

Polk County, North Carolina

**Agricultural Development
and
Farmland Protection Plan**

Adopted by the
Polk County Board of Commissioners,
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Executive Summary

Agriculture is an important element of life in Polk County. Farm and forest lands contribute to the county's rural character that is popular with all residents, and provide a host of ecological services to the local communities. In addition to the scenic and ecological qualities of agricultural land, the agricultural industry plays a significant role in Polk County's economy by providing jobs and income to individuals across many sectors. Unfortunately farmers and the owners of agricultural land are facing numerous challenges that threaten the long-term viability and existence of the industry and the natural resources they protect. Changing markets, governmental regulations, and competition for land and water resources has led Polk County, along with other counties across North Carolina, to develop and implement plans to promote the agricultural economy and protect the natural resources on which they depend.

This plan meets the requirements of the North Carolina Farmland Preservation Enabling Act. Polk County has already implemented two other programs authorized by that act and those, along with this plan, will help county leaders provide continued support to the agricultural community. Additionally, this plan will increase the county's competitiveness when pursuing grant opportunities from the North Carolina Agricultural Development and Farmland Preservation Trust Fund.

Opportunities for maintaining agriculture in Polk County center upon land protection programs and agricultural economic development activities. To implement this plan the county will hire an Agricultural Economic Development Specialist to engage the county and farmers in those programs and activities. The specialist will work with farmers to develop and promote their business, with county officials to ensure that policies and plans are consistent with the needs of farmers, and with the community at large to foster support and appreciation for agriculture. In addition to the work of the specialist, the Agricultural Advisory Board and the Soil and Water Conservation District will promote existing and new programs to protect agricultural land from conversion to development uses.

The measures of this plan, as they are implemented over the coming five years, are expected to support farmers as they adapt to the changing economy, and protect the land and water needed to produce the food and fiber that they grow. With the support of Polk County's leaders, officials and citizens, agriculture can be maintained and expanded as a vibrant economic industry, and provide the community with fresh food, quality fiber, ecological services, and the scenic beauty that defines the county's rural character.

Article I Statement Of Need For Action

Agriculture provides a major contribution to the well being of Polk County residents, both those living within and outside the county's cities and towns. In addition to direct contributions to the local economy in the form of product sale receipts and expenditures on farm services and inputs, and along with employment on farms and farm support businesses, farmers make significant contributions as stewards of the undeveloped land (often called "open-space") in the county. Their stewardship protects the county's soil and water resources, recharges groundwater and abates storm water runoff, connects wildlife habitat, and safeguards the scenic and historic vistas that have defined our county's rural character. For these reasons, it is in the citizens' interest to promote the local agricultural industry and protect farmland. Supporting productive farmers is a cost effective way of maintaining the quality of life of everyone in Polk County.

As demonstrated by data supplied below, Polk County is losing farmland. Farming faces a unique set of stresses, some of which county leadership, with thoughtful action, can help to mitigate. To better understand these stresses, and the steps the county can take to reduce them, it is helpful to first understand the history, geography, soil resources, economic trends, and regulations governing farming. It is also important to understand the values and concerns of the farmers themselves.

Article II Authority For County Action

In 1986, the North Carolina General Assembly passed the North Carolina Farmland Preservation Enabling Act.¹ The stated purpose of this Act is "to authorize counties to undertake a series of programs to encourage the preservation of farmland as defined herein."² In addition to enabling counties to create Voluntary Agricultural District ordinances, which Polk County adopted on February 4, 2002³, the Act also created the North Carolina Farmland Preservation Fund and enabled counties to purchase agricultural conservation easements. By later amendment, the General Assembly created a matching mechanism for distribution of Farmland Preservation Trust Fund monies, with preference to counties adopting a countywide farmland protection plan.⁴ The Act declares that a countywide farmland protection plan shall:

1. Contain a list and description of existing agricultural activity in the county.
2. Contain a list of existing challenges to continued family farming in the county.
3. Contain a list of opportunities for maintaining or enhancing small, family-owned farms and the local agricultural economy.
4. Describe how the county plans to maintain a viable agricultural community and shall address farmland preservation tools, such as agricultural economic development, including farm diversification and marketing assistance; other kinds of agricultural technical assistance, such as farm infrastructure financing, farmland purchasing, linking with younger farmers, and estate planning; the desirability and feasibility of donating agricultural conservation easements, and entering into voluntary agricultural districts.

5. Contain a schedule for implementing the plan and an identification of possible funding sources for the long-term support of the plan.⁵

The statute suggests that such a countywide farmland protection plan may be formulated with the assistance of an agricultural advisory board, which Polk County appointed as part of its Voluntary Agricultural District ordinance. That board, known as the Polk County Agricultural Advisory Board, will take the lead role in administering this plan and reporting to the Board of County Commissioners on its progress.

Article III

Overview of Polk County Agricultural Activity

A. Agricultural Production

Polk County is blessed with a diversified, innovative, and balanced agriculture sector. Farmers in Polk County produce poultry, bees and honey, commercial vegetables, sprouts and herbs, blueberries, grapes, ginseng, hay, turf grass sod, milk and other dairy products, hay, goats, sheep, alpacas, small grains and row crops, pigs, bison, emus, apples, nursery crops, and forest products.

B. Economic Impact of Agricultural Production

Polk County has historically been an agricultural county with the western portion yielding forest products and the eastern portion yielding crop and livestock products. Although production farming has declined in the past 40 years, many large farms have been able to survive because of diversification, local markets and nearby packing facilities. In 2006 agricultural producers realized \$9,627,607 in cash receipts, \$2,429,200 of which makes up the equestrian sector⁶. Polk County has the second largest equine population in North Carolina and hay is Polk County's number 1 selling crop. An economic synergy exists between small farms, large commercial farms, and the equine community. The rural way of life characteristic of Polk County has encouraged and enabled farmers to diversify and create markets for their products and take advantage of the opportunities presented by the rapidly developing upstate of South Carolina.

Agriculture is much more than farming in that a substantial number of non-agricultural businesses and enterprises supply the needs of farmers. These include processors, vehicle and equipment dealers, feed stores, agritourism and equestrian events, equestrian breeders, trainers and instructors, and producers/retailers of numerous other goods and services which would not be considered farm supply businesses. Though difficult to measure, these many businesses supporting agriculture undoubtedly account for a significant portion of Polk County's employment base. For these businesses to survive and prosper, a core critical mass of farmers and farmland must be preserved and vice-versa.

C. Family Farm Statistics

Approximately 25% of Polk County's land is composed of large forested tracts of land owned by governmental agencies, non-profit organizations, and for profit investment corporations. The remaining 75% is privately owned by families and individuals. Many of those landowners are

not county residents, having inherited the ‘family farm’ or purchased the land for retirement or investment.

A recent poll⁷ of farmers and landowners living in the county indicates that 1,202 parcels of land totaling 50,340 acres—or 33% of Polk County’s land base—are currently being used in some form of active farming ranging from full-time agricultural production operations to the part-time farmer raising a few chickens or growing herbs for the curb market. Of those 50,340 acres 35,470 are forested. The average size of a farm in Polk County is 41.8 acres; however, the median farm size is 21.3 acres, reflecting the importance of small farms to the larger agricultural industry. Most farms include tilled land, pasture, and forest land. Land less desirable for farming, or land close to Columbus, Tryon, and Saluda has been sold off for residential use, one or two lots at a time, over the past 40 years. Parcels that are 5 to 10 acres in size make up 8% of the county’s land base while 12% of the land is in parcels between 10 and 20 acres, and 68% is in parcels greater than 20 acres, though only 40% of that land is actively farmed. The largest tracts tend to be forest land owned by investors or public entities and are characterized as mixed hardwood stands on steeper slopes, and loblolly pine plantations on more gentle slopes where harvesting with large equipment is possible.

D. Farm Land Use Trends

Between 2005 and 2007 9,463 acres of forest land in Polk County was converted to residential use. The large forested tracts did not support profitable timber activities due to low mixed-hardwood timber markets and high harvesting costs, so the landowners maximized their income potential by selling in the lucrative residential market. Polk County’s remaining farmers are faced with the same decision: to keep on farming or sell their land for greater financial gain. Additionally, the influx of thousands of new residents moving to the area has created demand for new subdivisions and significantly changed the demographics of the county.

One of the reasons that people are moving to Polk County is to enjoy the rural character of the county. There is little evidence to suggest that the pressures on farmers to sell their land will end soon. Conversely, there is evidence that successful farming depends upon a ‘critical mass’ of farmland and markets within a community in order to survive as an economic industry. A concern is that as large tracts are sold and subdivided the price of remaining large tracts will increase making it difficult for them to economically support agricultural enterprises. If the current trend in development continues, the largest tracts of agricultural and forest land will be converted to residential and commercial use within 30 years. If that conversion occurs then Polk County’s agricultural community will not be able to sustain itself. The end result will be the disappearance of farms and forests will bring the disappearance of the agricultural industry and the sectors that supports it, and the rural character of the county. Farmers, however, are increasingly committing their land to agriculture. Over the last seven years 7,000 acres of active farmland have been enrolled in the Agricultural Districts. In order to continue this movement of land protection, the Agricultural Advisory Board has begun an active campaign to help landowners preserve their farms and their way of life.

Article IV

Challenges to Agriculture In Polk County

While the agricultural industry remains an important part of Polk County's economy, both farmers and farmland owners believe that taxes, low commodity prices, development pressures, complaints from neighbors, and trespassing are having a significant impact on the future of their industry within the county. Following are some of the specific challenges farmers identified through interviews and surveys:

A. Volatile Prices and Low Profitability.

Unsteady commodity prices, coupled with rising costs of production, have resulted in high risk, low profitability, and inadequate farm income for farmers across North Carolina. This affects a farmer's cash flow, receivables, return on investment, and incentive and ability to invest in continued operations, thus making a farmer's hold on his or her business untenable. Polk County farmers have identified low prices as well as the high costs of taxes, labor, and regulatory compliance as factors affecting their bottom line.

B. Aging Farm Operators.

In 2002 the average age of a farm operator in Polk County was 55, which is 10 years older than the general population of the county. The number of Polk farmers older than age 60 is 12 times greater than the number of farmers under 35.⁸ This indicates that a large transition will take place over the next 20 years, and with fewer younger farmers available to take over production on these farms, many operations may fall out of production and be divided up and sold through estate settlement processes. Additionally, generations of farming expertise may be lost, an invaluable asset to the local agricultural economy.

C. Rising Property Values and Property Taxes.

As suburban development increases in rural areas land prices invariably increase, which has been the case in Polk County. Increasing land prices restrict a farmer's ability to purchase and/or rent more land on which to operate, thus restricting his or her flexibility to change agricultural operations or otherwise produce more to increase income. As new residents come to the county they demand additional services that place a strain on county revenue resources. Since property taxes are the primary source of revenue for Polk County, owners of land bear the brunt of raising more funds. Although North Carolina state law created the Present Use Value tax program to reduce this pressure for owners of farm and forest land, farmers in Polk County have expressed difficulties with enrolling and staying in the Present Use Value tax program.

D. Conflicts with Non-farmer Neighbors.

Polk County farmers have indicated that conflicts with non-farming neighbors are increasing. As residential development moves to the farm's edge new neighbors find themselves faced with the realities of agricultural production processes: dust, livestock smells, noise from machinery, slow moving farm equipment on roadways. Complaints create a hostile operating environment, can end up in costly litigation, and at worst can result in curtailing a farmer's ability to operate his or her farm. In addition to the complaints from non-farm neighbors, farmers are facing challenges from new subdivision development, including sediment runoff

the impoundment of streams traditionally used for irrigation of agricultural crops, wandering dogs harassing livestock, and trespassing.

Article V

Opportunities For Enhancing Agriculture In Polk County

Meetings and interviews with Polk County farmers and landowners identified some of the strengths of county agriculture as well as its challenges. To help address the challenges facing agriculture Polk County farmers and landowners have shown a knack for innovation and are interested in participating in a variety of local and state programs.

A. Guiding Principles behind this Plan⁹

1. Integrate economic development with farmland protection. Keeping farms viable is as important as protecting the resource base essential for farming.
2. Target agricultural and farmland protection initiatives toward blocks of viable farmland.
3. Educate consumers and elected officials on the relationship between a healthy local agricultural economy and the public benefits working farmland provides.
4. Give farmers incentives to protect farmland by giving them a fair return for the benefits their stewardship of the land provides the non-farming public.
5. Examine the long-term cost effectiveness of incentive programs that compensate farmers for not developing their land. By combining tax, spending and regulatory programs, local communities can strongly support agriculture and meet budgetary needs.
6. Develop land use policies that work for agriculture. Conventional “large-lot” zoning is ineffective because it accelerates residential development and converts agricultural areas into lots that are too small to farm.
7. Encourage inter-municipal cooperation. Since farming spans town and county borders, farmland protection requires cooperation between towns and among levels of government. Efforts to promote development in one town can derail farmland protection efforts in bordering towns.
8. Develop a coalition of interests to support agricultural and farmland protection efforts. Reach out to non-farmers by organizing farmers’ markets, farm events and workshops. Unite the farmland protection interests of farm and non-farm community members by protecting farmland that provides scenic views, includes important water resources, or preserves historic landscapes.
9. Promote thoughtful land use planning to prevent conflicts between farmers and neighbors. Manage residential growth in farming communities; buffer farms from neighboring large-scale residential developments.

B. Existing Agricultural Protection Tools

1. *County Comprehensive Land Use Plan* A comprehensive plan is currently being developed for Polk County. This plan represents an opportunity for agricultural

development and farmland protection to be directly addressed in county policies and decisions. The comprehensive plan will be a crucial document in determining the long-term viability of the agricultural sector. Through maps, it gives a visual picture of where the future needs of agriculture and development are likely to intersect or collide. The plan will also create the framework for a stable investment environment for agricultural operations, and provide important feedback to the local government about the future direction of the farm sector. The Polk County Comprehensive Plan will include a chapter devoted specifically to agriculture to ensure that the local government creates a farmer-friendly environment while protecting the public's health, safety and welfare.

2. *County Voluntary Agricultural District Program.* As noted above in Article II, the North Carolina General Assembly enabled counties to adopt Voluntary Agricultural District (VAD) ordinances to effectively create areas “to increase identity and pride in the agricultural community and its way of life and to increase protection from nuisance suits and other negative impacts on properly managed farms.”¹⁰ Farmers, by enrolling their farm in a VAD and by entering into a revocable agreement with the county to forego developing their land for a period of ten years, enjoy certain protections of their operation, including waiver of sewer and water assessments, record notice to non-farm neighbors of proximity to a farming operation, and public hearing before condemnation of farm property by eminent domain. On February 4, 2002 Polk County passed a VAD ordinance which provides those protections. Also pursuant to the ordinance, an Agricultural Advisory Board was appointed by the Board of County Commissioners to represent agricultural interests in the county. Specifically the board administers the VAD program; conducts public hearings on proposed condemnations of VAD farmland; advises the Board of Commissioners on projects, programs and issues affecting the agricultural economy and districts; and studies additional methods of farmland preservation.¹¹ While the VAD ordinance encourages investment in agriculture, it does not represent a permanent land protection measure as districts rely heavily on voluntary enrollment and allow for withdrawal. At the time this plan was written, October 2007, 43 farms consisting of 5,954 acres were in enrolled in the VAD.
3. *County Enhanced Voluntary Agricultural District Program.* North Carolina G.S. 106-743.1 authorizes a county to adopt an ordinance establishing an Enhanced Voluntary Agricultural District (EVAD). The purpose of establishing an EVAD is to allow a county to offer additional benefits beyond those available to a VAD to farmland owners who enter into an irrevocable agreement with county to not develop the land for ten years. On April 6, 2006 Polk County adopted an Enhanced Agricultural District Ordinance. As of October 2007, 9 farms consisting of 942 acres were in enrolled in the EVAD.
4. *Agricultural Conservation Easements Program.*
 - a. Agricultural Conservation Easements. An agricultural conservation easement is an agreement between a landowner and a qualified organization (e.g. land trust, county, soil and water conservation district) that restricts the residential, industrial, and commercial development of the land for the purpose of maintaining its agricultural production capability. Conservation easements typically provide financial incentives to landowners through federal and state income tax benefits, and in some instances direct compensation. Conservation easements benefit the public through the protection of open space for rural

heritage and scenic enjoyment, the protection of water resources, and the protection of wildlife habitat.

- b. Polk County Soil & Water Conservation District. In 2006 the Polk County Soil and Water Conservation District (SWCD) accepted a donated agricultural conservation easement. The District Supervisors viewed the project as a success and have therefore decided to accept and hold additional easements. The willingness and desire of the District to hold agricultural easements is an opportunity for the county to promote and facilitate farmland preservation. However, the responsibilities along with negotiating, writing, and processing the conservation easement will require staff and financial resources. The NC Division of Soil and Water Conservation is developing additional resources to support Conservation Districts holding easements, and Polk SWCD will work closely with this process to identify important needs as easement holders.
- c. Purchase of Agricultural Conservation Easement (PACE). The North Carolina Farmland Preservation Enabling Act enables counties to purchase agricultural conservation easements on qualifying farmland with the voluntary consent of the landowner. Payment options include lump-sum payment or annual payments over a set period. The program can be funded through municipal and county bond issues, a percentage of a real estate transfer tax, or as a regular budget line item. County funds can also be used to leverage state and federal grants.

5. *State Conservation Funding Tools*

- a. North Carolina Department of Agriculture's Agricultural Development and Farmland Preservation Trust Fund. The North Carolina Agricultural Development and Farmland Preservation Trust Fund was created by statute "for the purchase of agricultural conservation easements" in transactions with both governmental and private non-profit organizations.¹² These monies, when available, require a local match, but can leverage certain federal funds described below.
- b. Clean Water Management Trust Fund. The North Carolina Clean Water Management Trust Fund is a voluntary, incentive-based water quality program to help local governments, state agencies and conservation non-profit groups finance projects to protect and restore surface water quality. Farm and forest land owners are eligible to receive trust fund monies for sale of the development rights to their land under certain guidelines and qualifications. These funds can be combined with certain federal conservation funds listed below.¹³
- c. Division of Soil and Water Conservation Agricultural Cost-Share. This program is administered by the Division of Soil and Water Conservation in the Department of Environment and Natural Resources. It is delivered at the local level by 492 elected and appointed volunteer District Supervisors who are assisted by a cadre of experts. Participating farmers receive 75% of predetermined average costs of installed best management practices (BMP's) with the remaining 25% paid by farmers directly or through in-kind contributions. The program also provides local districts with matching funds (50:50) to hire personnel to plan and install the needed BMP's, including riparian buffers, strip cropping, and grassed waterways¹⁴. Farmers enrolled in an EVAD may apply for 90% of average costs.

- d. Natural Heritage Trust Fund. Like the farmland and clean water trust funds, this fund may be available to purchase development rights on properties with outstanding natural or cultural values.¹⁵
- e. North Carolina Conservation Tax Credit. North Carolina law allows a credit against individual and corporate income taxes when real property is donated for conservation purposes. Interests in property that promote specific public benefits may be donated to a qualified recipient. Such conservation donations qualify for a substantial tax credit.¹⁶

6. *Federal Conservation Funding Tools*

Below are some of the voluntary federal programs that are part of The 2007 Farm Bill and administered by the Natural Resources Conservation Service (NRCS) and Farm Services Agency (FSA) of the United States Department of Agriculture (USDA). They are designed to compensate farmland owners for the conservation value of their land. Like local PACE programs, they have the dual effect of safeguarding the environmental benefits of farmland as open space while injecting dollars into the local economy via the farmland owner.¹⁷

- a. Farm and Ranchland Protection Program (FRPP). The Farm and Ranchland Protection Program provides federal funds to help purchase development rights, keeping productive farmland in agricultural use while compensating the farmland owner for the conservation value of his or her land. The FRPP matches state and local PACE programs up to 50% of the easement purchase price, working through state, tribal and local governments and land trusts.
- b. Conservation Reserve Program (CRP). The Conservation Reserve Program reduces soil erosion, protects the nation's ability to produce food and fiber, reduces sedimentation in streams and lakes, improves water quality, establishes wildlife habitat, and enhances forest and wetland resources. It encourages farmers to convert highly erodible cropland or other environmentally sensitive acreage to vegetative cover, such as tame or native grasses, wildlife plantings, trees, filter strips, or riparian buffers. Farmers receive an annual rental payment for the term of the multi-year contract.
- c. Wetlands Reserve Program (WRP). The Wetlands Reserve Program offers landowners the opportunity to protect, restore, and enhance wetlands on their property. The NRCS provides technical and financial support to help landowners with their wetland restoration efforts. The NRCS goal is to achieve the greatest wetland functions and values, along with optimum wildlife habitat, on every acre enrolled in the program. The WRP offers landowners three options: permanent easements, 30-year easements, and restoration cost-share agreements of minimum 10-year duration.
- d. Environmental Quality Incentives Program (EQIP). This program provides a source of funding for nutrient management systems. The program offers technical, financial, and educational assistance in designated priority areas to install or implement structural, vegetative, and management practices called for in five to ten year contracts for most agricultural land uses.
- e. Wildlife Habitat Incentives Program (WHIP). This program encourages creation of high quality wildlife habitats that support wildlife populations of national, state, tribal and local significance by providing technical and financial assistance

to landowners and others to develop upland, wetland, riparian, and aquatic habitat areas on their property.

- f. Conservation Security Program (CSP). This program helps producers maintain existing conservation practices and encourages them to implement new practices that will provide additional levels of conservation benefits. All participants must develop a conservation stewardship plan that outlines the conservation and environmental benefits that the land will provide while enrolled in the program. Producers choose to participate at one of three tiers. Higher tiers require a greater commitment to conservation but also offer higher payment rates.
7. *State Right-to-Farm Law*¹⁸ By statute, North Carolina farmers are granted the right to farm without legal interference from non-farm neighbors and local governing bodies, subject to certain limitations. Pre-litigation mediation of farm nuisance claims is mandatory.¹⁹
8. *Present Use Value Property Tax*²⁰ Working farm, forest and horticultural lands by state statute are afforded a property tax assessment based on their agricultural working value, as opposed to the value of their land for industrial or residential development. This assessment affords farmers some amount of cost control that would otherwise limit their ability to farm profitably.

C. Opportunities for Enhancing the Local Agricultural Economy

1. Strengthen farm viability and the agricultural economy by promoting the economic development of the agricultural sector.
 - a. Maintain and enhance local agricultural infrastructure and support services.
 - b. Target agriculture with economic development and marketing initiatives, including agritourism development.
 - c. Facilitate private investment of capital in the local agriculture industry.
 - d. Provide farmers and agribusiness investors with business planning and development assistance.
 - e. Diversify the agricultural production base.
2. Support farm operations and the right to farm by ensuring farmers have a supportive business environment.
 - a. Develop policies and ordinances that encourage agriculture and do not inhibit or discourage farming operations.
 - b. Increase non-farm neighbor awareness of farm practices and issues.
 - c. Work with NC Farm Transition Network to develop the farm management capacity of young farmers.
 - d. Continue support of existing programs that reward farm practices that maintain and improve water, air and wildlife habitat quality.
 - e. Allow for a provision in the Polk County Cluster Housing Ordinance for the farmed open space to be taxed at Present Use levels.
3. Protect farmland as a valuable natural resource by developing sound land use policies and conservation measures that encourage agricultural production.

- a. Identify productive areas of agricultural land, and direct residential and industrial growth away from productive agricultural areas to avoid disruptions to agricultural operations.
 - b. Educate local government and landowners on planning techniques and tools that reduce pressures on farming operations.
 - c. Encourage protection of farmland located in public water source areas, including reservoirs, streams, and water recharge areas.
4. Foster greater recognition and public support for agriculture by educating the public on agriculture's economic, community and environmental benefits.
 - a. Demonstrate the value of agriculture to the public
 - b. Foster dialogue between non-farmers, government officials and the agricultural community.
 - c. Build a coalition of organizations and citizens to promote awareness of local, state and national issues affecting Polk County agriculture.
 5. Support the Polk County's farmer's markets. The Columbus Tailgate Market is open Saturday mornings from April to November. Locally grown farm products are available in addition to processed food products and locally made arts and crafts. The Tryon Tailgate Market is open Wednesday afternoons from June through September, and offers produce, baked goods, jellies, and eggs.
 6. Provide consistent and continued recognition of the equine industry and its economic contribution to animal husbandry, agricultural services, farm hay production and commerce, recreational trail networks, and products and services such as truck vehicles and horse trailers, bedding materials, feed, and veterinary services.

Article VI

Action Steps to Ensure A Viable Agricultural Community In Polk County

A. Strengthen Farm Viability and the Agricultural Economy

1. Create an agricultural economic development position

Establishing a new Agricultural Economic Development Specialist position for the county will be necessary for carrying forward the economic initiatives essential to farm viability. Only a dedicated position will be able to concentrate the efforts required to coordinate the various participants (program staff in county economic, labor, tourism, planning, agricultural, and conservation departments and other interested non-profit staff), and to prioritize, develop and implement the various initiatives called for in this plan. Duties of the Agricultural Economic Development Specialist will include:

- a. Determining priorities, developing strategies, and achieving benchmarks for economic development efforts;
- b. Identifying and seeking additional funds for economic and business development for county initiatives and individual producers through grant writing;
- c. Communicating and meeting on a regular basis with stakeholders in agricultural economic development process; and

- d. Developing marketing initiatives for local agriculture.
 - e. Managing the tailgate markets.
 - f. Maintain records on the Agricultural Districts and the agricultural conservation easements held by the County and Soil and Water Conservation District.
2. *Expand business development assistance to farm businesses.* To meet the challenges outlined above, farmers and forest owners need more access to business development assistance, particularly as traditional agricultural markets fade and alternative enterprises are needed. This assistance includes business development and planning, market research and communication, and financing opportunities. Efforts to increase assistance will include:
- a. Establishing a business development program specifically targeted at agricultural businesses, consisting of a network of business consultants, small business development counselors, and attorneys familiar with small business and agricultural law who are willing to work at a lower cost or volunteer basis to provide assistance. Make use of the NC Farm Transition Network which can provide materials and training for professional advisors regarding farm estate planning and special issues regarding passing the management of the business to the next generation.
 - b. Working with North Carolina Cooperative Extension to disseminate published materials on agricultural business issues to area professionals to expand their knowledge of agriculture thus increasing their ability to assist farmers.
 - c. Offering workshops to farmers on business planning and development, research, marketing, financing, conservation funding, and estate planning.
 - d. Providing grant-writing assistance for federal, state and other non-profit funding opportunities to assist with diversification, etc.
 - e. Developing a local directory of the network described in (a) above.
 - f. Promote web based marketing of locally produced products by individual farmers.
3. *Improve access to financing and capital.* Provide assistance in obtaining grants and low interest loans for business start-up, expansion, retention and diversification. Beginning farmers have particular challenges to obtaining financing; the county will assist with grant-writing and record-keeping requirements to help new farmers to qualify for the government and private programs targeted at them.
4. *Expand efforts to promote Polk County farm businesses and farm products.* The development pressures on agriculture outlined in Article IV above also provide opportunities for county farmers and agribusinesses in the form of new consumers. Efforts will be made to educate new residents on the association between a healthy local agricultural economy and the life-style many have sought to achieve by locating to our county. These efforts will include:
- a. Creation of a website and print publications to identify locally grown products. This website will also include items of interest for farm-to-farm sales such as hay for equine or equipment;
 - b. Expanding the tailgate markets;
 - c. Working with the Polk County Chamber of Commerce to promote local farms and their products;

- d. Working directly with retail store, restaurant, and bed-and-breakfast operators to purchase and promote products grown locally in the county;
 - e. Working with local institutions such as schools to purchase food grown locally;
 - f. Work with neighboring counties to bring processing facilities to the region, and other large-scale regional production and marketing actions; and
 - g. Sponsoring festivals, farm tours and other public recognition activities.
5. *Improve the marketing capacity of farmers:* Traditionally, farmers have relied on off-farm distributors to handle marketing and price negotiation for their products. Increasingly farmers are recognizing the value of directly marketing their products to county residents as they diversify and specialize their products. In addition to the steps outlined above, the Agricultural Economic Development Specialist will develop marketing workshops with input from farmers from other counties who have successfully diversified and direct-marketed their production.

B. Support Farm Operations and the Right-to-Farm

1. *Support the infrastructure needs of the farm sector.* The county will consider the impact to agriculture of all zoning and planning proposals and ensure that farmers maintain the flexibility to adapt their operations to new markets or otherwise expand existing operations.

Example. A zoning law might restrict “farm stands,” or road-side on-farm retail establishments. Careful consideration will be taken in drafting restrictions on farm stands to allow farmers to better market their on-farm products.
2. *Support the right-to-farm.* County and town officials will become familiar with the state right to farm law²¹ and seek to improve neighbor relations and general understanding of commercial farm activities and needs to reduce nuisance suits and generate positive public support for local agriculture. Action items will include:
 - a. Ensure notice requirements under the Voluntary Agricultural District ordinances are followed including posting maps on the county’s website, and in the offices of the Registrar of Deeds, Tax Assessor, Soil and Water District Office, Economic Development, and Planning and Zoning. Additionally, the county will require a disclosure statement be signed at the closing of real estate transactions acknowledging that the buyer is aware of the property’s proximity to an agricultural district.
 - b. Create a “neighbor relations” packet on the realities of living in agricultural areas for distribution to new county residents by the Chamber of Commerce, Visitors Bureau, tax office, etc. This can also be made available to farmers wishing to further educate their neighbors on farming operations.
 - c. Provide real estate brokers and lawyers with Voluntary Agricultural District maps, the above “neighbor relations” packet, and printed disclosure notices of agricultural operations and encourage them to share these materials with their clients.
 - d. Set up local arbitration referral program for farm-neighbor disputes. Pre-litigation mediation of farm nuisance suits is required in North Carolina.²²
 - e. Encourage municipalities to seek input from the Agricultural Advisory Board or other when developing and revising local ordinances.

C. Protect Farmland as a Valuable Natural Resource

1. *Develop an agricultural conservation easements program.* The County will provide financial support to expand and maintain the capacity of the Soil and Water Conservation District to develop and hold agricultural conservation easements. The County will establish a fund which may be used by the Soil and Water Conservation District for the purchase of agricultural conservation easements.
2. *Implement an assessment schedule for conservation easements.* The tax assessor will develop and implement a schedule for reassessing properties under a conservation easement. Landowners will be able to estimate the property tax benefits of permanently protecting their land with a conservation easement and use that information along with the estimates of federal and state income tax benefits when evaluating land protection options.
3. *Implement local land use policies that support agriculture and protect farmland.* How the county plans for growth will greatly impact the viability of its agricultural economy. The county will, through its land use planning, develop policies which take into consideration agricultural production and development. The Planning Board will include input from the Agricultural Advisory Board (or the Agricultural Economic Development Specialist) in the planning process. Such policies and actions can include:
 - a. Develop a separate agricultural chapter in the Comprehensive Plan. Include farmers and agricultural leaders on the committee developing the plan and incorporate elements of this plan into the agricultural section.
 - b. Provide officials training in growth management techniques and infrastructure planning that accommodate agriculture;
 - c. Research model land use and subdivision ordinances or principles and distribute to towns for use in their local planning. Tailor land use ordinances and subdivision regulations to guide growth away from farming and forest areas and buffer farms and forests from neighboring land uses;
 - d. Increase setbacks between residences and farm fields and buildings as part of new residential subdivisions; and
 - e. Identify corridors of prime agricultural soils and provide county incentives to help keep these productive soils in active farming.
4. *Promote tax relief incentives.*
 - a. The county will work with county tax assessors to ensure proper interpretation of the state's Present Use Value statute with continuous training as necessary, and will undertake to educate farmland owners on the program, and how to apply and comply with present use valuation of farmland.
 - b. The county will establish a Present Use Value Advisory Committee that will review applications and appeals, and provide the tax assessor with an opinion as to the eligibility of each.
 - c. The Board of Commissioners, tax assessor, and Present Use Value Advisory Committee will review the program and establish complementary rules and procedures to eliminate gaps in the state's program that disqualify farms important to the county.

5. *Provide technical assistance on other farmland protection initiatives and conservation options.* The Agricultural Economic Development Specialist, with the support of the Agricultural Advisory Board, will develop educational programs for county farmland owners. The programs, in cooperation with local Cooperative Extension, NRCS, FSA, Soil & Water Conservation District staff, as well as area conservation groups such as land trusts, watershed protection groups, and wildlife organizations, will make farmers aware of the various conservation funds available for easement purchases, the tax benefits of donated easements, and basic principles of estate planning with conservation options. Help will be provided in identifying and applying for grants, loans, and technical assistance programs as needed.

D. Foster Greater Recognition and Public Support for Agriculture

1. *Foster greater appreciation for agriculture.*
 - a. Provide education to county and municipal officials and planning board members on farming issues and basics of agricultural law, as well as “smart growth” education on planning options that concentrate growth near existing centers and infrastructure. County officials will place a regular briefing by members of the Agricultural Advisory Board and/or the Agricultural Economic Development Specialist on their meeting agendas.
 - b. Encourage members of the agricultural community to become involved in local government and planning.
 - c. Commission a cost of community services (COCS) study to demonstrate the public fiscal advantages of land use planning for agricultural viability. In numerous COCS studies around the country, including four conducted by North Carolina State University, farmland has been shown to require significantly less in public service (fire protection, water and sewer, police, schools, etc) expenditures that it contributes in tax revenue, even at the lower differential assessment rate afforded under the present use value system. The results of this study will be publicized to further generate protection of the agricultural economy as sound county fiscal policy.
 - d. The Agricultural Economic Development Specialist will cultivate local and state media coverage of the benefits of agriculture to the well-being of the county, and will regularly communicate with media about achievements reached under this plan.
2. *Improve communication and networking within the farm community.* The county Agricultural Advisory Board will continue to represent the farming community in matters before the county government and will foster communication among farmers and agribusinesses to help foster a sense of community in the agricultural sector. Actions will include:
 - a. Hold a farmer symposium and/or appreciation dinner at which farmers have the opportunity to network with farmers from other commodity sectors and different areas of the county, including the equine sector which purchases large quantities of locally grown hay.
 - b. Encourage farmers to use the website established by the Agricultural Economic Development Specialist (see above) to participate in a bulletin board discussion or listserve for posting and answering questions, and for discussions about joint marketing opportunities.

- c. Develop a county-level farm transition program, which may include programs where older farmers teach skills to younger new farmers.
- 3. *Develop stronger connections between schools and local farms.* Schools offer an excellent opportunity to educate students and their parents about the importance of local farms.
 - a. Encourage local farms, vineyards, and orchards to offer tours to school students, and make schools and teachers aware of available educational tours for students by distributing materials to area schools at the beginning of each school year.
 - b. Coordinate with the North Carolina Farm Bureau's *Ag in the Classroom* program.
 - c. Support education efforts of the Polk County High School farm.
- 4. *Educate the public on the environmental protection benefits of farmland protection.* Develop a public education campaign to tie consumer support of local agriculture with open-space, clean water and air benefits, and enhanced wildlife habitat working farm and forestland provides. Include input from the local Soil & Water Conservation District, Resource Conservation and Development district, and area land trust on specific farm-related conservation projects they have worked on. Tie the education campaign to specific initiatives under this plan to build public political support for protection tools such as funding for a program to purchase agricultural conservation easements (PACE).

Article VII

Schedule For Implementation

A. Timeline for Implementation

- 1. *Year One:* In the first year much time will be spent organizing and developing the program outlined in this plan. The following tasks will be performed:
 - a. develop a budget for implementing the top priorities of this plan
 - b. hire the Agricultural Economic Development Specialist;
 - c. implement the VAD notification system;
 - d. develop guidelines and criteria for the agricultural conservation easement program;
 - e. develop a property tax assessment schedule for conservation easements;
 - f. incorporate elements of this plan into the county's comprehensive plan;
 - g. arrange meetings between the Agricultural Advisory Board and planning staff and boards of the county's municipalities, establishing a regular communication protocol on land use planning decisions ;
 - h. educate public officials on farming issues; and
 - i. identify leaders_of the farming community to become involved in public planning.
- 2. *Years Two and Three:* The core of the plan will be developed during the second and third years. Specifically the following tasks will be performed:
 - a. create a website and local buyer's guide;
 - b. expand the tailgate markets;
 - c. work with the Chamber of Commerce;
 - d. work with restaurant and retail operators;

- e. sponsor public recognition events such as festivals;
 - f. hold an event for farmers to meet and network;
 - g. develop a local farm transition program;
 - h. develop the neighbor relations packet;
 - i. educate real estate agents and attorneys and provide VAD maps and neighbor relations packets;
 - j. establish the Present Use Value Advisory Committee;
 - k. develop and implement local present use value rules;
 - l. commission a cost of community services study;
 - m. educate the public on the environmental benefits of farmland protection; and
 - n. identify training opportunities for planning staff on techniques for managing growth in farming communities.
 - o. organize farm tours for children
3. *Years Four and Five:* Elements of the plan that are either too complex to implement in the first three years, or are of less priority will be implemented in the fourth and fifth years. These tasks are:
- a. establish the business development program;
 - b. market produce and other products to schools and other institutions;
 - c. develop a workshop on marketing;
 - d. set up a local arbitration referral program for neighbor disputes;
 - e. develop a local farm transition program;
 - f. get involved with Farm Bureau's *Ag in the Classroom*; and
4. *Undetermined:* The remaining tasks listed in Section VI will be implemented on an ongoing basis. These tasks are:
- a. provide business-grant writing assistance;
 - b. work with neighboring counties on a regional approach to land use planning and agricultural land protection and economic development;
 - c. support infrastructure needs of farmers;
 - d. implement local land use policies that support agriculture and protect farmland;
 - e. research and develop model land use and subdivision ordinances;
 - f. ensure the tax assessor is educated on the Present Use Value tax program;
 - g. provide technical assistance on farmland protection initiatives;
 - h. cultivate media coverage; and
 - i. encourage farmers to use the website.

B. Key Stakeholders and Their Roles in Implementing the Plan

1. *Residents:* The success of this plan ultimately relies on the participation of county residents in the local agricultural market and their support for farmland preservation efforts. Residents of the county can also recognize the importance of working farms to the local economy, environment, quality of life, and rural heritage of Polk County by establishing and subsequently support funding for a purchase of agricultural conservation easements program.
2. *County Government:* By adopting this plan, the county Board of Commissioners have made agricultural protection and viability official county policy. The county, through the Agricultural Advisory Board, has committed to take the lead role in implementing this

plan and drawing together the key players to coordinate its efforts and policies. The county Board of Commissioners bears the responsibility for approving funding to help implement this plan.

3. *Town Governments:* Several issues affecting agriculture such as land use planning and land use actions within a town's extra-territorial jurisdiction (ETJ), municipal service plans and local business promotion are best addressed at the municipal level.
4. *State Agencies:* Some key agencies providing assistance to agricultural producers in the county are North Carolina Cooperative Extension, North Carolina State University, and North Carolina A&T University. The Soil & Water Conservation District provides technical support and cost-share funding to farmers for adopting certain soil and water conservation and quality improvement practices. The Department of Agriculture and Consumer Services provides data on Voluntary Agricultural Districts throughout the state, as well as marketing advice to agricultural producers.
5. *Federal Agencies:* USDA has a strong presence in Polk County with its NRCS and FSA offices. NRCS administers financial and technical assistance program for farmland protection and conservation initiatives, including grants for best management practices, habitat improvement and purchase of development rights. FSA lends money to operators and provides credit counseling and farm business consulting.
6. *Business and Industry:* Participation of local farm businesses in this plan is critical its implementation. Private industry, both farm supply and nonfarm businesses and the Chamber of Commerce play an important role in promoting the agricultural sector of the county's economy. These organizations should also help in developing new markets such as tourism that will benefit agricultural producers.
7. *Non-governmental Organizations:* Organizations such as land trusts, historic preservation groups, and groups dedicating to assisting agriculture provide necessary advocacy and other services necessary for implementation of this plan.
8. *School Board:* By supporting the High School Horticultural and Agricultural Curriculum and the School Farm the School Board provides significant assistance to the important task of farmland and farm business transition.

¹ NCGS §106-735 et seq.

² NCGS §106-735(b). "Qualifying farmland" is defined in §106-737.

³ Voluntary Farmland Preservation Program Ordinance

⁴ NCGS §106-744 (c)(1).

⁵ NCGS §106-744(e)(1-5)

⁶ *Estimated Income From Sale of Farm Products and Government Payments, By County, Extension District, and State. Fore 2004, 2005, and 2006 As Estimated by County Extension Agents.* NC Cooperative Extension Service. NC State University. Raleigh, NC

⁷ Tax parcel data was consolidated by Betsy Burdett and reviewed by farm suppliers and landowners to identify those engaged in active farming.

⁸ Census of Agriculture, North Carolina Table 11, "Tenure and Characteristics of Operator and Type of Organization: 1997 and 1992," pp. 334-346

⁹ Adapted from “Keep It Growing: An Agricultural and Farmland Protection Plan for Rensselaer County (New York)”, p. 28.

¹⁰ NCGS §106-738(b)

¹¹ NCGS §106-739 outlines the authority the county may confer on it. The Board may have the authority to:

1. Review and make recommendations concerning the establishment and modification of agricultural districts;
2. Review and make recommendations concerning any ordinance or amendment adopted or proposed for adoption under this Article;
3. Hold public hearings on public projects likely to have an impact on agricultural operations, particularly if such projects involve condemnation of all or part of any qualifying farmland;
4. Advise the board of county commissioners on projects, programs, or issues affecting the agricultural economy or way of life within the county;
5. Perform other related tasks or duties assigned by the board of county commissioners.

¹² NCGS §106-744(c).

¹³ NCGS § 113-145.1 et seq. More information on the fund is available at www.cwmtf.net.

¹⁴ Other program summaries that assist farmers in controlling non-point source runoff are available at www.enr.state.nc.us/DSWC

¹⁵ NCGS §113-77.7

¹⁶ Consult NCGS §§105-130.34 and 105-151.12 for the specific requirements of the CTC Program. For more information see www.enr.state.nc.us/conservationtaxcredit.

¹⁷ For more program information and legislative authority, see www.nrcs.usda.gov/programs/farmland/2002.

¹⁸ NCGS §106-700 et seq.

¹⁹ NCGS §7A-38.3.

²⁰ NCGS §105-277.2.

²¹ N.C.G.S Chapter 106, Article 57. Nuisance Liability of Agricultural and Forestry Operations

²² NCGS §7A-38.3.