

**NORTH CAROLINA ASSOCIATION OF BLACK LAWYERS'**

**LAND LOSS PREVENTION PROJECT**

**REPORT ON PRIOR STATE FISCAL YEAR PROGRAM  
ACTIVITIES, OBJECTIVES, AND ACCOMPLISHMENTS AND  
ITEMIZED EXPENDITURES AND FUND SOURCES**

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## ***INTRODUCTION***

### ***Period***

This final report covers the fiscal year of the state of North Carolina from July 1, 2012 through June 30, 2013.

### ***Mission***

The Land Loss Prevention Project was founded in 1982 by the North Carolina Association of Black Lawyers to curtail epidemic losses of Black-owned land in North Carolina. The organization was incorporated in the state of North Carolina in 1983. The organization broadened its mission in 1993 to provide legal support and assistance to all financially distressed and limited resource farmers and landowners in North Carolina.

### ***Goals of the State Grant***

The original goals and expectations for the activity supported by the state grant encompass the protection of North Carolina's financially distressed and limited resource family farmers and landowners from actions that may result in the loss or diminishment of their land and livelihoods. These goals and objectives are achieved through the provision of free and/or reduced cost legal assistance to North Carolinians eligible under this grant. These goals have not been revised during the course of this project.

### ***Office Locations and Assistance Lines***

The office of the Land Loss Prevention Project is located at 401 N. Mangum Street, 2nd Floor, Durham, North Carolina 27701. The office can be reached toll free at (800) 672-5839, and locally via (919) 682-5969.

## ***Organizational Structure***

The LLPP is a non-profit corporation, tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code. A board of directors consisting of attorneys, farmers, laypersons, and community advocates governs the organization. The LLPP has two focal units -- the Litigation Unit and the Sustainable Development and Environment Unit. The Litigation Unit performs debt restructuring for farmers in crisis and multi-faceted legal work designed to preserve land tenure for traditionally underserved individuals and families. The Litigation Unit currently consists of the executive director, deputy director, six staff attorneys, and one program associate. Encompassed within these efforts is the work of the SmartGrowth Business Center, an internal resource, dedicated to assisting farmers through the provision of both legal representation and outreach on business law issues. The creation of SmartGrowth broadened the organization's approach to saving the family farm through the provision of proactive legal services and education focused on risk management and business development. Provided services include direct legal assistance and education on business entity formation, contractual review, counseling concerning program availability and requirements, and the addressing of credit management. SmartGrowth's practice is primarily transactional. The Sustainable Development and Environment Unit helps family farmers and landowners explore sustainable agricultural alternatives and guides business development that is environmentally friendly and economically viable for rural communities. This Unit consists of the executive director and deputy director, plus one of the above-mentioned staff attorneys as needed. The Sustainable Development and Environment Unit works with state, regional and national coalitions that support sustainable agriculture practices, sustainable development, and policy innovations.

## ***LITIGATION UNIT AND OUTREACH***

### ***Summary of Services Provided***

In State fiscal year 2012 - 2013 (7/1 to 6/30 of the following year), the LLPP addressed legal matters in the following areas: agricultural; environmental; real property; consumer protection; wills/estate planning; civil rights; zoning, municipal services, and related issues; bankruptcy as a last-resort alternative to foreclosures (farms and/or homes); and business/agricultural business issues. The SmartGrowth Business Center addressed a variety of matters including those involving rural economic development and farmers' cooperatives. In fiscal year 2012-2013, the LLPP handled 472 matters and served 76 counties based on client location and 81 counties based on land location. Altogether, the LLPP provided service in 82 different N.C. counties. During calendar year 2012, the LLPP handled 465 matters and served 74 counties based on client location and 62 based on land location. In the past four State fiscal years (each 7/1 to 6/30 of the following year for 09-10, 10-11, 11-12, 12-13), the Land Loss Prevention Project has gained \$5,173,084.11 in debt relief, loan modifications, and awards for clients across its practice areas. Of the 472 legal matters handled in fiscal year 2012-2013, almost a third (30.5% ) involved service to N.C. farmers (110 farmers) or agriculture-related matters [for example, a landowner exploring a farm lease arrangement] (34 matters) across all of the Land Loss Prevention Project's practice areas. The SmartGrowth Business Center continues to expand its service to farmers and focuses on transactional work, furthering risk management and agricultural business expansion as detailed below. This non-crisis driven, proactive approach focuses on farm protection and assisting interested farmers in exploring business opportunities. In the reporting period, the LLPP and its partners targeted outreach and technical assistance to individuals in the persistently poor 43 counties of North Carolina. These efforts were conducted through workshops, forums and seminars organized by LLPP and collaboration with other organizations. In the 2012 – 2013 fiscal

year, the Litigation Unit provided in-person outreach to 1,025 farmers, landowners, and individuals serving the agricultural community (outreach roster in Outreach and SmartGrowth Business Center sections below).

The LLPP's outreach activities included a strong risk management component. The LLPP continued to broaden the work of the SmartGrowth Business Center, which is of increasing importance in providing business law services to limited resource farmers to improve the management and profitability of their operations.

### ***Legal Assistance: Selected Case Summaries***

The following summaries present a sample of the cases/matters handled by the LLPP staff which is in addition to those of the SmartGrowth Business Center reported below:

- A Moore County homeowner contacted the LLPP after a county office informed her that she did not have clear title to her property. She discovered this defect when she applied for a grant to renovate her property; she had been living in the house for over 40 years. In the early 1970s, the residence was foreclosed on, based apparently on a loan used to place vinyl siding on the house. The home was sold and purchased by an out-of-state construction company. However, the woman was never served with an eviction notice. LLPP was able to initiate suit on her behalf and establish her ownership of the property through adverse possession in August 2012. The client now has clear title to the property.
- An Onslow County man contacted the LLPP because he was nervous that he would not be able to pay his mortgage. The LLPP determined that he might be eligible for a property tax reduction due to the fact that he was permanently disabled and helped him apply for tax reduction program, which he was accepted into. Afterward, the LLPP contacted his lender and had his escrow payments lowered and helped him receive a reimbursement check for escrow overpayments. The matter was resolved in August 2012.

- The LLPP prevailed in securing access to a family cemetery for a Native American man. The man's father had sold the subject land in Robeson County on which the graveyard rests to another person, now deceased. When the client came to LLPP, approximately sixty years later, the current owner was using the gravesite land and refused access to the family. The cemetery was known to several of the client's family members and was the final resting place of numerous generations, including a family matriarch. The LLPP confirmed the existence of the cemetery supported by survey and archeological investigation and ultimately achieved an agreement in the contested matter for access and maintenance of the site, with all of the client's desired terms, including visitation and the construction of a fence and memorial. The matter was resolved in November 2012 and the existence of the cemetery is memorialized in the public record.
- In Alamance County, the LLPP worked with a widowed senior citizen to achieve an acceptable debt settlement with USDA-Farm Service Agency on a guaranteed loan thereby stabilizing her financial situation. Recently, the LLPP also was able to get her tax relief in the form of having her previous direct lender pay the assessed taxes. Through LLPP's negotiations and advocacy, in January 2013, \$78,831.12 in debt was eliminated through USDA debt forgiveness and the aforementioned payment by the direct lender. Further, the LLPP assisted the client in applying for the property tax homestead exclusion for the elderly that will allow her a 50% reduction in her real property taxes every year going forward (requires annual application).
- The LLPP preserved the home of an elderly widow in Ashe County by successfully defending against foreclosure. The foreclosure was dismissed based on irregularities in the lender's handling of the loan modification process and issues regarding the status of the promissory noteholder.

- In an ongoing matter in Wake County, the LLPP has been assisting an individual in the selection and formation of a business entity to purchase fresh produce from various farmers in North Carolina to sell to senior citizens and low income families who lack access to healthful food.
- In another ongoing matter, the LLPP has been working in Halifax County with multiple stakeholders from a multi-county area and submitted proposed bylaws for the planned formation of a regional non-profit organization addressing land-based community economic development.
- Also in Halifax County, the LLPP assisted a client who had formed a non-profit corporation for the purpose of youth mentoring; job training and placement; and a food bank and distribution program in evaluating issues involving non-profit tax status for application to the IRS.
- In an ongoing matter, the LLPP continues to assist a Halifax County farmer concerning a crop insurance dispute.
- The LLPP provided multi-faceted services to a fifth generation Randolph County farmer assisting him in both preserving and achieving renewed viability for his farming operation which was threatened with collapse due to the Townsends poultry plant closing. The farmer had contacted the LLPP in late 2011 after losing his Townsends poultry contract. The farmer had attended one of the LLPP's prior outreach presentations geared to Townsends poultry farmers facing difficulties or in crisis. The farmer was being threatened with repossession of some of his farm equipment by the lender to allow application of the money to his farm loan payments. The LLPP provided legal counseling that resulted in the farmer's entering into an interest only payment arrangement with that lender to allow him some time to increase his income through a diversification strategy. The client was eventually able to get more chickens in his houses from another source but needed to refinance his existing loans in order to make his farming operation viable. In January 2013, the farmer was sued for a debt owed to a chemical supplier, a debt that was incurred shortly after he lost his poultry contract due to the



Townsend's closing and posed a threat to the refinancing. The LLPP was able to negotiate a payment arrangement with the supplier and the case was dismissed without a judgment being entered. In April 2013, the farmer was successful in refinancing three outstanding loans totaling \$780,000 and is now farming with a positive cash flow.

### ***Outreach, Education, and Collaborative Efforts***

In addition to the SmartGrowth Business Center presentations documented below, the Land Loss Prevention Project has been engaged in outreach and education extended to both client and professional communities and covering a variety of its practice areas. Written educational material addressing a range of land retention issues affecting farmers, homeowners, and landowners was updated by the LLPP and distributed. Outreach to seniors has expanded. A sampling of events follows.

- On September 10, 2012, the LLPP presented at the Women and Minority Outreach Conference: "Connecting Farmers and Landowners with Resources" held at the University of North Carolina at Pembroke in Pembroke, N.C.
- From September 10-15, 2012, the LLPP staffed a booth at the Stokes County Fair held in King, N.C. reaching out to people in a multi-county region concerning the LLPP's services and property retention and use.
- On September 14, 2012, the LLPP presented to homeowners at the Full Gospel Baptist Convention - Health Fair at Solid Rock Ministry Intl. in Garner, N.C.
- On September 17, 2012, the LLPP along with two other non-profits spoke at Johnson C. Smith University, in Charlotte, N.C. to representatives from a variety of professions on foreclosure prevention topics, including bankruptcy.

- On October 6, 2012, the LLPP conducted outreach from staffed booth at the WRAL Job Fair held at North Carolina State University's McKimmon Center, in Raleigh, N.C. to assist homeowners at risk of foreclosure due to employment instability.
- On October 9, 2012, the LLPP presented at the Faison Nutrition Site in Faison, N.C. to a group of senior citizens. The Duplin County Services for the Aged held the event and sponsored others in October and November.
- On October 16, 2012 the LLPP conducted outreach at a Moore County Redevelopment Office-sponsored event at Sandhills Community College in Southern Pines, N.C. The LLPP discussed estate planning and securing good title and also manned a table with educational and resource information.
- On October 17, 2012, the LLPP presented at a session during a three-day training seminar through the Ann Johnson Institute for Senior Center Management held in Winston-Salem, N.C. to senior center management personnel. The N.C. Division of Aging and Adult Services offered the training.
- On October 23, 2012, the LLPP spoke to seniors at the Warsaw Nutrition Site in Warsaw, N.C. as part of ongoing collaborative foreclosure prevention outreach at Nutrition Sites.
- On October 24, 2012, the LLPP presented at the Wallace Nutrition Site in Wallace, N.C. to a group of seniors.
- On November 7, 2012, the LLPP spoke to seniors at the Beulaville Nutrition Site in Beulaville, N.C.
- On November 13, 2012, the LLPP presented at an event held by The Support Center at the Cameron Village Library in Raleigh, N.C. Participants included USDA and the NC Housing Finance Agency and the event was targeted to a professional audience. The LLPP discussed the origin of the foreclosure crisis and foreclosure prevention.

- On November 14, 2012, the LLPP spoke to seniors at the Kenansville Nutrition Site in Kenansville, N.C.
- On November 15, 2012, the LLPP presented to the American Business Women's Association in Raleigh, N.C., discussing foreclosure prevention including loan modification programs and the role of bankruptcy.
- On January 24, 2013, the LLPP spoke to seniors at the Louisburg Senior Center, Louisburg, N.C. concerning property retention.
- On February 5, 2013, the LLPP presented at the Tillery Community Center in Tillery, N.C. One of the participating attorneys was our past Skadden Fellow who completed her two-year fellowship in 2010 and returned to LLPP in the summer of 2012. During the fellowship, she had made significant contributions in the area of community outreach concerning estate planning and this continues as a focus.
- On February 9, 2013, the LLPP spoke at the Land Loss Conference in Englehard, N.C.
- On February 20, 2013, the LLPP presented at a foreclosure prevention workshop at the McKimmon Center in Raleigh, N.C. Participants included Fifth Third Bank and the N.C. Housing Coalition.
- On March 26, 2013, LLPP attorneys presented a multi-topic workshop at Small Farms Week, N.C. A & T University, Greensboro, N.C. The theme of the conference session was “Passing the Farm to the Next Generation” and encompassed discussion of barriers to that outcome such as inadequate succession planning and foreclosure.
- On April 7, 2013, LLPP attorneys spoke at Lambert Chapel in Siler City, N.C., on foreclosure prevention and property preservation.
- On April 29, 2013, the LLPP spoke at the North Regional Library in Durham, N.C., on foreclosure prevention.

- On May 4, 2013, an LLPP attorney spoke at Union Hill Missionary Baptist Church in Nashville, N.C., on foreclosure avoidance, the foreclosure process, and alternatives to foreclosure.
- On May 7, 2013, the LLPP spoke at the Southwest Regional Library in Durham, N.C., on the foreclosure process and alternatives to foreclosure.
- On May 10, 2013, the LLPP presented on estate planning, risk management, and foreclosure prevention in Elizabeth City, N.C.
- On May 11, 2013, the LLPP spoke on estate planning, right-of-way law enforcement, foreclosure prevention, and consumer protection in Englehard, N.C.
- On May 21, 2013, the LLPP presented on foreclosure prevention at the Main Library in Durham, N.C.
- On June 3, 2013, the LLPP presented on foreclosure avoidance and alternatives to foreclosure at the East Regional Library in Durham, N.C.
- On June 11, 2013, the LLPP presented at the National Association of Professional Mortgage Women's General Meeting in Raleigh, N.C., to mortgage underwriters, brokers, and real estate agents on foreclosure topics.
- Also on June 11, 2013, LLPP attorneys spoke to seniors concerning property issues arising in the advance planning and benefits arena in Tillery, N.C.
- On June 26, 2013, an LLPP attorney participated in the North Carolina Department of Agriculture Farm Tour and presented on estate planning and heirs' property issues to N.C. farmers and agriculturalists.
- The Litigation Unit continues to participate in ongoing collaboration and resource building concerning the challenges posed by heirs' property through the Heirs' Property Retention Coalition. The collaborative project has involved representatives from the Central Alabama Fair Housing Center, Alabama Appleseed, the Lawyers Committee for Civil Rights, Alabama Legal

Services, the American Bar Association's Property Preservation Task Force, the Federation of Southern Cooperatives, Self-Help, the Southern Coalition for Social Justice, the Duke Law School Community Enterprise Clinic, and the UNC Center for Civil Rights among others.

This consortium of organizations nationwide originally submitted comments during the drafting of national model legislation concerning the issue of partition sales. The LLPP was asked to be an official Observer in the drafting process of the National Conference of Commissioners on Uniform State Laws' then titled Partition of Tenancy-in-Common Real Property Act addressing partition statute reform. Pursuant to the Conference procedure, Observers have the opportunity to participate substantively in committee meetings and are encouraged to submit written comments and suggestions throughout the process. On July 15, 2010, a proposed uniform state law aimed at preserving home ownership for vulnerable families nationwide was adopted. The Uniform Partition of Heirs Property Act, drafted and approved by the Uniform Law Commission (ULC), establishes a number of important protections for owners of heirs' property. Among the protections adopted by the ULC are improved notification practices, broader judicial consideration - courts, for example, would consider how long a family has owned the land and whether that family would be rendered homeless if it were sold - and the establishment of priorities for buy-out by family members of the interest of the individual requesting sale and physical division of the land before a forced sale would be permitted. The National Conference of Commissioners on Uniform State Laws states on its website: "The **Uniform Partition of Heirs Property Act** provides an important addition to states' laws governing partition for heirs property, and provides heirs property owners with significant protections against unexpected and often devastating predatory speculation, including protections that wealthy property owners often have secured through private agreement. The Act will assist heirs property owners, particularly (but not exclusively)

low- to moderate-income heirs owners, with preserving the integrity and value of property that has both economic and strong familial significance. It should be adopted in every state as soon as practicable.” Nevada became the first state to enact the Uniform Act and it became effective in that state on October 1, 2011. In 2012, Georgia also enacted the Act. In December 2012, the National Black Caucus of State Legislators approved a policy resolution in favor of the Uniform Partition of Heirs Property Act. Thus far in 2013, the Act was introduced in South Carolina, Hawaii, the District of Columbia, Montana, and Connecticut and it has been enacted in Montana. Collaboration concerning the way forward in individual states based on the ULC victory and the progress continues through regularly scheduled conference calls and the addressing of such issues as data gathering and sharing.

- As previously reported, in 2011, the LLPP presented to students in the environmental law class at North Carolina Central University’s (NCCU) School of Law regarding the cross-border issues of uranium mining and milling should the Virginia moratorium on such activities be lifted as was being considered by the Virginia state legislature. Following discussions with the LLPP concerning the emergent issue, the professor adopted the exploration of the topic as a focal point of the 2011 fall semester class and invited the participation of a community resident. As part of the class, the students crafted analyses exploring the potential environmental justice issues in the affected communities. In 2012, interested students through facilitation shared their analyses with the National Environmental Justice Advisory Council and the Environmental Protection Agency.
- The LLPP served on the North Carolina Sustainable Local Food Advisory Council (renamed the North Carolina Local Food Advisory Council) and facilitated the addressing of the rights and needs of low-income and minority landowners in the Council’s priorities.
- The Land Loss Prevention Project has played a significant role in advancing local food policies that would benefit minority and other limited resource farmers in North Carolina. The LLPP is

an active member of the Sustainable Food NC coalition. The coalition is focused on supporting local, family, and organic farms. The work encompasses, among multiple issues, addressing increased diversity and the inclusion of limited resource farmers and consumers in planning policies and conducting research concerning local procurement policies by government agencies to enhance revenues for limited resource farmers and promote community food systems.

### ***SmartGrowth Business Center: Helping Farmers Access Opportunity and Manage Risk***

In keeping with its mission of preserving land for future generations, the LLPP continues to expand the services of the SmartGrowth Business Center, an internal resource, to bolster the health of the family farm. SmartGrowth is part of the LLPP's broad spectrum of service to farmers. SmartGrowth seeks not only to preserve the farm by creating a healthy business which may in turn avoid a future crisis but also to extend the farm's beneficial reach.

During fiscal year 2012-2013, the SmartGrowth Business Center has expanded its outreach efforts throughout the state. The focus has been both on publicizing the availability of the resource and its services and providing an ever-broadening range of information to farmers on business law topics. The initiative has included providing training to others serving the agricultural community. SmartGrowth presented at the following events:

- September 19 and 20, 2012: 6<sup>th</sup> National Small Farm Conference, Memphis Cook Convention Center, Memphis, TN. SmartGrowth was an invited speaker, both presenting at and having a display at the National Small Farm Conference. The conference was attended by approximately 700 individuals. SmartGrowth's presentation included an overview of LLPP; the need to create the SmartGrowth Business Center; methods of reaching farmers; farming as a business; business entity formation; financing; contract review; branding one's business; securing the

farm; market analysis; and SmartGrowth's relation to healthy communities. Held every three years and sponsored by the National Institute of Food and Agriculture (NIFA), the conference, per NIFA, "emphasizes programs that can be successfully replicated across the nation."

- October 15, 2012: presentation at "Year 2 Project Meeting" for the Fayetteville State University USDA Agriculture and Food Research Initiative Project, Fayetteville State University, Fayetteville, N.C. SmartGrowth attended the "Year 2 Project Meeting" for the Fayetteville State University USDA Agriculture and Food Research Initiative Project and was a guest speaker presenting on the topic of "Tools and Legal Resources Available to Help Small-Scale Farmers Keep Their Family Land and Manage Business Risk". The conference was attended by small farmers and representatives from academia and Cooperative Extension.
- October 26, 2012: panel discussion at risk management training at the Carolina Farm Stewardship Association's Sustainable Agriculture Conference, Greenville, S.C. SmartGrowth participated in group discussion with small farmers from North Carolina and South Carolina and provided information on heirs' property issues, business entity considerations, loan guarantees, and property tax reduction availability in North Carolina for land in farming use.
- February 4, 2013: Come to the Table Conference, Kinston, N.C. SmartGrowth staffed an information table; LLPP attorney also served as panelist on land loss prevention. From the information table, printed literature was distributed concerning the LLPP's services; farmer's rights and procedures for addressing adverse USDA decisions through mediation as well as appeal; farm marketing and branding through trademarks; and the use of business entities.
- February 19, 2013: Come to the Table Conference, Greensboro, N.C. SmartGrowth staffed an information table.
- February 20, 2013: "Planning for the Future of Your Farm" event, Lumberton, N.C. SmartGrowth staffed an information table.



- March 7, 2013: “Planning for the Future of Your Farm” event, Mt. Olive, N.C. SmartGrowth staffed an information table.
- March 15, 2013: Come to the Table Conference, Sylva, N.C. SmartGrowth staffed an information table.
- May 22, 2013: presentation at the NCAgrAbility Peer Farmer Luncheon held in Greenville, N.C. The LLPP presented on foreclosure prevention and resources, the SmartGrowth Business Center and business law options for farmers, and the full range of services provided by the Land Loss Prevention Project. The NC AgrAbility Partnership (NC AgrAbility) is part of the federally funded AgrAbility program through USDA’s National Institute for Food Safety. The partnership includes North Carolina Agricultural and Technical State University, the North Carolina Agromedicine Institute, DisAbility Resource Center for Independent Living, East Carolina University and North Carolina State University. The mission of NC AgrAbility, per the program, is “to educate and assist farmers, ranchers and farmworkers engaged in production agriculture who are living with disabilities to enable them to stay actively engaged in production agriculture, agriculture-related occupations, and/or daily life.” SmartGrowth’s extended relevance was underscored by this accepted invitation from the N.C. Agromedicine Institute which recognizes the applicability of SmartGrowth’s business law services to cross-cutting efforts in both law and healthcare to provide robust risk management and greater opportunity for farmers.
- June 11, 2013: “Resource Rodeo” workshop, Walstonburg, N.C. The session was designed to provide farmers, especially those growing and selling into local food markets, the chance to hear from and meet with farm resource providers. SmartGrowth and representatives from Farm Service Agency, Farm Bureau, and Farm Credit and other non-governmental agricultural lenders and service providers participated.

In addition to the concentrated outreach listed above, an introduction of SmartGrowth services was routinely incorporated in wider LLPP outreach (covered in previous section) and SmartGrowth brochures were distributed to attendees. Resource materials geared to farmers are available through online access ([www.smartgrowthnc.com](http://www.smartgrowthnc.com)). Resources available include “Advocacy to the National Appeals Division”, “Business Entity Options”, “Business Start Up Checklist”, “Cooperative Associations”, “Cooperative Option Overview”, “Your Farm, Your Business”, and an electronic version of the SmartGrowth tri-fold brochure. Information concerning disaster preparedness and recovery is available on the site. The SmartGrowth website also offers sustainable agriculture resources and assists farmers in learning more about green opportunities associated with, for example, renewable energy, organic farming, and sustainable production techniques. Potential funding options and programs supporting such initiatives are highlighted. Additional materials on business expansion/farm diversification; trademarks and branding issues; and federal crop insurance have been drafted and have been made available online in 2013. The USDA’s 2013 announcement of the availability of microloans geared to assist small and beginning farmers was also publicized through the main LLPP website.

Following acceptance of the prior invitation, the Land Loss Prevention Project continues to be listed in Farm Aid’s online Farmer Resource Network which, per Farm Aid, “connects farmers to an extensive network of organizations across the country that help beginning and established farmers find the resources they need to thrive, transition to more sustainable and profitable farming practices and advocate for farm policies that work for them and their communities.”

The SmartGrowth Business Center continues to broaden its client services. Sample matters handled by SmartGrowth in fiscal year 2012-2013 through the present include assisting a Hertford County farmer regarding the process for getting a farm number from the Farm Service Agency and in helping him comply with USDA-FSA requirements for the loan application process. In additional

work, SmartGrowth assisted the farmer in evaluating the terms of a proposed lease for a solar project. SmartGrowth has counseled a Moore County farmer regarding business entity options. SmartGrowth also helped a veteran who has an urban garden establish a low-profit limited liability company to assist other veterans in becoming community-based agricultural entrepreneurs focusing on socially disadvantaged communities. In a further project, SmartGrowth is involved in the formation of a non-profit geared to the advancement of sustainable agriculture, nutritional foods, clean water, and economic development. SmartGrowth is also providing consultation and business negotiation services concerning the development of an urban aquaponics farm. The goal of the farming project which is dedicated to bringing environmentally-sound, socially-responsible commercial food production to an urban community initially and to address both persistent hunger and a lack of stable jobs for disabled combat veterans. Following the development of the pilot project, expansion is contemplated. SmartGrowth is also assisting a Wilson County farmer in exploring alternatives, such as a limited liability company, family corporation, family trusts etc., for the orderly succession of his multi-generational family farm to his children. This farmer had received assistance from the LLPP previously which allowed for the use of wetland classified lands for farming purposes through a sustainable growing alternative. The farmer has capitalized on LLPP's successful resolution through mediation of the wetlands issue with USDA in a prior year and he is now in a position to pass a productive and sustainable farm to his family.

### ***Academic Internships***

In an ongoing effort to encourage more young attorneys to practice public interest law or provide *pro bono* legal assistance once they become practicing attorneys, the Litigation Unit hosted two law student interns, one from NCCU and another from Campbell University, in the summer of 2012. Both internships were extended into the academic semester based on expression of interest and student performance. In the winter of 2013, the LLPP worked with a UNC law student who

participated in the school's pro bono project program. This summer (2013), the LLPP hosted two interns from the NCCU School of Law.

## ***Sustainable Development and Environment Unit***

### ***Farm Policy Report***

The Sustainable Development and Environment Unit (SDE) performs the agricultural policy work of the LLPP. This sampling reflects the collaborative policy framework of the Sustainable Development and Environmental Unit's engagement in furthering equitable access and increased participation of limited resource farmers and low-income communities in the program and activities of the United States Department of Agriculture. The SDE Unit works within North Carolina to ensure that established food policy boards and organizations are reflective of the interest that socially disadvantaged and limited resource farmers and landowners have in sustaining their livelihoods and rural communities.

- Throughout the summer of 2012, the LLPP participated in a national collaborative process led by its D.C.-based partners, the Rural Coalition and National Latino Farmers and Ranchers Trade Association that resulted in the adjudicated settlement agreement in the consolidated matter involving Love and Garcia claimants in what is now known as the Hispanic and Women Farmers and Ranchers Settlement (HWFR). In December 2012, the collaborative and other local, regional and national organizations petitioned President Barack Obama to direct the Department of Justice to remove identified barriers that would further impact claimants in their process to seek redress under the adjudicated settlement. Claimants under HWFR would have significantly more documentation to complete and produce than was required under the settlement process for African American and Native American farmers and ranchers. The petition requested that the claim forms be replaced and the claims process be extended well beyond the March 25,

2013 deadline. To date, no significant response has been received. Finally, on December 31, 2012, a "Fiscal Cliff" deal with the 2012 Farm Bill Extension was reported between the House and Senate Agriculture Committee. This Extension Farm Bill will have detrimental impact for the North Carolina minority and the limited resource farm community as critical funding to prevent farm foreclosure and to improve access to USDA programs and services are without resources. The LLPP continues to work with local and national partners, as is reflected in a recent public statement that the federal government needs to negotiate "a full and fair Farm Bill that mitigates disasters, protects natural resources, provides equity and inclusion and constructs a new and economically viable future for agriculture and rural communities and assures healthy food for all consumers."

- In U.S. agriculture there is a pressing need to develop a next generation of producers and there presently is an opportunity to grow agriculture by reentering those farmers that have faced discrimination and may have lost hope for a future in farming. The Sustainable Development and Environment Unit of the Land Loss Prevention Project initiated the *"From Discrimination to a Future in Farming"* Project with funding from the United States Department of Agriculture's Office of Advocacy and Outreach, to provide technical assistance and outreach to socially-disadvantaged farmers and ranchers primarily in North Carolina. Under this project the LLPP engaged in legal outreach and education in the Hispanic and Women Farmers and Ranchers Adjudicated Settlement. From January – May 2013, the LLPP conducted outreach activities to inform Latino and women farmers and ranchers of the settlement process addressing deficits in access to USDA credit and emergency relief programs.

# FINANCIALS

## DETAIL DESCRIPTION OF STATE FUNDED QUARTERLY EXPENDITURES

EXPENDITURE DESCRIPTION	FY 11-12 Carryover 1 <sup>ST</sup> QUARTER	FY 11-12 Carryover 2 <sup>ND</sup> QUARTER	FY 12-13 2 <sup>ND</sup> QUARTER	FY 12-13 3 <sup>RD</sup> QUARTER	FY 12-13 4 <sup>TH</sup> QUARTER	YTD TOTAL
Exp. charged to FY 12-13 Appropriation			19,049	168,252	123,342	\$310,644
Exp. charged to FY 11-12 Carry-over	\$121,656	\$59,371				\$181,027
<b>PERSONAL SERVICES</b>	<b>85,683</b>	<b>22,918</b>	<b>19,049</b>	<b>83,988</b>	<b>79,753</b>	<b>291,391</b>
Salaries & Wages	54,972	12,727	11,805	63,561	62,654	205,719
Fringe Benefits	30,710	10,192	7,244	20,427	17,099	85,672
Other Purchased Services						-
<b>PURCHASED SERVICES</b>	<b>30,840</b>	<b>20,233</b>	<b>-</b>	<b>27,083</b>	<b>16,337</b>	<b>94,493</b>
Travel	4,643	6,142	-	2,146	2,066	14,998
Communications/Data Processing	1,406	2,542	-	4,778	3,759	12,486
Postage/Freight/Deliveries	384	845	-	675	1,041	2,945
Printing/Advertising			-		-	-
Repairs/Maintenance/Utilities	2,808	2,029	-	5,457	1,148	11,442
Contracted Services	19,401	7,314	-	12,827	6,138	45,680
Other Services	2,197	1,360	-	1,200	2,185	6,942
<b>SUPPLIES &amp; MATERIALS</b>	<b>3,955</b>	<b>11,247</b>	<b>-</b>	<b>3,249</b>	<b>3,012</b>	<b>21,463</b>
General Administrative Supplies	1,554	4,093	-	2,455	2,511	10,613
Other Administrative Expenses	2,401	7,154	-	794	501	10,850
<b>FIXED CHARGES &amp; EXPENSES</b>	<b>1,179</b>	<b>4,129</b>	<b>-</b>	<b>15,111</b>	<b>11,344</b>	<b>31,762</b>
Rent/Leases	1,049	3,305	-	6,455	2,764	13,572
Insurance/Bonding		824	-	6,689	(161)	7,352
Other Fixed Charges/Expenses	130		-	1,967	8,741	10,838
<b>CAPITAL OUTLAY</b>	<b>-</b>	<b>844</b>	<b>-</b>	<b>38,822</b>	<b>12,896</b>	<b>52,562</b>
Office Equipment		844	-	4,963	746	6,553
Office Furniture			-		-	-
Buildings/Other Structures/Improvements			-	33,859	12,150	46,009
Land			-		-	-
Motor Vehicles			-		-	-
Other Capital Outlay			-		-	-
<b>GRANTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Grants to Other Entities (Sub-Awards)			-			-
<b>DEBT SERVICE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Principal Payments			-			-
Interest Payments			-			-
<b>OTHER EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other Expenditures			-			-
<b>GRAND TOTALS</b>	<b>121,656</b>	<b>59,371</b>	<b>19,049</b>	<b>168,252</b>	<b>123,342</b>	<b>491,671</b>

Report Submitted By:

A handwritten signature in dark ink, appearing to read 'Savonala Horne', is positioned above the printed contact information.

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