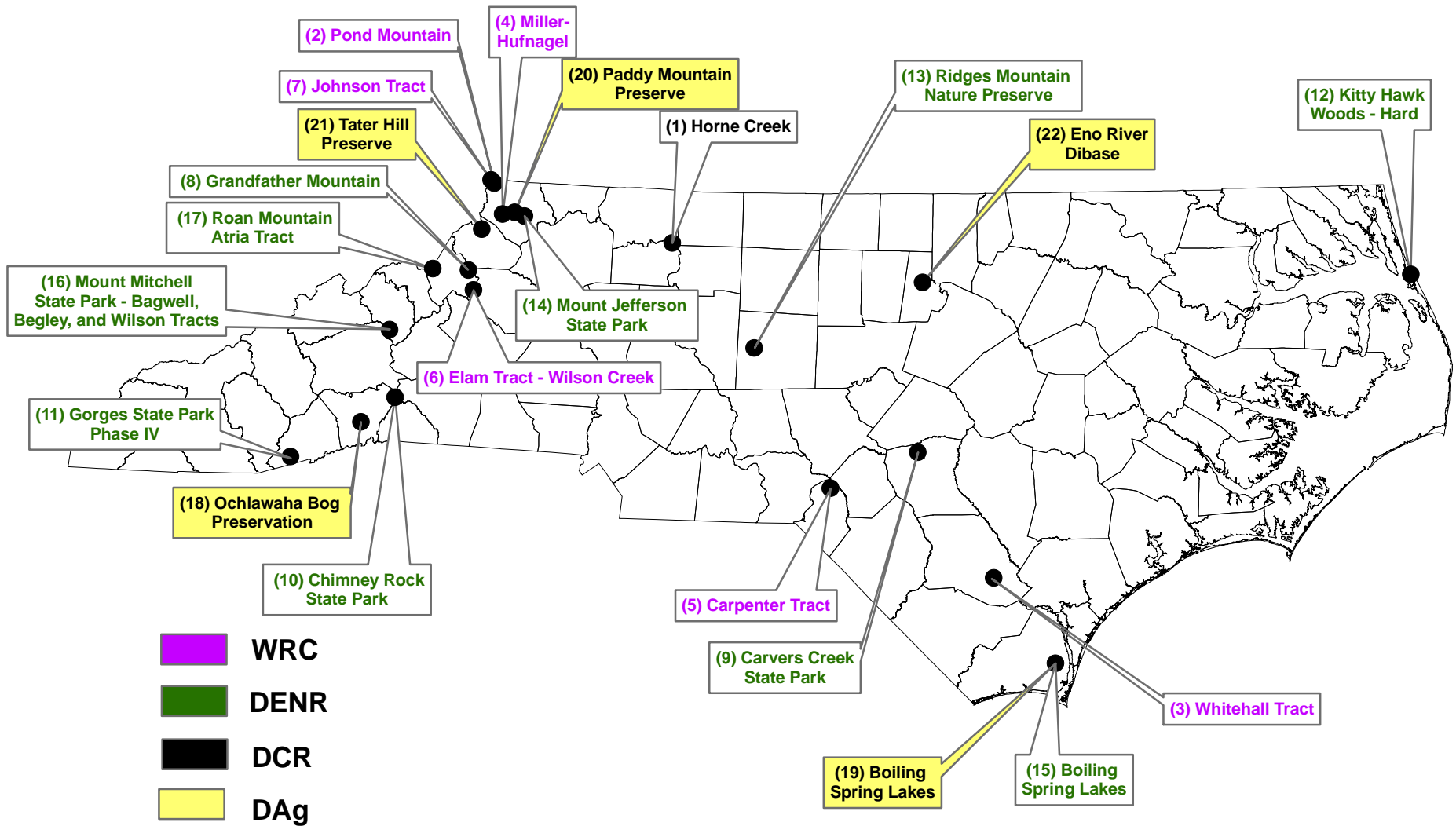


**TABLE 4**  
**N.C. Natural Heritage Trust Fund**  
**Fall 2008 Awards**

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
NC = North Carolina								SNHA = Significant Natural Heritage Area
DCR = NC Department of Cultural Resources								PARTF = Parks & Recreation Trust Fund
DACS = NC Department of Agriculture and Consumer Services								CWMTF = Clean Water Management Trust Fund
PCP = Plant Conservation Program								WRC = NC Wildlife Resources Commission
DENR = NC Department of Environment and Natural Resources								SWAP = WRC's State Wildlife Action Plan
DPR = Division of Park Resources								TNC = The Nature Conservancy
DFR = Division of Forest Resources								CMLC = Carolina Mountain Land Conservancy
NHP = N.C. Natural Heritage Program								ACUB = Army Compatible Use Buffer Program
DCM = Division of Coastal Management								USF&W = United States Fish and Wildlife
DWR = Division of Water Resources								
WRC = NC Wildlife Resources Commission								



Figure 2  
Natural Heritage Trust Fund  
Fall 2008 Awards





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