



# FARMLAND CONSERVATION MODEL FOR BEGINNING FARMERS AND LOCAL FOOD NETWORKS

2016 Michigan Good Food Summit: Good Food for All



JULIE  
STONEMAN

Heart of the Lakes  
heartofthelakes.org  
Bay City, MI



SAM  
PLOTKIN

Leelanau Conservancy  
leelanauconservancy.org  
Leland, MI



BRIAN  
BOURDAGES

Tamarack Holdings LLC  
tamarackholdings.com  
Traverse City, MI



# WHO WE ARE

Heart of the Lakes  
Leelanau Conservancy  
Tamarack Holdings



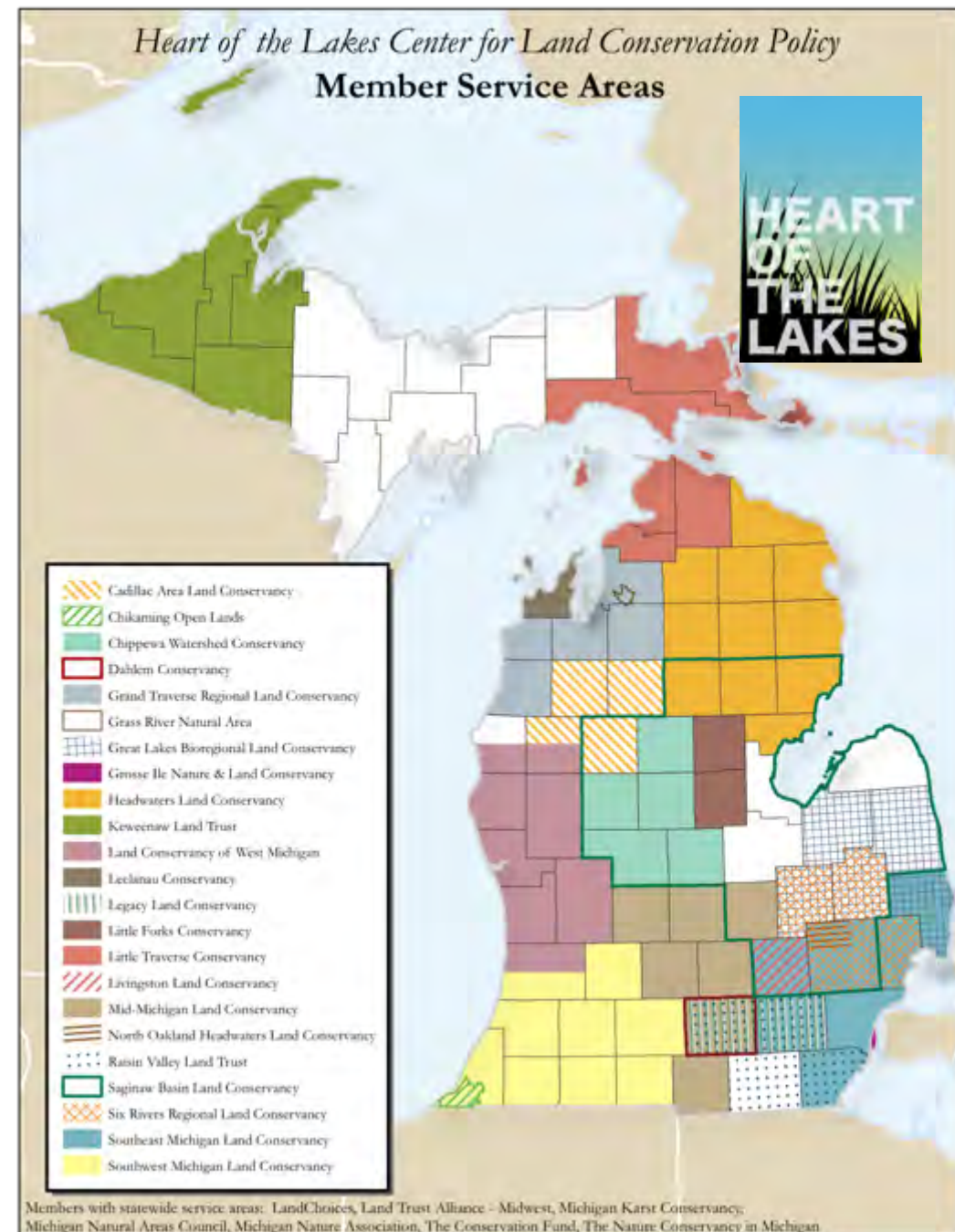
## Heart of the Lakes

- Founded in 2004. Board consists of land trust members and other supporters of conservation.
- A statewide nonprofit that provides training and technical assistance
- A policy voice for state and federal conservation issues.
- A source of independent exploration of and communications on MI's land conservation issues.



# Michigan's Land Conservancies

- Land conservancies use a suite of tools to permanently protect and steward land:
- Acquisition for preserves, parkland, open space - land can be donated or purchased.
- Conservation Easements – interests in land can be donated or purchased.
- Agency or Municipal Assists
- Land Stewardship
- Education





# MICHIGAN'S ERODING FARMLAND

Farmers and Farmland

# Threats to Farmers and Farmland



- Continued decline of lands in farms
- Lack of access to affordable farmland
- Lack of succession planning for generational transfer
- Lack of stable funding for Michigan Farmland and Open Space Preservation program

# Farmland Loss

**BETWEEN 2007-2012,  
MICHIGAN LOST 83,243 ACRES OF  
FARMLAND**



**2012 MARKED THE FIRST YEAR MICHIGAN  
DROPPED BELOW 10 MILLION ACRES**

**DURING THE SAME TIME, THE NUMBER OF FARMS DECREASED**



**2007  
56,014**

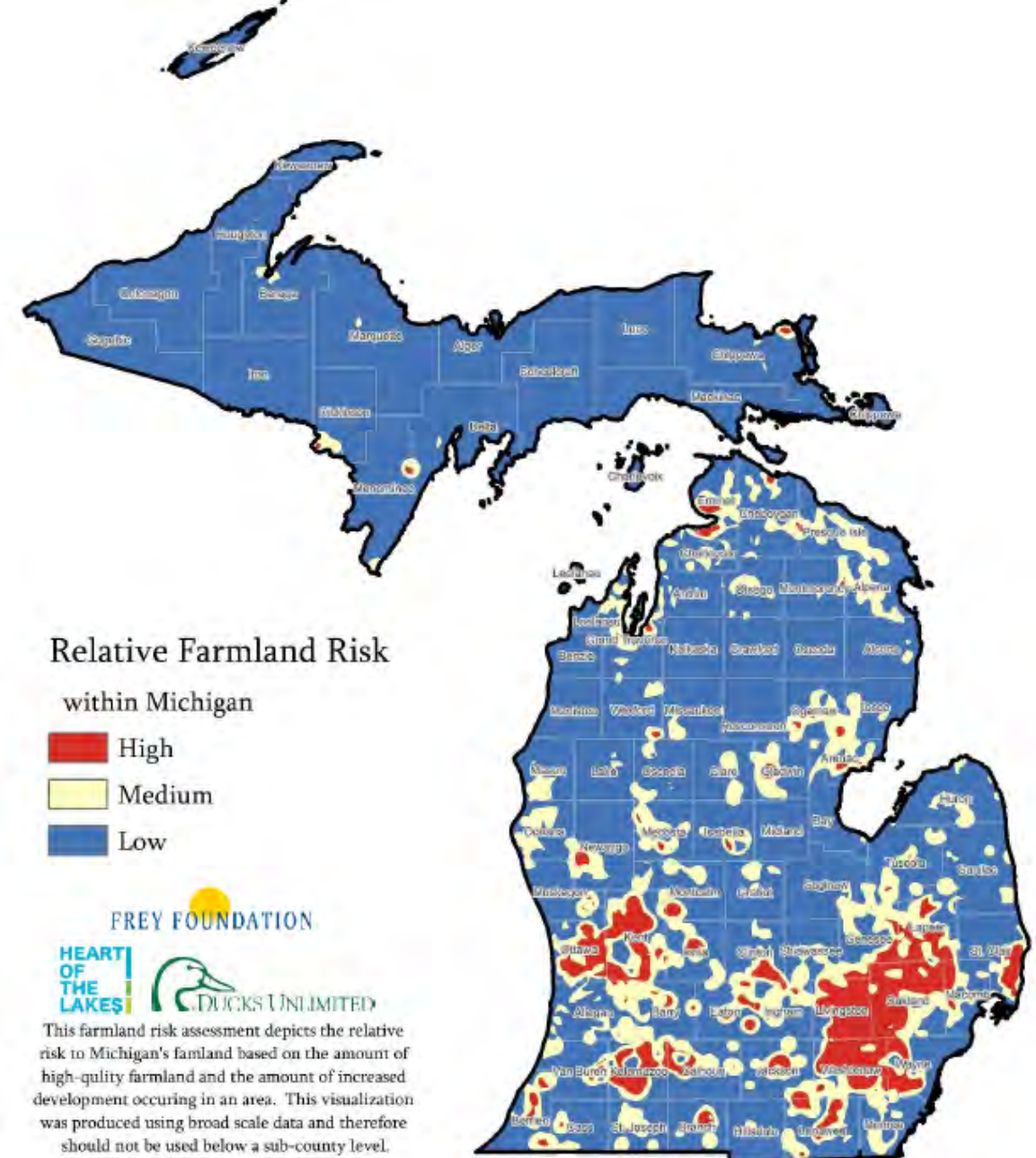


**2012  
52,194**



# Michigan Farmland Risk

- USDA's Soils Farmland Class
  - Prime farmland, Unique Farmland and Farmland of Local importance
- NOAA's Coastal Change Analysis Program (C-CAP)
  - 1996 to 2010 – change to developed or higher intensity of developed





# Who Will Farm?

- Average farmer's age is 57 years old, eight years older than the average for farmers a generation ago
- 40% of Michigan small farm operators (largest segment of Michigan farms) are over the age of 65
- Within the next 10 years, approximately 35% of all Michigan farmers anticipate retiring, 60% in the next 10 years
- Nationally, 2/3 of all farmland will need a new farmer in the next 25 years
- Between 2007 and 2012, number of beginning farmers reached a 30-year low, dropped by 20%
- Biggest challenge that beginning farmers face: finding and accessing land

# Agriculture is Vital to Michigan and Good Food!

- 2nd most agriculturally diverse in the nation with more than 200 commodities
- Food and agriculture industry contributes \$101.2 billion to state's economy
- Production agriculture, food processing and related businesses employ nearly 1 million people or 22% of state's employment





# PRESERVING FARMLAND

Supporting Good Food

# Good Food Charter

## Agenda Priority

Review and seek appropriate revisions to state and local land use policies to preserve farmland and blend protection with farm viability programs.

Michigan's farmland is critical to our food future. Potential growth in food and agriculture will depend on our ability to protect it from development, make it affordable to farmers, and protect existing farmers' assets.

*. . . . It will take more than preservation alone*

# Traditional Farmland Preservation Tools

- Conservation Easements (perpetual)
  - Donated to Michigan Farmland and Open Space Preservation Program (MDARD)
  - Donated to or purchased by local land conservancies
- Local Purchase of Development Rights Programs
- Term Easements (specific time frame)
  - Farmland Development Rights Agreement—PA 116 tax credits
  - FarmAbility





# MI's Farmland & Open Space Preservation Program

State's signature farmland protection program, includes:

- Farmland Development Rights Agreements (PA 116). 33% of all Michigan farmland enrolled
- Donated conservation easements
- Grants to eligible local governments for purchase of development rights programs
- Robust program needed!!!





# How Does Farmland Preservation Help?



- Stabilize large blocks of farmland
- Enable farmland succession to the next generation of farmers
- Unlock equity held in land through the sale of development rights (PDR), allowing farmers to expand and reinvest in local agriculture
- Invest in protection of ag land and support generational transfers to help ensure that agriculture remains a significant driver of rural economic development in Michigan





# Links to Local Food Systems



- Local farmland protection supports local food systems!
- Helps beginning farmers access land—need farmland and farmers
- Link between local farmland preservation and food security
- Nutritional value of food is highest when picked ripe and consumed locally
- Local food reduces transport time and lower fuel expenditures ensuring cleaner air
- Supports local farm economies, which in turn supports local food systems

# Green Things Farm

- Farmers in their 20s sought land to farm
- Ann Arbor Township purchased development rights on the property, enabling farm purchase at \$3,000 an acre compared to \$8,500
- Township and community very supportive of agriculture as part of a fiscally sound balance of land uses

## Case Study: Finding Affordable Farmland





## Sayler Orchards

- Family did not want to see further fragmentation of the farm when passed between generations
- Development rights purchased through Acme Township PDR program
- Growing number of farmers in the program, essential to keep a block of farms to support local ag businesses

## Case Study: Stabilizing Farmland Blocks



# Sayler Orchards Video

# Opportunities for Michigan

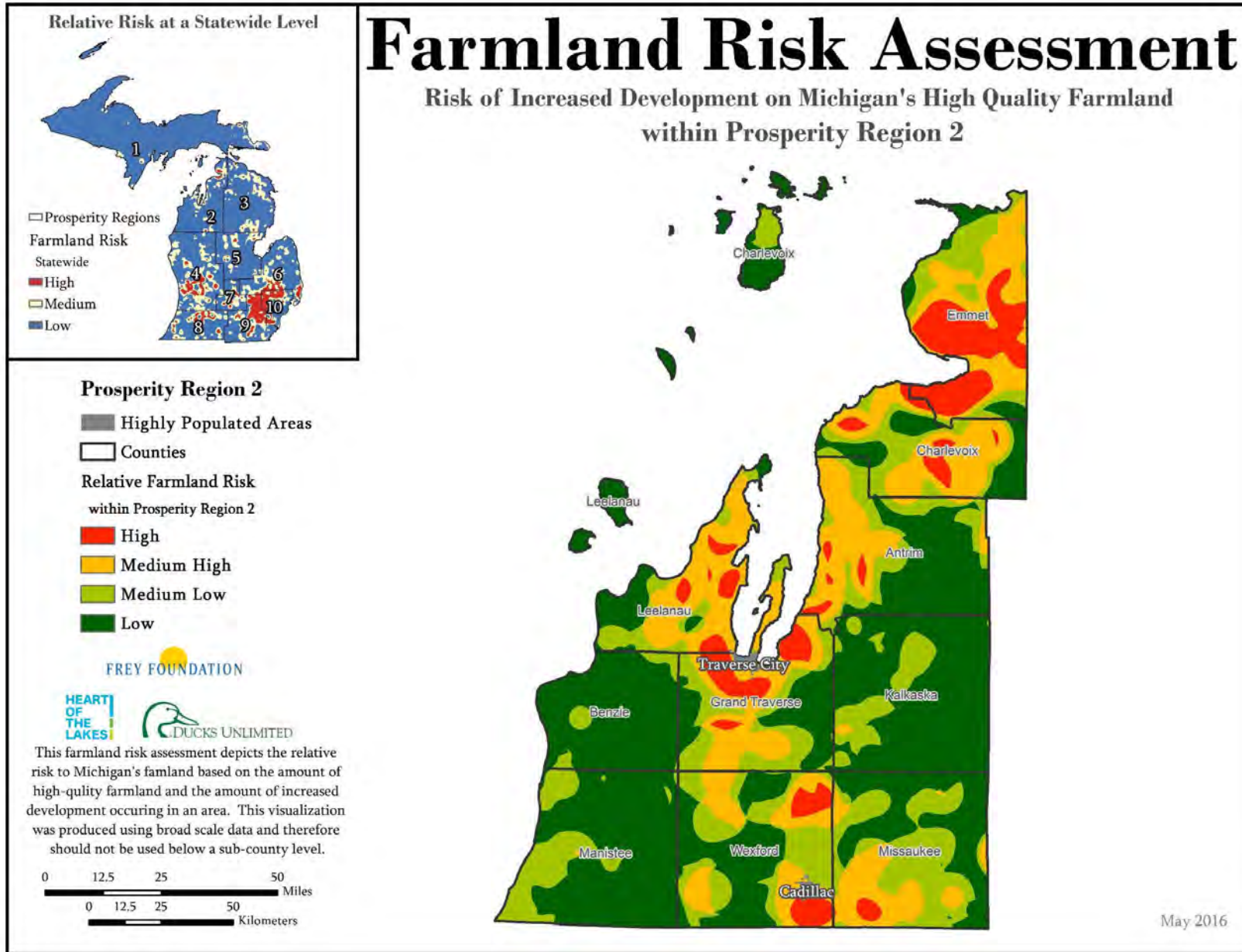
- Recognition of agriculture as a major economic driver
- Growing awareness of conservation easements for generational transfer
- Burgeoning local foods movement, new markets
- Entrepreneurs in ag (specialty crops and value added production)
- Environmental benefits such as water quality protection



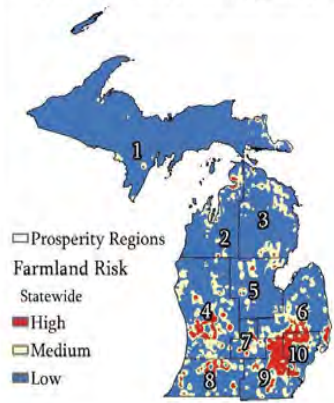
# Michigan's Fruit Belt

- 2015 National Agricultural Statistics Service Cropland data (Convert to points, density surface, isopleths.)
- Soils, precipitation, temperature, plant hardiness zones and aerial imagery.
- 2012 and 2014 National Agricultural Statistics Service Cropland data.





Relative Risk at a Statewide Level



# Farmland Risk Assessment

Risk of Increased Development on Michigan's High Quality Farmland within Prosperity Region 2

## Prosperity Region 2

Highly Populated Areas

Counties

Relative Farmland Risk within Prosperity Region 2

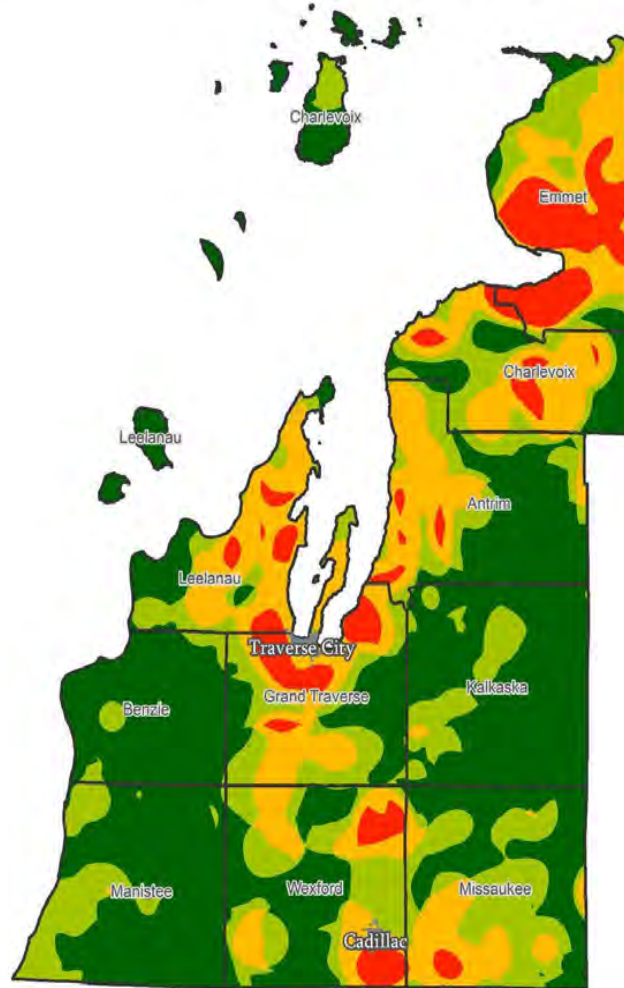
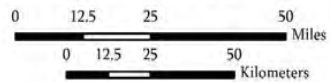


FREY FOUNDATION

HEART OF THE LAKES

DUCKS UNLIMITED

This farmland risk assessment depicts the relative risk to Michigan's farmland based on the amount of high-quality farmland and the amount of increased development occurring in an area. This visualization was produced using broad scale data and therefore should not be used below a sub-county level.



May 2016







QUESTIONS?



# INNOVATION IN NORTHWEST MICHIGAN

Supporting Good Food

# Sam Plotkin

Farm Programs Manager  
Leelanau Conservancy



Conservation Easements

Generational Land Transfer Programming

Farmland Protection Policy

# Conservation Easements

Conservation easements are voluntary, incentive-based approaches to permanent land protection

Perpetual deed restrictions

Keep land open and available for agriculture

Largely federally funded:

Agricultural Conservation Easement Program; Regional Conservation Partnership Program

REV'D LEELANAU COUNTY  
2016 SEP 23 PM 2:32

STATE OF MICHIGAN  
Leeelanau County  
September 23, 2016 04:43 PM  
Receipt # 20465

REAL ESTATE TRANSFER TAX  
\$95.00 - 00  
\$5,825.00 - 57  
Stamp # 21865

Leeelanau County STATE OF MICHIGAN  
Dorothy M. Miller Register of Deeds  
RECORDED  
September 23, 2016 04:43 PM  
Liber 1273 Page 254-347

AGRICULTURAL AND CONSERVATION EASEMENT DEED

OWNER: Thomas S. Lawton, Daniel G. Lawton, Sarah Lawton-Speert,  
Katherine Heye  
10077 E. Solem Road  
Suttons Bay, MI 49682

CONSERVANCY: LEELANAU CONSERVANCY  
105 N. First Street/P.O. Box 1007  
Leland MI 49654

TAX CERTIFICATION  
LEEELANU COUNTY LELAND, MICHIGAN 2/23/16  
I hereby certify that according to our records, all taxes returned to this office are paid for five (5) years preceding the 22nd day of September 2016. This does not include taxes in the process of collection by Township, Cities or Villages, Board of Review changes, Michigan Tax Tribunal changes, or changes due to Homestead exemptions or corrections.

PROPERTY: The protected property consists of 208.91 acres located in Sections 4, 5, and 9 Township 30 North, Range 11 West, Suttons Bay Township, Leelanau County, Michigan, as described in deeds recorded in Liber 1270, Pages 346-7 at the Leelanau County Registry of Deeds, said parcels being more fully described in Exhibit A, attached hereto and incorporated herein (the "Protected Property").

CONVEYANCE: This Agricultural and Conservation Easement Deed ("Easement") is made and entered into this 22nd day of September, 2016 ("Effective Date"), by the Owner, as grantor, to the Leelanau Conservancy ("Conservancy"), as grantee, and to the United States of America ("United States") acting by and through the United States Department of Agriculture, Natural Resources Conservation Service ("NRCS") acting on behalf of the Commodity Credit Corporation, as its interest appears herein, as this Easement is acquired with funds provided, in part, under the Agricultural Conservation Easement Program ("ACEP") 16 U.S.C. Section 3865 et seq. for the purpose of protecting the agricultural use and future viability, and related conservation values by limiting nonagricultural uses of the Protected Property. The Owner, Conservancy and United States are collectively referred to herein as the "Parties."

THE OWNER AND THE CONSERVANCY AGREE TO THE FOLLOWING:

NOW THEREFORE, for good and valuable consideration, the adequacy and sufficiency of which the Parties hereby acknowledge, the Owner conveys and warrants to the Conservancy a perpetual conservation easement over the Protected Property, the scope, terms and conditions of which are set forth herein. This conveyance is a grant from the Owner to the Conservancy. As consideration for such grant, payment has been made to the Owner in the amount of \$777,597. Under the authority of the ACEP program, the Natural Resource Conservation Service (hereinafter referred to as "NRCS" "United States") has contributed \$496,800 toward the purchase of this Easement.

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# FarmAbility



FarmAbility is a term conservation easement program

Emerged through trial and failure to pass county farmland preservation bond

Served as vital source for outreach and engagement with community

Approximately 900 FarmAbility acres eventually permanently protected

# Beyond Conservation Easements

Conservation easements are expensive, require a generous and flexible timeframe, and need willing participants

The best way to keep farmland as working land is to ensure there's a farmer on the ground

We must look at both ends of the land transfer equation...beginning farmers and exiting farmers

# Farm Transitions

## Succession and Estate Planning

Over 90% of principal farm operators don't have an exit strategy or knowledge of how to develop one as they look towards transitioning out of farm ownership

Plan development involves costly professional services, requires challenging conversations...and there's no script

Farm Transitions is a semi-structured cost-share program

# Farmer to Farmer (F2F)

## Land Link and Jobs Board

Finding available land is one of the greatest challenges facing beginning farmers

Online platform for buyers and sellers, lessors and lessees, and employers and employees to meet

Serve as a database for other resources: financial services; federal, state, and local ag grants; regional events etc.





**QUESTIONS?**

# Brian Bourdages

Programs Manager

Tamarack Holdings LLC



Tamarack Holdings – “Building Community Through Better Food”

- Cherry Capital Foods
  - Earthy Delights
  - TLC Hydroponics
  - Up North Distributing
  - Partial Owners of Several Other Food-related Businesses
- 1) Develop and Manage Programs that Build Capacity
  - 2) Focus – Programs Related to the Preservation of Farmland and Farming
    - Promoting and Advancing Efforts related to New Agribusiness

# Farmland Investment Program

- Increasingly, private investors are investing in farms and farmland.
- More and more of these efforts are employing a “triple bottom line” framework.
- “Triple bottom line” investing considers not just financial returns, but also social and environmental/conservation returns as well.
- This type of program has been discussed in the Grand Traverse Region for more than 15 years as a means to aid in utilizing farmland preservation as a succession tool.
- Fortunate to have residents and visitors of substantial wealth who are love the rural/agricultural character of the region.

*Wine Grape Vineyards*

*Old Mission Peninsula*



# West MI Fruitbelt Farmland Investment Program

- Private Investment Program with a “triple bottom line” accounting framework.
- Purchases farms that have no succession plan or heirs.
- Focus on land most threatened (orchards)
- Protect land with conservation easement - improve with high value crops - e.g. fresh apples and sweet cherries.
- Works hand-in-hand with “Farmer to Farmer” and other regional efforts to sell land back to farmer after investments are recouped.

# Regional Collaboration

## The NW MI Food and Farming Network

Started in 2009 as outgrowth of “Farm Route to Prosperity Summit”

Vehicle for people in the food and farming system to:

- Collectively support one another
- Share ideas and projects
- Otherwise create synergy toward advancing the health of our regional food system.

Began to, and continues to meet regularly as a loose-knit group of like-minded individuals and organizations.

# NW MI Food and Farming Network and the Good Food Charter

- As MI Good Food Charter evolved, FFN elected to adopt a “20 by 2020” goal
- Design effort to garner 20% of local food from local sources by 2020.
- Created 5 task forces to bring focus to our efforts. These include:
  - 1) Local Food Sales
  - 2) Food Access
  - 3) Agri-business Generation
  - 4) Farm to Institution
  - 5) Farmland Resources (protecting farmland *and* farming)

# NW MI Food and Farming Network and the Good Food Charter

- Recent focus has been on establishing baseline metrics. For the Farmland Resources Task Force these include: acres of protected farmland, MAEAP verified farms, farmer demographics etc.
- Baseline of 2010 was used for purposes of unifying “start date” of metrics.
- Prior to efforts to collect “official” data, we collected informal data of new programs and collaborations resulting from the Food and Farming Network!







**QUESTIONS?**



**WHAT DOES YOUR  
REGIONAL MODEL  
LOOK LIKE?**



# In Your Region, What Are The

Opportunities

Challenges





FARMLAND.HEARTOFTHELAKES.ORG



**HEART  
OF  
THE  
LAKES**

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