



CONNECTICUT DEPARTMENT OF AGRICULTURE

450 Columbus Blvd, Suite 703 | Hartford, Connecticut 06103 | 860.713.2500

Bureau of Agricultural Development & Resource Conservation

An Equal Opportunity Employer



FARMLAND PRESERVATION ADVISORY BOARD

MEETING MINUTES

Thursday, June 15, 2023

9:00 – 10:50am

BOARD MEEMBERS PRESENT:

- Will O’Meara (Chairperson), Jiff Martin (Chairperson), Elisabeth Moore, Terry Jones, Joan Nichols, Jason White, Benjamin Freund, Robin Chesmer, Robert Chang

DOAG STAFF PRESENT:

- Jaime Smith, Lindsay Booth

PUBLIC PRESENT:

- Chelsea Gazillo, Latha Swamy, Phil Chester, Mike McPhail, Dominic Grant

Individuals attended either online via WebEx or in person at the Farm Bureau Office.

Meeting Called to Order 9:07 am by Chairperson Will O’Meara.

Introductions were made for additional attendees:

- Chelsea Gazillo: Working Lands Alliance Director and New England Policy Manger for American Farmland Trust.
- Latha Swamy: Director of Food Policy for the City of New Haven.
- Lindsay Booth: Administrative Assistant with the Connecticut Department of Agriculture.
- Phil Chester (in person): Town Planner for the Town of Lebanon.
- Mike McPhail (in person) Farm Credit East.
- Dominick Grant: Dirt Capital Partners.

Chairperson O'Meara shared the purpose of this meeting is to discuss and develop policy goals so that potential recommendations and/or suggestions/comments of the FPAB can be provided to DOAG for their 2024 policy package.

OLD BUSINESS:

Funding for additional stewardship staffing for CT DOAG, Farmland Preservation Program.

- In last meeting, it was discussed there is a need for staffing dedicated only to stewardship. The conclusion was there may be a need for two full-funding positions and there was discussion for the potential of adding additional staffing in the future using a particular number of farms as the benchmark (example: adding another member of staff per 200 farms). Cheslea Gazillo noted the 2024 session will be a short session due to two-year budget planning, so provisions for future sessions such as 2025 should be added in the language. The need for bringing this forward prior to 2025 was discussed.
- Benjamin Freund made a motion to move the policy forward. Robin Chesmer seconded the motion. Board voted to approve.

Allowing third parties to contract PDR services and be reimbursed by CT DOAG

- This refers to the coholders of easements being able to do the bidding and contract with surveyors and appraisers, etc., in order to expedite navigation of the due diligence process regarding acquiring development rights on farms. This was a previously regarded practice; however, it was found it was not in line with the language of the statute. Changing a couple of lines within the statute will help speed up the process overall. Elisabeth Moore noted it is a speed issue as it directly impacts the farmers and could potentially relieve 6 months of the process. Additional discussion ensued.
- Elisabeth Moore made a motion to move the policy forward. Benjamin Freund seconded the motion. Board voted to approve.
- Chairperson O'Meara will email Carol Briggs to gain better understanding of what language in the statute prevents this practice from occurring in the present time.

NEW BUSINESS:

A “Why, How, Who” Exercise utilizing in-person or [Jamboard](#) (online, similar to whiteboard) took place regarding four below policies for development.

The intent is to frame policy concepts to later present to the Commissioner of DOAG for preparation into a policy package moving forward. The group split into small groups/pods in person, and moved to Jamboard virtually. Like-minded concepts were clustered on in-person boards and in Jamboard. Some of the key components from Jamboard are included below.

1. Option to Purchase at Agricultural Value (OPAV): The PDR Program shall begin purchasing Option to Purchase at Agricultural Value on farmland preservation projects.

- Why?
 - To ensure affordable access for future farmers
 - Provides a potential additional/future tool to also be applicable and used for urban working lands
 - Ensures the State's considerable investment in protecting farmland results in land being owned and farmed by farmers, not absentee farm owners
- How?
 - Why -- This is one tool that will address affordability. VT, ME, MA, and NY have this tool. VT's model would be a good one for CT.
 - Follow other models of success (perhaps VT).
 - Cluster: Support Implementation with Capacity
 - The agency will need extra staffing to do OPAV; additional training for appraisers and the agricultural community will also be critical
 - Once established, need clear guidance (w/ paired staff capacity) on who to go to, processes, pathways to OPAV, etc. Pair establishing w/ awareness raising to ensure success!
- Who?
 - Who -- this should be done in coordination with land trusts and the Green Bank (CFT, NWCLC, etc.). RI's Buy/Protect/Sell program requires that all farms sold include an OPAV
 - Partners: CFT hold OPAV, Green Bank and DoAg provide loan funding for CFT to purchase farm if the option has to be exercised

2. Buy Protect Sell (BPS): Enable State to participate/facilitate/lead Buy-Protect-Sell projects

- Why?
 - Cluster: Needed Tool for Protection
 - Creating a buy/protect/sell program would be one tool to support land access.
 - Provides a potential additional/future tool to **also** be applicable and used for urban working lands.
 - This is a useful tool, and we need every tool we can get. (Example, Maine Farmland Trust)
 - Cluster: Need to be more nimble
 - Need to move quickly to get threatened farms off the market when owner needs \$ quickly
 - There is also a need for a buy/protect/sell financing program that can easily work with land trust to purchase land on the speculative market when they come up for sale.
- How?
 - Cluster: Learn from other models
 - Look at RI's model and Washington State's PAI Program
 - I believe NJ has a program that loans land trusts funding to do BPS projects.
 - Model after other successes, such as the Maine Farmland Trust.
 - DOAG could create a program similar to RI's Farmland Access Program.
 - Cluster: Implementation
 - Once established, need clear guidance (with paired staff capacity) on who to go to, processes involved, pathways to BPS for projects/land, etc.
- Who?
 - Land Trusts, DoAG, perhaps private entities as well.

3. Urban farmland acquisition (statewide urban land bank): Urban Farmland - Establish a new mechanism that will lead to Urban Farmland Acquisition/Preservation/Land Bank....or other ideas?

- Why?
 - Cluster: Soil Health & Infrastructure
 - Entities investing in building soil capacity and infrastructure for urban food production deserve to know the land they are using is secure. (Example, GVI with their reservoir farm in Bridgeport.)

- Entities investing in soil and infrastructure deserve the security for future use. (Example, GVI Reservoir Farm in Bridgeport)
 - Cluster: Legitimize focus on urban working lands
 - Urban working lands must be seen as a potential viable solution for a variety of systemic failures/injustices including climate change, economic security, etc.
 - Garnering widespread understanding, support, and prioritization of protecting, preserving, and steward urban working lands is a HUGE barrier.
 - Establishing a clear mechanism would legitimize local entities efforts to prioritize protecting land amidst unending development pressures.
 - Cluster: To address insecure tenure
 - Insecure tenure on urban working lands only introduces more precarity for farmers in these areas where the land is being prioritized/sold to developers at lightning speed.
 - Many beginning farmers start farming on leased urban land, which is not a secure arrangement. To grow farmers, there needs to be a mechanism that leads to ownership.
- How?
 - Cluster: Recognize and define/include clearly
 - Clearly/explicitly name urban areas w/in definition of ag to reinforce inclusion across programs & policies at the state, and therefore the municipal, levels.
 - Cluster: Tax-related mechanisms
 - Consider tax incentives/breaks that explicitly includes or clearly outlines how they can be utilized with urban working lands (e.g. PA490).
 - Offering municipalities an incentive to use PA 490 on urban farmland like they do in CA.
 - Cluster: Go deeper on less explored models/mechanisms
 - Passing OPAV and BPS is a potential additional/future tool to *also* be applicable and used for urban land.
 - Possibility of municipal program to set aside vacant lots acquired by city foreclosures. (Example, Detroit)
 - We need better understanding, guidance, and support for alternative land ownership models, especially in urban areas to operationalize DoAg DEI WG recs, etc.

- Cluster: Make info accessible and easy-to-follow
 - CLEAR step-by-step guidance on who to go to, processes involved, pathways to funding, protection, programs currently available and ones not yet available for urban land - toolkit/site.
- Who?
 - It is important to understand that community "gardens" are also FARMS. They are all a part of this.
 - State statute to incentivize towns (use the carrot rather than the stick.).

4. Establishing a loan fund for farmland acquisition

- Why?
 - Potentially overcomes access to credit barrier for some farmers.
 - Potentially addresses BIPOC farmers' difficulty securing funding from traditional lenders.
- How?
 - Farmers apply to outside entity that contracts with DoAg to administer loan program

Additional Discussions

Additional discussion took place regarding the in-person and Jamboard components to further develop policy concepts.

- Further discussion took place on the following:
- How much Farmland has been preserved?
- While the DoAG does not currently have finite Federal funding for proposed loan programming, individuals can be referred to entities that may be able to assist.
- For qualified buyers, there needs to be additional review of definitions of who are considered legitimate farmers versus those who may have farmland, but do not operate a farm business.
- What is the possible? What can be achieved by doing something new by being proactive? What is the future of agriculture that we can envision?
- The preservation of farmland needs to be continued. Things that need to be continually addressed are new and beginning farmer needs and urban ag farmer needs.
- Several members of the FPAB would like to see open dialogue with DOAG's Commissioner to ensure continuity sooner, rather than later.

Note: During the virtual session there was some loss of connectivity by individuals and power was lost at the in-person session.

Motion to adjourn by Chairperson Martin, seconded by Robert Chang. Meeting adjourned at 11:12 am.

June 28, 2023

To: Bryan P. Hurlburt, Commissioner of Agriculture, State of Connecticut
From: Will O'Meara, Chair, Farmland Preservation Advisory Board

Dear Commissioner Hurlburt,

The Farmland Preservation Advisory Board (FPAB) convened a special meeting on Thursday, June 15, 2023 to discuss policy concepts we feel have the capacity to complement and enhance the State of Connecticut's Farmland Preservation Program (FPP). In addition to our Board members, we invited guests with relevant expertise in farmland preservation and acquisition. The discussion and ideas generated in this meeting have been compiled into the following communication.

As a board, we have reached consensus that bold action is required to meet the FPP's statutory goal of "ensuring that the land remains available only for agricultural use in perpetuity." We believe the following concepts are all needed as part of a growing toolbox to protect more farmland, ensure access and affordability for future generations of farmers, and increase the State's return on investment from the purchase of development rights. It is our hope and understanding that submitting the following comments to you in June will allow the Department of Agriculture to consider these policy concepts as it develops the agency's legislative package for the 2024 session of the CT General Assembly..

1. Option to Purchase at Agricultural Value (OPAV)

The Option to Purchase at Agricultural Value is an additional restriction that works in conjunction with an agricultural conservation easement. The restriction addresses the unexpected result of farm properties being sold to non-farm buyers, often at a premium. The consequence of this trend is that farmland, a finite and shrinking resource, becomes even less accessible to farmers who intend to cultivate the land to its full potential.

In our roles as farmers, advocates, and service providers, we hear time and time again that the most significant barrier facing new and beginning farmers is access to affordable farmland. While leasing plays an important role in land access, land ownership plays a vital role in building the equity needed to secure loans, scale operations, and creating pathways to retirement and successful farm succession. Since the COVID-19 pandemic, even established farm operations have faced challenges in the real estate market as they attempt to acquire land to scale up their operations. OPAV addresses the needs of both beginning and established farmers by restricting the sale of protected farms to "qualified buyers." In most states where OPAV is in place, a "qualified buyer" is defined as a farmer deriving 50% or more of their income from agricultural production. It is important to note that these states also utilize waivers to allow for transfers to family members and bona fide farmers whose farm income is less than 50% of AGI (i.e., spouse works off farm), or in cases in which a farmer is purchasing land with the assistance of a non-farming family member or partner.

To date, too many farms with conservation easements have ceased to be owned by operating farmers. While the land may no longer be developed, the State of Connecticut's easements have fallen short of keeping land available only for agricultural use in perpetuity. As estate buyers play a more significant role in Connecticut real estate, it becomes nearly impossible for farmers to afford protected land that has become inflated in value by changing hands to a non-farmer.

We envision OPAV in Connecticut taking shape after the successful Vermont program. In this program, state and federal dollars are used in partnership with Vermont Land Trust to place OPAVs on farmland both at the time of the sale of development rights, and in some cases after an easement has already been placed on the land. The OPAV is optional, yet is extremely popular and rarely do new easements close without an OPAV. Furthermore, in the 20+ years Vermont has used the OPAV as a land access and farm preservation tool, the state has only had to execute their option twice when farmers were attempting to sell to non-qualified buyers, which demonstrates the buy in from the farmer community and the value of this tool.

It is clear that this tool will require additional staff capacity, strong partnerships, professional development, and careful design. This board is committed to providing support and advocacy in all of the areas above, and our counterparts throughout the Northeast have also committed to supporting the State of Connecticut in the implementation of this tool. It is our feeling that we must implement OPAV immediately as one strategy to curb the loss of farmland to non-farmer buyers and ensure the state's return on investment in protecting farmland. It is essential that the Farmland Preservation program cease underwriting estate properties and begin securing more reliable opportunities for farmers for generations to come.

2. Buy Protect Sell (BPS)

While the state of Connecticut is already authorized to engage in Buy Protect Sell transactions using fee simple purchase, we believe this authority requires fine tuning to become an effective tool for farmland preservation and access. An effective BPS program would address the affordability of farmland by removing it from the speculative market and entering it into the farmland preservation program quickly rather than waiting for landowners to apply. BPS would help to reduce the loss of farmland owned by owner operators in situations where the farmer is selling under duress or has no identified successor.

Furthermore, BPS would allow the Department of Agriculture and land trust partners to work strategically to achieve quantitative farmland preservation goals, as well as using planning and market analysis to protect farmland in clusters and create agricultural zones for economic development.

BPS will be most successful if it utilizes existing state funding for farmland preservation and pursues strategic partnerships with other complementary entities. For example, the Connecticut Green Bank has repeatedly expressed interest in leveraging capital for the acquisition of BPS projects, and several land trusts throughout the state have the expertise to

assist with co-holding easements as well as conducting RFP processes to identify farmers for properties purchased proactively.

With maximum impact in mind, BPS should be a flexible tool that can be utilized in a number of scenarios. As previously stated, the Department of Agriculture and land trust partners should actively seek out farmland entering the real estate market with high agricultural potential as well as development value. Concurrent with the purchase of development rights process, land trust partners could conduct an RFP to select a buyer who would purchase the farm at the time of closing on the easement. Interested and qualified farmer-buyers should also be able utilize BPS to speed up the transaction, particularly when sellers need to sell their land quickly due to illness, death, lack of identified successor, or family issues. This would simultaneously help to put another farmer on the land and enter a piece of farmland into the FPP pipeline. In cases in which BPS is being used for a specific buyer, the buyer should enter into a Purchase and Sale Agreement as well as a lease to protect the state's investment of time and funds into the transaction.

Utilizing BPS to its full potential will require investment in staff and time, and will also require a strategic planning process that involves land trust partners, financing partners, and farmer stakeholders. Due to the added investment in these projects, the Board feels strongly that OPAV should be used in conjunction with any project acquired through BPS to maximize the state's return on investment.

3. Urban Working Lands Program

Urban working lands are a multifaceted asset to the cities in our densely populated state. Small parcels in every urban and most suburban communities contribute to our overall well-being by mitigating the effects of climate change, helping to manage stormwater runoff, investing in more productive soils with more carbon drawdown potential, conducting farmer training and workforce development, engaging youth in both civic activity and skill development, generating economic activity, and helping to curb lack of access to fresh produce. Urban working lands provide many of the benefits of rural land and some benefits unique to their urban setting, but despite this it is difficult and unwieldy to protect this land through the current Farmland Preservation Program due to soils requirements, acreage, and the value of urban land.

With significant pressure for development of urban working lands, the lack of an applicable tool puts urban farmers and gardeners in an extremely precarious position with regards to secure land tenure. Given the demographic makeup of many of Connecticut's cities, non-white farmers experience a disproportionate share of insecure farmland tenure on urban farms. The Farmland Preservation Advisory board recognizes a need for a new mechanism that protects land for urban agriculture, as well as providing opportunities for land ownership. Thinking of a tool for urban working lands strictly through the lens of conservation easements may not adequately address the need. What we envision for urban lands may look more like a state-wide land bank or an incentive for municipal land banks that facilitates the transfer of vacant lots, derelict properties, and productive pieces of urban working lands to farmers at a low cost.

There are a number of challenges unique to urban working lands that need to be addressed simultaneously. In conjunction with an Urban Working Lands program, we need to address zoning discrepancies across urban areas to ensure that urban working land is taxed according to PA490 and that towns and cities have guidance to allow for maximum productivity on urban working lands. This needs to be applied in both areas deemed residential as well as commercial in order to allow for the full breadth of urban agriculture, including growing in the ground, raised bed production, hydroponics, greenhouse growing, rooftop farming, etc. Because urban working lands are so multifaceted, a broad group of partners should be engaged to maximize the resources available to farmers acquiring urban land. NRCS, local nonprofits and churches, DECD, SBA's, city planners, elected officials, and community members all must be at the table to create a robust future for urban farms, Urban Agriculture Master Plans, and a groundswell of support from elected officials and community members. Connecticut must be bold and innovative to support the full scope of agriculture in our state, including those stewarding our urban working lands.

4. Beginning Farmer Loan Fund

One of the primary barriers facing new and beginning farmers is access to capital. Even for farmers who qualify for loans, the pace of the real estate market has become a significant challenge in recent years. Many beginning farmers are interested in purchasing land that does not currently have an easement in hopes of selling development rights at closing or soon after acquisition. Given time and financing constraints, it is often not possible for beginning farmers to carry the full fee simple cost of the farm prior to selling an easement when they are purchasing a farm. Our board has expressed interest in replicating the Delaware Young Farmer Loan Program, which grants a no interest loan to the buyer for up to 70 percent of the appraised value of the farm's development rights, not to exceed \$500,000. Land purchased through this program is automatically entered into Delaware's Delaware Agricultural Lands Preservation Foundation. The loan acts as a bridge for the time between the closing on the property and the closing of the easement, allowing the farmer buyer to keep the carrying costs as low as if the easement closed at the same time.

This is another scenario in which partnerships with CT Greenbank, commercial lenders such as Farm Credit East, and Farm Service Agency could be advantageous. There may also be an opportunity for collaboration with the Department of Economic Development in order to facilitate the lending end of such a program. It is imperative that we address the significant gap in access to capital for beginning and underserved farmers, and this tool has the potential to meet some of the needs expressed by beginning farmers.

In closing, it is of the utmost importance that we act boldly and urgently to improve our Farmland Preservation Program and address the land access and secure tenure needs of the next generation of farmers. It is worth noting that the concepts introduced above complement and parallel the recommendations made in the *Diversity, Equity, and Inclusion in Agriculture Working Group Report* released earlier this month. The work of the Farmland Preservation Advisory Board in my tenure has been unprecedented in my twelve years involved in agriculture and advocacy in Connecticut. A broad ranging group of stakeholders from almost every industry

in agriculture, our most trusted agricultural institutions, and our most staunch advocates for farmers from several generations have come together and reached consensus on complex, innovative tools for the future of farming in our state. As the Chair of this Board, I have tasked the members to use our time to envision the best of what we can achieve for Connecticut farmers and agriculture rather than maintaining the status quo. We hope that our efforts, knowledge, and experience can be taken into account as the Department considers its priorities, and are committed to providing our support and guidance along the way.

We thank you for your consideration, and look forward to building the agricultural future our state and its farmers deserve.

Sincerely,

A handwritten signature in black ink, appearing to read 'Will O'Meara', with a horizontal line extending from the end of the signature.

Will O'Meara

Chair

Farmland Preservation Advisory Board