

# NC DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES



#### FARMLAND PRESERVATION DIVISION

# NC AGRICULTURAL DEVELOPMENT AND FARMLAND PRESERVATION TRUST FUND



#### 2016-2017 ANNUAL LEGISLATIVE REPORT

September 29, 2017

Agriculture Commissioner Steve Troxler Chief Deputy Commissioner N. David Smith

Pursuit to G.S. 106.744 (i) ... The Advisory Committee shall report no later than October 1 of each year to the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, and the House of Representatives and Senate Appropriations Subcommittees on Natural and Economic Resources regarding the activities of the Advisory Committee, the agriculture easements purchased, and agricultural projects funded during the previous year. (1991, c. 734, s. 1; 2000-171, ss. 1, 2; 2005-390, ss. 4, 17; 2006-252, s. 2.12; 2007-495, s. 23; 2009-303, ss. 1, 2, 3; 2009-484, s. 12.)

# **Table of Contents**

| Why Preserve Farms and Forests in North Carolina?   | 3     |
|---|-------|
| Advisory Committee and Staff                        | 4     |
| 2017 REPI Challenge                                 | 5     |
| Voluntary Agricultural Districts Program            | 6     |
| Farmland Protection Plans Program                   | 7     |
| NC ADFP Trust Fund Grants, Match, and Acres Figures | 8     |
| ADFP Trust Fund Cycle X Grant Requests              | 9-10  |
| ADFP Trust Fund Cycle X Application Summary         | 11    |
| ADFP Trust Fund Cycle X Grant Awards Summary        | 12-13 |

#### Why Preserve Farms and Forests in North Carolina?

The NC ADFP Trust Fund Saves the Family Farm for Future Generations



- -Agriculture and agribusiness is North Carolina's top industry, accounting for almost one-sixth of the state's economy and employees.
- -Agriculture and agribusiness amounts for more than 17 percent, or \$84 billion, of the \$482 billion gross state product.
- -Working lands provide fresh, local foods to North Carolina residents and quality products to the agriculture, forestry and fiber industries.
- -Agriculture is a compatible industry with the military and military training, which is second in economic importance in the state at \$66 billion.
- -Working lands provide scenic rural landscapes for tourism, the third largest economic sector in North Carolina.
- -Farms and forests are critical in providing a healthy environment. Working lands are actively managed by farmers, providing key benefits like erosion control, carbon sequestration and provides waterway buffers.
- -Cost of community services studies in the state show that agricultural lands use less tax dollars than are collected. Working lands are a net provider of local tax dollars.

# **Advisory Committee and Staff**

| NC ADFP Trust Fund Advisory Committee  |  |  |  |
|--|--|--|--|
| Chair - Steve Troxler  | Commissioner of Agriculture  |  |  |
| Anthony Copeland   | Secretary of Commerce  |  |  |
| Jimmy Gentry   | NC State Grange  |  |  |
| Pryor Gibson   | NC Forestry Association  |  |  |
| Chris Hogan  | NC Association of Soil and Water Conservation Districts  |  |  |
| William Holbrook   | Farmer appointed by the President Pro Tempore of the NC Senate                                 |  |  |
| Clarence Hood Farmer appointed by the Speaker of the NC House of Representatives |  |  |  |
| Shirley Hymon-Parker   | Dean of the School of Agriculture and Environmental Sciences at NC A&T University              |  |  |
| B. Ray Jeffers   | NC Association of County Commissioners   |  |  |
| Jimmy Johnson  | Designee of the NC Department of Environmental Quality   |  |  |
| Scott Marlow   | Rural Advancement Foundation International   |  |  |
| Tom Melton   | Designee of the Dean of the College of Agricultural and Life<br>Science at NC State University |  |  |
| Edgar Miller   | Conservation Trust for NC  |  |  |
| Erica Peterson   | NC Agribusiness Council  |  |  |
| Stuart Pierce  | Farmer appointed by the Governor   |  |  |
| Darelle Tennie   | NC Black Farmers and Agriculturalists Association  |  |  |
| Steve Woodson  | NC Farm Bureau Federation  |  |  |

|                  | NC ADFP Trust Fund Staff  |                            |
|------------------|---------------------------|----------------------------|
| David Smith      | Chief Deputy Commissioner | david.smith@ncagr.gov      |
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| Janine McLawhorn | Paralegal                 | janine.mclawhorn@ncagr.gov |
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| Joe Austin       | Field Staff               |                            |
| Jeff Darnell     | Field Staff               |                            |
| Sim DeLapp       | Field Staff               |                            |
| Dick Fowler      | Field Staff               |                            |
| Scott Shoulars   | Field Staff               |                            |

2017 Annual Report NC ADFP Trust Fund

# Agricultural and Forest Laurin In NC Sentinel Landscape Counties

#### 2017 REPI Challenge

Agriculture Commissioner Steve Troxler, left, looks on as Col. Michael Scalise, deputy commander of Marine Corps Installations
East, talks about the military's partnership with North Carolina.

In May 2017, the N.C. Department of Agriculture and Consumer Services secured \$10 million in federal funding to protect land from development and maintain agricultural, forestry and military uses.

"The Sentinel Landscape Partnership will use this grant to protect farms and forests that are vital to relieving encroachment on military training areas and airspace," said Agriculture Commissioner Steve Troxler. "Working with willing landowners, this effort will establish conservation easements and management programs on high-priority lands to the benefit of both agriculture and the military, North Carolina's two largest industries."

The funding was awarded through a biennial competition known as the REPI Challenge, which is operated by the Department of Defense's Readiness and Environmental Protection Integration (REPI) Program. North Carolina topped nine other states in the competition.

Of the \$10 million, \$5.8 million will be used by the Marine Corps to establish an easement and support the creation of habitat for the red-cockaded woodpecker on more than 12,100 acres of state-owned land. This will free up Marine Corps lands for training.

The Air Force will use \$3.4 million to protect more than 4,500 acres of high-priority land necessary to maintain training airspace for the Dare County Range, the primary training range for F-15E aircraft crews at Seymour Johnson Air Force Base in Goldsboro.

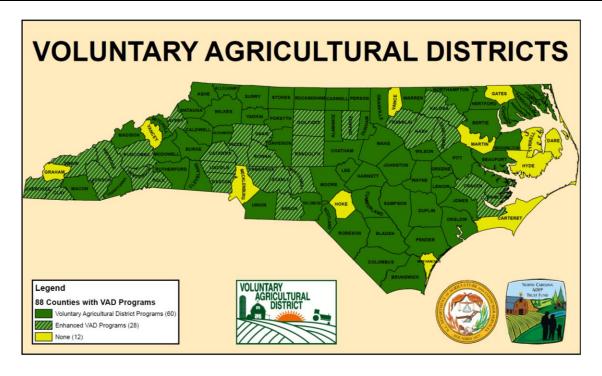
The Army will use \$800,000 to protect 273 acres of agricultural and forestry land in a high-priority compatible-use training area on the border of Fort Bragg.

The REPI award will be matched with funds from the U.S. Department of Agriculture's Natural Resources Conservation Service, the Air Force, the Marine Corps, the N.C. Wildlife Resources Commission and the N.C. Agricultural Development and Farmland Preservation Trust Fund.

#### **Voluntary Agricultural Districts**

The Voluntary Agricultural Districts (VAD) program encourages the preservation and protection of farmland by allowing landowners to publicly recognize their farms. The VAD program is a county-level ordinance that establishes an Agricultural Advisory Board that provides a voice for farm, forestry and horticultural interests in local government. Farms enrolled in the VAD program may reduce the threat of nuisance conflicts, may allow for waivers for water and sewer assessment and may provide public hearings for proposed condemnations. Program provisions vary by county. Enhanced VAD (EVAD) member benefits are the same as VAD, plus: May receive up to 25% of its gross sales from the sale of nonfarm products and still qualify as a bona fide farm and are eligible to receive a higher percentage of cost share funds under the Agriculture Cost Share Program. The EVAD conservation agreement is irrevocable for 10 years. The conservation agreement is automatically renewed for three (3) years absent a written notice to the county revoking the conservation agreements. There are 88 counties with VAD programs.

| Farms Enrolled in the VAD Program Statewide                            | 9,529   |
|--|---------|
| Acres of Farmland Enrolled in the VAD Program Statewide                | 782,423 |
| Farms Enrolled in the Enhanced VAD Program Statewide                   | 654     |
| Acres of Farmland Enrolled in the Enhanced VAD Program Statewide       | 50,931  |
| Total Farms Enrolled in the VAD and EVAD Program Statewide             | 10,183  |
| Total Acres of Farmland Enrolled in the VAD and EVAD Program Statewide | 833,354 |
| Total Acres Enrolled in the VAD and EVAD Program Statewide             |         |
| Decreased by 75,873 Acres, or 8.3%, since 2016.                        |         |
| Total Farms Enrolled in the VAD and EVAD Program Statewide             |         |
| Increased by 563 farms, or 5.9%, since 2016.                           |         |



#### **Farmland Protection Plans**

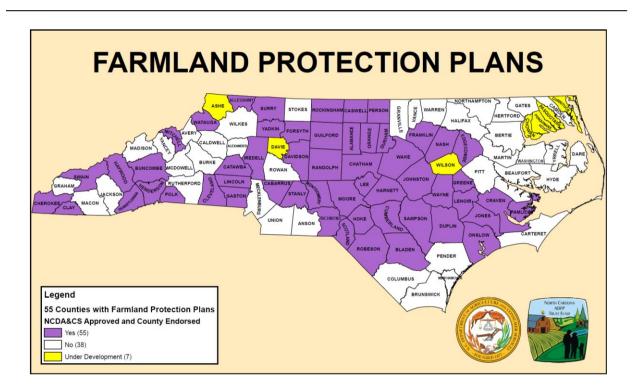
#### Guiding Counties to a Viable Agricultural Future

Farmland Protection Plans are strategic proposals that define how to maintain a viable agricultural economy in a county.

These plans describe existing agricultural activity in a county, list challenges to continued family farming in the county, list opportunities for enhancing the local agricultural economy, create a schedule for implementing the plan and identify possible funding sources for long-term support of the plan.

Farmland Protection Plans are approved by the North Carolina Department of Agriculture and Consumer Services and endorsed by the county Board of Commissioners.

There are 55 counties in North Carolina with Farmland Protection Plans. Seven counties are developing Farmland Protection Plans.



### **NC ADFP Trust Fund Grants, Match and Acres Figures**

As of September 1, 2017

|      | Figures include conservation easements, development projects and agricultural plans. |                 |                |                |                    |  |  |
|------|--|-----------------|----------------|----------------|--------------------|--|--|
| Year | Cycle  | Confirmed       | Anticipated    | Grant          | <b>Funds Under</b> |  |  |
| rear | Cycle  | Match           | Match          | Expended       | Contract           |  |  |
| 2006 | Pilot  | \$3,418,700.00  | \$0.00         | \$44,000.00    | \$0.00             |  |  |
| 2008 | Cycle I  | \$8,897,643.68  | \$0.00         | \$7,001,806.39 | \$0.00             |  |  |
| 2009 | Cycle II   | \$13,206,169.33 | \$0.00         | \$3,230,088.53 | \$0.00             |  |  |
| 2010 | Cycle III  | \$6,001,118.74  | \$0.00         | \$2,151,866.32 | \$0.00             |  |  |
| 2011 | Cycle IV   | \$3,593,741.00  | \$0.00         | \$1,432,695.00 | \$0.00             |  |  |
| 2012 | Cycle V  | \$2,394,677.00  | \$0.00         | \$1,763,770.00 | \$0.00             |  |  |
| 2013 | Cycle VI – General   | \$1,890,499.98  | \$0.00         | \$647,854.71   | \$0.00             |  |  |
| 2012 | Appropriations (GA)  |                 |                | ,              |                    |  |  |
| 2013 | Cycle VI – TVA   | \$5,200,639.00  | \$0.00         | \$927,843.00   | \$0.00             |  |  |
| 2014 | Cycle VII – GA   | \$102,516.18    | \$923,000.00   | \$305,538.61   | \$289,500.00       |  |  |
| 2014 | Cycle VII – TVA  | \$1,444,198.45  | \$0.00         | \$1,385,549.54 | \$0.00             |  |  |
| 2014 | Cycle VII – Sentinel<br>Landscapes (SL)  | \$310,317.00    | \$0.00         | \$284,646.00   | \$0.00             |  |  |
| 2015 | Cycle VIII – Military (MIL)  | \$84,500.00     | \$0.00         | \$84,500.00    | \$0.00             |  |  |
| 2015 | Cycle VIII – GA  | \$527,434.82    | \$2,920,637.18 | \$630,899.37   | \$1,068,120.02     |  |  |
| 2015 | Cycle VIII – SL  | \$6,130.00      | \$0.00         | \$16,000.00    | \$0.00             |  |  |
| 2016 | Cycle IX – GA  | \$108,580.00    | \$2,538,894.50 | \$2,538,894.50 | \$1,553,836.45     |  |  |
| 2016 | Cycle IX – MIL   | \$0.00          | \$2,625,676.88 | \$40,000       | \$1,677,295.54     |  |  |
|      | Totals \$47,186,865.18 \$9,008,208.56 \$22,485,951.97 \$4,588,752.01                 |                 |                |                |                    |  |  |

| Cycle            | Easement Acres<br>Recorded |
|------------------|----------------------------|
| Pilot            | 426.7                      |
| Cycle I          | 3,295.0                    |
| Cycle II         | 3,167.5                    |
| Cycle III        | 1,207.0                    |
| Cycle IV         | 715.3                      |
| Cycle V          | 1,038.0                    |
| Cycle VI – GA    | 470.5                      |
| Cycle VI – TVA   | 726.5                      |
| Cycle VII – GA   | 290.5                      |
| Cycle VII – SL   | 435.6                      |
| Cycle VII – TVA  | 498.6                      |
| Cycle VIII – GA  | 268.9                      |
| Cycle VIII – MIL | 108.2                      |
| Cycle IX – GA    | 128.8                      |
| Totals           | 12,777.1                   |

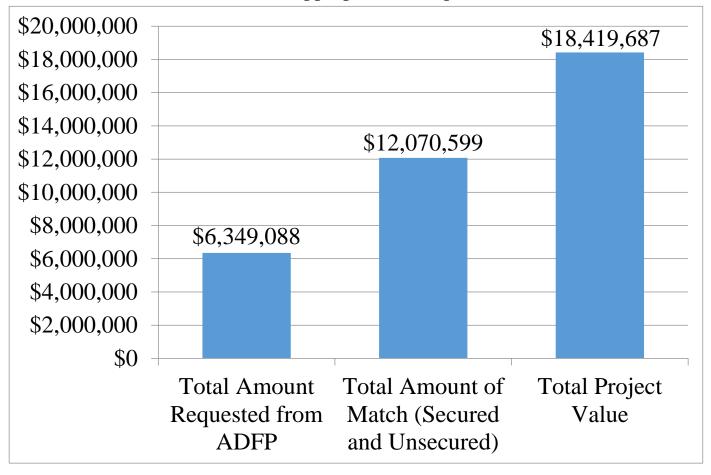
| Cycle           | Acres Under Contract<br>for Easements |
|-----------------|---------------------------------------|
| Cycle VII – GA  | 363.0                                 |
| Cycle VIII – GA | 670.2                                 |
| Cycle IX – GA   | 1,040.2                               |
| Cycle IX – MIL  | 848.5                                 |
| Totals          | 2,921.9                               |

| Cycle        | New Contract Acres |  |
|--------------|--------------------|--|
| Cycle X – GA | 1,392              |  |

<sup>\*4,130.7</sup> farmland preservation acres were preserved in perpetuity prior to the establishment of the ADFP Trust Fund and the N.C. Department of Agriculture and Consumer Services has third party enforcement rights.

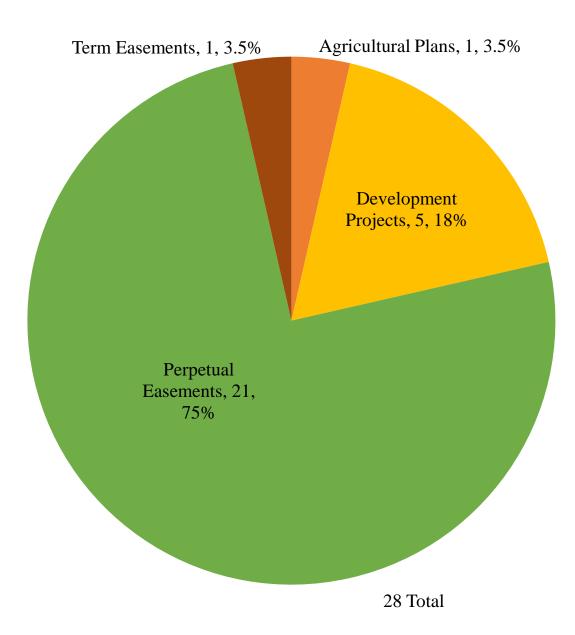
#### **ADFP Trust Fund Cycle X Grant Requests**

#### General Appropriation Requests:



# **ADFP Trust Fund Cycle X Application Summary**

General Appropriations



# **ADFP Trust Fund Cycle X Application Summary**

#### Agricultural Plans

| Number of<br>Projects | Total Amount<br>Requested<br>from ADFP | Total Secured<br>Match | Total<br>Unsecured<br>Match | Total Project<br>Value |
|-----------------------|--|------------------------|-----------------------------|------------------------|
| 1                     | \$15,000                               | \$0                    | \$5,000                     | \$20,000               |

#### Agricultural Development Projects

| Number of<br>Projects | Total Amount Requested from ADFP | Total Secured<br>Match | Total<br>Unsecured<br>Match | Total Project<br>Value |
|-----------------------|----------------------------------|------------------------|-----------------------------|------------------------|
| 5*                    | \$708,250                        | \$1,114,247            | \$431,245                   | \$2,253,742            |

<sup>\*</sup>This includes one (1) local project (1-3 counties), three (3) regional projects (4-20 counties), and one (1) statewide project (21+ counties).

#### **Conservation Easements**

| Number of<br>Easements | Total<br>Number of<br>Acres | Total<br>Amount<br>Requested<br>from ADFP | Total<br>Secured<br>Match | Total<br>Unsecured<br>Match | Total Project<br>Value |
|------------------------|-----------------------------|---|---------------------------|-----------------------------|------------------------|
| 21 Perpetual           | 2,661.7                     | \$5,590,660                               | \$5,820,956               | \$2,467,074                 | \$16,091,589           |
| 1 Term                 | 103.8                       | \$35,178                                  | \$19,178                  | \$0                         | \$54,356               |
| Totals                 | 2,765.5                     | \$5,625,838                               | \$5,840,134               | \$2,467,074                 | \$16,145,945           |

2017 Annual Report NC ADFP Trust Fund

# **ADFP Trust Fund Cycle X Grant Awards Summary**

#### General Appropriations Agricultural Plan

| Project                              | Grantee     | Scope | Headquartered<br>County | ADFP<br>Grant | Secured<br>Match | Project<br>Value |
|--------------------------------------|-------------|-------|-------------------------|---------------|------------------|------------------|
| Ashe County Farmland Protection Plan | Ashe County | Local | Ashe                    | \$14,000      | \$4,200          | \$18,200         |
|                                      | Totals      |       |                         | \$14,000      | \$4,200          | \$18,200         |

#### General Appropriations Agricultural Development Projects

| Project  | Grantee   | Scope     | Headquartered<br>County | ADFP<br>Grant | Secured<br>Match | Project<br>Value |
|--|---|-----------|-------------------------|---------------|------------------|------------------|
| Stanly County Farm<br>Bureau Arena                   | Stanly County                                     | Regional  | Stanly                  | \$200,000     | \$815,000        | \$1,015,000      |
| Improving Pasture Management                         | NC Foundation<br>for Soil & Water<br>Conservation | Statewide | Wake                    | \$114,000     | \$222,150        | \$336,150        |
| Regional Grain<br>Project                            | Cleveland<br>County                               | Regional  | Cleveland               | \$150,000     | \$61,250         | \$211,250        |
| Expanding Triangle<br>Farmer Market<br>Opportunities | The Conservation<br>Fund                          | Local     | Wake                    | \$5,000       | \$48,327         | \$206,961        |
|  | Totals  | \$469,000 | \$1,146,727             | \$1,769,361   |                  |                  |

# **ADFP Trust Fund Cycle X Grant Awards Summary**

General Appropriations Conservation Easements

| Project                              | Grantee   | Туре                        | County   | Acres | ADFP<br>Grant | Secured<br>Match | Project<br>Value |
|--------------------------------------|---|-----------------------------|----------|-------|---------------|------------------|------------------|
| Katalinic<br>Farm<br>Easement        | Pender Soil and<br>Water District                   | 50 Year<br>Term<br>Easement | Pender   | 103   | \$32,678      | \$19,177         | \$51,855         |
| Wright Farm Easement                 | Piedmont Lands<br>Conservancy                       | Perpetual<br>Easement       | Randolph | 114   | \$208,475     | \$202,475        | \$410,950        |
| JW and Kathy Spencer Farm Easement   | Hyde Soil and Water<br>District                     | Perpetual<br>Easement       | Hyde     | 210   | \$540,611     | \$513,700        | \$1,054,311      |
| Piedmont<br>Jerseys Farm<br>Easement | Catawba Lands<br>Conservancy                        | Perpetual<br>Easement       | Lincoln  | 275   | \$183,461     | \$197,511        | \$380,972        |
| Wood Farm Phase I Easement           | Mainspring<br>Conservation Trust                    | Perpetual<br>Easement       | Cherokee | 104   | \$1,240,368*  | \$1,227,948      | \$2,468,316      |
| Coltrane Dairy Farm Easement         | Piedmont Lands<br>Conservancy                       | Perpetual<br>Easement       | Randolph | 94    | \$167,905     | \$167,905        | \$335,810        |
| Edwin<br>Rogers Farm<br>Easement     | Southern<br>Appalachian<br>Highlands<br>Conservancy | Perpetual<br>Easement       | Haywood  | 215   | \$210,000     | \$430,000        | \$640,000        |
| Best Farm<br>Easement                | Working Lands Trust                                 | Perpetual<br>Easement       | Harnett  | 22    | \$17,101      | \$146,740        | \$163,841        |
| Terry Rogers<br>Farm<br>Easement     | Southern<br>Appalachian<br>Highlands<br>Conservancy | Perpetual<br>Easement       | Haywood  | 115   | \$125,000     | \$260,000        | \$385,000        |
| Boney Farm<br>Easement               | Pender Soil and Water District                      | Perpetual<br>Easement       | Pender   | 105   | \$17,705      | \$147,000        | \$164,705        |
| Barrier Farm<br>Easement             | Cabarrus Soil and<br>Water District                 | Perpetual<br>Easement       | Cabarrus | 35    | \$60,146      | \$71,646         | \$131,792        |
| Totals                               |   |                             |          |       | \$2,803,450   | \$3,384,102      | \$6,187,552      |

<sup>\*</sup>This ADFP grant award is comprised of \$1,226,231 of general appropriation funds and \$14,137 of TVA funds.

2017 Annual Report NC ADFP Trust Fund



