

Lessons & Strategies for Farmland Conservation & Access

Indiana Farmland Community of Practice
Eavy Barbieux
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Indiana Small Farms Conference 2024



LANDOWNER & USDA / NRCS PARTNERSHIP



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Extension



What is the Indiana Farmland Community of Practice?

We're convening 40+ leaders in Indiana's farming and land conservation community.

Together, we'll find a path forward for the future of Indiana's farmland.





















ORCHARD & CIDERY







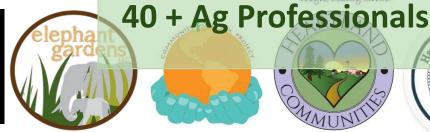






Shirley



































City Cultivators



What is the Indiana Farmland Community of Practice?

Our Goals:

Year 1: Learn. Understand the issue and learn how other states (and folks in IN) are pushing for farmland conservation and farmland access

Year 2: Act. Find collaborative ways we can make an impact on farmland access and conservation...Our method:
Strategic Doing





Indiana Farmland is at Risk

On recent trends, from 2016 to 2040:

Hoosiers will pave over, fragment, or compromise

451,100 acres

of farmland.

That's the equivalent of losing

2,200 farms,

\$259 million

in farm output, and

4,400 jobs

based on county averages.1

71% of the conversion will occur on Indiana's Nationally Significant land.²

Projected agricultural land conversion from 2016-2040 in the *Business as Usual* scenario.

Projected Conversion (2040)

Urban and highly developed (UHD) and low-density residential (LDR)

Land Cover (2016)



Other lands
Federal (no grazing)

Urban areas
Water



^{*}Farmland is composed of cropland, pastureland, and woodland associated with farms.

Indiana Farmland is at Risk

Indiana's farmland will be converted to:

Urban and highly developed (UHD)

land use includes commercial, industrial, and moderate-to-high density residential areas.

Low-density residential (LDR)

land use includes scattered subdivisions and large-lot housing, which fragment the agricultural land base and limit production, marketing, and management options for the working farms and ranches that remain.

LDR PAVES THE WAY FOR FURTHER DEVELOPMENT

Agricultural land that was in LDR areas in 2016 is

19 TIMES MORE LIKELY

to be converted to UHD by 2040, compared to other agricultural land.



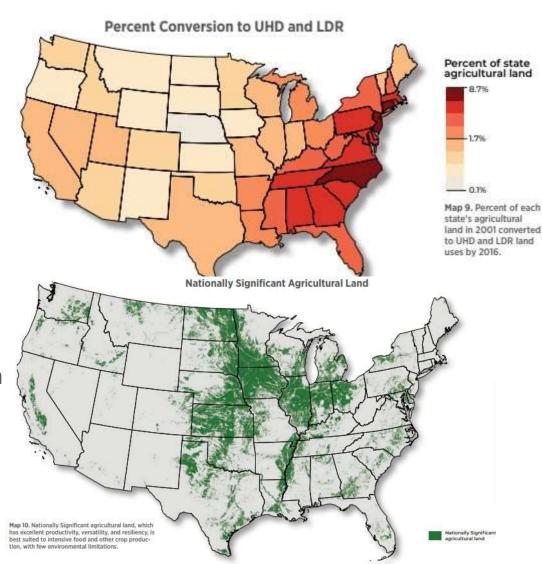
Indiana Farmland is at Risk

Farmland is threatened by both low & high density development

HIGH acreage of nationally significant ag

LOW State Policy Response:

- Indiana is in the bottom 25% in State policy responses to Land Conservation
- Primary strategies: (1) Land use planning & (2) property tax relief



Land Access & Transfer Challenges



- Economic challenges (High Cost, low ROI)
- Land availability
- Varied needs among farmers
- Access to market
- Mismatch between values & capacity
- Lack of family interest in inheritance
- Knowledge & confidence in land transfer options
- Foreign & absentee ownership
- Urban versus rural challenges
- Ag land conversion (development, solar, wind, etc)



Market Solutions: Conservation Easements

What?

An economic and legal tool that protects land as farmland forever.

Why?

Where development pressure is high, it can increase farmland because it keeps farmland value lower than development value.

So how does it improve farmland access?

Agricultural A conservation easement is a legal agreement between A LAND TRUST + LANDOWNERS It protects conservation values on the property such as wildlife CONSERVATION EASEMENTS... are uniquely written reduce the property's are permanent and to protect the natural market value which stay with the property resources of a specific may lead to tax even if ownership benefits for the property. changes. property owner.

Credit: Open Space Trust

Market Solutions:

Conservation Easements

How Much Is A Conservation Easement Worth?

\$500,000

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\$225,000

\$275,000

fair market value of the parcel without the conservation easement/all development rights intact value of the parcel with the easement/without development rights

Value of conservation easement

Market Solutions: Conservation Easements

Land Trusts are a key part of the solution in other states.



Credit: Indiana Land Protection Alliance

Market Solutions:

Conservation Easements

Land Trusts are a key part of the solution in other states.

A few leading Indiana Land Trusts are already working to protect working farmland, including:

- Shirley Heinz Land Trust (NW Indiana)
- Wood-Land-Lakes Land Trust (NE Indiana)
- George Rogers Clark Land Trust (Southern IN)

There's big potential here because...

Credit: Indiana Land Protection Alliance

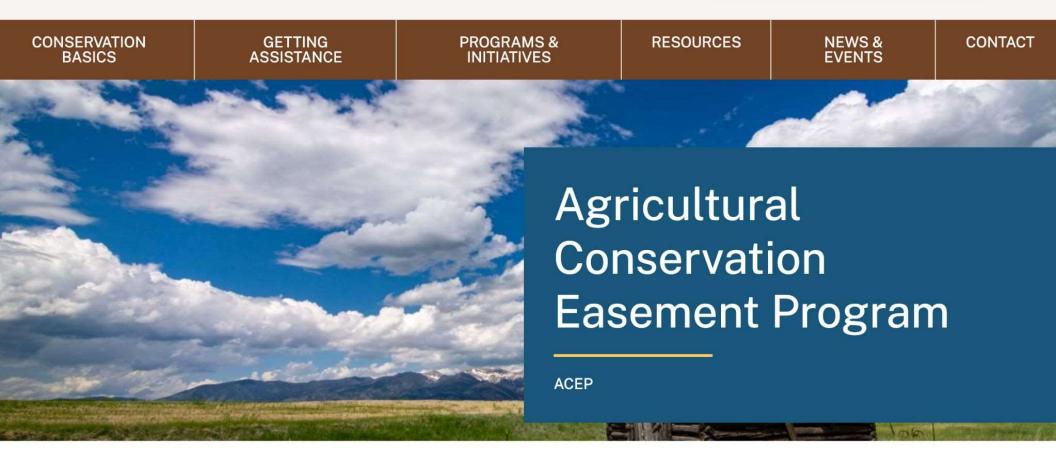




Natural Resources Conservation Service

U.S. DEPARTMENT OF AGRICULTURE





Market Solutions: Conservation Easements

The Agricultural Conservation
Easement Program (ACEP) protect ag
viability and conservation values on
farms by protecting working farmland.

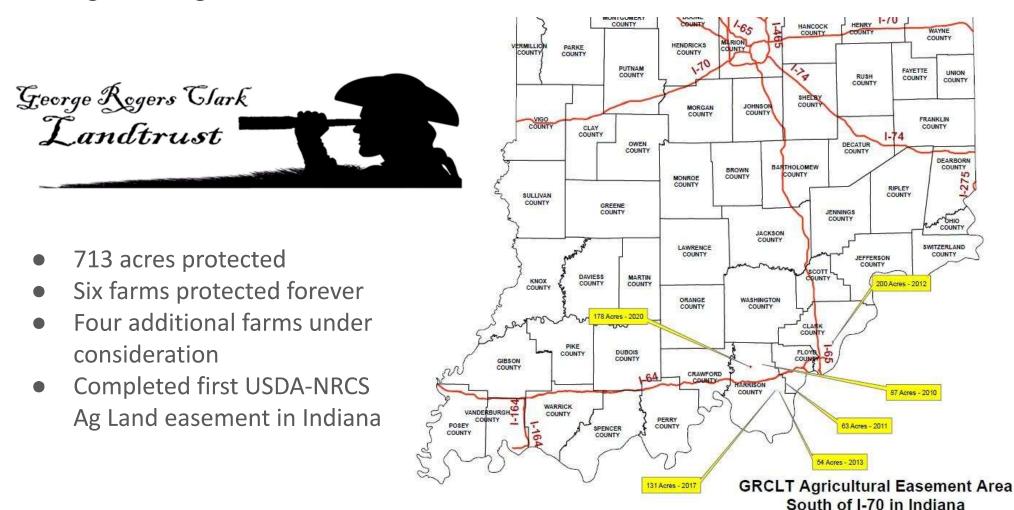
ACEP has two components:

- Ag Land Easements (ALE)
- Wetland Reserve Easements (WRE)

The USDA will only protect land that has a local 50% match. That's where land trusts come in!



Credit: Bundle Sticks Farm



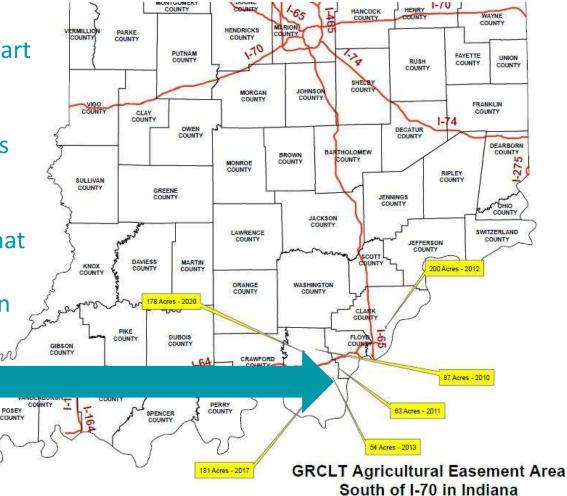
 Ag educators who were ready to start their own farm.

 Land was protected as working farmland in 2013. After the Jawtaks passed, the land went up for sale.

 Nonprofit farm focused on hosting workshops and field trips means that proximity to people is KEY.

 Farm is 30 minutes from downtown Louisville

Bundle Sticks Farm





"If the land hadn't been placed in an ag conservation easement we feel certain it would have sold to developers before we even had the chance to look at it. The ag easement also meant we could afford a larger farm, closer to the city that we ever expected."

"Also, there's another property in a similar easement just down the road from us, and others in the area, and we love knowing that at least these handful of properties around us will remain farmland and protect the agricultural community in the region into the future. We'd love to see more!



Policy Solutions Tax Incentives

State Level Land Access Policy Incentive Programs (LAPIs)

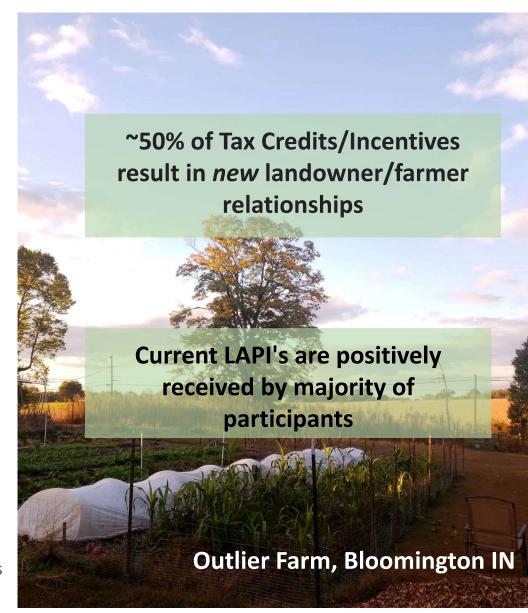
Beginning Farmer Tax Credit (State)

Landowners receive income tax credit in exchange for selling/leasing land to a BFR

Young/BFR Farm Purchase & protection incentives (State)

1) Low or no-interest loan to BFR to help purchase farm; 2) Land placed in CE

Source: Julia Valliant & Marie O'Neill - Sustainable Food Systems Science, Indiana University



Policy Solutions: Tax Incentives

Minnesota Beginning Farmer Tax Credit Program

The Minnesota Beginning
Farmer Tax Credit provides
tax credits for the rent or
sale of farm land or a
variety of farm assets to
beginning farmers.

\$1 million allocated

162 farms sold or rented to beginning farmers

| | Tax Credit Amount | Maximum Tax Credit |
|---|---|-----------------------|
| Cash Rentals | 10% of annual rental income | \$7,000 |
| Share Crop Rentals | 15% of annual rental income | \$10,000 |
| *Sales | *8% or 12% of sale price | \$50,000 |
| Beginning Farmer FBM tuition reim- bursement | Equal to tuition paid (see details below) | \$1,500 |



Policy Solutions Zoning, land use planning

What?

Use of municipal or county-level land-use policy to:

- Concentrate urban & residential development
- Incentivize & prioritize ag-use

| Policy | How it Works | |
|--|--|--|
| Agricultural Protection Zoning (APZ) | Designates priority agriculture lands and discourages other land use Limits development potential. | |
| Cluster Zoning | Allows or requires higher density housing development. | |
| Urban Growth Boundaries | Define areas intended for future growth, which helps guide infrastructure development decisions | |
| Transfer of Development Rights (or credits) | Transfer development potential from one parcel of land to another (ie from ag land to designated growth zones). | |
| Mitigation Ordinances (Adapted from American Farmland Trust) | Developers are required to offset impacts of developing farmland via permanent protection of farmland elsewhere Soul Foot | |

Policy Solutions Zoning, land use planning What?

Use of municipal or county-level land-use policy to:

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- Incentivize & prioritize ag-use

- Agricultural Protection Zoning (APZ)
- Cluster Zoning
- Urban Growth Boundaries
- Transfer of Development Rights (or credits)
- Mitigation Ordinances

(Adapted from American Farmland Trust)

Policy Solutions- Zoning & land use planning

TABLE 3: GOAL 1: SUPPORT THE LANDSCAPE: POTENTIAL STRATEGIES, TOOLS AND POLICIES

| Strategy 1.a. Ensure the viability of the resource economy in the region | Tools and Policies | |
|---|--|---|
| | Market Value-In-Use taxation (State-level policy in Indiana) Tax credits for conservation (State level policy in Indiana) Right to farm policies (e.g., Notice of Agricultural Activity for rural development) or other policies supporting resource-related industries. | Renewable energy development Value-added farm and forest products processing Ecosystem services markets |
| Cultivate economic development strategies that rely on traditional rural landscapes | Purchase of development rights (TDR/PDR program not currently in Indiana) Conservation easements Policies supporting resource-related industries | Fee simple acquisition (May not be available in Indiana) Agritourism and ecotourism |
| 1.c. Promote rural products in urban areas and support other urban-rural links | Direct marketing to consumers Government purchase of local products | "Buy local" campaigns |
| 1.d. Link rural land preservation strategies to great neighborhoods | Transfer of development rights (Not currently available in Indiana) Priority funding areas Conservation easements | Agricultural and/or forestry zoning Rural home clustering |

Adapted from Megan McConville and Lynn Desautels (2013) Strategies for Building New Economic Opportunities - Stronger Economies Together Supplemental Module: Land Use and Economic Development in Rural Areas available online at: http://srdc.msstate.edu/set/sites/default/files/curriculum/phase-vi/land_use/



Building Connections Statewide Farmlink Program

Indiana lacks an official platform connecting farm seekers and landowners

A centralized FarmLink Platform can include:

- Advising and legal advice
- Platform for connecting farmers and landowners
- Resources, relevant data, education
- Lending services

Welcome to Illinois FarmLink!





Building Connections Statewide Farmlink Program

What We Do

California FarmLink creates equitable access to opportunity in support of healthy, local food systems. We help farmers, ranchers, and fishers to access affordable financing, learn how to create business resilience, and secure land for farming and ranching.

Lending

Loans for farmers, ranchers, and fishers.

Learn More →

Land Access

Services and one-on-one assistance to find land.

Learn More →

Education

Business courses and resources.

Learn More →





What's Next?

- For the Community of
 Practice: Action
- Learning more → Stay in touch AND Learn from our presenters via the PIFF Resource Hub
- Other ideas for Y-O-U
 - Connect with PIFF or your local Extension
 - Contact your local land trust
 - Get involved with zoning in your area



Questions?

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