

Agricultural Development and Farmland Protection Plan

Orange County, NC

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Prepared By:
Orange County Agricultural Preservation Board

With the Assistance of:
Orange Soil and Water District and Board of Supervisors
Cooperative Extension Service – Orange County Office
Farm Services Agency – Orange/Durham Office
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Executive Summary

Agriculture is a vital component of Orange County's economy. Farmers contributed more than \$46,000,000 in gross sales in 2005 and that number continues to increase. Farmers also serve as the environmental stewards of large areas of open space, protecting natural resources and wildlife corridors.

Orange County was an early leader in North Carolina's agricultural preservation efforts. When the General Assembly adopted the Farmland Preservation Enabling Act in 1986 Orange was one of the first counties to adopt a countywide farmland protection ordinance and today more than 2,700 acres are enrolled in the County's Voluntary Agricultural District program.¹ In 2000, Orange County established the first comprehensive land acquisition program in North Carolina, the Lands Legacy program. Today eleven agricultural easements have been recorded, protecting 1,200 acres of prime and threatened farmland.

Despite these local accomplishments, many farmers are struggling to make a profit. Agriculture is a changing industry. State and federal regulations are being revised and traditional commodity programs are being phased out. Local farmers are looking for ways to add revenue to their operations. Older farmers are considering retirement; those without a younger farmer to take on the family business may consider selling their land.

All county residents benefit from local farms. Everyone who eats enjoys the quality and convenience associated with locally grown fruits and vegetables, dairy products, and farm-raised beef, pork and poultry. Everyone who travels along county roads enjoys the scenic vistas retained through tilled fields, pastures and forestlands. Orange County must support efforts to make agriculture and forestry more profitable in order to ensure the long-term survival of local farms and their associated benefits. Success will be dependent on everyone; all residents—conventional farmers, small farmers, and non-farm consumers--will need to play a role.

In 2005, the North Carolina General Assembly amended the state farmland protection program to expand the focus. The new Agricultural Development and Farmland Preservation Enabling Act and the Agricultural Development and Farmland Preservation (ADFP) Trust Fund supports agricultural development projects such as business planning and incubator programs as well as agricultural easements and other traditional farmland preservation programs. Counties must have an adopted a **countywide farmland protection plan** to be eligible for preference for Trust Fund monies.

The following **Orange County Agricultural Development and Farmland Protection Plan (FPP)** is designed to serve as the strategic plan for local agriculture and forestry for the next

¹ In 1986, the North Carolina General Assembly passed the Farmland Preservation Enabling Act, which provided counties with the authority to establish farmland preservation programs including voluntary agricultural districts (VADs) and agricultural advisory boards. (NCGS §106-735 *et seq.*) Orange County adopted its Voluntary Farmland Protection Ordinance in 1992 and, as of January 2009, thirteen farmers have enrolled in the program demonstrating a commitment to farming for at least ten more years.

ten, twenty years and beyond. The FPP contains a statement of the need for action, an overview of local agricultural production and a discussion of challenges and opportunities; some are common trends nationwide, others are unique to Orange County. The plan touches on new issues for the agricultural community such as increasing fuel costs and the potential role for farmers to use and produce alternative energy. The plan also speaks to the value of contributing to the local economy, the health benefits of eating locally grown foods and a renewed interest in food security. Most important, the FPP spells out a vision for the future of local agriculture and a series of action steps to get there.

Farmers have great marketing opportunities in Orange County: a large regional population base interested in locally grown products and a number of institutional markets including local school systems, universities, and hospitals. Orange County is home to five active farmers markets and ten additional (15 total) farmers markets are located within the greater Triangle region. The County is working in partnership with State and federal agricultural agencies, Cooperative Extension, the Orange County Soil and Water District (and NRCS), and Farm Services Agency to improve agricultural infrastructure. A regional value-added shared use food processing center, modeled after Blue Ridge Food Ventures in Asheville, is underway. PLANT (People Learning Agriculture Now for Tomorrow), a new farm enterprise incubator program, is getting ready to start its second year.

These are important steps, but there are five key areas where the County must do better.

- 1) Orange County must fundamentally change the way it perceives farmland with regard to land use. Prime soils are a finite resource. The County can no longer afford to consider working lands (agricultural or forestlands) as undeveloped. Working lands should be recognized as an existing industry, and efforts to enhance these uses should be considered as part of County economic development activities. It is crucial that Orange County retains active farming communities, contiguous tracts of agricultural and forestlands, large enough to support agricultural infrastructure.
- 2) Orange County must begin to recognize and address the special challenges of conventional farmers. These large acreage farmers are the stewards of our "rural experience." They provide residents with open space and scenic vistas for recreation, such as cycling. Their stewardship protects the county's soil and water resources, recharges groundwater, abates storm water runoff and connects wildlife habitat. The perception that farmers will always farm and maintain the rural parts of Orange County may be tested vigorously in the coming years as the cost of this stewardship continues to rise. Enrollment in the Present-Use Value Taxation program offers a reduced rate on property taxes on farmland, but not on farm buildings or equipment. The reduced rate on farmland may not be enough to offset a bad crop yield or the loss of a long-time renter who chooses not to lease another year. The impact of residential development, increasing property values and nuisance complaints, has taken its toll. This is an area where the County may need to pursue new forms of assistance to ensure that these long-time farmers are able to stay in business.
- 3) Orange County must adopt a more pro-active approach toward attracting new farmers and new farm operations to this region, by advertising for complementary operations, and even offering incentives. The County's school systems should expand existing training programs in high schools and work in partnership with local community colleges and the state

university system to encourage agricultural students to stay in North Carolina and work on local farms. The County should work with potential farmers to learn more about the types of obstacles they are facing and to provide options (tax assistance, land link programs, community gardens, incubators, etc.) to help overcome those obstacles.

- 4) Local officials must continue to educate residents on the indirect benefits of agriculture to the community. In 2006, the American Farmland Trust conducted a Cost of Community Services Study for Orange County and determined that on average, for every \$1 in revenue raised by residential development, the County must spend \$1.24 on services, compared to just \$0.72 cents of services per dollar of revenue raised by farm, forest, or open space. This is a significant difference for a county with traditionally high property taxes due to a strong public school system and small commercial tax base. It likewise supports the use of local funds for agricultural conservation easements, since costs will be recovered in the long run.
- 5) County officials must also begin a dialogue with the municipalities in and adjacent to Orange County regarding agricultural issues. It will become increasingly important for the agricultural community to have an opportunity for input as the towns consider new annexations and new land use regulations, because of the potential for unintended negative consequences on farmers. These are the same farmers who preserve rural character, clean water, clean air, and provide locally grown food.

Orange County has had great success with its conservation easement program, Lands Legacy, particularly in conjunction with state and federal funding programs, but the best long-term approach for a strong agricultural economy is to strengthen existing farm operations and enhance opportunities for new ventures. The 2005 Carolina Agricultural Development and Farmland Preservation Enabling Act and associated Agricultural Development and Farmland Preservation (ADFP) Trust Fund offers North Carolina counties a new opportunity to develop strategic plans for improving the viability of local agriculture and the potential funding to bring them to fruition. The long-term survival of agriculture in Orange County requires three key components: keeping productive soils in operation, making farming more profitable, and producing new farmers and farm operations. Non-farmers must also understand their role in sustaining the agricultural community. Farmers must be able to make a living off the land. Without economically viable agriculture, much of our rural character and its associated benefits to the community are lost, but with careful planning the growing population can contribute to the future of local agriculture as consumers for locally grown and value-added farm products and as visitors for agritourism.

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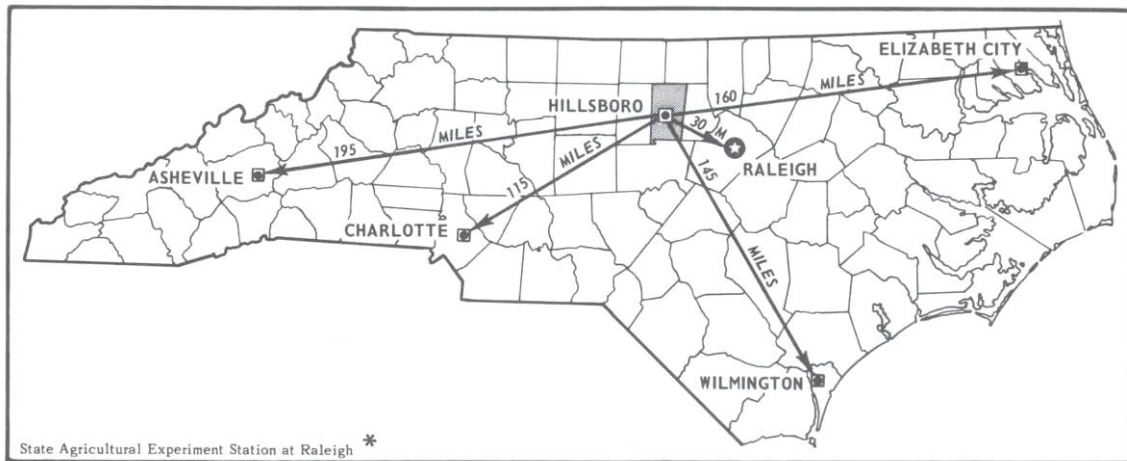
Introduction



Orange County is located in the eastern edge of the Piedmont region of North Carolina. It was formally created from parts of Granville, Johnston and Bladen counties in 1752, and by 1767 it was the most populous county in the state. Its immense original boundaries encompassed present-day Orange, Person, Caswell, Alamance, Chatham and Durham counties, and portions of Guilford, Randolph, Rockingham and Wake—approximately 3,500 square miles. Its prominence during the early settlement period of the state is well documented. The county seat of

Hillsborough served as the site of the third Provincial Congress (1775) and as a temporary state capital.

Today Orange County is bounded by Alamance, Caswell, Chatham and Durham counties, and contains approximately 398 square miles (254,720 acres). Hillsborough remains the county seat but has been surpassed in terms of population by the southern part of the county, particularly the towns of Chapel Hill and Carrboro. Part of the fast growing Triangle area (population of more than 1.2 million), Orange County has experience dramatic growth within the past few decades, more than doubling its population from 57,707 in 1970 to roughly 122,991 in 2005.²



Location of Orange County in North Carolina.

Agriculture has a long and proud tradition in Orange County, dating back to centuries before European settlement. It remains an important part of the local economy today. In addition to direct contributions to the local economy in the form of product sale receipts, expenditures on farm services and inputs, and employment on farms and farm support businesses, farmers serve as the stewards of large areas of undeveloped land. This stewardship often represents

² The Triangle includes the state capital, Raleigh, the Research Triangle Park, three major universities—UNC Chapel Hill, Duke University and NC State University—and more than twenty municipalities.

decades, and even centuries, of commitment to the land. The farm community protects soil and water resources, recharges groundwater and abates storm water runoff, connects wildlife habitat, and safeguards the scenic and historic vistas that have defined the county's character.

Local residents and elected officials have long recognized the importance of this cultural and economic legacy and have sought to protect and enhance it, but pressures on local farms are intense. Residential development is moving into rural areas at an alarming pace, bringing with it the potential to compromise rural character, increase public service costs and consume agricultural lands. Rising land values, nuisance complaints, and impacts from growth-related public projects such as reservoirs and highways result from encroachment into farming areas. Coupled with external pressures such as shifts in commodity prices, global competition, and increased State and federal government regulations, it is exceedingly difficult for farmers to retain profitable operations. With fewer young people entering agriculture, aging farmers often see no alternative but to "grow houses" on their land.

Reflecting the concerns of all of their constituents, the Board of County Commissioners renamed the Agricultural Districts Advisory Board to the Agricultural Preservation Board (APB) in 2000. The APB's mission is intended to benefit all Orange County residents, not just farmers.³ The **Orange County Agricultural Development and Farmland Protection Plan (FPP)** therefore addresses the interests of three primary "stakeholders."

- Conventional or large farms (100 or more acres) with dairy, livestock, and grain crops that have generally been family farms for several generations. These farms have been the backbone of agriculture in North Carolina in the past but their number has declined dramatically due to land and labor costs, an increasingly fragile agriculture infrastructure, and development pressure on land resources.
- Small farms (less than 100 acres). Some of these farmers are raising produce, horses or livestock on limited acreage and selling to local markets. These farmers represent the largest increase in agricultural activity in the county.
- The non-farm population who benefits aesthetically from Orange County's rural character, and directly from locally produced food, clean water, clean air, green space, and rural vistas. It is this segment of the population who has the most to gain from a strong commitment to preserving our farmlands.

The FPP attempts to describe the challenges of each of these groups and identify specific programs to encourage agricultural development in response. It offers a vision of what the farming community should look like in ten years, twenty years and beyond and outlines a series of action strategies to bring that vision into fruition.

The document has been prepared in partnership with other key agricultural agencies that serve local farmers—Cooperative Extension, Farm Services, and the Soil and Water Conservation District/NRCS—and includes a comprehensive coverage of programs for farmers. The adoption

³ Recognizing the importance of agriculture and forestry a new chapter was added to the Orange County Comprehensive Plan during the recent 2030 update. The Agriculture chapter of the Natural and Cultural Systems Element (NCSE) provided an important link between agriculture, and land use polices and related regulations. It also showed the connection between agriculture and local economic development.

of a FPP will provide Orange County with access to a larger percentage of Agricultural Development and Farmland Trust Fund (ADFP) monies for farm-related programs.

To facilitate the preparation of farmland protection plans, the state has prepared a model document for use as a template; plans must contain the following seven sections.⁴

- 1) A statement of the need for action;
- 2) A summary of the County's authority to adopt the plan;
- 3) An overview of the county's agricultural activity, past and present;
- 4) An outline of challenges for the local agricultural community;
- 5) A statement of opportunities for enhancing local agriculture, including programs in place and potential new programs for the future;
- 6) A set of action steps to ensure a more viable agricultural community for the future; and
- 7) A schedule to implement the action steps.

In order to better represent local needs, Orange County's FPP is organized a little differently and a new section called, "A New Vision for the Future of Agriculture in Orange County" has been added. There are a lot of agricultural programs in the opportunities section of the document. Some are already in place and others could be adopted. But which programs will do the most to help the Orange County reach its agricultural goals? The vision section is designed to help elected officials and agricultural support staffs select and prioritize policies and programs that will work toward shared goals. In addition, by providing a mental picture of what the agricultural community could look like in the future, non-farmers may develop a better understanding of their role as good neighbors and consumers.

The long-term survival of agriculture in Orange County requires a three-tiered approach. 1) The County must continue efforts to protect productive soils so that they remain available for agricultural and forestry use. 2) Farming in Orange County must become a more profitable venture. 3) New and younger residents must cultivate interest and knowledge in farming to take over as the next generation.

Some of these underlying themes may seem obvious. Productive soils must remain available for farm and forestry use. Agriculture must become more profitable. As the average age of farmers continues to increase, the future of farming will become more and more dependent on the preparation of another generation. Successful farmers must pass their knowledge on to an apprentice. Existing County programs to train farmers must continue and expand. The non-farm community (consumers) must recognize the value of farms for open space and local foodstuffs, and develop a stronger connection with the farming community. In addition, established farmers may benefit from diversifying their operations—switching from one main cash crop such as tobacco to smaller amounts of multiple crops such as vegetables and specialty products. New farmers (younger or new to farming) must continue to pursue new and innovative forms of agriculture, often on smaller amounts of acreage, such as growing organic or greenhouse crops. Orange County is uniquely positioned to pursue opportunities for agriculture created by its affluent, highly educated populace, interested in high-quality farm produce and services. This service-oriented agriculture, while by no means assured, may present the best new market for many farmers.

⁴ (NCGS §106-744 (e)(1-5).

For conventional farmers dependent on large amounts of acreage there is no simple solution to offset the costs associated with increasing property values, non-farm infrastructure and public service fees. New programs in conservation may offer some relief, particularly in combination with forest management. The County may also wish to enlarge the small business loan program to provide more funding for start-up fees and diversification ventures, and to explore new forms of tax assistance.

Ultimately, the success of economically viable agriculture in Orange County is dependent upon education and understanding between farmers, citizens, and government. The rights and interests of each should be respected and nurtured. To better understand the obstacles and stresses on agriculture, and the steps the County can take to reduce them it is helpful to first understand the history, geography (including the soil resource), economic trends, and regulations governing farming. It is also important to understand the values and concerns of the farmers themselves.

Guiding Principles

Guiding Principles behind this Plan⁵

Nine key concepts have been used to guide the preparation of the Orange County Farmland Protection Plan. These principles, taken liberally from a similar plan in Rensselaer County, New York, are as follows.

1. Agricultural economic development and farmland protection are interdependent and should be integrated. Keeping farms viable and protecting the resource base are essential for farming's continued survival, and they are closely linked.
2. Target agricultural and farmland protection initiatives to protect blocks of viable farmland.
3. Promote thoughtful land use planning to mitigate conflicts between farmers and neighbors. Manage residential growth in farming communities; buffer farms from neighboring large-scale residential developments.
4. Encourage town/county cooperation. There is a strong linkage between rural agriculture and urban quality of life. Farmland protection efforts require cooperation between towns and among levels of government. Efforts to promote development in one town can derail farmland protection efforts in the county and nearby towns.
5. Educate consumers and the general public on the relationship between a healthy local agricultural economy and the public benefits working farmland provide.
6. Give farmers incentives to protect farmland by providing them opportunities to achieve fair return for the benefits their stewardship of the land provides the non-farming public.
7. Examine the long-term cost effectiveness of incentive programs that compensate farmers for not developing their land and keeping it available for current and future agricultural production. By combining tax, spending and regulatory programs, local communities can strongly support agriculture and meet budgetary needs.
8. Work to ensure that land use policies and development regulations acknowledge and work for agriculture. For example, conventional rural residential zoning may harm agriculture, because it accelerates residential development and converts agricultural areas into lots that are too small to farm.
9. Strengthen the coalition of interests to support agricultural and farmland protection efforts. Reach out to non-farmers by supporting existing farmers markets, farm events, educational festivals that bring together farmers and non-farmers, and other workshops. Unite the farmland protection interests of farm and non-farm community members by protecting farmland that provides scenic views, protects critical masses within farm communities, protects important water resources, or preserves historic landscapes.

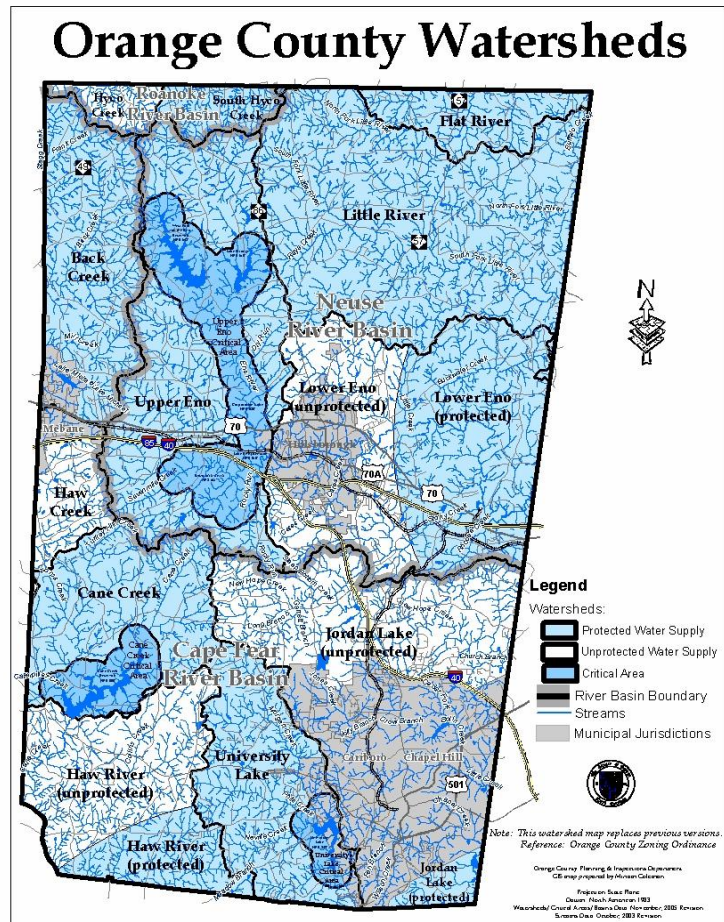
⁵ Adapted from "Keep It Growing: An Agricultural and Farmland Protection Plan for Rensselaer County (New York)", 28.

Overview of Agricultural Activity

Soil Productivity

Orange County's approximately 398 square miles (254,720 acres) consists of mostly rolling terrain. The county lies across three major water basins: the Roanoke River Basin in the north, the Neuse River Basin in the northeast and the Cape Fear River Basin in the southeast. The growing season lasts about 200 days from mid April to late October and usually includes sufficient amounts of rain during the summer months.

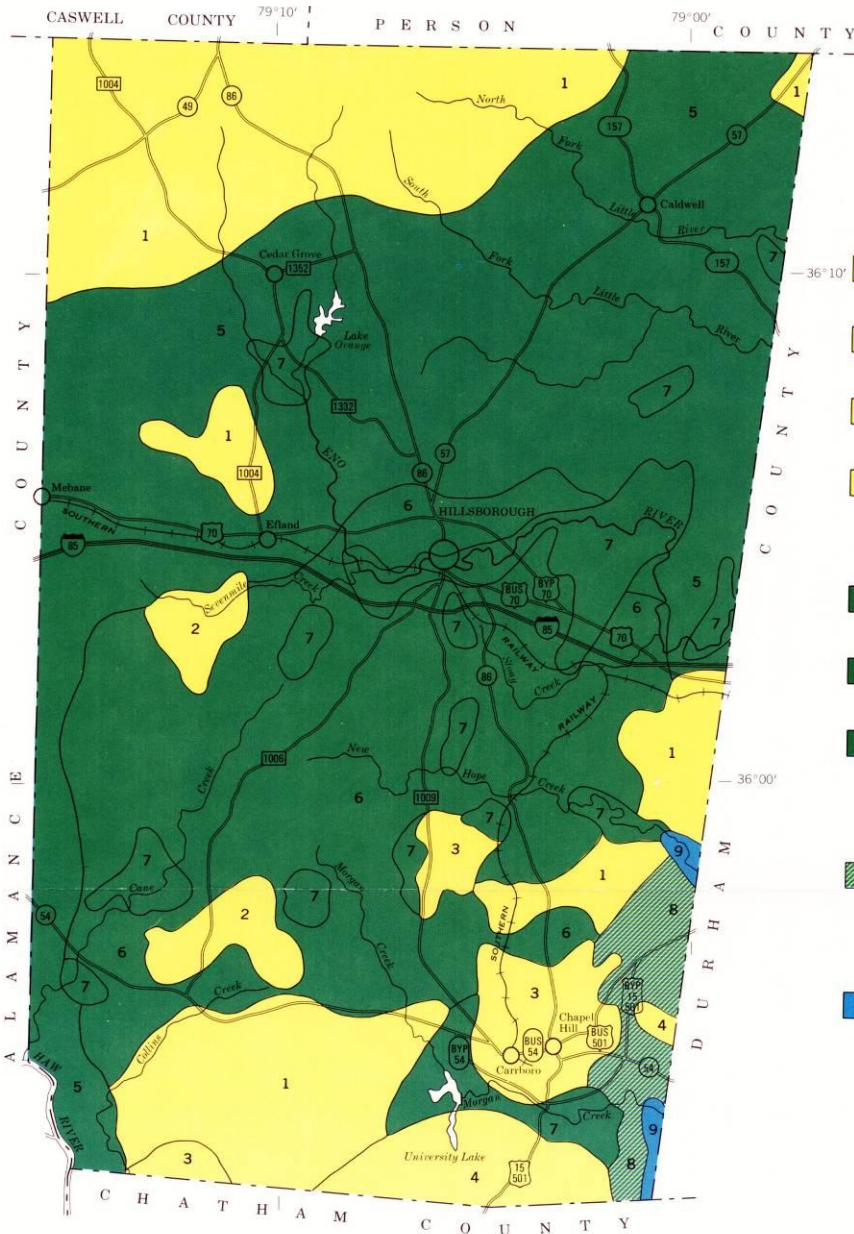
Soils are classified in associations based on their suitability for different land uses such as agriculture, forestry, or residential or commercial development. This classification system defines various soils based on their potential productivity for different agricultural products as well as their limitations--their risk of environmental damage such as erosion when they are used for agriculture and how easily these limitations can be overcome by remedial measures. Class I soils generally have the fewest limitations, support the widest range of uses, and carry the least risk of environmental damage. Class II soils have some limitations that reduce the range of potential crops or require moderate conservation practices. Class III soils have greater limitations on their range of potential crops and require special conservation measures. Class I and II soils are considered to be "prime" agricultural soils – soils whose characteristics make them most suited to agricultural uses.



Almost three quarters of the county's land area consists of soils productive for agricultural and forestry uses, including 140,630 acres of prime farmland and 58,650 acres of state and locally important farmland.⁶ Approximately 34,084 acres or 40% of active and inactive agricultural lands in the county are on prime agricultural soils. The majority of these quality soils (shown in dark green) extend across the county in a diagonal pattern southwest to northeast.

⁶ About 90% of active and inactive farmland in Orange County consists of Class I, II or III soils.

General Soils Map, Orange County North Carolina



SOIL ASSOCIATIONS

NEARLY LEVEL TO STEEP SOILS ON UPLANDS

- 1** Appling-Helena association: Gently sloping and sloping, well drained and moderately well drained soils that have a surface layer of sandy loam and a subsoil of sandy clay loam, clay, or sandy clay; on uplands
- 2** Lignum-Enon-Orange association: Nearly level to strongly sloping, moderately well drained and well drained soils that have a surface layer of silt loam and loam and a subsoil of silty clay loam, silty clay, clay and clay loam; on uplands
- 3** Iredell-Enon association: Nearly level to strongly sloping, moderately well drained and well drained soils that have a surface layer of gravelly loam and loam and a subsoil of clay and clay loam; on uplands
- 4** Wedowee-Louisburg association: Sloping to steep, well drained to excessively drained soils that have a surface layer of sandy loam and a subsoil of sandy clay loam, sandy clay, and coarse sandy loam; on uplands

GENTLY SLOPING TO STEEP SOILS ON UPLANDS

- 5** Georgeville-Herndon association: Gently sloping and sloping, well drained soils that have a surface layer of silt loam and a subsoil of clay loam, silty clay, silty clay loam, and clay; on uplands
- 6** Georgeville-Herndon-Tatum association: Gently sloping to moderately steep, well drained soils that have a surface layer of silt loam and a subsoil of clay loam, silty clay loam, silty clay, and clay; on uplands
- 7** Tatum-Goldston association: Sloping to steep, well drained soils that have a surface layer of silt loam and slaty silt loam and a subsoil of silty clay, silty clay loam, and slaty silt loam; on uplands

GENTLY SLOPING TO STRONGLY SLOPING SOILS ON UPLANDS

- 8** White Store-Creedmoor association: Gently sloping to strongly sloping, moderately well drained soils that have a surface layer of loam and fine sandy loam and a subsoil of clay, clay loam, silty clay, silty clay loam, and sandy clay loam; on uplands

NEARLY LEVEL SOILS ON FLOOD PLAINS

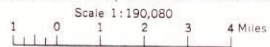
- 9** Chewacla-Congaree association: Nearly level, somewhat poorly drained and well drained soils that have a surface layer of loam and fine sandy loam, a subsoil of loam, sandy clay loam, and clay loam, and an underlying layer of sandy loam, sandy clay loam, and silt loam; on flood plains

Compiled 1976

U. S. DEPARTMENT OF AGRICULTURE
SOIL CONSERVATION SERVICE
NORTH CAROLINA AGRICULTURAL EXPERIMENT STATION
ORANGE COUNTY BOARD OF COMMISSIONERS

GENERAL SOIL MAP

ORANGE COUNTY, NORTH CAROLINA



Soils from three main associations -- Georgeville-Herndon [5], Georgeville-Herndon-Tatum [6] and Tatum-Goldston [7] -- are prevalent in this area. These gently sloping and well-drained soils contain layers of silt loam and clay that make them suitable for most agricultural uses. Other soil types are located throughout the county in small areas, along drainageways or ridges. Orange County also contains significant areas of Appling-Helena [1] soils, in the northwest corner of Cedar Grove Township, the southern section of Bingham Township and in scattered pockets throughout the County. The Appling-Helena soil type contains layers of sandy loam and sandy clay. It has good potential for woodland, hay and pasture cover, less for tobacco, row crops, and truck crops (vegetables.)

Agricultural Production & Impact to Local Economy

For the most part, Orange County's agricultural legacy is one of small- to medium-size family farms, where farmers raised livestock and grew grains and vegetables for their own use. Flue-cured bright leaf tobacco became the primary crop in the late nineteenth century, particularly for the northern part of the county, and it remained the staple commodity until the federal tobacco buy-out program a few years ago.⁷ Approximately 15 farmers still grow tobacco, primarily in northern Orange County. Sorghum was raised and processed in the Carr community, in the extreme northwest part of Cedar Grove Township during the turn of the twentieth century. Poultry production was another major source of farm income during the 1920s to 1950s period, particularly after World War II. Local farmers also began to invest in dairy operations during the 1920s to 1950s, and by the 1980s, Grade A milk had surpassed tobacco as a source of farm income.



Revenues from almost all of the commodities that traditionally formed the basis of the local agricultural economy such as tobacco, grains, dairy and beef cattle are on the decline. But revenues from specialized sectors such as commercial horticulture, fruits and vegetables (including organics), and equestrian activities are increasing. Other sources of future farm income will likely come from timber harvesting, forestry, and from the conversion of former dairy and tobacco operations to feed-based hay production. The transition from traditional commodity operations to more diverse organic and small-scale sustainable farming is occurring nationwide.

The following table shows this transition, particularly the shifts in gross value within five categories highlighted in light green: milk and dairy, tobacco, fruits and vegetables, greenhouse and nursery, and horses. It is always difficult to get an exact profile of agricultural activity from census information. Farmers often have to estimate their production quantity and census

⁷ The Fair and Equitable Tobacco Reform Act of 2004 ended the Depression-era tobacco quota program and established the Tobacco Transition Payment Program (TTPP) also called the "tobacco buy-out."

questions can be modified over years to make year-by-year comparisons complicated. The following table provides a numerical glimpse into the transition. For long-time residents the transition has been visible; the rural landscape has changed.

**Comparison of Gross Farm Value of Agricultural Commodities
Produced in Orange County in 1986 and 1996 and 2005**

(Source: Census of Agriculture, US Department of Agriculture)

Commodity	1986	1996	2005
Milk and Dairy Cattle	\$11,163,400	\$9,124,112	\$5,785,000
Tobacco-Flue-Cured	\$4,334,034	\$7,654,629	\$1,395,180
Corn	\$3,500	\$78,200	\$241,500
Soybeans	\$421,950	\$201,000	\$572,795
Small Grains	\$69,195	\$56,200	\$25,915
Potatoes			\$32,700
Fruits and Vegetables	\$51,400	\$266,248	\$1,209,382
Greenhouse & Nursery	\$1,125,000	\$5,310,000	\$11,080,000
Hay & other crops	\$126,585	\$329,000	\$350,000
Farm Forestry	\$539,860	\$2,091,450	\$5,474,000
Hogs	\$1,348,751	\$640,800	\$195,600
Beef Cattle	\$1,965,000	\$2,293,950	\$6,671,710
Poultry & Eggs	\$2,501,800	\$5,699,248	\$5,444,000
Horses	\$546,700	\$1,041,900	\$2,123,900
Other	\$336,463	\$80,901	\$217,640
Miscellaneous			\$5,300
TOTAL GROSS INCOME	\$24,534,491	\$34,867,638	\$46,610,622

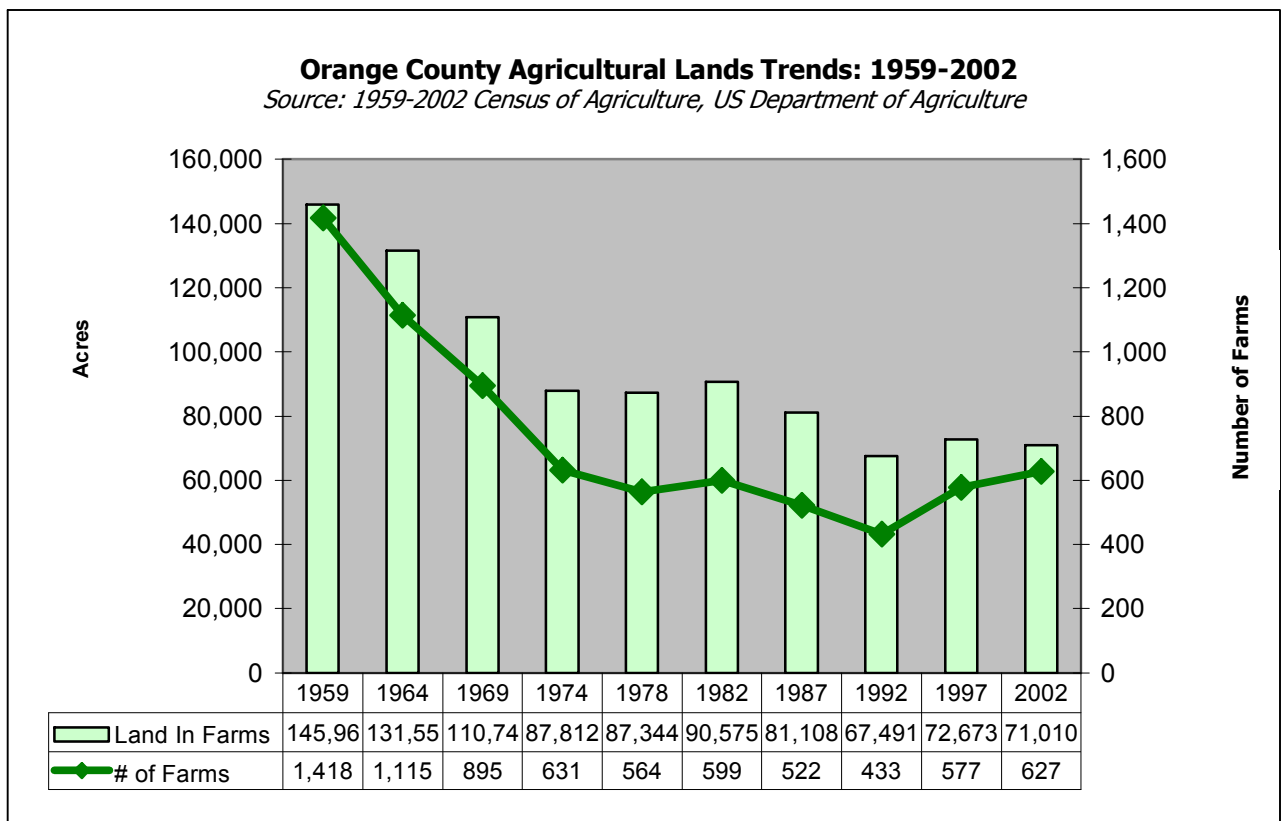
Farmers are also pursuing new ways to market their goods, such as farmers markets, community supported agriculture (CSA) programs, individual farm stands and pick-your-own operations. These types of businesses serve the niche market created from the growing number of suburban consumers interested in a farm connection--supporting local farm operations and buying local products. Local farmers have also found success in agritourism programs such as the annual Piedmont Farm Tour organized by the Carolina Farm Stewardship Association.



Orange County farmers generated over 46 million dollars to the local economy in 2005, but their indirect contribution was much more. A substantial number of non-agricultural businesses supply the needs of farmers. These include processors, vehicle and equipment dealers and other enterprises. Farmers own and must maintain and replace trucks, tractors, and numerous other pieces of farm equipment and machinery. They purchase petroleum products, animal feed, seeds and fertilizer. Local farmers also hired farm laborers and in some cases provide housing for those laborers. The growing equine industry supports specialty tack shops, with apparel needs for riders as well as related supplies. For these businesses to survive and prosper, a core critical mass of farmers must be preserved and vice-versa. Though difficult to measure, these many businesses supporting agriculture account for a sizable portion of the county's employment base.

Farm Land Use Trends & Family Farm Statistics

Agricultural land use patterns began to change in Orange County during the late 1960s and 1970s as a result of accelerating population growth. New residents moved into the rural parts of the county and farmland was converted to other uses. The amount of land devoted to agriculture decreased from 70% in 1950 to 28% in 2002, and the number of farms decreased from a post-World War II high of over 2000 in 1950 to 631 in 1974. Since the 1970s, however, the number of farms has remained relatively constant. Of the 71,010 acres land of farmland in 2002, approximately 34,766 acres were in cropland, 22,652 acres in woodland and 8521 acres in pastureland. Roughly 342 acres of land were enrolled in the federal Conservation Reserve Program and Wetlands Reserve Program.



The number of local farms grew by 8% from 1997 to 2002. The average farm size dropped from 156 to 113 acres, but this pattern is consistent with the emergence of smaller farms, particularly horse farms, as well as goat and vegetable farms, including some organic farms. These smaller operations use less land and can be a compatible neighbor to residential uses.

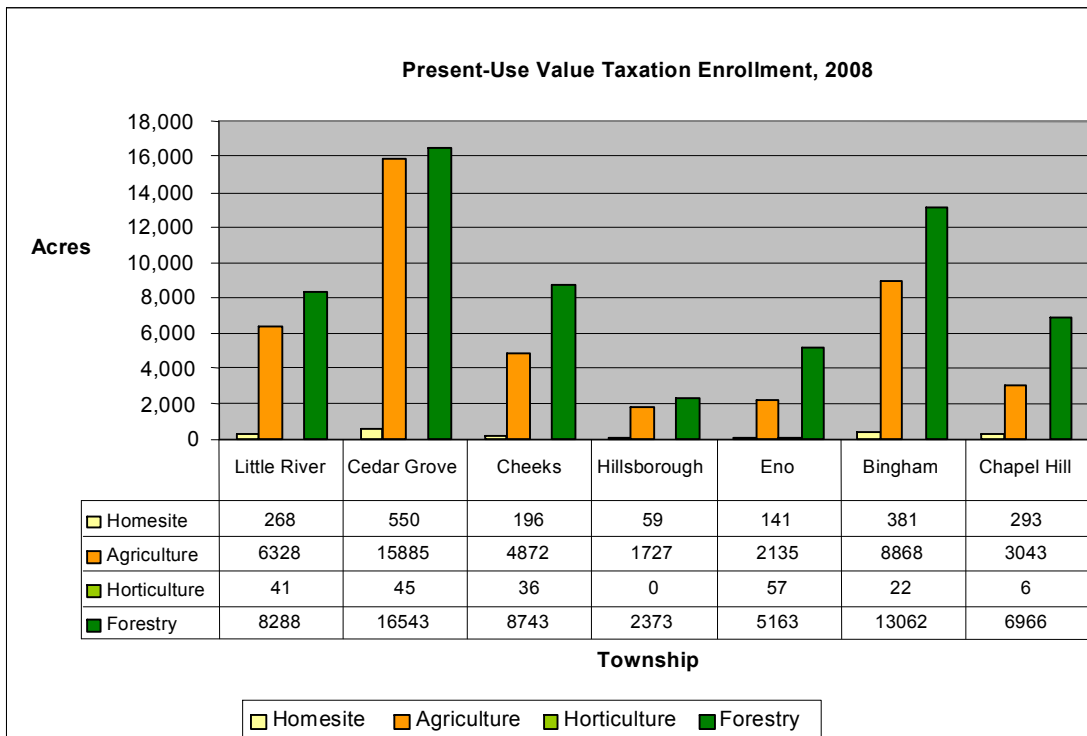
Local farmers enjoy an advantage that is rarely available for those in more rural areas of North Carolina; many Orange County residents, particularly those who live in the municipalities, desire locally grown products and are willing to pay a more for them. Many of these same residents are interested in the larger goals of regional food systems—limiting their food purchases to a certain radius. Private gardens, community gardens and small to medium-sized farms can go a long way toward achieving food security. But the enhanced quality of life provided by farm vistas will only survive into the next generation if the county is able to retain large areas of contiguous working farmland. If Orange County is going to preserve its agricultural heritage it must find the right combination of tools and programs to keep conventional (large acreage) farms under cultivation, and to encourage smaller farms to work together to protect communities of active farmland.

Orange County Farms by Size: 1992-2002			
Source: 1992-2002 Census of Agriculture, US Department of Agriculture			
	1992	2002	Difference
1 to 9 acres	27	50	+23
10-49 acres	107	221	+114
50 to 179 acres	186	253	+67
180 to 499 acres	85	76	-9
500 to 999 acres	22	25	+3
1,000 acres or more	6	2	-4
	433	627	+194

As of 2008, the majority of producers in Orange County were still family-owned but in 1992, only 224, roughly 52% of local farmers considered farming to be their principal occupation. That figure increased to 356 or roughly 57% by 2002. Despite the increase of 5%, many farm families still depend on off-farm employment to offset the low profitability of agriculture and to provide benefits such as health insurance and retirement pensions. The *2002 USDA Census of Agriculture* reported that 84% of Orange County's 627 farms were owned by individuals or families. Fifteen of these farms were listed in the North Carolina Century Farm program, a special program for families who have owned and maintained an active farm for more than 100 years.⁸ Partnerships and family corporations account for 14% of the remaining farms per the 2002 Census.

⁸ The Orange County farmers include: Elbert H. Allison; N. K. Andrews; Elizabeth N. Blalock, Thomas N. Blalock, James M. Blalock; J. Fred Bowman, Betty Bowman; Jane M. Branscome, L. M. Merritt, E. Mangum; Flora Dick Dellinger, Edna Dellinger, Cothran Dellinger, Gene Dellinger; Estelle Haley, Frances

The most substantial burden to family-owned farms, particularly large conventional farms is the costs associated from owning property. The Present-Use Value Taxation program offers some financial assistance to active farmers, but it does not help new farmers buy land nor does it reduce the incentive for retiring farmers to sell their land to non-agricultural interests. According to the Orange County Tax Assessor's Office, 2,666 parcels were enrolled in the Present-Use Value program in 2008—encompassing 109,463 acres, or 43% of Orange County's total land area. Cedar Grove Township, retains the largest percentage of enrollment, despite the being hardest hit by the tobacco buy-out.



H. Griffin, Wade E. Griffin; Katherine L. Kirkpatrick; Floyd Fox Miller; A. Gordon Neville; Ralph Neville (Heirs): Anne Neville Williams, Jane Neville Hatley, Bryant Neville, Claude Neville; Shelton L. Ray; Richard Roberts, Ollie Roberts; Bryant J. Walker; and L. Phillip Walker.

Challenges to Agriculture

The enduring vitality of Orange County's agriculture has been, and will continue to be, tested by competing uses for the land. Once farmland is covered with roads, subdivisions and shopping centers, it is probably lost to productive agriculture forever. With a growing population to feed in the coming years, productive farmland should be viewed as an important resource, worthy of protection, for use in the production of food and fiber.

Agricultural Surveys

In January 1998, the Orange County Agricultural District Advisory Board (later renamed the Agricultural Preservation Board) and the Orange Soil and Water Conservation District sponsored a countywide agricultural survey. Information from the survey was intended for inclusion in the County's Economic Development Plan as part of a new agricultural component of the strategic plan. 535 copies of the survey were mailed local farmers using the Cooperative Extension Office mailing list. 165 responses were received (31% response). Key findings were as follows:

- 50% cited having problems hiring outside the family for labor, mainly because of the inability to offer a competitive wage.
- 72% noted an increase of environmental regulations that impacted their operation, particularly related to watershed protection.
- 67% noted changes in land use and impact of residential development bordering their property as a challenge, including 25% citing neighbor complaints, mainly, due to odors.
- 60% plan to continue farming, but 70% noted more restrictive planning and zoning regulations as the deciding factor to discontinuing the operation.
- 20% cited failure to make a profit; chemical and fertilizer costs were the attributed as the largest costs limiting profit.
- 38% of farmers reported a making a profit; 35% broke even.
- 79% listed participating in the Present-Use Valuation Program.
- 70% stated that taxes are a strong factor in profitability.
- More than 75% would like to see a reduction in taxes on farm machinery, buildings and residences.
- 40% listed interest in Land or Farm Link or Farm Finder program to help young persons interested in entering farming as a livelihood.
- 70% were interested in the creation of a farm advocate to represent agricultural interests in local government.

In February of that same year (1999) Orange County began holding an annual Agricultural Summit. The "Ag Summit" has become very popular over the years with presentations from state and regional experts on new programs and changing regulations, farmers sharing success stories and more recently buyers seeking locally grown products for their businesses. Surveys are also conducted at the end of each agricultural summit to evaluate the year's program and to identify current strengths and challenges within the local agricultural community.

The most common problems identified in the 2008 Agricultural Summit Survey include:

- Falling Prices and Low Profitability
- Regulations
- Start-up Costs/Lack of Sufficient Money

- Taxes
- Residential Growth/Development Encroachment
- Markets—Connecting Local Producers with Local Buyers
- Current Trends--Drought (climate change) and Increasing Energy Costs
- Lack of Interest from Young People (aging farm operators)

While increasing energy costs and issues associated with drought are new concerns, most of the other items are familiar to those in the farming community. Many are interrelated. For example, grown children who choose non-farm occupations leave their aging parents without a trained heir to take over the operation when it is time for them to retire. Non-farm adults, interested in pursuing agriculture as a vocation, by contrast, often lack access to productive lands and equipment that they can afford. Some of the key components of each problem are summarized below.

Falling Prices and Low Profitability

“Preserving farmland is hard to justify if farmers still can’t make a living on it.”⁹ Inconsistent commodity prices coupled with rising costs of production, (such as the increasing costs of fertilizer), have resulted in low profitability and inadequate farm income for farmers across North Carolina and nationwide. This affects the farmer’s cash flow, receivables, return on investment, and incentive and ability to invest in continued operations, thus making the farmer’s hold on his or her business untenable. Changes in state and federal subsidy programs have also impacted traditional farmers.



Regulations

Other common challenges for farmers include the high costs of labor, regulatory compliance requirements and utility expenses. Local farmers pursuing innovative farm operations may run into challenges from State and local regulations, particularly local zoning regulations. Orange County needs to continue to examine and modify regulations that may be unnecessarily onerous. For example, farm hand housing can become complicated. Orange County currently limits housing to one primary dwelling unit and one accessory dwelling, no larger than 800 square feet, per lot. Some farmers may be able to reuse or replace existing tenant houses; others may need to subdivide a large tract to obtain additional dwelling unit allotments. Well and septic system requirements may likewise increase to accommodate these new residents.

⁹ Sam Bingham, An Agricultural Development and Farmland Protection Plan for Buncombe County, November 2007, p. 5.

Farmers inviting the public to their operation as part of agritourism may need liability insurance to protect them from potential visitor injury. Agricultural buildings that are typically exempt from the North Carolina Building Code may become subject to code if they are open to the public. Farmers may need to provide restroom and hand washing facilities, which can translate into larger septic systems and new wells. Food sales may bring other environmental health regulations into play. All of these items can be addressed, but they can take time and may require professionally prepared construction drawings or site plans. These items may seem tedious but it is important for farmers to comply and when possible exceed requirements to visibly maintain their role as environmental stewards. As residential development begins to crowd traditional farming communities, the installation of proper environmental health measures will become increasingly important to ensure the future compatibility of farms as good neighbors.

Start-up Costs

Some of the expenditures associated with beginning a new farm operation or diversifying an existing operation with a new venture may include: the cost of land, purchase of farm equipment, construction or retrofit of agricultural buildings or shelters, installation of a well, and depending on the commodity the cost of seed, feed, fertilizer and labor. The farmer must also consider different insurance policies to cover poor crop yield and liability issues associated with crop problems. The farmer may likewise need



liability insurance to cover agritourism or direct marketing opportunities. All of these factors add to start-up costs without a direct increase in profits. While these types of start-up cost issues are affecting new farmers throughout the country, communities such as Orange County that are experiencing considerable residential growth are finding that land costs are creating a substantial obstacle in the effort to produce the next generation of farmers. It has become almost cost prohibitive for a young person, without family land, to pursue agriculture as an occupation.

Taxes

Agricultural Surveys from 1998 to the present day list property taxes as a substantial and problematic expense for local farmers. 79% of the farmers who responded to the 1998 survey said that they participated in the Present-Use Value Taxation Program. The tax program is probably the single most effective program for keeping farms, particularly conventional farms, in operation and out of development. But the farm tax rate cannot keep pace with the increasing land costs brought on by residential growth, it cannot help new farmers buy land nor compete with the incentive for retiring farmers to sell their land to non-agricultural interests. Property taxes remain a key area where many farmers feel more help is needed. 70% of farmers stated in the 1998 agricultural survey that taxes are a strong factor in profitability. More than 75% said that they would like to see a reduction in taxes on farm machinery and

farm buildings. Non-farmers may not understand the magnitude of taxes and insurance costs. Farm buildings such as poultry houses are not assessed at a farm rate; a new \$300,000 poultry house would be taxed at the same rate as a new \$300,000 house. Tractors and other depreciable field equipment can cost \$50,000-\$100,000 or more. In addition to the taxes, insurance is expensive and may only a percentage of the "value" of the equipment, not nearly enough to replace it if necessary.

Residential Growth/Development Encroachment

Growth has produced two major trends: more people and less farmland. Since 1950, Orange County's population has more than tripled, currently standing at approximately 120,000 people. The number of residents outside the municipal areas (Carrboro, Chapel Hill, Hillsborough) has doubled, and population density has increased from 250 persons per square mile in 1988 to 296 persons per square mile in 2000.¹⁰

Growth typically impacts farmers in one or more of the following ways:

- 1) Property values increase. As suburban development creeps into rural areas land prices invariably increase; this has been the case in Orange County. Increasing market values can provide profits to existing property owners, particularly those looking to sell, but they can close the door on potential buyers. Escalating land prices restrict a farmer's ability to purchase more land, thus restricting his or her flexibility to change the agricultural operation or otherwise produce more to increase income. Even successful farmers often find that they must sell sections of land from time to time to keep the larger operation solvent.
- 2) Loss of agricultural services. As farms cease to operate, local agricultural support businesses often close or relocate, leaving farmers with rising costs due to the lack of an urgently needed service (such as tractor repair) or the need to travel further for necessary services adding time and travel expenses to their operation. Feed mills, farm equipment repair services, large animal veterinary operations may become physically separated from active farming communities they were designed to serve. Orange County farmers often have to drive to another county for typical farm services. One of the most costly services is butchering. Producers who want to sell USDA inspected meat locally must drive to Matkins in Caswell County or Siler City in Chatham County to have it processed. Considering the current interest in local and organic fruits and vegetables, free-range and grass feed meats in Orange County, the lack of processing facilities is limiting a very potential market. The future opening of a regional processing center, near Hillsborough, should go a long way toward helping local farmers add value to their products.
- 3) Other forms of agricultural infrastructure such as traditional farm road networks can become disrupted.
Transitioning areas often lead to zoning district amendments. Changing zoning designations from agriculture or agricultural residential to rural residential may limit or prohibit the location or expansion of traditional agricultural support services. Impatient vehicular traffic commuting to work can impede slow-moving farm vehicles traveling from field to field. Time is a very important asset in agricultural production. The ability

¹⁰ U. S. Census Bureau. 2000 Orange County Statistics. Website: www.census.gov

to achieve certain goals within certain windows of weather and season are critical to successful farming. Often these schedules are based on the farmer's reliance of corridors of transportation between fields, services and markets.

4) Public Services Extension Fees. Occasionally, new subdivisions develop well or septic problems and require public service extensions.

5) Nuisance Complaints. Affluent properties owners seeking a rural experience move to the "country" buying large lots and taking land from production, often with limited regulatory oversight. These new neighbors find themselves faced with the realities of agricultural production: dust, livestock odors, noise from machinery, slow moving farm equipment on roadways. Complaints can create a hostile operating environment, end up in costly litigation, and at worst, can result in curtailing a farmer's ability to operate his or her farm.

6) Annexation. As the municipalities in (Hillsborough, Chapel Hill and Carrboro) and adjacent to (Mebane and Durham) Orange County continue to grow, county property may be annexed, subjecting property owners to different land use regulations. Annexation can impact farmers in two key ways. First, the property will fall under the municipality's zoning regulation. Farmers will likely lose the "bona fide farm" zoning exemption linked to County jurisdiction and may find it more difficult to modify their operation because of codes that are designed for development. Second, the Voluntary Agricultural District program is administered by the County; farmers enrolled in the program may lose their status or have its benefits somewhat curtailed. Orange County should pursue a memorandum of understanding(s) (MOU) with its neighbors regarding the VAD program or request that the municipalities adopt their own program.



Markets—Connecting Local Producers with Local Buyers

Farming is a business driven by individual investment decisions; profits are directly linked to sales. Some local farmers have found success selling direct--through farm stands and farmers markets. Other farmers prefer selling at a larger scale, working with wholesale distributors rather than individual consumers. Large-scale farmers, who sell almost exclusively to wholesale buyers, tend to suffer more from changes in commodity programs than those who sell directly. The ability to keep large areas of working lands under cultivation will be dependent on finding profitable markets for these conventional farmers.

The Internet is becoming an increasingly important tool for local farmers, and compared with many agricultural counties, Orange is behind the times. *Orange County is home to a number of institutional markets including two local school systems (Orange County and Chapel Hill-Carrboro), the University of North Carolina at Chapel Hill and the UNC-CH Hospital system. Duke University and its associated hospital are within easy commuting distance. To date, however, Orange County has been unable to develop the infrastructure (brokering and cooperative) needed to utilize this substantial food system. If agriculture is to reach the level of profitability needed to ensure its long-term survival, farmers must tap into this market.*

Current Trends--Drought (climate change) and Increasing Energy Costs

Like much of North Carolina, Orange County has experience repeated drought conditions over the last few years. Extreme weather can have devastating results for farmers. Many farmers have had to install new, deeper wells, and consider new ways to raise products using less water. Farmers, who raise dairy cows, beef cattle and other grazing animals, have had to import feed to replace lost hay crops. Some farmers have also had to sell cattle ahead of schedule in order to limit their losses, which can have tax implications. The growing horse



industry has likewise had to purchase feed from out of state sources. The time and fuel costs associated with transporting this feed has also dipped into profits.

Increasing petroleum demands worldwide have created a challenging environment for farmers who depend on this fuel source, particularly diesel, to operate farm equipment. Farmers may wish to consider the use and production of natural fuels and hybrid fuel alternatives to petroleum-based products as well as the use of other new types of energy. But, like any form of diversification, farmers need to consider their potential niche before investing too quickly in a single new crop. The recent production of corn for ethanol, for example, has had a substantial impact on the larger market since it consumes a valuable food and agricultural product.

Conservation and green energy programs may offer some new opportunities for farmers to gain revenue from their land with the additional benefit of offsetting some of the carbon dioxide emissions that contribute to the greenhouse effect. To ensure the success of some of these programs, such as forestry operations, forestry and agricultural support staff will need to develop educational programs for the public. Too often neighbors complain when farmers cut down trees even if part of a forest management plan. It will be critical to get the word out, early and often, that tree cutting is part of forest management.

Lack of interest from young people (aging farm operators)

In 2002, the average age of a North Carolina farmer was 55.¹¹ In Orange County, the average age is 57. Fifty percent of Orange County's farmers are 65 or older compared to just 6% who are younger than 35. This trend, occurring nationwide, indicates that a large transition will take place over the next 20 years. With fewer younger farmers available to take over production as older farmers retire, many local farms may fall out of operation and be divided up and sold through estate settlement processes. In addition to the loss of active farmland, generations of farming expertise may be lost, an invaluable asset to the local agricultural economy.

¹¹ Census of Agriculture, North Carolina Table 40, "Tenure and Characteristics of Operator and Type of Organization: 2002."

The long-term survival of local agriculture is dependent on a new generation of trained farmers. Orange County must develop a better way to attract new farmers, (younger and new to farming), and new farming operations to the area. Farm related education must go beyond the classroom and provide hands-on training. While county high schools still have Future Farmers of American (FFA) programs, municipal schools do not. Students who were not raised on a farm may grow up without any farm-related experiences, even with active farms within a fifteen-minute drive from their house. Farming is simply not perceived as a viable career path. For those students who are interested in farming and have the knowledge to begin, finding affordable land can be an insurmountable obstacle. Buying land is, for the most part, cost prohibitive for young people starting out. Finding land to rent is likewise challenging: it is either too expensive or simply unavailable.

Opportunities for Enhancing Agriculture



Growth Equals New Consumers

Despite the decline in the number of farms and the amount of farmland in production, agriculture remains an important contributor to the local economy and the growing population can contribute as new consumers. Revenues from sectors that can support development such as nursery products and greenhouses are up. Demands for grass-fed beef and pasture-raised pork and chicken, local and organic produce are also increasing due in part to the influx of new residents. Many Orange County farmers are taking advantage of these new consumers, by changing what they grow and how they sell it. Community supported agriculture (CSA) programs, farmers markets and individual farm stands, and pick-your-own operations have become very popular in Orange County and in the greater Triangle Region. These types of businesses serve a niche market created from suburban consumers, interested in supporting local farm operations and buying local products. Residents desire locally grown goods for a variety of reasons. Some prefer the nutritional benefits of fresh food.¹² Others feel a personal commitment toward broader issues of reducing dependency on foreign markets and

¹² Studies have shown that practical experience with fresh food (growing and harvesting, eating seasonally, preserving and cooking) has a positive impact on dietary habits. The 5-10 day transportation and storage lag between production and consumption leads to losses of 30-50% in some nutritional constituents. Source: *Health Benefits of Urban Agriculture*, A paper from the Community Food Security Coalition's North American Initiative on Urban Agriculture, authored by Anne C. Bellows, PhD Rutgers, The State University of New Jersey, Katherine Brown, PhD Southside Community Land Trust, Jac Smit, MCP The Urban Agriculture Network. Fresh food may also benefit those with special dietary concerns such as diabetics and those with food allergies.

contributing to the local economy often summarized in the slogan “think globally, act locally.” Still others are looking for a farm connection, a way to teach children where food comes from and an opportunity to experience the sense of community often associated with farming. Equestrian programs such as horse boarding and training facilities provide another niche industry for local farmers based on the suburban community.

Existing Farmland Protection Tools

Many of the challenges that local farmers face are not unique to Orange County. The American Farmland Trust and other conservation organizations have spent over twenty years researching different strategies to preserve productive farmland nationwide. Some of these tools require special legislation not available in North Carolina, such as transfer of development rights (TDR), but many are available and are already in use in Orange County.

State Right-to-Farm Law

By statute, North Carolina farmers are granted the right to farm without legal interference from non-farm neighbors and local governing bodies, subject to certain limitations.¹³ Pre-litigation mediation of farm nuisance claims is mandatory.¹⁴ The County should post information on the Right-to-Farm law in County offices for public information, perhaps in conjunction with VAD maps.

Present-Use Value Property Tax

Working farm, forest, and horticultural lands by state statute are afforded a property tax assessment based on their agricultural working value, as opposed to their industrial or residential development value. Agricultural designation is based on the North Carolina State Use Value Law. The County Tax Assessor’s Office defines “qualifying” farmland based on certain criteria such as acreage, soil type and use. Agricultural land requires ten acres of cropland and average gross sales of \$1,000 per year for the preceding three years. Some smaller tracts of five acres may get use value with certain horticultural crops; forestry use requires twenty acres and a plan on file with the Natural Resources Conservation Service or North Carolina Forest Service.¹⁵ As of 2008, 2,666 parcels were enrolled in the Present Use Value program—encompassing 109,463 acres, or 43% of Orange County’s total land area. This assessment affords farmers some amount of cost control that would otherwise limit their ability to farm profitably.

In July 2008, the NC General Assembly passed a new provision of the Present-Use Value tax program that will expand coverage to properties managed for wildlife and conservation use. This may enable farmers to place additional lands not cultivated into Use Value, providing additional tax relief. Some farmers may also wish to explore complementary programs to supplement their income as part of a wildlife management program. Hunting clubs, for example, will often pay an annual fee in exchange for the opportunity to hunt on farms of a certain acreage.

The Food, Conservation and Energy Act of 2008 (2008 Farm Bill) may also create new programs for farmers related to energy--its production and its use. Information on funding is not yet

¹³ NCGS §106-700 et seq.

¹⁴ NCGS §7A-38.3.

¹⁵ NCGS §105-277.2.

available, but alternative energy programs will only become more important as all nations pursue strategies to reduce global warming. Orange County officials and farmers alike will want to learn about these opportunities as soon as they become available. (See more information under the Federal Conservation Funding Tools section of the FPP.)

Orange County Comprehensive Plan

Orange County adopted a Land Use Plan (later the Land Use Element of the Comprehensive Plan) in 1981. The efforts of several agricultural task forces were summarized in the 1981 effort and were enhanced in the 1980s as the County began exploring the potential for agricultural conservation easements and an agricultural preservation program. Subsequent amendments reflected the creation of the Voluntary Agricultural Districts program in 1992. A countywide quality growth plan in the late 1990s, *Shaping Orange County's Future*, also included recommendations for agriculture.

Orange County just finished a two-year effort to update the Comprehensive Plan. Agriculture has risen to the status of its own chapter, now within the Natural and Cultural Systems Element. The Economic Development Element also speaks to agricultural issues in the form of marketing and business strategies for individual farmers and cooperative ventures. Strategies to protect farmland through the development process are included in the Land Use Element. While the 2030 Comprehensive Plan was adopted in November of 2008, the County still needs to work with municipalities to encourage them to protect agriculture and forestry within their planning jurisdictions. The protection of agriculture, horticulture and forestry should be included within municipal land use plans, and municipalities should be encouraged to adopt Voluntary Agricultural District ordinances to cover land within municipal boundaries.

Flexible Development

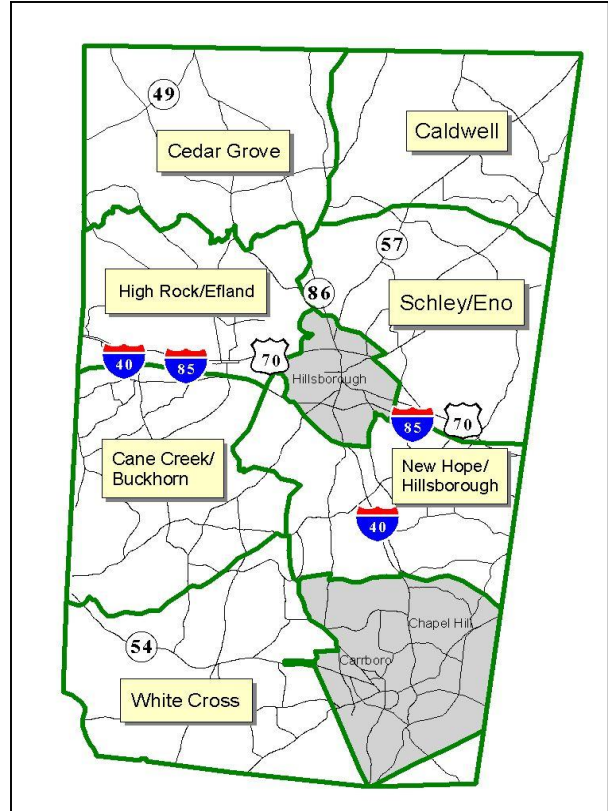
Sometimes farmers strategically sell a section or sections of land in order to retain the larger complex. Flexible development standards were adopted in 1996 to preserve important natural and cultural features, including scenic views and active farmland. The flexible development design can provide an opportunity for farmers to sell or develop sections of their property in a manner that is more compatible with the farm use. Prime farmland and prime forestland must be identified as part of concept plan submittal, and at least 33 percent of such resources must be set aside as conservation areas. County staff and some local developers are exploring the possibility of leasing some or all of the 33 percent of open space for farm use. In 2006 the County adopted amendments to reduce density and increase lot sizes in the rural sections of the county to ease development pressures and nuisance related issues between existing farmers and new residents.

Voluntary Agricultural District Program

In 1986, the North Carolina General Assembly enabled counties to adopt Voluntary Agricultural District (VAD) ordinances to effectively create areas "to increase identity and pride in the agricultural community and its way of life and to increase protection from nuisance suits and other negative impacts on properly managed farms."¹⁶ Farmers, who enroll their farm in a VAD enter into a revocable agreement with the County to forego developing their land for a period of ten years and, in exchange, enjoy certain protections of their operation, including a waiver of sewer and water assessments, recorded notice to non-farm neighbors of their proximity to a

¹⁶ North Carolina General Statutes §106 Article 61.

farming operation, and public hearing before condemnation of farm property by eminent domain. On March 24, 1992, Orange County passed a VAD ordinance to implement a voluntary farmland protection program with the associated incentives and protection measures. Also pursuant to the ordinance, an Agricultural Districts Advisory Board was appointed by the Board of County Commissioners to represent agricultural interests in the county.¹⁷ This board was renamed the Agricultural Preservation Board in 2000. While the VAD ordinance encourages investment in agriculture, it does not represent a permanent land protection measure; districts rely heavily on voluntary enrollment and the program allows for withdrawal.¹⁸ As of January 2009, thirteen farmers had enrolled more than 2,700 acres in the VAD program--demonstrating a commitment to farming for at least ten more years. The County should continue to look for ways to make this program more visible; posting Voluntary Agricultural District Maps in key office buildings such as the Register of Deeds and the Planning and Inspections Department would be an easy way to notify residents of the location of participating farms.



Agricultural Conservation Easements

The North Carolina Farmland Preservation Enabling Act outlines provisions for counties to purchase agricultural conservation easements on qualifying farmland with the voluntary consent of the landowner. A conservation easement is a voluntary legal agreement between a landowner and a land management agency that limits some of the owner's uses of the property in order to achieve conservation purposes. It is an individually tailored legal agreement by

¹⁷ NCGS §106—735, outlines provisions for voluntary agricultural districts. NCGS §106-739 outlines the authority the county may confer on it. The Board may have the authority to: 1) Review and make recommendations concerning the establishment and modification of agricultural districts; 2) Review and make recommendations concerning any ordinance or amendment adopted or proposed for adoption under this Article; 3) Hold public hearings on public projects likely to have an impact on agricultural operations, particularly if such projects involve condemnation of all or part of any qualifying farmland; 4) Advise the board of county commissioners on projects, programs, or issues affecting the agricultural economy or way of life within the county; and 5) Perform other related tasks or duties assigned by the board of county commissioners.

¹⁸ Participants sign an agreement with the County, filed with the Orange County Tax office and the local office of Natural Resources Conservation Service of the USDA. A landowner may withdraw from the program, however, by submitting written notice to the Board of County Commissioners. In 2005, the County reduced the minimum farm size for participation in the VAD program from 80 acres to 20 acres and divided the County into seven districts: Cedar Grove, High Rock/Efland, Cane Creek/Buckhorn, White Cross, New Hope, Schley/Eno and Caldwell. (See Map) Instead of designating each farm as its own individual district, participating farms are now assigned to a district based on location.

which a property owner typically conveys development rights in return for tax credits or compensation (payment), while still holding ownership of the land. The value of the easement is determined based on the market value of the development rights. Farmers would be free to use this payment for any purposes they choose: retirement investment, capital improvement, etc. Payment options could include lump-sum payment or annual payments over a set period.

In April 2000, Orange County created the Lands Legacy Program to protect the most important natural and cultural resource lands in the county, working in collaboration with other like-minded agencies. One of the five areas of focus for Lands Legacy is farmland preservation, through the acquisition of agricultural conservation easements. The County has recorded 12 agricultural easements since the program was adopted, protecting 1,200 acres of prime and threatened farmland. In so doing, the County has partnered with the USDA Farm and Ranchland Protection Program, the NC Farmland Preservation Trust Fund (2001), and other grant and conservation agencies. During the eight years of this program, over \$2.3 million of federal and State grants have been leveraged for farmland easements. The provision of \$3.0 million in local funds by the Orange County Board of Commissioners has enabled these grants to be received. One agricultural easement has been donated, along with a portion of a second, for conservation tax benefits.

In other areas around the country this type of program has been funded through municipal and County bond issues, a percentage of real estate transfer tax or mortgage tax revenues, or as a regular budget line item. Agricultural easements are drafted to offer farmers maximum flexibility to continue to profitably work their land, and change their operation as their needs dictate, as long as they meet the requirements of state law regarding the purpose of agricultural conservation easements, and the provisions of the easement itself.

Existing Agricultural Economic Development Programs

As of 2008, Orange County is home to five active farmers markets and ten additional (15 total) farmers markets are located within the greater Triangle region. Local markets include: the Eno River Farmers' Market, the Hillsborough Farmers' Market, the Chapel Hill market sponsored by A Southern Season on South Estes Road, the market at Southern Village in Chapel Hill, and the Carrboro Farmers' Market. The Carrboro Market, known throughout the nation, just celebrated its 30-year anniversary.



Hillsborough residents have long enjoyed small-scale markets in the connecting parking lots behind some of the historic buildings along Churton Street, the main downtown corridor. Last fall, Orange County unveiled its new Public Market House, an open pavilion space to host the Orange County farmers' market and to provide assembly space for various outdoor functions. The Public Market House was constructed in part with federal grant funds. All five markets are open on Saturday mornings and typically Wednesday evenings. Many local farmers also sell their wares at the farmers' market in downtown Durham, and the Saxapahaw market in Chatham County.

PLANT (People Learning Agriculture Now for Tomorrow), a new farm enterprise incubator program, is getting ready to start its second year. A joint project between the

Cooperative Extension Service and Orange County, PLANT teaches small-scale sustainable farming techniques, including business planning, with a focus on vegetable production. Students, who attend the evening workshops, complete a business plan and field crop plan have access to a 1/4-acre plot on the W.C. Breeze Family Farm Extension and Research Center. Colonel William C. Breeze and his family donated their substantial farm to North Carolina State University's College of Agriculture and Life Science in the spring of 2006 for use as a farm training center and demonstration crop facility. Though still in the development stages, this multi-field complex should become an invaluable resource for Orange County farmers.

Potential Programs & Initiatives

In 2005 the General Assembly amended the 1986 Farmland Preservation Enabling Act to include an economic development component. Renamed the Agricultural Development and Farmland Preservation Enabling Act and the Agricultural Development and Farmland Trust Fund, this new legislation established a new category of districts called Enhanced Voluntary Agricultural Districts (EVAD). The new districts offer additional benefits for farmers, who sign an irrevocable conservation agreement for at least ten years.¹⁹

Agricultural Support Enterprises

The Planning Department, Economic Development Commission, Cooperative Extension, Soil and Water District Commission and Environment and Resource Conservation Department staffs have been working together to examine County regulations regarding farm related uses that are outdated or unnecessarily onerous. Proposed is a series of amendments to the Zoning Ordinance that better accommodates the needs of farmers looking for ways to diversify and generate more income. The amendments target uses that provide farmers with supplemental revenue from agricultural products, businesses that are logical extensions of farm operations, and services related to agriculture. Permitting would be based on the intensity of the use. A new agricultural support enterprises manual (users guide) is also being proposed to make the application process more user-friendly.

Piedmont Value-Added Shared-Use Food & Agricultural Processing Center

From June to November 2007, Orange County, its three partner counties, and two local food purveyors, Weaver Street Market and Whole Foods, contracted with Smithson Mills of Mars Hill College to conduct a feasibility study on establishment of a regional shared use food and agricultural processing center serving Alamance, Chatham, Durham, and Orange counties. The results from this study indicated that the region had sufficient demand for the development of a regional facility with a wide range of food processing equipment and the potential for future expansion. The report listed a number of components that would be key to the success of the center, particularly business development support and education. The study also included an analysis of the building and site requirements for the type of processing center recommended. A County-owned property, near Hillsborough, with an existing large warehouse-type building was identified as a potential site for the processing center. The County is pursuing grant funding to begin the development process for this collaborative venture. The ability to combine

¹⁹ Orange County is reviewing the additional benefits linked to the EVAD program and will likely pursue another amendment to its ordinance to provide for this new type of district.

small amounts of raw product from individual farmers into large volumes may be the linchpin to finally to tap into the local institutional market.

Local Food for Local Consumption—A Local Food System

A lot has changed from the days when local farmers were, for the most part, self-sufficient. Today's food often travels thousands of miles from farm to processing facility to grocery store to table. One of the impacts of increasing petroleum prices is the added cost of transporting food, a cost that shows up at the grocery store. Researchers at Cornell University have coined terms such as "foodshed" and "foodprint" to reference the amount of land needed to feed the average individual. Many individuals are trying to become "localvores" or "locavores" meaning that they eat primarily locally grown foods—fruits and vegetables, dairy and meats.

All residents should have an appreciation of where their food and other agricultural products come from, and the nutritional benefits of eating local foodstuffs. The benefits of eating locally are numerous. Food products tend to lose nutritional value during transport; the longer the journey the greater the loss. Studies have also shown that people who try to learn about the source of their food (through a direct farm connection) and eat seasonally tend to eat healthier. Buying locally puts money back into the local economy; buying directly from farmers markets and farm stands sends money directly to the farmer. Orange County must continue to spread the word about the importance of buying locally grown products and develop a benchmark system to measure progress. The County should also be involved in efforts to create a regional sustainable food network, whereby local residents consume 10% locally grown and produced products in five years and work to increase the percentage in the future. The County could aid in this effort by buying locally grown and produced items for County-sponsored events and meetings.

Agricultural Funding Programs State Conservation Funding Tools

There are several state agencies that help to provide funding and technical assistance for farmland protection. Among these are:

1. Agricultural Development and Farmland Preservation Trust Fund. In 2005 the North Carolina General Assembly amended the Farmland Preservation Enabling Act and associated trust fund and created the Agricultural Development and Farmland Preservation Trust Fund (ADFP). The amendments broadened the mission of the trust fund to include three grant priorities:
 - Conservation easements (permanent easements);
 - Agricultural easements (term easements); and
 - Sustainable or viable agricultural programs.

These monies, when available, can be matched with certain federal funds described below. The ADFP is administered by the Department of Agriculture or its designee. Orange County received funding for an agricultural conservation easement from this source in 2001 and for the Piedmont Value-Added Food and Agricultural Processing Center in 2007.

2. Clean Water Management Trust Fund. The North Carolina CWMTF is a voluntary, incentive-based water quality program to help local governments, state agencies and

conservation non-profit groups finance projects to protect and restore surface water quality. Farm and forest land owners are eligible to receive trust fund monies for sale of the development rights to their land under certain guidelines and qualifications. These funds can be combined with certain federal conservation funds listed below.²⁰ As of December 2008, Orange County has applied for and received \$520,000 in grant funds from the CWMTF for its Lands Legacy Program.

3. Division of Soil and Water Conservation Agricultural Cost-Share. This program is administered by the Division of Soil and Water Conservation in the Department of Environment and Natural Resources. It is delivered at the local level by 492 elected and appointed volunteer District Supervisors who are assisted by a cadre of experts. Participating farmers receive 75% of predetermined average costs of installed best management practices (BMPs) with the remaining 25% paid by farmers directly or through in-kind contributions. Some applicants may be eligible to receive as much as \$75,000 per year. Also the program provides local Districts with matching funds (50:50) to hire personnel to plan and install the needed BMPs, including riparian buffers, Strip cropping, and Grassed Waterways.²¹ In the last four years, funding assistance in the amount of \$450,000 has been provided through this program to Orange County farmers.
4. Natural Heritage Trust Fund. Like the FPTF and CWMTF, this fund may be available to purchase development rights on properties with outstanding natural or cultural values.²²
5. North Carolina Conservation Tax Credit. North Carolina law allows a credit against individual and corporate income taxes when real property is donated for conservation purposes. Interests in property that promote specific public benefits may be donated to a qualified recipient. Such conservation donations qualify for a substantial tax credit.²³

Federal Conservation Funding Tools

The adoption of the Food, Conservation and Energy Act of 2008 (2008 Farm Bill), marks a shift in agricultural policy. The new Farm Bill outlines provisions for more effective and efficient programs for land conservation and commodity support as well as a new focus toward food security and nutrition needs, renewable energy. As part of its detailed analysis, the American Farmland Trust (AFT) identified five key components in the new Farm Bill:

- Strengthened conservation and farmland protection programs.
- An improved government safety net that is better for farmers and less costly for taxpayers.
- Support for local foods, farmers markets and healthy diets.
- Funding for renewable energy to advance environmentally responsible energy production.
- Dramatic increases in food assistance for families struggling with rising food costs.

²⁰ GS § 113-145.1 et seq. More information on the fund is available at www.cwmtf.net .

²¹ Other program summaries that assist farmers in controlling non-point source runoff are available at www.enr.state.nc.us/DSWC .

²² NCGS §113-77.7.

²³ Consult NCGS §§105-130.34 and 105-151.12 for the specific requirements of the CTC Program. For more information see www.enr.state.nc.us/conservationtaxcredit .

The AFT has also prepared a series of fact sheets, one on each of the fourteen Farm Bill Titles listed below.²⁴ Funding for the 2008 Farm Bill is still under consideration. Programs in forestry and conservation may be of particular interest Orange County's conventional farmers looking for new ways to make their land profitable.

Food, Conservation and Energy Act of 2008, Farm Bill Titles

- Title I Commodity Programs
- Title II Conservation
- Title III Trade
- Title IV Nutrition
- Title V Credit
- Title VI Rural Development
- Title VII Research
- Title VIII Forestry
- Title IX Energy
- Title X Horticulture and Organic Agriculture
- Title XI Livestock
- Title XII Crop Insurance
- Title XIII Commodity Futures
- Title XIV Miscellaneous

A number of other programs are already available to local farmers. The following list includes some of the voluntary federal programs that are administered by the Natural Resources Conservation Service (NRCS) and Farm Services Agency (FSA) of the United States Department of Agriculture (USDA) support staff. They are designed to compensate farmland owners for the conservation value of their land. Like local conservation easement programs, they have the dual effect of safeguarding the environmental benefits of farmland as open space while injecting dollars into the local economy via the farmland owner.²⁵

1. Farm and Ranch Lands Protection Program (FRPP). The Farm and Ranch Lands Protection Program provides federal funds to help purchase development rights, keeping productive farmland in agricultural use while compensating the farmland owner for the conservation value of his or her land. The FRPP program matches state and local agricultural conservation easement programs up to 50% of the easement purchase price, working through state, tribal and local governments and land trusts. Orange County has received \$2.3 million in grants from FRPP since 2002 for the acquisition of 10 easements.
2. Conservation Reserve Program (CRP). The Conservation Reserve Program reduces soil erosion, protects the nation's ability to produce food and fiber, reduces sedimentation in streams and lakes, improves water quality, establishes wildlife habitat, and enhances forest and wetland resources. It encourages farmers to convert highly erodible cropland or other environmentally sensitive acreage to vegetative cover, such as tame or native grasses, wildlife plantings, trees, filter strips, or riparian buffers. Farmers receive an annual rental payment for the term of the multi-year contract. Orange County farmers have received \$57,471 during the last four years from this program.

²⁴ www.farmland.org/programs/farm-bill/analysis & <http://agriculture.house.gov/inside/FarmBill.html> .

²⁵ For more program information and legislative authority, see www.nrcs.usda.gov/programs/farmland/2002

3. Conservation Reserve Enhancement Program (CREP). CREP is a voluntary program that seeks to protect land along watercourses that is currently in agricultural production. The objectives of the program include: installing 100,000 acres of forested riparian buffers, grassed filter strips and wetlands; reducing the impacts of sediment and nutrients within the targeted area; and providing substantial ecological benefits for many wildlife species that are declining in part as a result of habitat loss. Under CREP, landowners can voluntarily enroll eligible land in 10-year, 15-year, 30-year, and permanent contracts. The state will pay additional bonuses to landowners who enroll land in 30-year and permanent agreements. Cost sharing will be available for installation of forested riparian buffers, grassed filter strips, wetlands restoration practices, water control structures, livestock exclusion, and remote livestock watering in order to increase the efficiency of enrolled practices. The program is currently available to property owners with land in the Neuse, Tar-Pamlico and Chowan river basins and the Jordan Lake watersheds.²⁶
4. Wetlands Reserve Program (WRP). The Wetlands Reserve Program offers landowners the opportunity to protect, restore, and enhance wetlands on their property. The NRCS provides technical and financial support to help landowners with their wetland restoration efforts. The NRCS goal is to achieve the greatest wetland functions and values, along with optimum wildlife habitat, on every acre enrolled in the program. The WRP offers landowners three options: permanent easements, 30-year easements, and restoration cost-share agreements of minimum 10-year duration.
5. Environmental Quality Incentives Program (EQIP). This program provides a source of funding for nutrient management systems. The program offers technical, financial, and educational assistance in designated priority areas to install or implement structural, vegetative, and management practices called for in five to ten year contracts for most agricultural land uses. Orange County farmers received \$360,000 from this program over the last four years.
6. Wildlife Habitat Incentives Program (WHIP). This program encourages creation of high quality wildlife habitats that support wildlife populations of national, state, tribal and local significance by providing technical and financial assistance to landowners and others to develop upland, wetland, riparian, and aquatic habitat areas on their property.

There are numerous other training and cost-share programs administered by the Cooperative Extension Service staff, Soil and Water Conservation District staff. Agriculture support staff also provide training to local farm groups such as the Cattleman Association, Farm Bureau and others. These programs should be continued and when possible expanded.

²⁶ CREP is listed here under federal programs, although it is partially funded by Clean Water Management Funds and administered by North Carolina Division of Soil and Water Conservation.

A New Vision for the Future of Agriculture

What if Agriculture became Orange County's largest industry again?²⁷

What if Orange County actively promoted the value of agriculture to keep the public aware of the farm sector? What if local residents began to think of farm fields and forestland as "working lands" rather than undeveloped land? What if residents began to acknowledge farmers as the stewards of these finite natural resources, and as the innovative small businessmen and women that they have been for generations? What if land use regulations allowed more flexibility to accommodate the unusual needs of agricultural businesses? What if officials considered the unintended consequences changes to development codes in Orange County and its municipalities might have on farmers, prior to making decisions.

If the new Piedmont Regional Value-Added Processing Center became the linchpin for farmers to finally break into local institutional markets, then local children would know what's in season by what's in their school lunch. The processing center would provide the foundation of agricultural infrastructure in Alamance, Chatham, Durham and Orange counties. It would help small farmers combine their individual harvests into larger units capable of meeting the demands of cafeterias. The four-county partnership would hire a broker to ensure that farmers were growing the right amount of the right crops. Farmers would start using greenhouses to grow produce during the off season to meet year-round needs; they would be more comfortable trying something new because they would know that there was a market waiting. The Piedmont Center would remain more of a self-serving facility to help farmers connect with area restaurants, farmers markets and roadside stands.



If agriculture became profitable again, all residents, particularly cyclists and distance runners could enjoy the dairy farms along Dairyland and Orange Grove roads well into the future. The farm communities, the northeast part of the county such as Schley and Caldwell could also see a renewed interest in agriculture and forestry. Small crossroad stores would return to their former status as community centers. A large-scale farm supply store would return to Orange County because there would be a market for their goods, and in exchange, farmers would be able to buy their supplies in their community. The County would also evaluate the need for abattoirs, family meat processing facilities that meet USDA requirements. New forms of tax assistance would help conventional farmers stay in business and help those farmers ready to retire to have more options, more ways to keep the land that they love in production, while providing for their children's future and their own health needs.

²⁷ More likely agriculture would become the third highest sector to the local economy, after the University of North Carolina at Chapel Hill and the University Hospital system and local government: Orange County, the municipalities and the associated public school systems.

What if farmers in the northwestern part of the county, who have suffered from the decrease in tobacco production, were able to find new crops that would flourish in the clay soil and allow that area to become an active agricultural community, again? What if new energy crops were able to replace tobacco as profitable commodities? The main crossroads at Cedar Grove and Carr could become active again as farmers could sell some produce to the historic general stores and buy practical items such as milk and eggs and farm supplies. The community garden program at the Cedar Grove United Methodist Church might become one of several community gardens located throughout the county for non-farmers, where non-farm residents could grow fruits and vegetables for their own use. What if the existing commercial node at Carr -- at the intersection of NC 49, Carr Store and Corbitt Ridge roads -- was developed into another agricultural processing center and provided off-season employment for farmers. The Carr facility could be designed to accommodate the processing needs of large-scale conventional farmers, and might include alternative energy production such as biofuels to service farm vehicles.

What if public schools were equipped with commercial kitchens to prepare food from scratch? The older schools and agricultural facilities such as the Grange hall would have commercial kitchens to encourage training sessions on canning and freezing techniques. Children would learn where their food comes from as part of their regular curriculum. The Future Farmers of America (FFA) program would be available to all high school students. Internships would be a requirement for students interested in pursuing farming as a career. The Durham Technical Institute campus would include programs in agriculture and forestry. The County could set up a mechanism to help link "would be" farmers find land to lease and eventually buy.

All of these things are within reach, but success will be dependent on all residents—conventional farmers, small farmers and non-farm consumers. Everyone will need to play a role.

The future of Orange County agriculture calls for:

- √ *A Broad, Holistic Definition of Farming;*
- √ *Where Agriculture becomes an Integral Part of the Economy;*
- √ *Where People Who Want to Farm, Can Farm;*
- √ *Where Sufficient Farmland is Conserved and Available for Production;*
- √ *Where Mechanisms are in place to Link Would-be Farmers, Consumers and Farmland;*
- √ *Where Local Food is available for Local Consumption; and*
- √ *Where Children are Taught about the Connection Between Food and Farming.*

Action Steps to Ensure a Viable Agricultural Community

The long-term survival of agriculture in Orange County requires a three-tiered strategy:

- 1) The County must continue efforts to protect productive farmland soils so that they remain available for agricultural and forestry use;
- 2) Farming must become a more profitable venture; and
- 3) New and younger residents must cultivate interest and knowledge in farming to take over as the next generation.

While it appears easy at first glance to separate these components into three distinct categories they are really tightly interwoven. The following outline offers one approach at organizing these concepts into a "laundry" list format than can be linked to a schedule for future implementation.

Protect Farmland as a Valuable Natural Resource

Farmland is an irreplaceable physical, cultural, and economic asset. Land conservation programs such as permanent easements and term easements offer one approach toward keeping working lands in production and out of development. With a growing population to feed in the coming years, productive farmland should be viewed as an important resource worthy of protection.

1. *Continue the existing Agricultural Conservation Easements Initiative as part of the Lands Legacy Program.*
2. *The County should consider "working farmland" agricultural conservation easements.*
Agricultural conservation easements are typically designed to remove some of the development rights associated with a parcel, which can reduce property taxes by decreasing the market value of the tract. Easements, however, are not typically designed to require a use, such as farming, to continue. Orange County may wish to explore the use of additional provisions to County-sponsored easements that would arrange for a percentage of land in an agricultural easement to remain in farm or forestry use.
3. *Promote the idea of leasing conservancy lands for agricultural use.*
Orange County has enjoyed success in conserving lands through easement programs sponsored by the County and non-profit land conservancies. The County has also acquired several tracts of former farmland for use as future parks. Some of these lands may be suitable for agriculture and forestry uses through a lease program, where landless farmers could rent tracts for the short-term (one season) or long-term (several seasons). Participants could be selected from a lottery or selected after graduation from an agricultural training program. The County's partnership with the North Carolina State University in the Breeze Farm Incubator Program (PLANT) demonstrated the potential of these types of programs. Those who completed coursework and prepared a business plan were provided with garden plot. This model could work on other sites throughout the

county. Community gardens serve as a variation of this idea, but are intended to provide non-farmers an opportunity to grow flowers and vegetables for family use.

4. *Continue to promote the Voluntary Agricultural District Program as part of the Voluntary Farmland Protection Ordinance and amend the ordinance to provide for the designation of Enhanced Voluntary Agricultural Districts.*

5. *Identify agricultural priority areas, and areas of contiguous prime and active agricultural and forestlands for protection as "communities."*

The conservation of "critical mass" bolsters the likelihood of success for farm-oriented communities and enhances the opportunities for inter-farm collaborative marketing.

6. *Encourage Local Land Use Policies that Support Agriculture and Protect Farmland.*

How a county plans for growth will greatly impact the viability of its agricultural economy. Orange County should develop policies, which take into consideration agricultural production and development. The Planning Board should include input from the Agricultural Preservation Board (or similar committee) in the planning process. Such policies and actions can include:

- a. Incorporate elements of this plan in the Comprehensive Plan.
- b. Offer officials and landowners training in smart growth techniques and infrastructure planning.
- c. In collaboration with the towns, develop model zoning and subdivision ordinances or principles and distribute to towns for use in their local planning and zoning.
- d. Tailor zoning ordinances and subdivision regulations to guide growth away from farming areas and buffer farms from neighboring land uses.
- e. Continue to require buffers between residences and farm fields and buildings as part of new residential subdivisions.
- f. Implement development guidelines that include soil classifications as criteria for prioritizing agricultural land.
- g. Develop memoranda of understanding (MOUs) with municipalities and neighboring counties to promote preservation of land for agriculture, horticulture, and forestry, and to promote agriculture, horticulture, and forestry as an element of regional economic development.

7. *Encourage the County and Towns to Meet the Infrastructure Needs of the Farm Sector through Appropriate Zoning and Subdivision Regulations.*

- a. Adopt Sensible Zoning and Subdivision regulations.

Continue to examine zoning regulations that may impede the efforts of rural property owners to supplement their income. (An Agricultural Support Enterprises program is proposed.) Make the application process more user-friendly, through the creation of a manual or users guide with all of the information needed to pursue new enterprises (with references to specific sections of the Zoning Ordinance) in a single easy to read booklet. Prepare a series of companion brochures that would outline the necessary steps to apply for a specific type of permit, such as a special use permit. Local officials must acknowledge that as agriculture evolves from traditional row crops to more diverse operations, such as organic or specialty farms, land use policies must evolve as well. Amending the Voluntary Farmland Protection Ordinance to allow for the designation of Enhanced Voluntary Agricultural Districts (EVADs) would also help

farmers pursue farm-related businesses since EVAD program provides an expanded definition of commercial-type businesses that can be exempted from zoning as part of farm operation.

- b. Consider ways to Streamline Building Permit process for farmers. The development of the Agricultural Support Enterprises program and manual should facilitate the process for farmers obtaining building permits for farm buildings and for farm enterprise buildings. Delays can cause unnecessary hardships for farmers dependent on the seasonal growing cycle. Sometimes buildings or greenhouses have to be built quickly to allow a farmer to fully perform on contract. Also, delays in permitting can push the timing of a necessary improvement into the seasons where farmers are most busy.

8. *Promote Existing Tax Assistance.*

The County should ensure that County tax assessors have knowledge of the state's Present-Use Value statute with continuous training as necessary, and should undertake to educate farmland owners on the program, how to apply and comply with present use valuation of farmland, including the new conservation category. All County staff involved with agriculture should follow new developments in alternative energy, and alert farmers and elected officials when new programs come on line that have the potential to benefit Orange County and the greater Triangle Region.

In the meantime, Orange County may wish to pursue additional tax assistance at the County and State level to help keep farming viable. Some of these benefits may require pursuing special legislation, or new statewide legislation.

- a. The County may wish to explore special legislation to further reduce the Present-Use Value Taxation rates for all the three agricultural categories to further compensate for the higher property values in Orange County compared to more rural counties.
- b. The County should reexamine the way it evaluates property taxes for farm buildings and machinery, and consider developing a farm rate for farm buildings and equipment, similar to the present use value system for the land.
- c. The County should pursue property tax deductions on land in donated easements and on land enrolled in voluntary agricultural districts.
- d. Farmers should also be encouraged to seek out special programs that provide innovative financial and technical assistance for farm buildings such as the Orange County Local Landmark Program (which provides a property tax deferral for historic farm structures such as the house and outbuildings) or the National Trust's Barn Again! Program. The County may also wish to follow New York or Vermont's example and pursue a state rehabilitation tax benefit for barns.
- e. Orange County also supports considering a revision of the revenue and acreage requirements of the Use Value Program. Many producers can easily meet the revenue requirements but do not meet the minimum ten-acre threshold for agricultural operations. It is suggested that a pilot program be established for several counties including Orange that reduces the acreage requirement and raises the revenue requirement from \$1,000 to \$5,000. The results from a pilot program could then be evaluated for implementation statewide.

9. *Provide Technical Assistance on other Farmland Protection Initiatives and Conservation Options.*

The Environment and Resource Conservation Department, Soil and Water Conservation District staff, Agricultural Economic Development Coordinator, Agricultural Preservation Board and other agricultural boards, should continue and expand educational programs for county farmland owners with regard to land conservation options. The programs, in cooperation with local NRCS, Soil and Water Conservation District, Cooperative Extension and FSA staffs, as well as area conservation groups such as land trusts, watershed protection groups, and wildlife organizations, should make farmers aware of the various conservation funds available for easement purchases, the tax benefits of donated easements, and basic principles of estate planning with conservation options. Farmers should be encouraged to continue to be model environmental stewards and promote good forest stewardship management practices using state and federal programs that provide financial assistance. It is particularly important for the County to maintain its experienced agricultural and forestry support staff for these agricultural agencies. The staff provides the education and outreach that enables farmers to participate in these programs as well as general land use planning for agriculture and land conservation.

10. *Develop and Promote a Land Link System.*

"Land-link" programs are another recent initiative in North Carolina and throughout the country that can help preserve family farms. Land Link programs take the mentoring idea a step further. Similar to an apprenticeship, the idea is to partner young prospective farmers with older farmers, who will provide "hands on" training. These programs have been successful in other urbanizing areas of the country and may provide a way to keep some local farms in operation for another generation. North Carolina Farm Transition Network (NCFTN), located in Hillsborough, provides services to farmers wishing to plan for the future such as estate planning and developing a "land link." As farmers continue to age, land links may become an invaluable way to keep active farms going. The County must take on a more pro-active approach to producing the next generation of farmers and providing them with the resources—land, equipment, and business sense to get established.

11. *Educate the non-farming public on the environmental protection benefits of farmland protection and the detriments of its conversion.*

Develop a public education campaign to tie consumer support of local agriculture with open-space, clean water and air benefits, and enhanced wildlife habitat working farm and forestland provides. Note the benefits of keeping land in agriculture, horticulture, and forestry to protecting critical drinking water sources, and fresh food.

Strengthen Farm Viability and the Agricultural Economy by Making Agriculture More Profitable

1. *Continue the Agricultural Economic Development Position.*

In 2005 Orange County hired an Agricultural Economic Development position for the County to carry forward the economic initiatives necessary for farm viability. Duties of this position include:

- a. Determining priorities, developing strategies, and achieving benchmarks for economic development efforts.

- b. Identifying and seeking additional funds for economic and business development for County initiatives and individual producers through grant writing.
- c. Communicating and meeting on a regular basis with stakeholders in agricultural economic development process.
- d. Developing marketing initiatives for local agriculture.

The Agricultural Economic Development Coordinator has already spearheaded numerous ventures. The two most notable projects are the development of a regional value-added shared-use food processing center (in the works), and the establishment of a new farm enterprise incubator program that will be part of a larger agricultural facility in conjunction with North Carolina State University and Cooperative Extension Service (PLANT).

2. *Expand Business Development Assistance to Farm Businesses.*

Farmers need more access to business development assistance, particularly as traditional agricultural markets fade and alternative enterprises are needed. This assistance includes business development and planning, market research and communication, and financing opportunity. (The Orange County Agricultural Economic Development Coordinator assists in many of these tasks.)

- a. Establishing a business development program specifically targeted at agricultural businesses, consisting of a network of business consultants, small business development counselors, and attorneys familiar with small business and agricultural law who are willing at a lower cost or volunteer basis to provide assistance.
- b. Working with North Carolina Cooperative Extension to disseminate published materials on agricultural business issues to area professionals to expand their knowledge of agriculture thus increasing their ability to assist farmers.
- c. Working with Cooperative Extension and the Soil and Water Conservation District to offer workshops to farmers on business planning and development, research, marketing, financing, conservation funding, and estate planning.
- d. Provide grant-writing assistance for federal, state and other non-profit funding opportunities to assist with diversification, etc.
- e. Develop a local directory of the network described in (a) above.

3. *Improve Access to Financing and Capital.*

Provide assistance in obtaining grants and low interest loans for business start-up, expansion, retention and diversification. Orange County may wish to strengthen its existing small business loan program through the Economic Development Commission (EDC) and develop a new mortgage assistance program to help new farmers buy land for agricultural purposes. The EDC could partner with the Agricultural Preservation Board and other agricultural advisory boards to establish a ranking system to evaluate applications. For example, applicants seeking to buy land already in production might receive a stronger ranking. The APB might develop a farmer mentoring program to partner prospective farmers with successful farmers. These are the kinds of companion programs that would ensure the success of the financing program.

4. *Expand Efforts to Promote Orange County Farm Businesses and Farm Products.*

New residents provide opportunities for county farmers in the form of new consumers. Efforts are being made to educate all residents on the association between the agricultural economy, healthy eating and the life-style many have sought to achieve by locating to our county. Local institutions remain another, relatively untapped, market for local products.

One area where local government can help farmers is in the dissemination of information and the preparation of directories, both printed and online. The County is continuing its efforts to encourage the public school systems, the University of North Carolina at Chapel Hill, and UNC Hospital to purchase local food products whenever possible, and is working to develop the infrastructure needed to facilitate this exchange. The county is fortunate to house the Weaver Street Market cooperative, which is a substantial buyer of locally grown products. Several area restaurants also support local growers as does the County where possible.

Activities in this area to date include:

- a. Creation of an Orange County Farms website and other print publications to identify locally grown product.²⁸ This website can also be used by farmers to identify purchasing opportunities and the business development assistance outlined above;
- b. Work with the organizers of the local farmers markets and assist with their marketing effort where possible;
- c. Work with local retail stores and restaurants to purchase and promote products grown locally in the county;
- d. Work with local institutions such as schools and state offices to purchase food grown locally;
- e. Expand cooperative efforts with neighboring counties to create a regional identity that includes promotion of agriculture; and
- f. Sponsorship of festivals, farm tours and other public recognition.

5. *Improve the Marketing Capacity of Farmers.*

Traditionally, farmers have relied on off-farm distributors to handle marketing and price negotiation for their products. Increasingly, farmers will recognize the value of direct marketing their products to county residents as they diversify and specialize their production. In addition to the steps outlined above, this item could include:

- a. Cooperative ventures may help farmers work together to meet the quantity demands for institutional markets. Farm cooperatives can be used for marketing purposes, financing new ventures and purchasing raw materials, such as fuel and electricity, or the formation of less formal bargaining groups to jointly purchase farm supplies and cooperatively advertise farm products. Orange County holds an Agricultural Summit each February to explore these ventures and bring together potential cooperative farms.²⁹
- b. The County also holds (at the Summit and at other times during the year) marketing workshops with input from farmers from other counties who have successfully diversified and direct-marketed their production.

Support Farm Operations and the Right-to-Farm

1. *Support the Right-to-Farm.*

County and town officials should actively acknowledge the state right to farm law and seek to improve neighbor relations and general understanding of commercial farm activities and

²⁸ Orange County, North Carolina has created such a site, found at (www.orangecountyfarms.org).

²⁹ See Steuben County, New York, Farmland Protection Plan.

needs to reduce nuisance suits and generate positive public support for local agriculture. Action items can include:

- a. The County already ensures that notice requirements under the Voluntary Agricultural District ordinance are followed in the County's land records system, with posted notices and maps in the tax office, and with identification signage for enrolled farms.
 - b. Address infrastructure needs outlined in farmer surveys. The County should work with the North Carolina Department of Transportation on road maintenance priorities and signage near farm operations.
 - c. The County could also create a "neighbor relations" packet for distribution to new county residents by the Chambers of Commerce, Visitors Bureau, tax office, etc. This can also be made available to farmers wishing to further educate their neighbors on farming operations.
 - d. Provide real estate brokers and lawyers with Voluntary Agricultural District maps, the above "neighbor relations" packet, and printed disclosure notices of agricultural operations and encourage them to share these materials with their clients.
 - e. Create an easy to understand brochure on the realities of living in agricultural areas and make available for distribution, and add such information to the County website.
 - f. Encourage respect for farm property.
 - g. Set up local arbitration referral program for farm-neighbor disputes. Pre-litigation mediation of farm nuisance suits is required in North Carolina.³⁰
 - h. Encourage municipalities to seek input from the Agricultural Preservation Board or the other County agricultural advisory boards when developing and revising local ordinances. It may be useful to establish some sort of forum for discussing proposed regulations changes, in order to identify the potential for unintended negative consequences for farmers, before they are adopted.
 - i. Work with the County Animal Control Division of Animal Services to examine, and where appropriate amend, regulations that may have a negative impact on commercial farmers.
2. *Continue Support for Technical Assistance to Farm Operations.* The Agricultural Preservation Board should stay up to date on the various services offered to farmers by Cooperative Extension, the Soil and Water Conservation District, NRCS and FSA. All agencies should have cross-referenced materials on these services with contact information for new and existing county farmers.
 3. *Develop a Single Clearing-House Information Source for current agricultural topics, such as federal, state and local regulations that may impact farmers (including new legislation), agricultural programs, and events sponsored by Orange County and/or for local farmers in conjunction with the Orange County Farms website.*

³⁰ NCGS §7A-38.3.

Attract and Train New Farmers and New Farming Operations

1. *Orange County must adopt a more pro-active approach toward attracting new farmers and new farm operations to this region, by advertising for complementary operations, and even offering incentives.*
 - a. Develop an economic development model to attract complementary agricultural operations or support operations to the region.

2. *Farmers and farm support staff must work together to teach the next generation about farming, support apprentice options, and promote the pursuit of farming as an occupation.*
 - a. The County should work with the school districts to expand existing training programs in high schools and work in partnership with local community colleges and the state university system to encourage agricultural students to stay in North Carolina and work on local farms.
 - b. The County should partner with the local school system's community service program to provide non-farm students with an entrée into the farming community, to provide them with the land and business skills to consider farming as a career.
 - c. Develop apprenticeship programs, and or mentor programs to partner potential farmers with successful farmers.
 - d. Continue existing programs for young people such as the Junior Livestock Show, Future Farmers of America (FFA) and 4-H.

Foster Greater Recognition and Public Support for Agriculture

1. *Foster Greater Appreciation for Agriculture Among Government Officials and Non-farm Residents through Education and Outreach Efforts.*
 - a. Continue educating County and municipal officials and planning board members on farming issues and basics of agricultural law, as well as "smart growth" strategies that concentrate growth near existing centers and infrastructure.
 - b. Continue efforts to keep members of the agricultural community involved in local government and planning.
 - c. Plan a Cost of Community Services (COCS) study to demonstrate the public fiscal advantages of land use planning for agricultural viability. In 2006, the AFT conducted a COCS for Orange County, and determined that on average, for every \$1 in revenue raised by residential development, the County must spend \$1.24 on services. For each dollar of revenue raised by farm, forest, or open space, Orange County only spends \$0.72 cents on services. Based on this study, which is consistent with nationwide trends, most residential development does not pay for itself; the exception is typically very high-end housing or housing served by public water and sewer systems. Likewise, in other COCS studies, including two conducted by North Carolina State University for Chatham County (1998) and Wake County (2001), farmland has been shown to require significantly less in public service (fire protection, water and sewer, police, schools, etc) expenditures than it contributes in tax revenue, even at the lower differential assessment rate afforded under the present-use value taxation system. The results of this study should be publicized to further generate protection of the agricultural economy as sound fiscal policy.
 - d. The Agricultural Economic Development Coordinator should cultivate local and state media coverage of the benefits of agriculture to the well-being of the county, and

should regularly communicate with media about achievements reached under this plan.

- e. Improve Communication and Networking within the Farm Community.
- f. Include a focus on agriculture in the “Buy Local” program.

2. *Develop Stronger Connections Between Schools and Local Farms.*

Schools offer an excellent opportunity to educate students and their parents about the importance of local farms. The school cafeteria system also provides a substantial market for locally grown products.

- a. The County should continue to pursue all opportunities to teach students about agriculture—the value of locally grown goods to their health and the local economy. Instruction should include hands-on training from field to table—growing vegetables from assigned garden plots, harvest techniques, food storage (canning) and preparation.
- b. The County should also continue to pursue efforts to serve locally grown products in cafeterias. New school buildings should be designed with commercial kitchens capable of cooking food from scratch. The Small Farms/School Meals Initiative was started in 1997 by the USDA as a model to get locally grown products into public school cafeterias, Orange County needs to study this model and determine the best way to incorporate a similar program into its public school system. The creation of brokering systems and/or cooperative frameworks for use in one institutional setting will be easily assimilated into another creating a series of win-win spin-offs.

Pursue New Initiatives to Address Increasing Energy Costs and Alternative Energy Needs

1. *County residents must begin to develop a more holistic view of agriculture and a better understanding of the global implications of their lifestyle decisions, particularly as consumers.*

In an effort to address increasing petroleum demands and increasing oil prices, farmers and non-farmers should reconsider their energy usage—building and vehicle needs (cars and farm machinery).

2. *Local farmers should be encouraged to explore the potential for growing crops suitable for the production of alternative fuels, and the potential to process alternative fuels.*

“Growing Green” or alternative energy production is a growing industry and one that is well suited to the farming community.³¹ What makes green industries particularly attractive for farmers is the number of options available. Some of these new commodities include:

- a. Sequestered Carbon. Energy companies are beginning to pay farmers for “credits” to help mitigate climate change. Growing grasses, trees or using no-till planting practices that leave the soil relatively undisturbed trap carbon rather than releasing it into the atmosphere. Properly managed forestry programs can provide a sustainable source of lumber while offsetting carbon dioxide emissions. Forestry has great potential for Orange County farmers, but cutting trees is part of the operation. Forestry and

³¹ The American Farmland Trust dedicated the Winter 2008 issue of its magazine, *American Farmland*, to climate change and green opportunities for farmers. More information on this topic is available on their website <http://www.farmland.org/>.

agricultural support staff will have to help educate the non-farm community so that residents understand the harvest techniques and scheduled cuts that are part of a successful operation.

- b. Energy from Wind and Solar Power. While the geography of Piedmont North Carolina is an unlikely source for large-scale wind power, it may provide sufficient energy for individual farms to produce power for farm buildings. Likewise solar power may provide farmers with a cleaner and cheaper form of energy to pump water, charge electric fences batteries and light and heat buildings. Eventually farmers who are able to produce more power than they need may be able to sell their surplus to local energy companies.
- c. Energy Crops. Agricultural crops that can produce biofuels and ethanol as substitutes for fossil fuels are becoming increasingly popular in Orange County. Soybeans and corn are currently the most common crops, but with new technology other crops may become more suitable for alternative energy production.
- d. Processing these new fuels may also offer opportunities, particularly as cooperative ventures. Recent examples of successful cooperative ventures to produce alternative fuels in North Carolina include Burlington's Bio-Diesel Co-op, and the EnergyXchange in Yancy-Mitchell counties, North Carolina. The EnergyXchange is a multi-jurisdictional partnership; the two counties are working in partnerships with state and federal agencies to capture methane from a former landfill to provide power for a series of greenhouses and a small arts studio. Individual beef cattle and dairy farmers can also recapture methane to produce energy. Methane digesters can burn waste methane and use the heat to produce power.



As other alternative energy opportunities become available education and outreach will be important. But these examples provide a sample of the types of programs that could work in Orange County, particularly with the county's proximity to several universities and Research Triangle.³²

³² North Carolina agencies include: NC Technological Development Authority, NC, DENR, Solid Waste Section, NC Cooperative Extension Service, NC State Office of Energy. Federal partners include: US EPA Landfill Methane Outreach Program, USDA Natural Resources Conservation Service, and the US EPA Divisions of Pollution Prevention.

Implementation Schedule

Key Stakeholders and Their Roles in Implementing the Plan³³

1. *Farmers*
2. *County Government*
3. *Town Governments*
4. *State Agencies*
5. *Federal Agencies*
6. *Business and Industry*
7. *Non-governmental Organizations*
8. *Residents*: The success of this plan ultimately relies on the participation of county residents in the local agricultural market. The proximity of their purchases to the producers ensures that more of each dollar paid for an agricultural item will return to the farmer, thus increasing his or her profitability and increasing the likelihood that he or she will continue to farm their land. Residents of the county must also recognize the importance of working farms to the local economy and environment and heritage of Orange County by supporting an effort to establish and subsequently support funding for a purchase of agricultural conservation easements program.

Implementation Schedule

A. First Year Action Steps³⁴

1. Decrease impediments to profitable farm ventures.
 - a) Get the Piedmont Value-Added Regional Processing Center up and running.
 - b) Amend Orange County Voluntary Farmland Protection Ordinance to include the designation of Enhanced Voluntary Agricultural Districts.
 - c) Continue work with the County and local municipalities to revise local zoning regulations that may limit innovative farm ventures.
 - d) Begin a dialogue with staff and elected officials in Orange County and the municipalities in and adjacent to Orange County to discuss agricultural issues.
 - e) Work with County departments and educate landowners to ensure that the Present Use Value program and the exemption from County zoning for agriculture are fully utilized to promote agriculture, horticulture, and forestry.
 - f) Meet with conventional farmers, individually and in groups, to discuss the challenges that are unique to large landowners and to determine if local government can help.
 - g) Work with NCSU staff to explore new ways to provide tax assistance for farmers.
2. Attract new agricultural operations to Orange County.
 - a) Work with the Economic Development Commission and agricultural agency boards to develop a profile of the types of agricultural ventures that will enhance Orange

³³ Rensselaer County, New York Farmland Protection Plan, 65.

³⁴ The schedule will depend, in part, on when this plan is approved, taking into account the county's fiscal cycle, and particularly county farmers' seasonal availability to participate in workshops and other implementation elements of this plan.

County. Offer workshops on conservation programs and forestry that can supplement revenue to existing operations, particularly for large landowners.

3. Encourage new farmers.
 - a) Expand existing programs that teach farming, such as the PLANT incubator at the Breeze Farm.
 - b) Continue and expand existing programs for farmers through Cooperative Extension and the Soil and Water Conservation District.
 - c) Begin a dialogue with successful farmers regarding a future apprentice program.
 - d) Create a linkage with the Latino community, through entities such as El Centro Latino, to engage those interested in pursuing agrarian efforts consistent with their heritage.
4. Improve community awareness of farming and the relationship between local farms and food security.
 - a) Promote the pursuit of farming as an honored occupation.
5. Begin the dialogue with local officials to ensure that future schools are designed and built with commercial kitchens capable of cooking food from scratch.
 - a) Ask local governments to start buying locally grown and produced products for government functions where food is provided.

B. Second Year Action Steps

1. Decrease impediments to profitable farm ventures.
 - a) Pursue new measures for additional tax assistance (some of which may require special legislation).
 - b) Expand on conversations between Orange County and the municipalities regarding the future of local farming. Develop a mediation or ombudsman program to evaluate the unintended consequences of zoning changes and annexation to existing farmers. Consider adopting memorandums of understanding to support agricultural programs.
2. Attract new agricultural operations to Orange County.
 - a) Advertise for new agricultural operations.
 - b) Advertise for existing operations to relocate, or begin a new "branch" in Orange County.
 - c) Consider sending an existing local farmer for training sessions to learn about a new type of crop or production process.
3. Encourage new farmers.
 - a) Develop a mentoring system to link successful farmers with new farmers. The program does not have to include a formal apprentice component, although it can. Rather it should provide the new farmer with an advisor.
 - b) Build on existing programs between 4-H and local FFA programs and commodity organizations, and agricultural advisory boards.

4. Improve community awareness of farming and the relationship between local farms and food security.
 - a) Evaluate the regional food system.
 - b) Begin to consider how to get local residents to consume 10% locally grown and produced products in five years.
 - c) Ask local governments to adopt policies that will mandate their purchase of 10% locally grown and produced products for government functions within five years.
5. Establish the groundwork to begin a brokering system that facilitates the link between local producers and institutional markets.

C. Critical Ongoing Action Steps

- ✓ Continue to recognize and support the right to farm. Protect farm operations from incompatible adjacent land uses or activities that will adversely affect the long-term agricultural investment in land and improvements.
- ✓ Continue to promote existing programs to preserve farmland, including the voluntary agricultural district program and agricultural conservation easements. Continue to seek funding sources to offset the cost of purchasing easements, and promote the donation of easements for tax credits.
- ✓ Develop programs and associated infrastructure facilities to make local farms more economically viable, including local farm product processing, development of a distribution center, and marketing initiatives.
- ✓ Encourage farmers to continue to be model environmental stewards and promote good forest stewardship management practices using state and federal programs that provide financial assistance.
- ✓ Encourage the use and production of natural fuel alternatives to petroleum-based products and pursue new types energy sources. Monitor new opportunities in the 2008 Farm Bill and elsewhere for farmers to produce and use alternative sources of energy.
- ✓ Minimize the negative impacts of future public projects (such as roads, utility lines, etc) on farming operations and productive farmland. Conduct public review of projects proposed by entities that have the power of eminent domain, and consider the impact of such actions on agricultural activity.
- ✓ Develop a single clearing-house information source for current agricultural topics, agricultural programs, and events sponsored by Orange County and/or for local farmers in conjunction with the Orange County Farms website.
- ✓ Work with the North Carolina Farmland Transition Network and local FFA programs to establish an ongoing apprenticeship with Orange County farmers. Establish foundation for future land link program.
- ✓ Maintain experienced agricultural support staff for local farmers.

- ✓ Continue to advertise agriculture in the “Buy Local” program.

Authority for County Action (Article II)

In 1986, the North Carolina General Assembly passed the Farmland Preservation Enabling Act.³⁵ This important legislation provided counties with the authority to establish farmland preservation programs including voluntary agricultural districts (VADs) and agricultural advisory boards. The Act also created the North Carolina Farmland Preservation Fund, which allowed counties to develop purchase of agricultural conservation easements programs and created a matching mechanism for distribution of Farmland Preservation Trust Fund monies.³⁶ Orange County was one of the first counties in North Carolina to adopt a Voluntary Farmland Preservation Plan Ordinance. The 1992 ordinance established the VAD program and created the Agricultural District Advisory Board (later renamed the Agricultural Preservation Board). The County purchased its first agricultural conservation easement in 2001 using matching grant funds.

In 2005 the General Assembly amended the program with an expanded focus that included a strong agricultural economic development component. Renamed the Agricultural Development and Farmland Preservation Enabling Act and the Agricultural Development and Farmland Trust Fund, the revised trust fund supports agricultural development projects such as business planning and incubator programs as well as agricultural easements and other traditional farmland preservation programs.



To be eligible for Trust Fund monies, counties must have an adopted a countywide farmland protection plan in place.³⁷ In addition, to be consistent with the state model the plan must contain seven key sections. These include:

- A statement of the need for action;
- A summary of the County's authority to adopt the plan;
- An overview of the county's agricultural activity, past and present;
- A outline of challenges for the local agricultural community;
- A statement of opportunities for enhancing local agriculture, including programs in place and potential new programs for the future;
- A set of action steps to ensure a more viable agricultural community for the future; and
- A schedule to implement the action steps.³⁸

A countywide farmland protection plan may be prepared with the assistance of an agricultural advisory board. The Orange County Agricultural Preservation Board will take the lead role in writing and administering this plan, working closely with the Soil and Water Conservation District Board the Cooperative Extension Advisory Council, and reporting to the Board of County Commissioners on its progress.

³⁵ NCGS §106-735 et seq.

³⁶ Funding was not provided until 1998, when the legislature appropriated \$250,000 for acquisition of agricultural conservation easements.

³⁷ NCGS §106-744 (c)(1).

³⁸ NCGS §106-744(e)(1-5).

Notes