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**New York State Joint Legislative Hearing on
2016-2017 Executive Budget Proposal
Environmental Conservation**

THURSDAY, JANUARY 28, 2016
HEARING ROOM B
LEGISLATIVE OFFICE BUILDING, 2ND FLOOR
ALBANY, NEW YORK

TESTIMONY PRESENTED BY:

LAURA TEN EYCK
SENIOR MANAGER OF NEW YORK PROJECTS & OUTREACH
AMERICAN FARMLAND TRUST

"The policy of the state shall be to conserve and protect its natural resources and scenic beauty and encourage the development and improvement of its agricultural lands for the production of food and other agricultural products."

- Article XIV, Section 4, New York State Constitution

NEW YORK STATE OFFICE
112 Spring Street, Suite 207, Saratoga Springs, NY 12866
Tel: (518) 581- 0078 Fax: (518) 581-0079
newyork@farmland.org
www.farmland.org/newyork
Facebook: AmericanFarmlandTrustNY
Twitter: @FarmlandNY

Good morning. I am pleased to be here to present testimony on behalf of American Farmland Trust (AFT). AFT is the nation's leading conservation organization dedicated to protecting farmland, promoting sound farming practices and keeping farmers on the land. Since its founding in 1980 by farmers and citizens concerned about the rapid loss of farmland to development, AFT has helped protect five million acres of farmland and led the way for the adoption of conservation practices on millions more.

Established in 1990, AFT's New York State Office works to save the land that sustains us across New York. Thank you for holding this hearing and for the New York State Assembly and Senate's strong support of our state's agricultural industry and for state programs that help farmers protect and steward their land.

FARMLAND FOR GROWING FOOD AND THE ECONOMY

Productive farmland – fertile soil – is the foundation for growing food and a robust farm economy in New York State. New York is a national leader in the production of numerous fruits, vegetables, and dairy products. The State has the second highest direct-to-consumer sales of food in the nation and New Yorkers spent \$362 million purchasing local agricultural products directly from farmers.¹

New York's farms create business opportunities or other industries including farm support services such as electricians, feed and seed dealers, carpenters, equipment dealers, truckers, mechanics, bankers, veterinarians and many others. Farms serve as the cornerstone of the state's \$39 billion farm and food economy and are closely tied to New York's food processing sector that processes milk, fruits, vegetables and grains into cheese, yogurt, baked goods, wine, beer, spirits and other food products, creating a total of over 160,000 jobs for residents across New York.

In addition to providing increased economic opportunity for New York farmers, improved access to fresh, healthy, locally-grown fruits, vegetables and other foods can also help address the urgent diet-related problems of obesity, diabetes and cardiovascular disease affecting millions of New Yorkers. In addition to the threat posed to public health, the public cost of diseases related to a poor diet is substantial. For example over 1.4 million young people are obese in New York and health care costs for treating obesity are approaching a staggering \$12 billion annually.

Thanks to many innovative state programs, more New Yorkers than ever before can take advantage of healthy food produced locally. Some of the programs drawing on the bounty of New York's local foods to help improve public health include:

protection plans and 2) grants to municipalities, counties and land trusts to purchase permanent agricultural conservation easements on farms.

To date, the State's Farmland Protection Program has awarded planning grants totaling \$4,780,252 to 65 counties (including 12 county plan updates) and 77 towns to assist in the development of local agriculture and farmland protection plans, outlining strategies for strengthening the economic viability of agriculture and retaining agricultural lands through farm friendly land use planning.

2016 marks the 20th anniversary of state funding for permanent farmland protection through the Farmland Protection Implementation Grant (FPIG) program. This anniversary is commemorated in a newly released report from AFT entitled **Cultivate New York: An Agenda to Protect Farmland for Growing Food and the Economy** (*executive summary attached.*)

To date, the FPIG has provided \$140,206,211 in funds to protect 232 farms encompassing 59,165 acres.ⁱⁱⁱ Through permanent farmland protection projects, the Department of Agriculture and Markets distributes grant funds to town and county governments, soil and water conservation districts, and private land trusts to pay farmers to convey permanent agricultural conservation easements on farmland. Such projects enable farmers to tap into one of their largest sources of equity, their land, and use these funds to reinvest in their business and community.

In SFY 2015-2016, \$35 million was appropriated to protect farmland, including \$20 million specifically for projects in the Hudson Valley, as part of a new initiative called the Hudson Valley Agricultural Enhancement Program and \$15 million available for projects statewide from Environmental Protection Fund (EPF.) This combined level of funding is the highest in the state's history and puts New York into the top 5 states in the nation for funding for protecting farmland. This is an important milestone and puts New York among other leading states like Pennsylvania, New Jersey and Maryland who have annually made significant investments in protecting farmland for decades.

A request for proposals for the Hudson Valley Agricultural Enhancement Program was released in October of 2015. A request for proposals for the statewide funding from the EPF is expected to be released before the end of the current fiscal year.

Earlier this month, American Farmland Trust released **Cultivate New York**, a report highlights the impacts of New York's FPIG Program over the last 20 years, identifies new threats to the state's farmland and makes recommendations for action to protect the fertile soil needed to grow food and the economy in New York.

- Allowing greater flexibility to local farmland conservation partners in the design and implementation of state-funded projects
- Improving capacity at the Department of Agriculture and Markets to consistently complete projects in less than two years
- Providing financial support for building land trust capacity through New York's Conservation Partnership Program to work with communities and farm families to protect farmland and keep farmers on the land.

ENABLE THE TRANSITION OF FARMLAND TO NEW AND NEXT GENERATION FARMERS

The significant generational transition occurring in New York's farm community requires strong action by the State. More must be done to help farm families transition their farms to the next generation as well as to assist beginning farmers in accessing farmland at an affordable price and succeeding in the business of agriculture.

Grow Farmland Conservation Funding: The state must build on its recent efforts to aid both young and retiring farmers by continuing to increase funding for the state's Farmland Protection Program and ensuring that the program runs efficiently, completing projects in less than two years. Purchasing development rights and placing an agricultural conservation easement on farmland makes land affordable for farmers, easing the transition of land from one farming generation to the next.

Invest in Building Partnerships: The State of New York needs to support new partnerships to aid beginning farmers in securing access to land and facilitating the transfer of farms to the next generation of farmers in New York. Resources from the State of New York with AFT, additional land trusts, Cornell Cooperative Extension and other partners have aided farm families facing these challenges. AFT has extensive expertise in helping farmers secure land and recently coordinated the launch of the Hudson Valley Farmlink Network, a partnership of 14 organizations dedicated to ensuring the availability of farmland in the Hudson Valley for today and tomorrow. NY FarmNet facilitates successful farm business transfers. Likewise, Cornell Small Farms Program offers resources for both beginning farmers and professionals that work with them. Greater investments are needed in building the human capital, or a professional network, necessary to help the next generation of farmers access land in New York and support senior farmers as they transfer their farms to a new generation.

Cultivate **NEW YORK**

**An Agenda to Protect Farmland
for Growing Food and the Economy**


American Farmland Trust



EXECUTIVE SUMMARY

In New York, roughly 5,000 farms have been paved over since the early 1980s—put differently, an average of 3 farms a week have been destroyed for over 30 years.

In 2015, New York emerged as a national leader in investing in protecting working farmland, with the highest levels of funding in the state's history.

Food connects all New Yorkers. Hundreds of thousands of people in New York make a living on farms or with businesses associated with farming and food processing. Everyone needs food to live, and access to nutritious, local food can help address the epidemic of obesity and associated chronic diseases facing New York, and the nation.

The foundation of this food system is farmers, and the farmland that they need for growing food. Fertile soil is a precious resource, with less than 3% of the Earth's surface suitable for farming. With projections that global food production needs to increase by 70% by 2050, foreign nations and private investors have leased or purchased millions of acres of farmland around the world to control the soil that can provide food security or future profits.

The United States is home to one of the world's greatest concentrations of fertile soil. Tragically, millions of acres of farmland have been destroyed in this country by poorly planned real estate development. In New York, roughly 5,000 farms have been paved over since the early 1980s—put differently, an average of 3 farms a week have been destroyed for over 30 years.

Responding to this crisis, Governor Mario Cuomo and the New York State Legislature passed the Agricultural Protection Act in 1992, creating the state's Farmland Protection Program. The program began by offering funding and assistance to counties to develop agricultural and farmland protection plans. In 1996, state law was amended and the Farmland Protection Program began offering funds that were used to permanently protect farmland with agricultural conservation easements.

2016 marks the 20th Anniversary of the State of New York investing funds through the Farmland Protection Program to permanently protect working farms. To date, the State of New York has partnered with farm families, local governments and land trusts to permanently protect 59,165 acres on 232 farms.

In 2015, New York emerged as a national leader in investing in protecting working farmland, with the highest levels of funding in the state's history. Yet, much more needs to be done. The State of New York has helped permanently protect less than 1% of the state's farmland, and New York lags far behind neighboring states in protecting the land needed for farming and growing food.

Importantly, new threats are emerging to New York's farmland—including the need to transition farmland to new and next generation farmers and climate change. More than 2 million acres of farmland in New York are managed by farmers over 65 and will change hands in the coming years. In the past, many farm families have seen no alternative to selling their farm for real estate development when they sought to retire. And, new and next generation farmers in New York face significant challenges in finding farmland at a price they can afford and conditions that will enable them to succeed in farming.

Climate change poses threats, and opportunities for farming in New York. Severe weather has hurt farmers across the state, but New York is better positioned for resilient farming given the state's fertile land and abundant fresh water, as well as the severe drought and other impacts projected in other regions of the nation. Protecting highly productive farmland will not only give New York farmers the best opportunities to adapt to a changing climate, there is new evidence that keeping land in farming can help maintain lower levels of greenhouse gas emissions.

Cultivate New York: An Agenda to Protect Farmland for Growing Food and the

Economy celebrates accomplishments of the last 20 years, while offering new evidence of threats to farmland in New York and the urgent need for action. *Cultivate New York* reflects input from farmers, local governments, land trusts and other key stakeholders. It suggests a road map to protecting the state's irreplaceable farmland to ensure a growing farm and food economy and the availability of healthy, local food for generations to come. Specific goals and recommendations include:

GOAL 1: INVEST IN MAKING NEW YORK A NATIONAL LEADER IN PROTECTING THE LAND TO GROW FOOD AND THE ECONOMY.

BENCHMARK: Permanently protect 100,000 acres of high quality farmland that is under threat over the next 10 years.

- ▶ **RECOMMENDATION 1:** Allocate \$300 million from the Environmental Protection Fund, or other state economic development, infrastructure or other funding sources to permanently protect New York's most productive farmland that is under threat from real estate development.
- ▶ **RECOMMENDATION 2:** Engage the United States Department of Agriculture (USDA) and Congress to leverage additional funding from the national Agricultural Conservation Easement Program (ACEP) for permanent farmland protection projects in New York.
- ▶ **RECOMMENDATION 3:** Enable and encourage local governments to generate funding for protecting farmland through the expansion of the Community Preservation Act and other local funding mechanisms.
- ▶ **RECOMMENDATION 4:** Support additional federal incentives to encourage farmers and non-farming landowners to convey permanent agricultural conservation easements in New York.

GOAL 2: IMPROVE CAPACITY TO PROTECT FARMS QUICKLY AND EFFICIENTLY.

BENCHMARK: Consistently complete state-funded farmland protection projects in less than two years.

- ▶ **RECOMMENDATION 5:** Provide greater flexibility to local partners working with the state's Farmland Protection Program in the design, review and completion of state-funded projects.
- ▶ **RECOMMENDATION 6:** Improve capacity at the Department of Agriculture and Markets to consistently complete projects in less than 2 years.
- ▶ **RECOMMENDATION 7:** Provide financial support for building land trust capacity to work with communities and farm families in protecting farmland and keeping farmers on the land.
- ▶ **RECOMMENDATION 8:** Develop a consistent annual timeline for releasing the Request for Proposals (RFPs) and the announcement of funding awards associated with the state's Farmland Protection Program.

More than 2 million acres of farmland in New York are managed by farmers over 65 and will change hands in the coming years.

GOAL 3: ENABLE THE TRANSITION OF FARMLAND TO NEW AND NEXT GENERATION FARMERS.

BENCHMARK: Help 5,000 new and next generation farmers in finding land in New York over the next 10 years.

- ▶ **RECOMMENDATION 9:** Create a state capital gains tax deferral for farmland sold to new and next generation farmers, and support federal tax incentives that encourage the successful transfer of New York's working farmland to the next generation.
- ▶ **RECOMMENDATION 10:** Make agricultural conservation easement provisions aimed at keeping protected farmland affordable and in active agricultural use eligible costs in projects awarded funding from the state's Farmland Protection Program.
- ▶ **RECOMMENDATION 11:** Actively make state-owned farmland available to farmers, particularly new farmers, and keep it in active farming. Ensure that state-owned farmland is protected with an agricultural conservation easement if it is to be sold by the State of New York.
- ▶ **RECOMMENDATION 12:** Support new partnerships to aid beginning farmers in securing access to land and facilitating the transfer of farms to the next generation of farmers in New York.

GOAL 4: PLAN TO CONSERVE FARMLAND RESOURCES FOR A RESILIENT FARM AND FOOD ECONOMY IN NEW YORK.

BENCHMARK: Development of a statewide plan and supporting state policies by 2020.

- ▶ **RECOMMENDATION 13:** Develop a state plan for protecting New York's food producing resources to ensure a resilient food system capable of providing a significant portion of the food needs of New Yorkers.
- ▶ **RECOMMENDATION 14:** Adopt a state farmland mitigation fee to offset farmland converted due to road, water, sewer or other infrastructure projects receiving public funding, incentives or authorization.

Find the full Cultivate New York report at www.farmland.org/cultivateNY



New York State Office
www.farmland.org/newyork
112 Spring Street, Suite 207, Saratoga Springs, NY 12866
(518) 581-0078 | newyork@farmland.org

 AmericanFarmlandTrustNY ·  @FarmlandNY · #CultivateNY