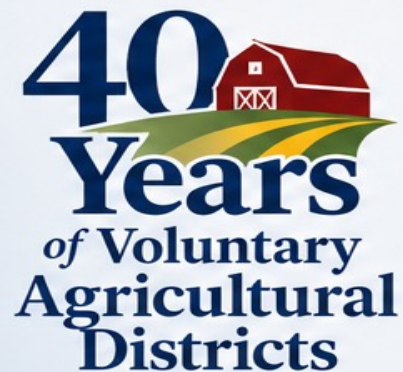




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*North Carolina Department of
Agriculture and Consumer Services*

Agricultural Land Threats

- **Leslie Vanden Herik, AFT Southeast Senior Program Manager, American Farmland Trust**
- **Eva Caison, Carolina Farms Fund Program Manager, The Conservation Fund**

**N★C
FOREVER
FARMS**





THE
CONSERVATION
FUND

LAND SUSTAINS US



American Farmland Trust

Agricultural Land Threats



Who We Are

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American Farmland Trust

**No Farms
No Food[®]**


American Farmland Trust

Who We Are

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Carolina Farms Fund Program Manager

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**THE
CONSERVATION
FUND**

FARMS FUND



Who You Are

Turn to your neighbor,
introduce yourself!

*Who you are, what you do,
why you're here*

Farms Under Threat in North Carolina

On recent trends, from 2016 to 2040:

North Carolinians will pave over, fragment, or compromise

1,197,300 acres of farmland.

62% of the conversion will occur on North Carolina's Nationally Significant land.¹

That's the equivalent of losing

9,100 farms,
\$1.25 billion

in farm output, and

19,600 jobs

based on county averages.²

Hardest-hit counties:

- ▶ **Johnston**
- ▶ **Union**
- ▶ **Wake**

¹ Freedgood et al. 2020
² Census of Agriculture 2017



- **Johnston, Union, Wake, Iredell, and Mecklenburg**, are projected to see more than **35%** of their agricultural land converted by 2040
- Updates by AFT show that between 2016-2024, **316,806 acres** of North Carolina farmland was already converted
- Updated data ranks **North Carolina #3** in the nation **for farmland loss**, behind Texas and California

An aerial photograph showing a landscape with large, flat agricultural fields in shades of green and brown, separated by narrow strips of trees and a small stream. A dense forest of green trees is visible on the right side of the image.

Agricultural Land Threats

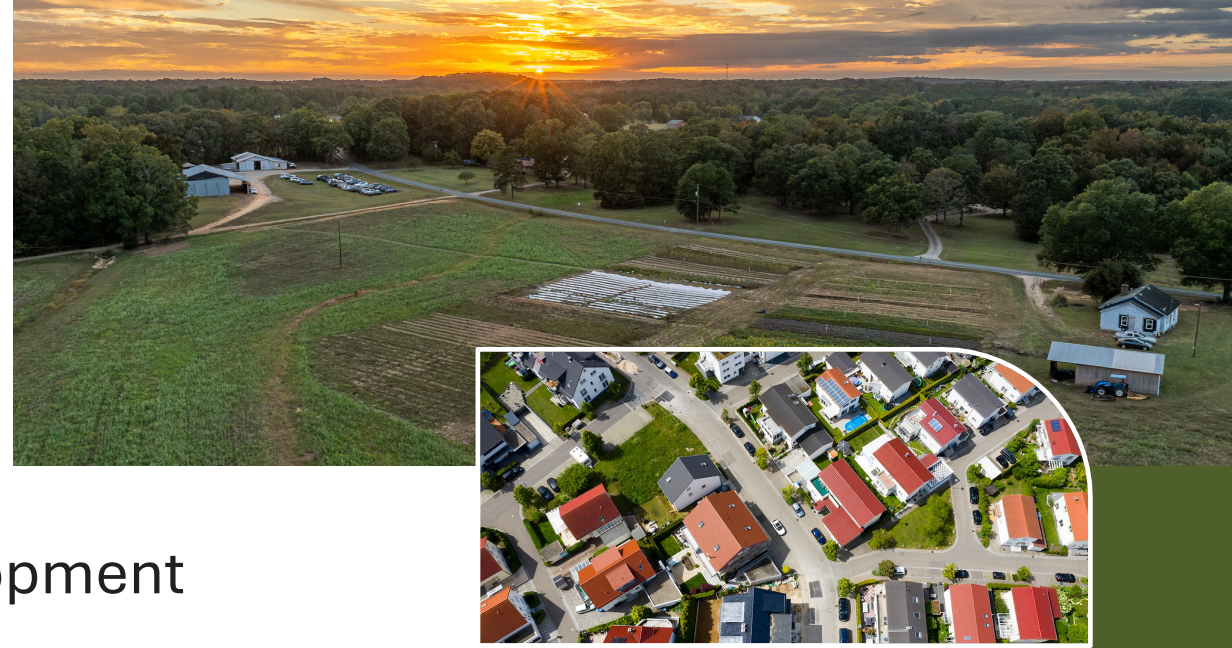
1. **Development Pressure** (increasing land values, increasing conversion)
2. **Land Fragmentation** (subdivision of farmland, causes and impacts)
3. **Infrastructure Expansion** (structures and facilities to support residential communities, converting farms from working lands use)

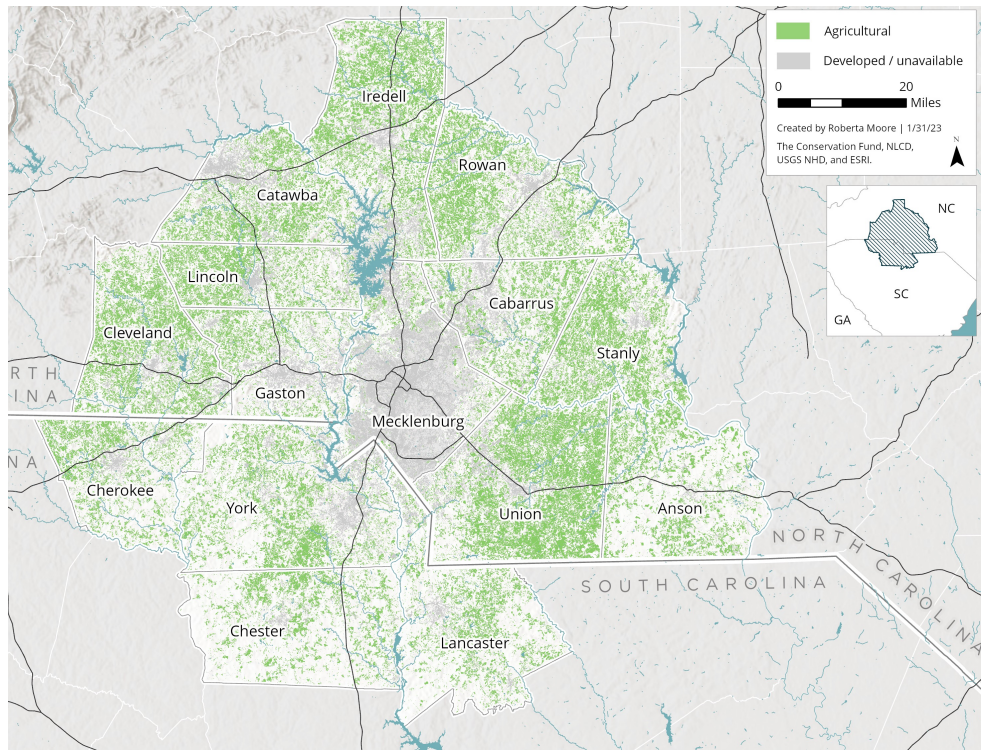
#1: Development Pressure

Conversion of prime farmland from development pressure around metro areas

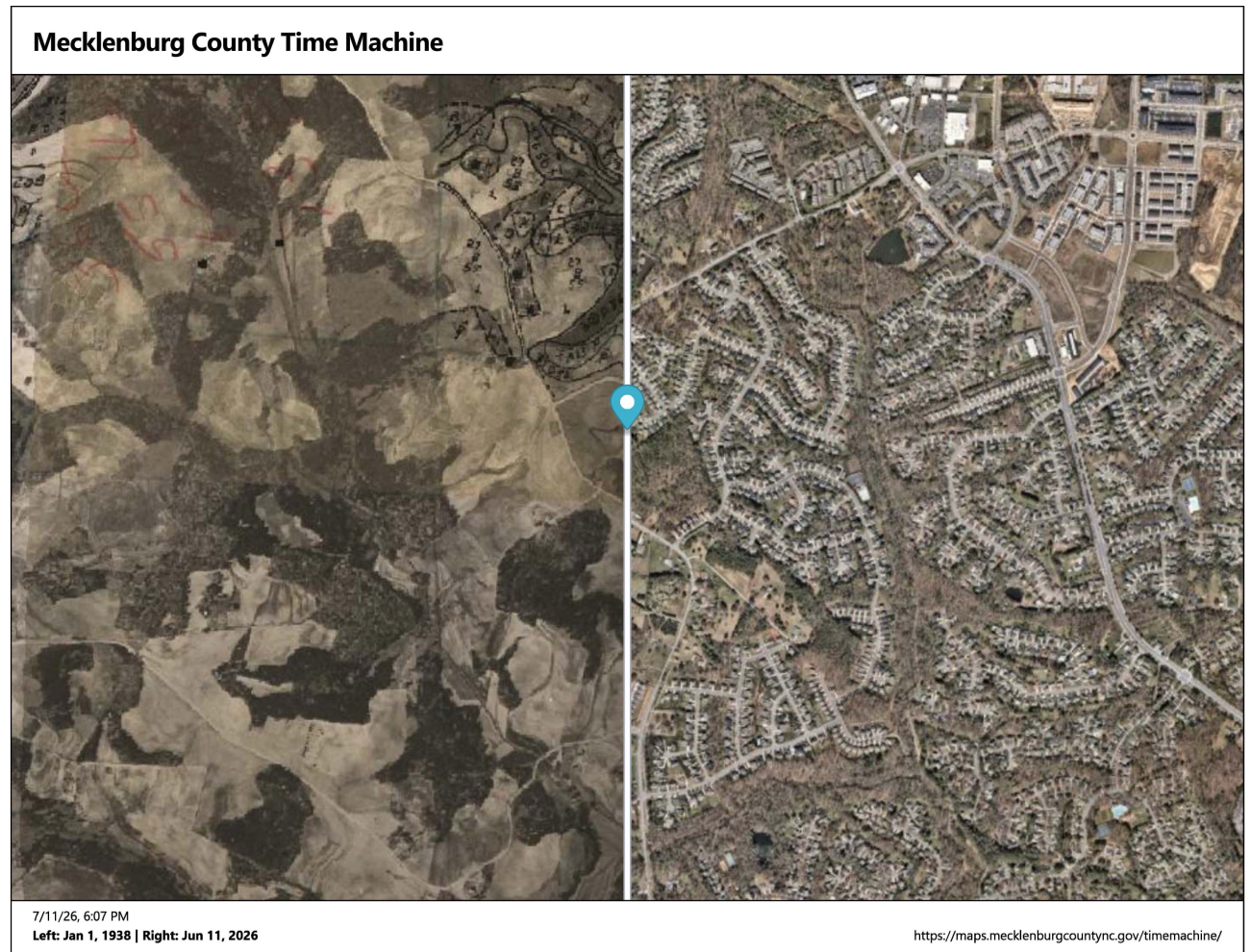
Impacts:

- Increasing property values **price out farmers**
- Farmland owners **holding out for big offers**
- **Farmland becomes unaffordable** for next generation farmers
- **Prime farmland lost to development**





50,000 acres of farmland permanently lost to development in 10 of Charlotte Metro's most populous counties **in the last 5 years** (US Ag Census 2022)



1938

2026

NE Charlotte, Mecklenburg County, NC

Note: this area remained largely agricultural through the mid-1990's

THE CHALLENGE

We are losing our local farms and farmers, especially surrounding major metro areas

Development pressure on small and mid-size family farms



Charlotte Metro **lost 650 farms** between 2017 and 2022



FEWER FARMS



Lack of support for next generation farmers to access land and build viable farm businesses



Average age of U.S. farmer is **59 YEARS OLD** and climbing



FEWER FARMERS





THE OPPORTUNITY

Tools to Mitigate **Development Pressure**

- 1. Agriculture Conservation Easements**
- 2. PACE programs**
- 3. BPS programs**

Agriculture Conservation Easement (ACE)

An ACE is a legal agreement that **restricts development and subdivision of land** to maintain its agricultural production capability and protect natural and cultural resources.

It is intended to **limit land uses inconsistent with agriculture** and to **provide maximum flexibility** for agricultural operations now and in the future.

A landowner can donate or sell an ACE, or combo of both.





PACE Programs

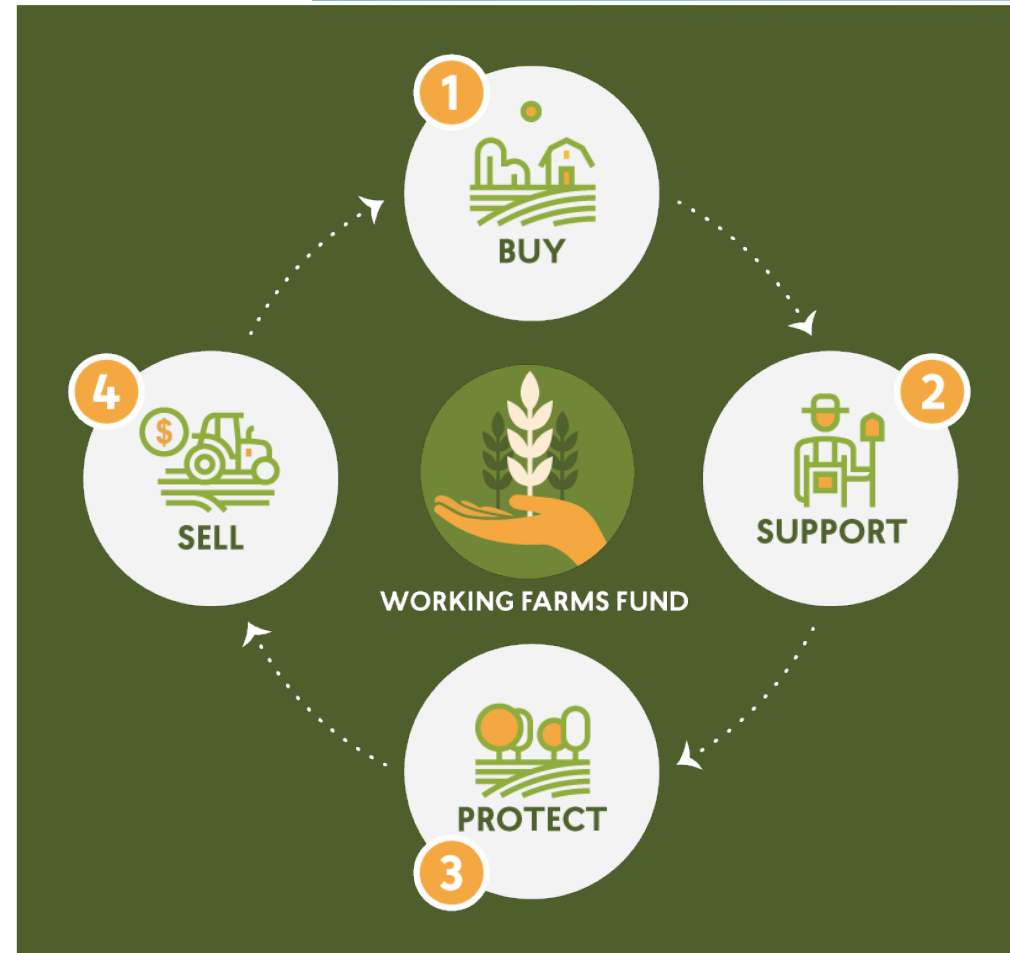
Federal, State, and some County governments appropriate funding for the purchase of agriculture conservation easements to protect working lands, preserve agricultural production and rural heritage, and conserve greenspace. **Purchase of Agricultural Conservation Easement** programs include:

- NRCS Agricultural Conservation Easement Program – Agricultural Land Easements (ACEP ALE)
- NC Agricultural Development and Farmland Preservation Trust Fund (ADFP)
- County Farmland Preservation Programs, including:
 - Buncombe, Chatham, Union, Wake and other counties
 - Typically utilizing PUV rollback taxes to fund these PACE programs

BPS PROGRAMS

Buy – Protect – Sell

- NGO acquires farmland
 - Purchase
 - Donation
 - Bargain sale
- Supports incoming farm business expansion
- Partners with local land trust to secure ACE
- Sells protected land to next generation operator



BPS in NC: THE FARMS FUND

In 2021, The Conservation Fund launched the Farms Fund, an innovative program that conserves farmland while creating affordable land access.

The Farms Fund:

- Creates a patient pathway to **affordable land ownership** for next generation farmers
- Enables necessary financial transaction for **retiring farmer to exit**
- Breaks down traditional barriers to **capital for farmers**
- **Permanently conserves farmland** at risk of being lost to development
- Grows a **resilient local food system**





Deep Roots CPS Farm
44 Acre Expansion (2024-28)
Union County NC

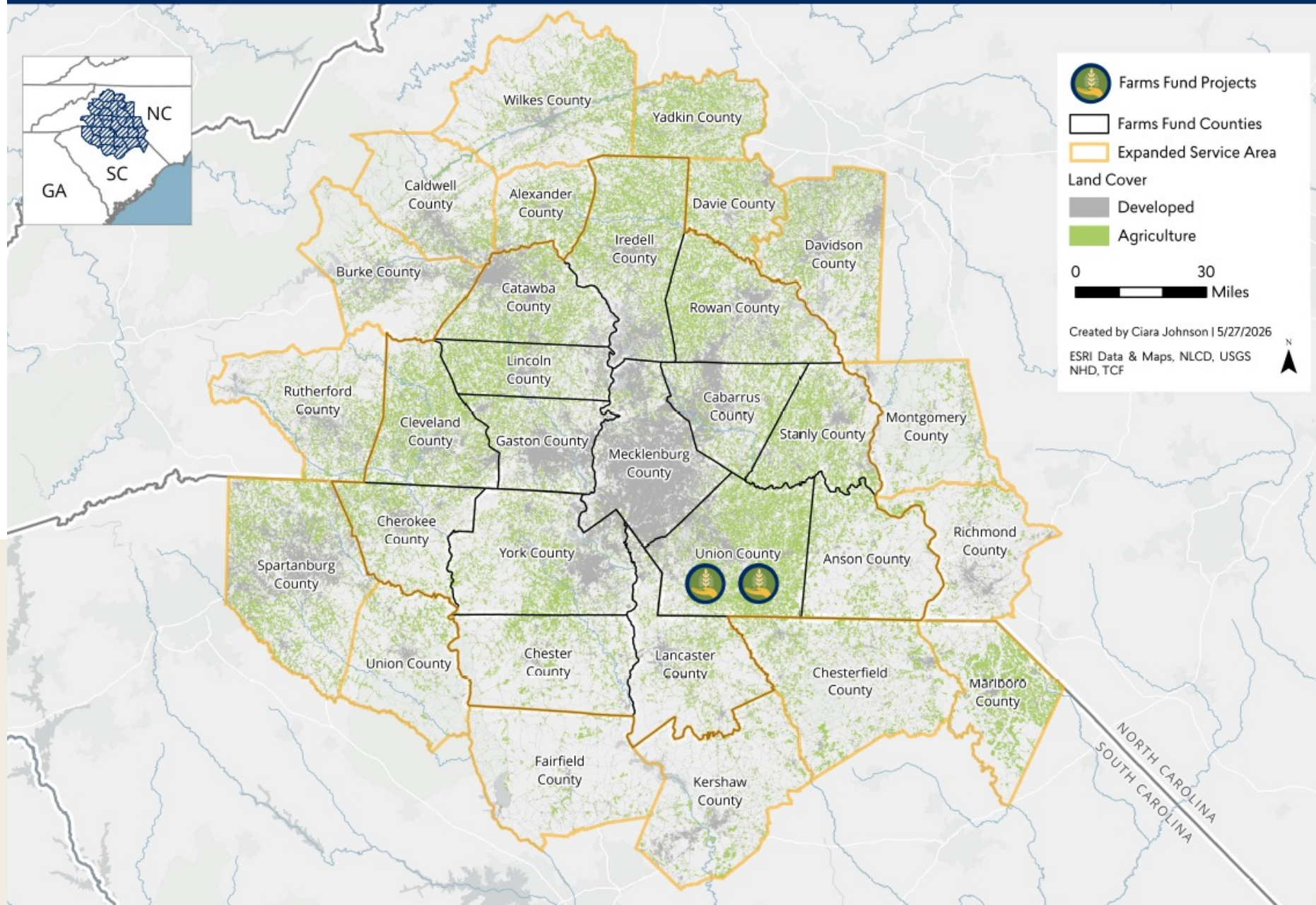
BPS FARM PARTNERS

Investing in innovative and
entrepreneurial farm businesses in
service of farmland preservation



Boy and Girl Farm
96 Acre Expansion (2025-29)
Union County NC

Carolina Farms Fund Expanded Service Area



#2: Land Fragmentation



According to the AFT FUT: State of the States study, low-density residential development, where agricultural land is subdivided into large lots is a risk factor for land fragmentation in North Carolina.

Impacts:

- **Drives up operational costs** and **reduces economic viability** for farms
- Shifting land use toward recreational, residential and commercial use **inflates the per-acre real estate value** of small tracts
- **Loss of prime soils**, potential losses to agricultural and rural character, open space, and ecosystem benefits



THE OPPORTUNITY

Tools to Mitigate **Fragmentation Risk**

- 1. Present Use Valuation Program**
- 2. Agricultural Growth Zones**
- 3. Better Built Cities** (Smart Growth)
4. Succession Planning and the Resolution & Prevention of Heirs' Property

Present Use Valuation (PUV)

Minimum acreage required (for each parcel) to be eligible for tax deferral on qualifying working lands

- Horticulture/Specialty Crops – **5 acres**
Flowers, Vegetables, Nursery
- Agriculture – **10 acres**
Row Crops and Livestock
- Forestry – **20 acres**

Considerations

- Easement holding entities cannot **currently** qualify for PUV
- Three years of rollback taxes are due when land is removed from PUV





Agricultural Growth Zones (AGZs)

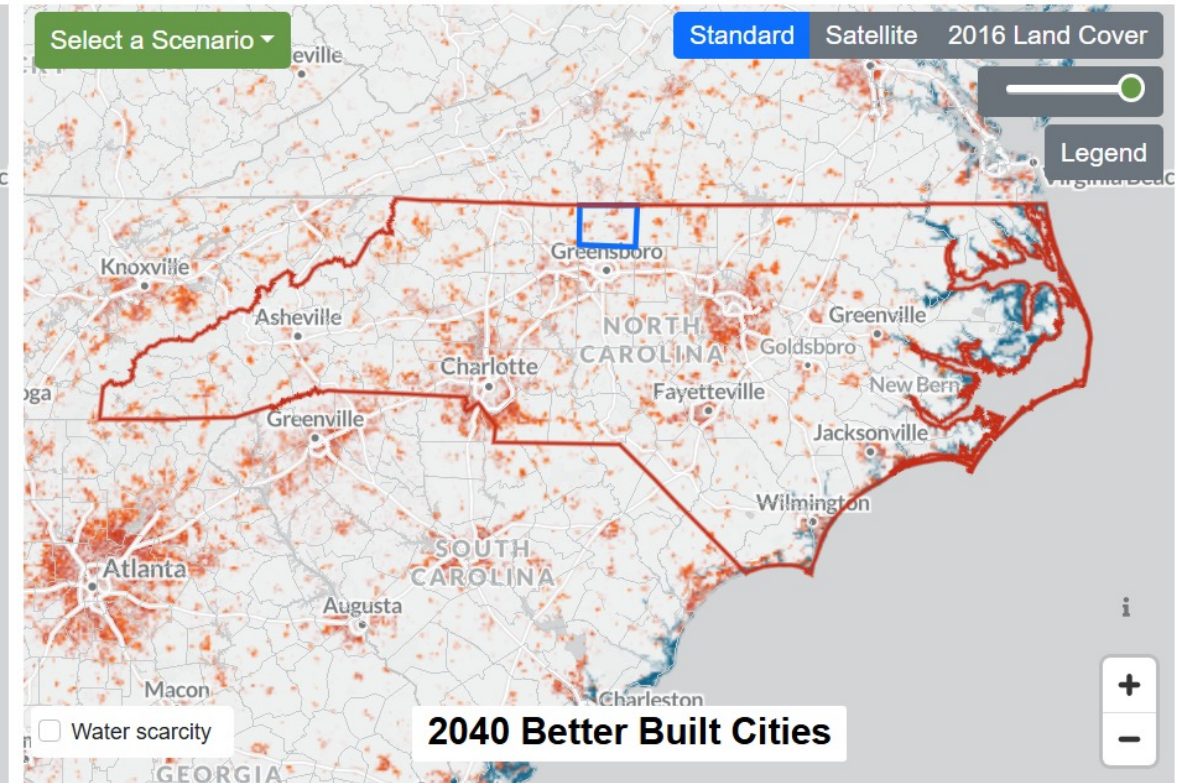
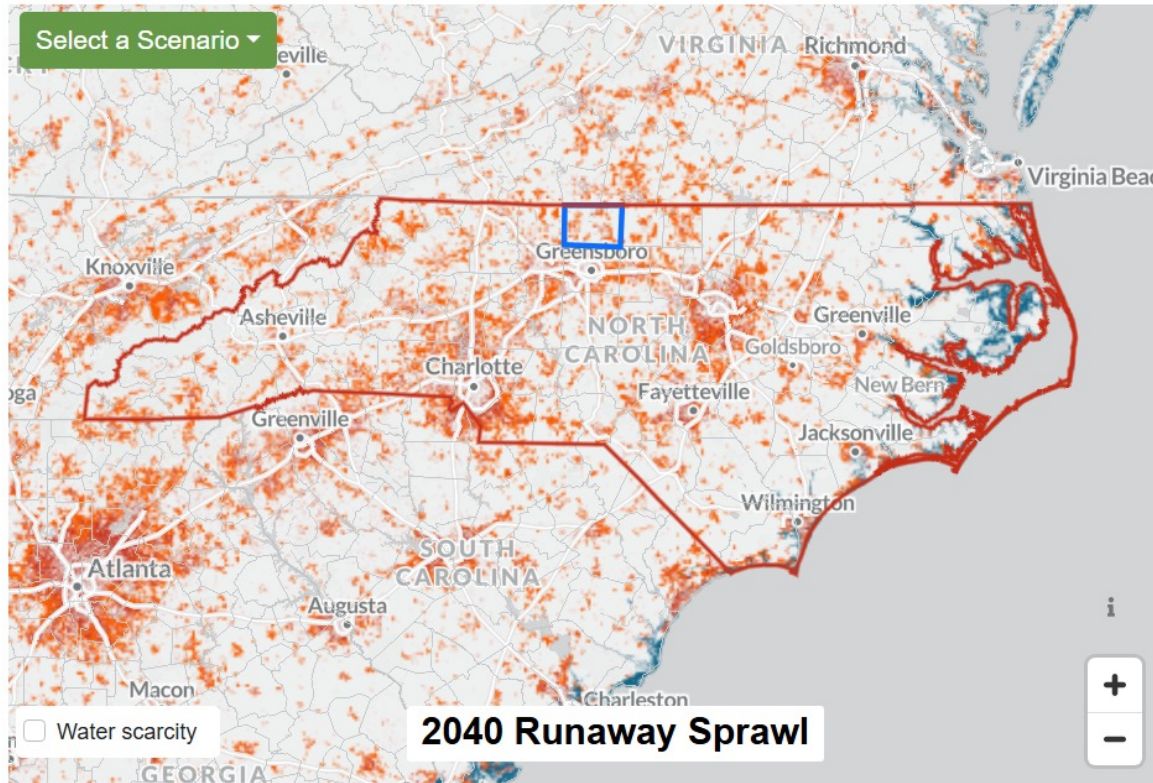
AGZs reduce the fragmentation of working landscapes by protecting land resources in concentrated areas. Local AGZs allow for strategic approaches to farmland preservation at the community level.

Opportunity

- Funding is available through the NCDA&CS Farmland Preservation Program
- Counties and or conservation non-profits may apply for funds to protect land in one county, or a priority area within a county
- Program offers matching funds to support the protection of farmland in a defined area through a renewable MOA.



Farms Under Threat 2040: Better Built Cities Scenarios



#3: Infrastructure Expansion



Building roads, utilities, schools, and other businesses to support residential communities converting ag lands from working land use

Impacts:

- Agricultural land is utilized (either voluntarily or involuntarily) for the expansion/development of infrastructure to support non-agricultural land uses
- Increased fragmentation
- Fiscal shortfall created by increased residential demand for public services.



THE OPPORTUNITY

Tools to Mitigate Infrastructure Expansion and Farmland Loss

- 1. Voluntary Agriculture Districts and Enhanced Voluntary Ag Districts**
- 2. Cost of Community Services Analysis**
- 3. Land Use Planning** (Planning for Agriculture)



Voluntary Agriculture Districts (VAD)

Ordinance that allows for county level, revocable conservation agreements that increase the awareness of and pride in the agricultural community and its way of life and reduces threat of nuisance suits against farmers by neighbors properly managed farms.

Benefits:

- Establishes an Agricultural Advisory Board to advise local officials
- Required public hearing before condemnation of farmland
- Additional scoring points for ADFP Easement Funding
- Agreement can be revoked at any time by written request
- Could be a consideration in future subdivision decisions





Enhanced VAD

Similar requirements to and benefits of the standard VAD, with the addition of an **irrevocable** 10yr conservation agreement.

Added Benefits:

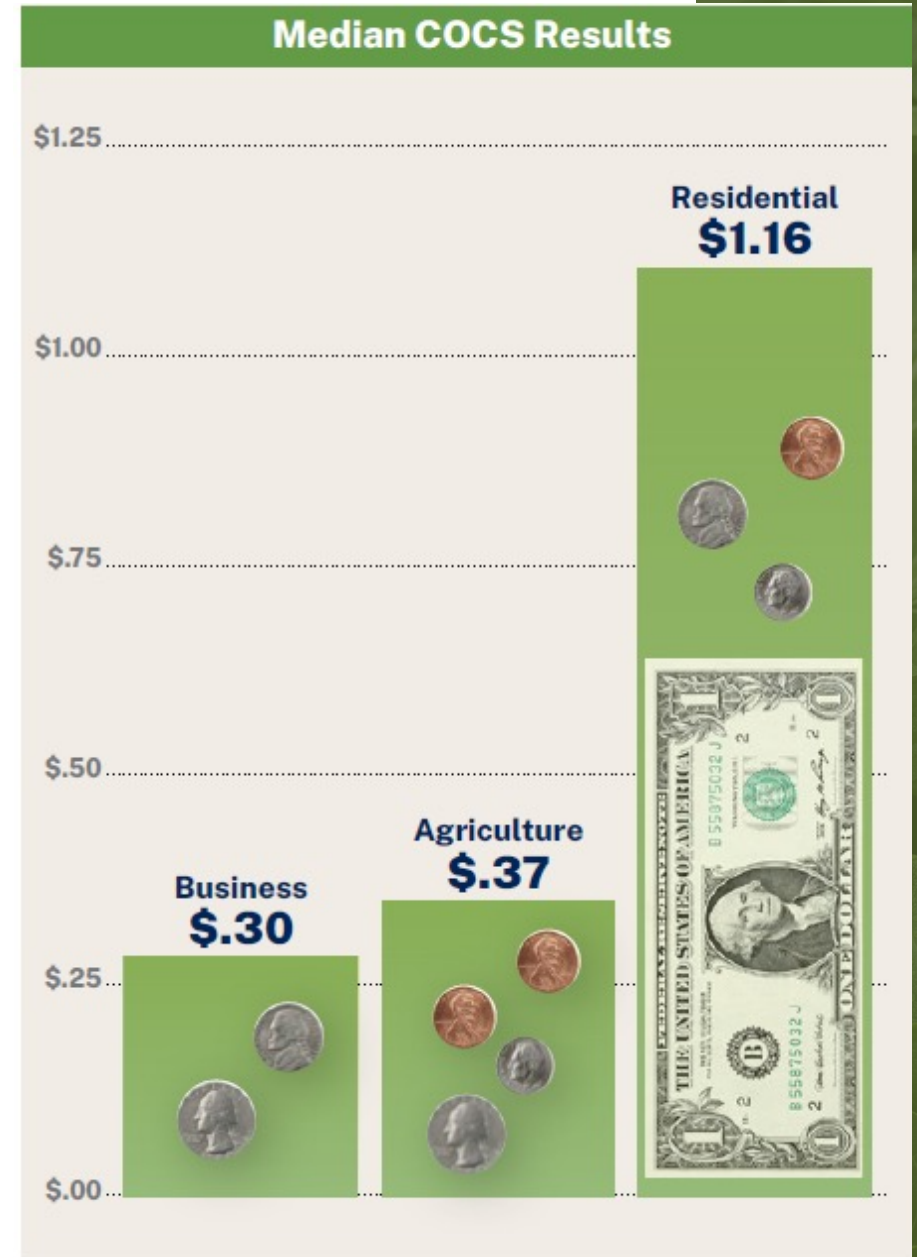
- Landowner may receive up to 25% of gross sales from the sale of nonfarm products and still qualify as a bona fide farm (zoning exemption)
- **Potential** waiver of water and sewer assessments (until connected or abeyance otherwise expired), if included in ordinance adopted by the county
- Fewer unsolicited requests from developers due to the 10-year irrevocable conservation agreement
- An opportunity to stabilize land use while considering longer-term options like permanent working land conservation easements

Cost of Community Services Studies

COCS studies conducted over the last 40 years show **working lands generate more public revenues** than they receive back in public services.

In North Carolina, **working lands** in all counties reported by the Farmland Preservation program are **net providers** (vs users) **of tax dollars**.

- 24 COCS have been conducted in North Carolina, additional studies in progress
- Funding may be available through NCDA&CS Farmland Preservation Program for studies



*AFT Cost of Community Services Fact Sheet

Land Use Planning

Working with local zoning and planning boards to advocate for farmland preservation. **There is power in area plans.**

Avenues:

- Participate in area planning meetings
- Attend planning board meetings
- Submit comments
- Contact zoning and planning board representatives with your interests and concerns (provide data to back up)

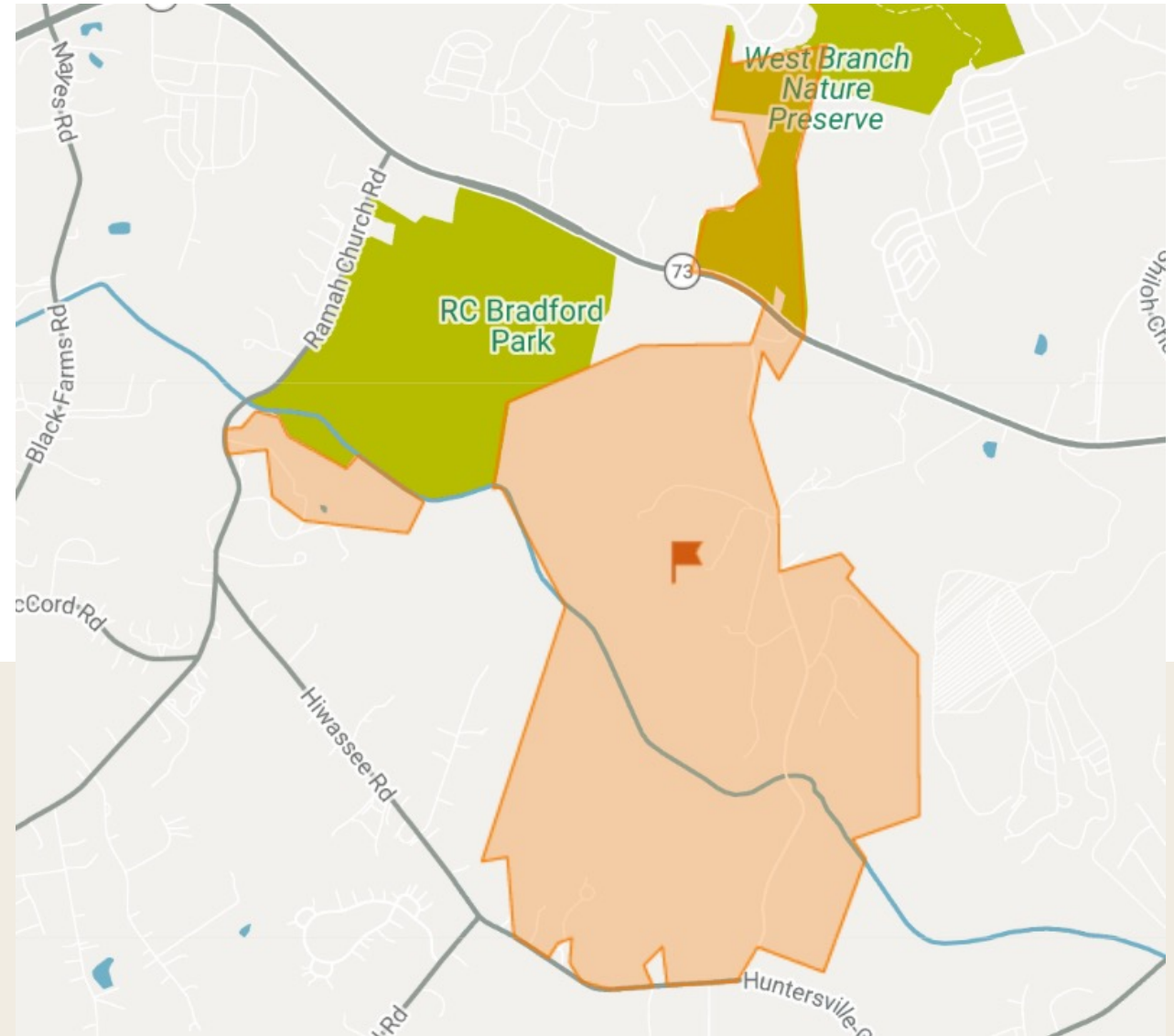


Lessons from Conservation Wins

- 830-acre contiguous conservation area
- McAuley Rd, historic landmark
- Forested buffers contribute to water quality of Ramah Creek

Ramah Creek Conservation Area Huntersville, NC

Tool used: Conservation easements,
public partnerships, land use planning



The background of the slide is a close-up photograph of several heads of green leafy vegetables, likely bok choy, with numerous water droplets on their leaves. A dark blue diagonal shape cuts across the bottom right corner of the image.

Questions?