Working Together for Farmland Preservation in Connecticut

Connecticut is home to several organizations that work collaboratively on farmland preservation. Each of these public agencies and organizations plays a vital role in saving Connecticut’s valuable and vanishing farmland.

Connecticut Department of Agriculture
The Connecticut Department of Agriculture’s Farmland Preservation Program was established in 1978. Its expert staff works hard to protect the best farmland soils in the state to maintain and preserve agricultural land for the future. As of September 2020, the CT Farmland Preservation program has preserved nearly 47,000 acres on over 380 farms. CTGrown.gov

USDA Natural Resources Conservation Service (NRCS)
NRCS is the primary federal agency working to protect natural resources on privately owned land by providing technical and financial assistance to plan and implement conservation practices, protect farmland, and provide information about soils and other natural resources to communities for land use planning. NRCS offers easement programs to help conserve working agricultural lands, wetlands, grasslands, and forestlands. www.ct.nrcs.usda.gov

Connecticut Farmland Trust (CFT)
Connecticut Farmland Trust is the only private statewide land trust dedicated to preserving Connecticut’s working lands for future generations. CFT’s experienced staff provides technical assistance and outreach to agricultural landowners interested in farmland preservation. CFT is equipped to negotiate and hold agricultural conservation easements and provide innovative, flexible, and timely conservation options to farm owners across the state. As of September 2020, CFT has protected nearly 4,700 acres of farmland and helped partners protect over 1,100 additional acres. www.CTFarmland.org

Northwest Connecticut Land Conservancy (NCLC)
Founded in 1965, NCLC is a regional land trust and the largest land trust in the state. As a guardian of natural and working lands, public recreation areas, and drinking water resources, NCLC has permanently protected 12,000 acres (and growing) of vast, connected natural areas in Litchfield and northern Fairfield Counties. NCLC’s protected lands serve a resident population of 200,000 people and include 21 public hiking preserves; 35 working farms; over 3,000 acres of habitat for endangered, threatened, and special concern species; and 42 miles of rivers, lakes, and streams. NCLC partners with farmers and other private landowners, the state of Connecticut, the federal government, and conservation organizations to protect farms throughout Connecticut’s Northwest Corner. www.ctland.org

American Farmland Trust (AFT)
American Farmland Trust is the only national conservation organization dedicated to protecting farmland, promoting sound farming practices, and keeping farmers on the land. In Connecticut, AFT serves as host for the Working Lands Alliance. CFT and AFT are not affiliated, although the two organizations work closely together. www.farmland.org

Working Lands Alliance (WLA)
A project of American Farmland Trust, WLA has been the statewide voice for farmland preservation efforts since 1999. WLA serves as a broad-based, statewide coalition that includes farmers and such organizations as American Farmland Trust, the Connecticut State Grange, New Connecticut Farmer Alliance, End Hunger CT!, Connecticut Land Conservation Council, and the Connecticut Farm Bureau, among many others. As an alliance, we care deeply about saving Connecticut’s farmland and ensuring a healthy agricultural sector and prosperous future for Connecticut’s farmers. Sign up online to receive updates and alerts about farmland preservation policy in Connecticut. www.WorkingLandsAlliance.org
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To obtain copies of this publication, contact the Working Lands Alliance—a project of American Farmland Trust—or visit www.workinglandsalliance.org.


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COVER IMAGE AND OTHER INCIDENTAL PHOTOS BY AMANDA FREUND
INTRODUCTION
Agriculture Is Deeply Rooted in Connecticut

For generations, farms and farmers have been a cornerstone of communities throughout the state. They:

- Provide a bounty of fresh and diverse farm and forest products
- Preserve cultural identity and diversity
- Create local jobs and generate tax revenues
- Offer pastoral views and recreational opportunities
- Protect wildlife habitat and biodiversity
- Provide clean air and water
- Mitigate the impact of climate-changing greenhouse emissions
- Adapt to and create resiliency against the effects of climate change

Connecticut’s agriculture is facing constant challenges, as farms convert to subdivisions and office parks, and as suburban sprawl makes farming a logistical and economic challenge. The escalating loss of farmland threatens not just the viability of the industry but also the state’s rural legacy and landscape. Current global environmental and social changes necessitate a greater reliance on local and regional food and agricultural systems. Yet, Connecticut continues to lose its best farmland.

Conservation Options for Connecticut Farmland aims to help landowners, land trusts, and municipalities navigate the array of public programs available to protect and steward their farmland. This guide also provides an overview of estate and succession planning options and tax considerations and includes case studies that highlight innovative and effective efforts to protect Connecticut’s working lands.
In Connecticut, the most common farmland protection tool is the agricultural conservation easement.

A conservation easement is a deed restriction or deed covenant that landowners voluntarily place on part or all their land. The easement limits development in order to protect the land’s natural resources. An agricultural conservation easement is an easement specifically designed for agricultural land.

Agricultural conservation easements can be donated, usually to a nonprofit land trust, or sold to a public agency or qualified conservation organization through a “purchase of development rights” (PDR) program.

Connecticut’s PDR programs, administered by the CT Department of Agriculture, are the CT Farmland Preservation Program and the CT Community Farms Preservation Program. The federal program that provides cost-share assistance to states, towns, and land trusts to help fund the purchase of development rights is known as the Agricultural Conservation Easement Program (ACEP). Newly established in the 2014 Farm Bill, and reauthorized and updated in the 2018 Farm Bill, ACEP consolidates three former federal programs—the Farm and Ranch Lands Protection Program (FRPP), the Grassland Reserve Program, and the Wetlands Reserve Program. ACEP has two components: Agricultural Land Easements (ALE), which focus on farmland and grassland protection, and Wetlands Reserve Easements, aimed at wetlands protection. The Healthy Forests Reserve Program (HFRP) focuses on protecting and managing forest lands that support species of concern. More information about these programs can be found on page 16.

Landowners can also combine the sale and donation of an agricultural conservation easement through a bargain sale. Through a bargain sale, a landowner sells an easement at less than its fair market value, taking a charitable deduction on the donated portion of the easement.

Deciding whether to donate or to sell an easement, or how much of a donation to make as part of a bargain sale, is often complex and is influenced by a landowner’s income level, tax bracket, cost basis in the property, business and/or personal objectives, and the availability of town, state, or federal funding for the purchase of development rights.

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**FARMLAND PRESERVATION PROGRAM**

**State Process with USDA ALE Funding**

1. Application ➔ Eligibility Determination ➔ Easement configuration negotiated

2. APPLY TO USDA ALE
   - Initial Title Search ➔ USDA ELIGIBILITY ➔ USDA FUNDING OBLIGATED
   - Appraisal ➔ Offer made ➔ Agreement Signed

3. USDA FINAL APPROVAL
   - A-2 Survey ➔ Deed Recorded ➔ Stewardship

4. FARM PERMANENTLY PROTECTED
Frequently Asked Questions About Agricultural Conservation Easements

The following answers to frequently asked questions (FAQ) about easements should help landowners understand some of the legal, financial, and practical implications of placing a conservation easement, or “restriction,” on your property.

What is an agricultural conservation easement?

An agricultural conservation easement is a deed restriction or deed covenant that landowners donate or are paid to place on their property. Typically, an easement permanently restricts residential, industrial, and non-agricultural commercial development of the property. The CT Department of Agriculture’s PDR program does not restrict new farm housing within an easement, but rather places limits. This means that only one or two total farmhouses can be built or maintained with the square footage limitation outlined within an easement agreement. The landowner retains ownership of the land, and the easement is held by a separate entity to which the easement has been donated or sold. The entity that holds the easement is responsible for ensuring the terms of the easement are upheld and that the land remains in conservation. Most easements are perpetual and “run with the land” beyond any particular owner; those that are not are generally referred to as “term” easements. Both the State of Connecticut’s Farmland Preservation Program and the federal Agricultural Conservation Easement Program (ACEP) purchase only perpetual easements.

Why should a landowner donate or sell an agricultural conservation easement?

For many farmers and landowners who own farmland, their land is their primary asset. Many farmers are only able to capitalize on their land’s value by selling the property outright for non-agricultural development purposes. The sale of development rights is an alternative way to provide landowners with a significant source of capital to improve or diversify a farm operation, purchase additional land, pay off debt, manage estate planning, complete succession planning to the next generation of farmers, or meet family financial needs without having to sell some or all of their land. For some landowners, donating an easement—or selling an easement at less than its full, appraised value—provides certain tax advantages, since the donated value of the easement can be taken as a charitable deduction from federal income taxes.

What land qualifies?

Eligibility depends on whether a landowner is donating or selling an easement, and to whom. Each “buyer” or recipient may have different criteria for an eligible property.

Most land trusts have criteria they use to decide whether or not to accept the donation of a conservation easement on farmland, and they should be contacted directly for more information.

Typically, however, these criteria consider the type and extent of a property’s agricultural and other natural resources. Most land trusts do not require a minimum acreage or that the property be in active agricultural use.

To qualify for the Connecticut Farmland Preservation Program, the property must be actively farmed and have a high percentage of prime and important agricultural soils. Each property is also evaluated based on criteria that include amount of cropland and proximity other active farms. For the Community Farms Preservation Program, the property must be an active farm that may not meet the requirements of the Farmland Preservation Program for reasons of size, soil quality, or location, but that contributes to local economic activity through agricultural production.

The Connecticut Open Space and Watershed Land Acquisition Grant Program, managed by the Department of Energy & Environmental Protection (DEEP), can be used by towns and land trusts to help finance the purchase of farmland and agricultural conservation easements. The program has no minimum acreage requirements but gives preference to land with a diversity of natural resources.

Landowners generally negotiate with the land trust or government program over how their application will be configured and how much of their land to place under easement. While easements can be written to exclude farm residences and buildings entirely, most easements include the farm’s existing houses and farm buildings. Wetlands and forested land that are part of a farm can be included in the easement, but they may be excluded based on the negotiation, their contributing...
attributes to the farm, and the ability to meet the acreage requirements of the programs used.

**Will an easement require a change in how the land is farmed?**

It depends on the easement. Most agricultural conservation easements are designed to be flexible, to allow farmers to farm as they have been, and to adapt their farm operations as they see fit, provided there is minimal impact to the protected soils. In most cases, the resource of the soil itself is the key attribute being conserved.

For example, easements for the Connecticut Farmland Preservation Program usually allow landowners to install agriculturally related infrastructure such as fencing, irrigation systems, and manure storage facilities on the protected land. Some permanent infrastructure, such as farm buildings, may require prior approval and be limited to certain areas of the farm. Farmers may also plant or raise any type of agricultural commodity, provided the soils are protected. Both the Connecticut Farmland Preservation Program and the federal Agricultural Conservation Easement Program (ACEP) require landowners to develop and implement farm conservation plans.

Conservation easements designed to protect land for multiple purposes, such as for wildlife habitat, scenic vistas, and recreation, may limit or prohibit certain types of farming practices or agricultural infrastructure; they may also require public access. The State's Open Space and Watershed Land Acquisition Grant Program, for example, generally requires public access and does not allow construction of new farm buildings.

**What improvements can be made to the property?**

Easements prohibit non-agricultural commercial development and other uses that would adversely affect the property's agricultural resources. Some easements do not allow subdivision of the property once protected. However, it is important to note that Section 8-18 of the Connecticut state statute governing Municipal Planning Commissions specifically excludes land divisions for conservation or agricultural purposes. In other words, splitting up farm fields without the intent to develop them doesn't require going through the subdivision review process.

Most easements permit a limited amount of infrastructure development, specifically related to the farm operation, and allow construction of farm buildings and other structures, such as retail farm stands. Some easements may limit the location and extent of new construction to a designated “farmstead area” or “agricultural building envelope,” and thus limit this area to a small percentage of the total farm. There is typically a limit on the amount (%) of impervious surfaces (e.g. paved driveways or lots) allowed as well.

Existing houses and buildings may be included in an easement, and most easements generally allow for improvements to, or reconstruction of, those buildings. Some easements may also allow a landowner to reserve one or more future residential building lots. When an easement provides for a future house lot, the location of the lot(s) must be designated, with residential building envelopes, at the time the easement is drafted: additional building sizes and other restrictions may apply.

**Is public access required?**

Most agricultural conservation easements do not require public access.

The state's Open Space and Watershed Land Acquisition Grant Program requires some public access on land protected through its program. Access may be restricted to portions of the property that are not actively farmed.

Most easements do not either require or prohibit non-commercial recreational uses of the property such as hunting, fishing, and horseback riding. The landowner generally retains the right to allow or restrict those uses.

**Can the property be sold to anyone?**

Yes. Even after selling an easement on their property, landowners can
transfer or sell their property to anyone they choose. However, all future owners of the property are required to abide by the terms of the easement, which “runs with the land.”

A small number of easements require that landowners who sell their property give a right of first refusal to the entity that holds the easement, which allows the easement-holder the opportunity to purchase the land in fee-simple before it is offered on the market. While not a provision in any current state-held easements, some Connecticut land trusts are considering including in future easements an “affordability” mechanism that requires landowners to sell the land at its “agricultural value” as a way to maintain its affordability for farmers in the future. Including such a mechanism in an easement typically increases the value of the easement.

**Who pays the property taxes?**
The landowner remains responsible for all property taxes and must still apply to the local tax assessor to be eligible for Public Act 490, Connecticut’s use value assessment law.

However, once enrolled in Public Act 490, land protected with a permanent conservation easement is not subject to a tax penalty when sold or transferred [see inset on page 10].

**What if the landowner can no longer farm the land?**
An agricultural conservation easement generally does not require that the land subject to the easement be actively farmed, either by the property owner or a lessee/tenant farmer. An easement can only ensure that the land is protected from incompatible uses, so it will always remain available for agricultural use.

Assistance is available to help find a farmer to use the land through the CT Farmlink Program: ctfarmlink.org, as well as through other partner organizations.

**Will a conservation easement affect a landowner’s mortgage?**
It may, because an easement limits the future uses of the property and typically reduces its “market” value.

Depending on the amount of the mortgage or other monetary lien on the property, the mortgage or lien will need to be discharged prior to the easement or subordinated to the easement-holder.

**What if a landowner can’t wait or doesn’t qualify for the state Farmland Preservation Program?**
Other options may exist. Many local and statewide land trusts work with landowners. While not necessarily a faster option, Connecticut’s Department of Agriculture also administers the Community Farms Preservation Program, designed to protect smaller farms that may not qualify for the traditional Farmland Preservation Program.

**How long does the conservation easement process take?**
The process of selling an easement to a land trust or governmental entity typically takes a couple years, depending on various factors, including ensuring clear titles to the farmland. If a property owner is forced by circumstances to act more quickly and needs to sell the property outright, a “buy-protect-sell” arrangement may be a good option. The CT Department of Agriculture, a local government, or a land trust, assuming finances are in place to allow it, can purchase the property for the landowner, place an easement on the land, and then sell it back to the underlying property to another entity or individual interested in continuing the agricultural use of the land.

**How do I find protected land to farm?**
Working with local officials, State Department of Agriculture staff, and active land trusts is a good way to help get the word out about farmers interested in finding available property. The state, working with the Connecticut Farmland Trust, established the Connecticut FarmLink website (ctfarmlink.org), which allows both farmers looking for land and landowners looking for tenants or buyers to register their interest and/or their land. That website also contains links to other resources for buyers and sellers on networking and establishing successful farming operations.

**How do I encourage my town to be more active in protecting farms?**
Although it is not required by land trusts or the state, most entities that protect farmland through the purchase of easements place a higher priority on projects that have the local government as a partner. This can mean that, if a high-value piece of land is in a town that doesn’t otherwise prioritize farmland protection, the state or land trust’s limited resources could be directed elsewhere.

Municipalities should be encouraged—by farmers, conservationists, and community stakeholders—to “plan for agriculture.” American Farmland Trust, through its Working Lands Alliance project in Connecticut, has led the development and update of the guidebook Planning for Agriculture—A Guide for Connecticut Municipalities, which contains numerous suggestions and resources to get communities more involved and engaged with supporting the local agricultural economy and protection of farmland resources.
Proper estate planning provides the framework for a smooth transition of farm ownership and management. And conservation can play an important role in estate planning. Without estate planning, families may find themselves in the position of having to sell land or other farm assets in order to pay taxes or to settle an estate after the death of a loved one. The sale of an agricultural conservation easement can be an important tool to help facilitate the transfer of the land and business to the next generation while financing retirement and reducing possible estate taxes.

Steps of Estate Planning

INVENTORY

An important first step in estate planning is to take an inventory of assets, understand who owns what, and how titles to all property are held. Families should consider all aspects of the farm business including land, machinery, and equipment, farm buildings and structures, and livestock and how to appropriately value these assets. It is also important to consider liquid assets—cash and cash equivalents—that can play an important role in dividing farm estates.

DEFINE GOALS

A second important element is to set goals and then to revisit them over time as families, finances, priorities, and laws change. It is important to identify goals both individually and collectively. Write them down and communicate these goals with family members to reconcile potential conflicts. Retiring farmers may or may not be interested in remaining involved in the farm business. Members of the next generation may wish to maintain or change direction of the farm business while others may not be interested in any aspect of farm management.

The estate planning and farm transfer process is also a good time for landowners to evaluate their business structure and decide whether it meets their current needs and helps achieve their goals. They should choose the most appropriate form of business organization, whether it is a sole proprietorship, limited liability company (LLC), partnership, or corporation.

CONSIDER AVAILABLE TOOLS

Some of the tools available:

- A will is an important part of the plan because it names beneficiaries, nominates an executor, and appoints guardians for dependents; but a will alone cannot guarantee a secure future for the farm family, land, or business.

- The sale of an agricultural conservation easement—further discussed in this guide—protects farmland, provides cash for retirement and estate planning needs, and can reduce taxes.
- Annual gifting can help transfer the business and reduce taxes.
- Life insurance can provide liquid assets that may be used to pay debt, establish trusts, provide for non-farming heirs, and offset the donation of an easement or pay estate taxes.
- Limited Partnerships, LLCs and corporations can allow for separation of management and ownership of the business, if desired, while allowing a business to continue its existence beyond the period of its owners.
- Long-term care insurance can be expensive but can also protect family assets from being used to pay for nursing home costs.
- Trusts can provide financial security for surviving spouses, children, and grandchildren, while also giving direction to the beneficiaries.

Landowners should pay close attention to state and federal regulations as they relate to estate planning and seek formal legal, financial, and tax advice to make the best use of these tools.
Tax Considerations

Donating an Easement

The donation of an agricultural conservation easement generally qualifies as a tax-deductible charitable gift. This means a landowner can claim the value of the easement as a federal income tax deduction.

FEDERAL TAX CODE

Donated conservation easements that meet Internal Revenue Code section 170 (h) criteria are treated as charitable gifts. While the entire value of a donated easement, or, in the case of a bargain sale, the value of the donation, is deductible, federal tax law limits the amount of deduction a landowner can claim in any given year. Donors can deduct the value of the conservation easement up to 50 percent of their adjusted gross income (AGI) in the year of the gift. Corporations are limited to 10 percent deductions. Donors can apply any excess easement donation value as federal income tax deductions for the next 15 years, subject to the same percentage limitations. In addition, “qualified farmers and ranchers”—defined as individuals or corporations who earn more than 50 percent of their gross income from farming in the taxable year in which the gift is made—can deduct the value of the agricultural conservation easement on property used in agriculture or livestock production up to 100 percent of their AGI with a 15-year carryover. The incentive applies to donations made after December 2014.

Many land trusts in Connecticut accept donations of easements on farmland, including Connecticut Farmland Trust (CFT). Landowners may also donate an easement to a municipality, or to the state through the CT Farmland Preservation Program, provided the land qualifies for the program.

BARGAIN SALES

Landowners seeking to sell an agricultural conservation easement may choose, or be asked, to sell the easement at less than the easement’s appraised value. This is referred to as a bargain sale. Landowners may claim a federal tax deduction for the donated portion of the sale—the difference between the easement’s appraised value and its actual sales price. The IRS rules for such a claim typically require a specific kind of appraisal to show the value of the donation. Make sure to check to find out what is required.

The value of an agricultural conservation easement is the difference between the property’s fair market value (the “before” value) and its value as restricted by the easement (the “after” value), as determined by a qualified appraiser.
The Pension Protection Act of 2006 changed the federal tax code to enhance the tax deduction for conservation easements. In 2015, Congress made these enhancements permanent as part of a year-end appropriations bill. These enhancements included restoring higher deduction limits and extending carry-over periods.

Because federal and state tax laws change frequently, landowners considering a donation or bargain sale of an easement should consult with a tax advisor regarding current applicable federal and state conservation tax provisions.

**Special Use Valuation Section 2032A**

For the purpose of federal estate taxes, Internal Revenue Code Section 2032A special use valuation rules allow a reduction of up to $1,100,000 (adjusted for inflation) in the value of real property (land and buildings) used in a family-owned farm or other family business that is closely held.

There are many eligibility criteria for this special use valuation. These include:

- The decedent or a member of his or her family must have been using the property for farming at the time of his or her death;
- The decedent or a member of his or her family must have “materially participated” in the operation of the property for five out of the last eight years;
- The property must comprise at least 50% of the value of the decedent’s estate;
- The property must pass to a family member; and
- If the property is sold within 10 years or is no longer used for farming, the avoided tax must be recaptured by the IRS.

**Corporate landowners**

For landowners who are an S corporation for federal income tax purposes, a state business tax credit is available for the donation or bargain sale of a conservation easement or land for conservation purposes. Corporations that donate a qualifying gift of land or conservation easement can take a tax credit equal to 50 percent of the value of the donation and may carry forward any unused credit for up to 25 years.

When an S corporation sells land or an easement at any price to the state, a town, or a nonprofit land conservation organization for conservation purposes, the amount of capital gain from the sale is exempt from that company’s taxable income under the state corporate business tax.

**Stewardship Fund**

Most land trusts request that a landowner who donates a conservation easement also make a tax-deductible cash contribution to offset the land trust’s cost of stewardship. Land trusts seek this type of donation because the land trust is obligated to monitor and enforce the terms of the easement in perpetuity. While the landowner who has donated the easement is likely to understand and abide by the easement’s terms, issues may arise when the property is sold to a landowner who was not involved in the easement negotiation and may not understand or may choose to ignore its terms. Dedicated stewardship funds make it possible for land trusts to ensure that the easement’s terms can be monitored and enforced in perpetuity.

**Selling an Easement**

Selling a farm’s development rights can provide landowners with an important source of capital to expand or diversify a farm operation, provide for retirement, buy out non-farming members of the family, or address other financial needs while ensuring that the farm is protected for future generations.

The proceeds from a sale of development rights are recognized by the IRS as a sale of an interest in real estate and are subject to federal and state capital gains taxes. Depending on the source of the funding, landowners may be able to spread out the capital gains over a period of years by taking the proceeds from the sale in installments. Some landowners may find it advantageous to do a bargain sale and/or a like-kind exchange in order to reduce their capital gains exposure [see like-kind exchange case study on pg 11].
Like-Kind Exchanges Among Family Members

As Richard Hutton’s family farm passed from generation to generation, the property was divided into many parcels. Richard always dreamed of reuniting as much of the farmland as possible. Working with his daughter, along with the Connecticut Department of Agriculture and a team of knowledgeable attorneys and accountants, he was able to reunite some of the pieces through a unique like-kind exchange.

It started with his daughter, Nancy Barrett, who owns Scantic Valley Farm. She and her husband grow flowers, raise cattle and hogs, and have pick-your-own berries and pumpkins on the farm. They sold an agricultural conservation easement on their portion of the original farm to the state through the Connecticut Farmland Preservation Program.

Next, Nancy bought her father’s adjoining 49 acres that he had also protected through the Connecticut Farmland Preservation Program. She used a like-kind exchange: essentially a tax-free swap of similar or like-kind property. She took the money from the sale of the easement to buy something similar—her father’s protected farmland—instead of taking the cash. The exchange defers the recognition of capital gains or losses after a sale and defers the taxes due.

Using funds from the sale of his 49 acres and its easement, Richard purchased 68 acres of previously protected land from his sister. He combined this with 55 other acres he already owned. Much of the original family farm had now been restored.

“Like-kind exchanges and selling the development rights were the right tools to help us achieve our goals,” says Barrett. “It feels great to know that our farms will always be farms.”
The following programs in Connecticut are sources of funding for the purchase of agricultural conservation easements on farmland. The addition of the Community Farms Preservation Program, which complements Connecticut’s traditional Farmland Preservation Program (see below), means there are more opportunities for landowners to protect their farmland than ever before.

Demand for these programs is strong, and the amount of money available in each of the programs fluctuates every year. As a result, the time involved in the sale of an easement can vary by year and program. To get a better understanding of the time frame involved, it is best to contact the program directly. Eligibility requirements, selection criteria, and application information for each of the programs can be found on page 15.

Towns and land trusts are often active partners in farmland protection projects, mounting successful fundraising campaigns and contributing a significant percent of project costs [see inset on Ron Szegda’s farm on page 14].

**Connecticut Farmland Preservation Program**
**Connecticut Department of Agriculture**

The Connecticut Farmland Preservation Program, established in 1978, aims to protect 130,000 acres of Connecticut’s most productive farmland.

**Community Farms Preservation Program**
**Connecticut Department of Agriculture**

The Community Farms Preservation Program was created in 2008 to protect smaller farms that may

As of September 2020, the program has protected 45,900 acres on 382 farms.

Only landowners are eligible for the program, and applications are made directly to the Connecticut Department of Agriculture. Applications are evaluated according to scoring criteria, including quality of soils, amount of cropland, threat of development, and the farm’s proximity to other protected lands and active farmland.

The Connecticut Farmland Preservation Program may pay up to 100 percent of the appraised value of the agricultural conservation easement. Current state law gives the Commissioner of Agriculture the ability to pay up to $20,000 per acre, subject to appraisal. However, from 2015 through 2019, the average price paid by the state toward the purchase of easements was $5,315 per acre. Most of the recent easement purchases have included significant bargain sales (acquisition at less than appraised value). In the past three years, more than half of the easements purchased through the Farmland Preservation Program included a bargain sale of at least 25 percent of the appraised value.
not meet the criteria for the traditional Farmland Preservation Program. The program is aimed at preserving farms of local economic importance and is designed to increase local capacity of town and cities to plan for, and participate in, farmland preservation efforts. The program further encourages participation of not only traditional rural towns, but also urban and suburban communities.

Preference is given to farms that produce food or fiber, and farms are evaluated based on the suitability of the land for agriculture, the quality of the soils, and the demonstrated level of community support for the preservation of the parcel, among other criteria. In 2011, the Commissioner of Agriculture dedicated two million dollars to the pilot program, which was allocated to protect several small farms in Connecticut through joint state-town projects. No longer a pilot program, 10 farms have been protected through the program as of 2020.

Agricultural Conservation Easement Program (ACEP)
U.S. Department of Agriculture/Natural Resources Conservation Service (NRCS)

The Agricultural Conservation Easement Program (ACEP) is a federal cost-share program that helps fund the purchase of agricultural conservation easements on productive farmland. Created in the 2014 Farm Bill, ACEP consolidated three former NRCS land protection programs—the Farm and Ranch Lands Protection Program (FRPP), the Grassland Reserve Program, and the Wetlands Reserve Program. ACEP is managed through two distinct subprograms: Agricultural Land Easements (ALE) for farmland protection and Wetlands Reserve Easements (WRE) for wetlands protection.

The rules for the 2018 Farm Bill version of ACEP are similar to the former FRPP. Under the Agricultural Land Easement (ALE) component, NRCS may contribute up to 50 percent of the appraised fair market value of the agricultural land easement. Landowners do not apply directly to the program; instead, applicants to the state’s Farmland Preservation Program or Community Farms Preservation Program that meet the eligibility criteria for ACEP are included in the state’s application to ACEP. The state is reimbursed by USDA through ACEP for up to half of the appraised fair market value of the easement. Towns and land trusts can also use ACEP funding toward easements purchased through the state’s Open Space Matching Grants Program or purchased with dollars raised locally or privately, provided the landowner and land both meet ACEP’s eligibility criteria.

Between 2014 and 2019, federal farmland protection dollars have been used in 57 easement purchases on 4,503 acres in Connecticut. Some $20.7 million in federal ACEP funds were leveraged by state, municipal, and private matching funds. Easements purchased...
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with ACEP dollars require landowners to have a conservation plan, and NRCS will provide technical assistance to create a plan. Protected farms may receive additional ranking points when applying for other Farm Bill Programs.

**Connecticut Open Space and Watershed Land Acquisition Grants Program**

**Connecticut Department of Energy and Environmental Protection**

This grant program was established in 1998 to help towns, nonprofit conservation organizations, and water companies permanently protect important community lands, including farmland. It can be used to fund the purchase of farmland outright or the purchase of a conservation easement on farmland.

Landowners cannot apply directly to the program but must work with a sponsoring town, water company, or land conservation organization. The program provides a maximum of 65 percent of a project’s cost (up to 75 percent for projects in “distressed municipalities or targeted investment communities”). Applications to the program are only accepted during specific grant rounds; typically, the Connecticut Department of Energy and Environmental Protection holds one grant round per year for this program.

**Additional Programs**

Beyond these primary tools for farmland preservation in Connecticut, many other programs may also provide funding for land conservation. Look for this symbol in the “Additional Funding Available” section on p. 22.

Ron Szegda owns a 110-acre farm in Columbia along Rte. 66 that has been in the family for 30 years. In his early 70s, he continued to harvest up to 3,000 bales of hay annually and managed a herd of 40 cows. His love of farming and the need for a retirement fund—a dilemma faced by many older farmers—led Ron to contact Connecticut’s Department of Agriculture.

“I had to find a way to make a go of it, or I would have to sell,” Szegda says. “By selling the development rights, I could stay on the farm. I could do what I want to do every day.”

The department called Connecticut Farmland Trust, the town of Columbia, and Joshua’s Trust for help in preserving the farm. Over the last decade, many projects have followed a similar path, leveraging funding from the federal Farm and Ranch Lands Protection Program (FRPP)—now the Agricultural Conservation Easement Program—and relying on other partners like municipalities and land trusts. These partnerships often attract additional resources, which are necessary in a state with some of the highest farm real estate values in the nation.

With multiple partners involved, the process took time to complete. In the end, the partnerships led to the project’s success—providing a blueprint for other farmland preservation efforts in Connecticut.
## Conservation Options for Connecticut Farmland

### Farmland Protection Programs in Connecticut

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#### Eligibility Requirements

- Property must:
  - Be an active farm operation
  - Meet minimum program criteria that include amount of prime and important soils, amount of cropland, proximity to other active farms, viability of agriculture business, proximity to agricultural support services, and surrounding land use
  - Meet ACEP requirements if federal funding will be used as part of sale.

- Priority given to:
  - Land with high % of prime and important agricultural soils and cropland
  - Land in proximity to other active farmland, protected lands, and farm services.

- State may accept a gift or pay up to 100% of value of development rights.

- Priority given to:
  - Farms that produce food or fiber
  - Projects with a demonstrated level of community support
  - Land with high % of prime and important agricultural soils and cropland

- State may accept a gift or pay up to 100% of value of development rights.

- Priority given to:
  - Land vulnerable to development
  - Projects that comply with local and/or regional open space plans or plans of conservation and development
  - Land with diverse categories of natural resources
  - Projects with pending written offer with landowner.

- State pays up to 65% (up to 75% for projects in “distressed municipalities or targeted investment communities”) of either fair market value of development rights or purchase price, whichever is less.

- Priority given to:
  - Land vulnerable to development; land with high % of prime and important agricultural soils
  - Projects with high % of non-federal matching funds
  - Projects must have non-federal matching funds in hand.

- ACEP pays up to 50% of the appraised fair market value of easement. Entity must contribute an amount at least equal to NRCS share in value. Entity contribution may include charitable donation or qualified conservation contribution from private landowner.

#### Selection Criteria

- Projects that comply with local and/or regional open space plans or plans of conservation and development

- Land with diverse categories of natural resources

- Projects with pending written offer with landowner.

- Projects with high % of non-federal matching funds

- Projects must have non-federal matching funds in hand.

- ACEP pays up to 50% of the appraised fair market value of easement. Entity must contribute an amount at least equal to NRCS share in value. Entity contribution may include charitable donation or qualified conservation contribution from private landowner.

#### Cost-share Requirements

- Only agricultural and compatible uses permitted. Property may never be subdivided or converted to non-agricultural use. No public access required. State easement language required. Subject to federal requirements if ACEP funding is used.

- Only agricultural and compatible uses permitted. Property may never be subdivided or converted to non-agricultural uses. State easement language required. Subject to federal requirements if ACEP funding is used.

- Public access required. Limited agriculture-related structures permitted on protected land. State easement language required.

- A conservation plan is required to address highly erodible cropland. This plan is developed by NRCS in consultation with the landowner and, entity. USDA easement language required. No public access required.

#### Easement Requirements

- Applications accepted continuously. Acquisitions must be approved by State Properties Review Board. If the application is approved, landowners should anticipate a period of 18 months or longer to complete negotiations, survey, and title work before the final closing.

- Applications accepted continuously. If the application is approved, landowners should anticipate a period of 18 months or longer to complete negotiations, survey, and title work before the final closing.

- Applications accepted and evaluated during designated grant rounds; typically, the Connecticut Department of Energy and Environmental Protection holds one grant round per year.

- Applications accepted during an annual sign up period. Entities submit landowner parcels for program funding and contracts are developed for each parcel under a Programmatic Agreement with the entity.
Can I Protect My Forestland Too?

**Connecticut’s Forests**

Woodlands provide significant value to many Connecticut farms—producing maple syrup, Christmas trees, firewood, lumber, and other wood products. In addition, they help to buffer farms from neighbors, provide recreational opportunities, filter air and water, provide wildlife habitat, and sequester carbon. According to the 2017 Census of Agriculture, woodlands represent about 29 percent of the state’s total land in farms and can often not be easily separated from the total farm unit. Loss and fragmentation of forest lands thus impacts farms in multiple ways.

**Permanent Protection of Forestland**

Forestland owners may protect their land through many of the same tools and programs available to farmland owners. Forestland may be included as part of an agricultural conservation easement; there are also other programs that allow for protection of just forest resources. Forestland may be eligible for the following programs (see basic criteria in chart on p. 15):

- **CONNECTICUT FARMLAND PRESERVATION PROGRAM**
  Woodlands are considered a component of a typical Connecticut farm, and thus may be included in an application to the program. While there is no cap on the amount of forest land that can be enrolled through the program, the amount of non-cropland acreage is considered in the application evaluation. In general, the average farm protected through the program has 35 percent of its acreage in woodland, scrub, or wetlands.

- **AGRICULTURAL LANDS EASEMENT PROGRAM (FORMERLY FARM AND RANCH LANDS PROTECTION PROGRAM)**
  Farm parcels with up to 66 percent of total acreage in woodland are eligible. The 2014 Farm Bill enabled maple sugaring operations to count productive maple stands as cropland versus woodland, thus helping more farms to become eligible.

- **CONNECTICUT OPEN SPACE AND WATERSHED LAND ACQUISITION GRANTS PROGRAM**
  Properties with farmland and/or forestland are eligible; there are no requirements on the percentage of forestland.

- **FOREST LEGACY PROGRAM**
  Forest Legacy is a USDA Forest Service program administered by the Division of Forestry in the Connecticut Department of Energy and Environmental Protection. The program pays eligible landowners for...
the purchase of conservation easements on working forestland that is threatened by development. Forest Legacy requires a minimum of 75 percent forestland; the remainder may be farmland. The program funds up to 75 percent of the cost of purchasing the easement, and participating landowners must prepare a multiple resource management plan. Applications are taken at any time. fs.fed.us/cooperativeforestry/programs/loa/flp.shtml

• HEALTHY FOREST RESERVE PROGRAM

The Healthy Forest Reserve Program (HFRP) is administered by the USDA Natural Resources Conservation Service in partnership with cooperating entities through the Regional Conservation Partnership Program (RCPP). The program is available to privately owned lands and tribal owned lands. The purpose is to help landowners restore, enhance, and protect forest land resources through easements and financial assistance for restoration. Through HFRP, landowners promote the recovery of endangered and threatened species, improve plant and animal diversity, and enhance carbon sequestration. Contact the local USDA NRCS District Conservationist to learn more about eligibility and applications.

Forest Management

While some programs may require a Forest Management or Forest Stewardship Plan, such a plan is valuable for all forestland owners. Forest management plans can help landowners and operators achieve a wide variety of both short- and long-term objectives, such as controlling invasive species; harvesting saw timber or producing biofuel; improving fish and wildlife habitat; protecting water quality; or simply providing a buffer from adjacent land uses. Such plans should be viewed as an active tool and updated whenever new practices are implemented or objectives change. Forest management plans in Connecticut developed in partnership with a certified forester will include a species inventory and map; identification of goals and objectives; and a recommended schedule of activities and conservation practices. Technical assistance and funding may be available from local, state, or federal sources to help prepare and implement the plan.

Tax Tips

If you own woodlands, there may be several federal tax incentives to help maintain your woodlot. For example, if you hold your forestland as an investment or for use in a business, you can deduct ordinary and necessary management expenses, such as fees paid to a professional forester or the cost of brush control, thinning and protecting your timber from fire, insects, or disease. This tax tip and others are available in the USDA Forest Service’s “Tax Tips for Forest Landowners for the 2014 Tax Year,” available online at: fs.fed.us/spf/coop/library/revised_taxtips2014.pdf

Fall Forest Walk (Mary Hull photo)
Role for Municipalities and Communities

Municipalities and local officials play an important role in protecting farmland and creating a supportive environment for local farm businesses. Understanding the many positive roles that farms play in a town—from the economy to natural resource protection to local food to community character—can help a community appreciate its responsibility to be supportive of farmland protection and farm viability. Additionally, communities that devote resources to farmland preservation are significantly more likely to attract state and federal funds for conservation projects. Accordingly, towns may want to consider creating a Farmland Protection Committee or local Agricultural Commission or identify staff to be devoted specifically to this purpose and/or pursue some of the steps below.

Planning for Farmland Protection

Once a town has decided to launch its efforts to plan for the future of its agricultural resources, a good first step toward community action on farmland protection is to conduct an inventory of local farms and farmland. This inventory can identify the number and types of farms in town, the acres farmed, and the general land use needs of local farms. The inventory should also include a mapping of properties with prime farmland soils and other soils of statewide or local importance. The inventory can help a community understand its agricultural resources, develop a prioritization process to identify farms most important to keep in production in the future, and protect from those lands from the impacts of development. This prioritization process

Forest Conservation at Myers Pond Forest

Myers Pond Forest, located in the Quinebaug Highlands Landscape in a quiet corner of Connecticut, is surrounded by the 8,000-acre Yale University Forest. The 450-acre forest contains a diverse set of habitats and an abundance of wildlife. It also supports the largest drinking water supply watershed in the state.

Surprisingly, Myers Pond Forest is not a state park or forest or even a land trust property. Hull Forest Products owns and manages the forest. In business for over 55 years, the Pomfret-based company operates the largest sawmill in southern New England and manufactures 10 million board feet of lumber annually. In 2009, Hull placed a conservation easement on the forest with The Nature Conservancy. This added to their impressive record on forest conservation, as the company has permanently protected 80 percent of their southern New England forestland with conservation easements that allow periodic selective harvesting.

“We were thrilled to work with The Nature Conservancy. They understand the economic and environmental importance of working forests. They get that actively managed woodlands provide public benefits in the form of wildlife habitat and air and water quality protection,” says Mary Hull, co-owner and marketing communications manager.

Protecting working forest land is critical in Connecticut, which faces increased forest fragmentation due to residential and other development. Intensively managed working forests like Myers Pond can provide sustainably grown local forest products while also maintaining a wide range of forest habitat upon which many species depend.

Hull Forest Products was recognized for these efforts and was the first New England Aldo Leopold Conservation Award winner in 2019.
should involve all stakeholders, including farmland owners, agricultural service businesses, municipal officials, members of land use commissions and land trusts, and non-farm residents. Prioritization criteria might include quality of soils, current land use, threat of development, proximity to other farmland (protected and not protected), proximity to targeted growth areas (e.g., sewer lines and housing), protection of cultural resources, local and regional food access and security concerns, and scenic contributions.

It is important to reach out to local landowners and farmers. Many farmers lease some or all their land, often in multiple towns. This can be done by members of a town agricultural commission, a board of selectmen, planning commission or conservation commission, or in conjunction with a local land trust. The designated board or commission should develop a strategy for communicating to local landowners the town’s desire to protect farmland. Regardless of the entity charged with this outreach, the goal and message should be clear and consistent. The town must clearly communicate that it is simply exploring land protection strategies so that landowners are aware of the opportunity without feeling pressured. The town should position itself as a partner in the land preservation effort, not a rival or a regulator. All the potential partners for farmland protection funding require voluntary participation by the landowners.

An ability to leverage federal, state, and private farmland protection funds is key to successfully protecting farmland at the municipal level. Towns that have a local source of funding for farmland protection to match state and/or federal funding generally have an advantage when competing for limited public funds. In the case of the state’s Community Farms Program, a strong demonstration of local support is absolutely essential to participation and eligibility. Some towns have established dedicated funds for land protection, while others have raised money on a case-by-case basis. Strategically, towns should consider the use of many funding sources for a successful farmland preservation program—combining municipal funds, state, and/or federal program funds, as well as funds raised by land trusts or local campaigns. For example, the town of Suffield sets aside $250,000 annually to help preserve at least one farm and has successfully leveraged federal and state dollars to protect its farmland (see Lebanon example below). Other communities, including Pomfret among others, have successfully bonded for large amounts of public funds to assist with land preservation efforts.

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**Pro-Active Support for Farm Viability**

One of the best ways to protect farms and farmland is to focus on the economic success of local agricultural operations. A profitable farm is far more likely to keep land in agricultural use. Municipal officials can help foster a supportive business environment, critical to the long-term sustainability of local farms and the land they steward. A first step for officials might be to form an agricultural commission to provide farmer input into town policies that impact local agriculture and to help develop initiatives that will keep farming viable. Engaging the business community, chamber of commerce, or economic development commission can foster the important recognition of agriculture as a key local economic driver. Towns may also consider enacting a local right-to-farm ordinance that mirrors the state’s right-to-farm law. Such ordinances help maintain a supportive environment for farmers by reducing conflicts between farmers and non-farming neighbors.

Beyond the economic value of agriculture, municipalities can recognize and strengthen the awareness of the multiple ways that farms can benefit communities. Towns that have established “Sustainable CT” teams should focus on elements of the food system and local food security as well as the ways local agriculture can mitigate effects of climate change and provide for environmental resilience. Viewing agriculture through the cross-cutting lens of sustainability can engage a wider variety of stakeholders in this overall effort.
For over 300 years, agriculture has been Lebanon’s predominant land use. The town’s 140 farms today continue to provide food and fiber necessary to support citizens, just as farms did at the time of our nation’s founding. Lebanon farms represent a variety of large- and small-scale agriculture including poultry/eggs (two million chickens), dairy (several thousand cows), nursery stock (largest wholesaler in New England), beef cattle, vegetable, llamas, sheep, goats, equine, maple syrup, honey, wine, CSAs, and other agrarian endeavors.

Lebanon is one of the largest farming communities in Connecticut and has the greatest amount of preserved farmland in New England with approximately 6,000 acres or 12 percent of all preserved farmland in Connecticut. These prime and important farmland soils are preserved for agriculture forever.

Yet town officials are aware that without ongoing planning and public support, agriculture in Lebanon could become a thing of the past. Consequently, town government has implemented an aggressive approach to support farming locally, which includes funding, outreach, and continuing education for residents. These efforts were recognized in 2015 when the town received the “Community of the Year” award from the Connecticut Chapter of the American Planning Association for its “ongoing efforts to preserve its agricultural-based economy and town character.”

Lebanon posts signs at town entrances displaying its support for agriculture; runs a weekly summer and monthly winter farmers market at no cost to vendors; mails an annual town-wide newsletter to residents describing the benefits to farmland; created a photo display of preserved farms at Town Hall; and sets aside funding to secure and match farmland preservation dollars from federal, state and non-profit sources. The town’s right-to-farm ordinance and zoning regulations on agriculture are emulated across the state. The town identifies “the promotion and protection of agricultural uses and prime and important farmland soils” as its number one purpose in zoning; defines “open space” synonymously with “farmland preservation”; mandates cluster or conservation subdivision development to help protect farmland; requires agricultural buffers for new lots that abut farms as part of its open space requirement; and chooses not to regulate the number of animals per lot, but the setbacks of farm buildings from property lines.

As part of preparing Lebanon’s 2020 Plan of Conservation and Development, every 10 years the town conducts a cost-of-community service study and resident survey. The 2019 cost-of-community service study compared the cost of town services to residential, commercial/industrial, and farmland/open space land uses, and determined that agriculture and open space pay a disproportionate share in taxes compared to residential development. The 2019 resident survey gauged resident attitudes toward farming and farmland preservation. Survey results found that four out of five residents believe having working farms and open space to be very important and that the town should continue to fund farmland and open space preservation projects. The survey also found that most residents believe farmland and open space preservation should be the main focus of town planning efforts over the next decade—just as it did when the previous survey was conducted over 10 years ago.

Lebanon is working with the Connecticut Resource Conservation and Development Area, Inc. on a new small-farmer initiative to create a cooperative farm support center with affordable farmland and housing. The town believes that these and other measures will help to ensure that Lebanon’s agricultural community has local support as the town works to preserve and celebrate its long-held agricultural heritage.
Role for Land Trusts

Land trusts play an important role in farmland protection efforts. They help landowners navigate the rules and procedures of applying to a public program. They coordinate campaigns to raise funds and public support for preserving properties. Land trusts often work with municipalities and regional planning agencies to set land preservation priorities.

There are currently 137 land trusts and conservation organizations that serve the communities of Connecticut. These groups run the gamut from small, all-volunteer outfits to large organizations with professional staff. Some have a strictly local or regional focus, while others work statewide on specific areas of natural resource protection.

Kent Land Trust: Cultivating Success

On the surface, the Kent Land Trust appears to be a traditional land conservation organization. It holds easements, owns conservation land, and adheres to the Land Trust Alliance’s standards and practices. But dig deeper, and one finds an organization with a strong commitment to agriculture.

Since 2006 the land trust has leased, at a bargain rate, over 85 percent of its headquarters’ land to a local farmer. On just 12 acres, Megan Haney operates Marble Valley Farm, providing a wide range of vegetables, herbs, and flowers to local restaurants as well as an onsite farmstand. Megan’s lease includes a greenhouse, storage barn and the farmstand, as well as an apartment in the converted barn which houses the trust’s offices.

Connie Manes, executive director of the Kent Land Trust, says, “The land trust wanted to actively support agriculture in town beyond easements. Kent has a limited amount of prime and important agricultural soil that remains undeveloped, and we wanted to support its continued agricultural use where possible. Leasing to Megan was one way to do that.”

Another way the trust keeps prime farm soils in production is through its community garden. Along Rte. 7, the trust owns land that boasts some of the best agriculture soils in Kent. The garden sits on a quarter of an acre and is divided into 40 plots, which are available to individuals, families, and organizations. Through these and other efforts, Kent Land Trust provides an important model for the role land trusts can play in supporting agriculture.

For more information visit www.kentlandtrust.org.
The differences between an agricultural conservation easement and a conservation easement are subtle but critical. Land trusts, municipalities, and the attorneys involved in the conveyance often lack an understanding of the ways in which a well-crafted agricultural easement can support the viability of a protected farm. Recognizing the need to educate individuals involved in protecting farmland, American Farmland Trust, in partnership with Connecticut Land Conservation Council, Connecticut Farmland Trust, and Connecticut Department of Agriculture, convened the state’s leading agriculture and forestry experts, conservationists, and land use attorneys to produce a model agriculture easement.

The model easement provides an important resource for landowners, land trusts, and advisors involved in drafting easements for working lands and can be adapted to fit the needs of a particular farm and farm family. The comprehensive easement includes extensive commentary to highlight issues that should be considered during the drafting process and contains sections that address energy production and other emerging issues on working lands. “The model is a highly adaptive tool,” says Elisabeth Moore, executive director of the Connecticut Farmland Trust. “It can be used in any and all farm situations.”

The development of the model easement was funded with an Agricultural Viability Grant through the Connecticut Department of Agriculture.

The model easement and commentary can be accessed at: workinglandsalliance.org/model-agricultural-easement-project/ and at ctconservation.org/model-documents.

Additional Funding Available

To Support Farm and Forest Viability, Land Conservation, and Stewardship

Many Connecticut landowners, including towns and land trusts, are not aware of the variety of programs available to help them improve or expand a farm business, address environmental concerns, or implement conservation practices on their land.

For example, landowners can get help developing a forest management plan for a woodlot, and then financial assistance to help carry out the plan. Funding is available to defray the cost of fencing to keep livestock out of streams, and to manage farmland for wildlife habitat. There is funding for on-farm energy efficiency projects and for renewable energy systems. Funding also is available to farmers interested in diversifying into new markets or new products, and to help municipalities develop and implement local farmland protection initiatives.

The following are programs available in Connecticut that can be used to foster farm profitability, land conservation, and stewardship efforts.

This symbol denotes programs that offer funding for easements.

This symbol denotes programs that have been particularly reliable serving the needs of agriculture and farmland preservation and have been consistently funded in recent years.
**Agricultural Management Assistance (AMA)**  
USDA/NRCS • nrcs.usda.gov/wps/portal/nrcs/main/national/programs

This program, available only in states where participation in the Federal Crop Insurance Program has been low (including CT), is designed to help farmers use conservation practices to manage risk and address natural resource issues. Producers receive financial and technical assistance to construct or improve water management or irrigation structures, plant trees for windbreaks, diversify their operation and conservation practices, or transition to organic farming. The program funds up to 75 percent of the cost of conservation practices, and payments are capped at $50,000 per fiscal year. Applications are taken at any time. Land trusts and farmers (including those with a lease during the life of the AMA contract) may apply.

**Agriculture Viability Grants—Farm Viability Program**  
Connecticut Department of Agriculture • ct.gov/doag

This state grants program, authorized and funded through the Community Investment Act [see page 28], funds local initiatives that foster farm viability and farmland protection. Municipalities, regional planning agencies, associations of municipalities, and nonprofit organizations can apply for matching grants up to $49,999 to plan and implement local farmland preservation strategies, institute agriculture-friendly land use regulations, develop marketing initiatives to support local farm businesses, and foster agricultural viability. The 50 percent match can be in-kind services or cash (nonprofit agriculture organizations need a 40 percent match). Municipalities can also use the grants to invest in small agriculture-related capital projects, such as farmers’ markets and community kitchens (but not for land acquisition). The grant application is typically due in November.

**Agriculture Viability Grants—Farm Transition Program**  
Connecticut Department of Agriculture  
state.ct.us/doag

This state grants program, also authorized and funded through the Community Investment Act [see page 28], is available to producers and agricultural cooperatives for any farm production project except the purchase of plants or animals. Examples include the purchase of farm equipment, fencing, machinery, and energy efficiency improvements to the production facility, buildings, and irrigation systems. Grants are available up to $49,999, and the applying producer or cooperative must match an equal cash amount to the grant award. Farmers (leasing farmers included) and agricultural cooperatives may apply. The grant application is typically due in November.

**Business and Industry Loan Guarantee Program (B&I)**  
rurdev.sc.egov.usda.gov/BCP_gar.html

The purpose of the program is to improve the economic and environmental climate in rural communities (of normally less than 50,000 people) by offering businesses a loan guarantee program that allows them to work with commercial lenders who might not otherwise extend credit. A borrower may be a cooperative organization, corporation, partnership, or other legal entity, or an individual. Loans can be used to prevent a business from closing, to expand, or to convert a business or purchase land, machinery, and/or equipment. The total loan amount may not exceed $10 million. Farmers (leasing farmers included), land trusts, and municipalities may apply.
Conservation Contract
USDA/Farm Service Agency (FSA)
fsa.usda.gov

The Conservation Contract Program is available to landowners with FSA loans secured by real estate. The program reduces a borrower's debt in exchange for a conservation contract with a term of 10, 30, or 50 years. The contract restricts development of the property for the life of the contract. Eligible lands include environmentally sensitive land that must be taken out of production for the life of the contract. Farmers (leasing farmers not included) and farmland owners with FSA loans secured by real estate may apply.

Conservation Reserve Program (CRP)
nrcs.usda.gov/programs/crp

The purpose of CRP is to conserve and improve natural resources by converting highly erodible cropland and other environmentally sensitive land to long-standing cover, primarily grasses and trees. Participating farmers receive annual rental payments for the term of their multi-year contracts. Cost-share up to 50 percent is provided for the establishment of the vegetative cover practices. Incentive payments and bonuses are available for certain conservation practices such as thinning, windbreaks, and filter strips. Applications are taken during announced sign-up periods. Continuous CRP sign-up is available for environmentally sensitive land, such as agricultural land prone to erosion and bordering river or stream banks, and field margins. Farmers (leasing farmers not included), land trusts, and municipalities partnered with a farmer may apply.

Conservation Stewardship Program (CSP)
USDA/NRCS • nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/csp

CSP encourages owners of farmland and nonindustrial private forestland to address natural resource concerns (soil, water, air, and habitat quality, as well as energy) comprehensively by maintaining and improving existing conservation practices as well as undertaking new ones. CSP provides two types of payments through five-year contracts: annual payments for installing new conservation activities and maintaining existing practices; and supplemental payments for adopting a resource-conserving crop rotation. Farmers (including farmers leasing land for the length of the CSP contract) and land trusts may apply.

Connecticut Farm Link
Connecticut Department of Agriculture
ctfarmlink.org

This program, authorized and funded through the Community Investment Act, is designed to help farm seekers find available farmland—whether owned by other farmers, land trusts, towns, state agencies, or other institutions. The online service is intended for farmers looking to lease as well as those interested in purchasing farmland within Connecticut. The program accepts inquiries and applications from both farm land seekers and from farmland owners. The site offers links to supportive state and local programs as well as additional services such as lease preparation and onsite investigations of properties.

Environmental Assistance Program (EAP)
Connecticut Department of Agriculture • ct.gov/doag

This program reimburses farmers for part of the costs of planning, designing, and implementing an agricultural waste management system. Grants must be used for capital improvements and are typically awarded in coordination with the Environmental Quality Incentives Program (EQIP) [see below]. Funding from EAP and EQIP together can provide no more than 75 percent of the project cost. Farmers (leasing farmers included) may apply.

Environmental Quality Incentives Program (EQIP)
USDA/NRCS • nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/

This conservation cost-share assistance program provides up to 75 percent (90 percent for historically underserved producers) of the cost to implement certain structural and management practices on eligible agricultural land. Examples of structural practices include grassed waterways, filter strips, terraces, waste lagoons, and irrigation systems. Examples of management practices include conservation tillage, cover cropping, nutrient management, and integrated pest management. Under the 2018 Farm Bill, individual
EQIP payments are capped at $450,000 in aggregate payments over five years. Applications are accepted on a continuous basis, but submission deadlines are periodically set so NRCS can evaluate, rank, and approve eligible applications. Farmers (including those with a long-term lease), land trusts, and municipalities partnered with a farmer may apply.

Farmland Restoration Program
Connecticut Department of Agriculture • ct.gov/doag

The Farmland Restoration Program (FLRP), authorized in 2011, provides matching grants of up to $20,000 per project for the restoration of land into productive cropland. The program is designed to encourage farmers and landowners to bring prime and important farmland soils back into production and to improve conservation practices on agricultural land. FLRP will fund such projects as clearing and removing trees, stumps, brush, and invasive plants; reclaiming overgrown pastures, meadows, and cropland; installation of wildlife fencing to protect crop fields on FLRP areas; and renovation of farm ponds and irrigation wells incidental to the restored cropland areas. Projects are funded on a 50 percent cost share basis. Municipalities and land trusts may also apply for the restoration of agricultural lands that have leases with farmers of five years or more. A conservation plan or farmland restoration plan developed in consultation with USDA Natural Resources Conservation Service or Connecticut Conservation District specialists is required.

Farm Reinvestment Grants Program
Connecticut Department of Agriculture • ct.gov/doag

Farm Reinvestment grants are available to registered farm businesses that have operated for at least three years. Grants are intended for expansion of existing agricultural facilities, site improvements, or expansion into new areas of production. Grants of up to $40,000 are available and must be matched on a 1:1 basis; grant funds can only be used for capital fixed assets that have a life expectancy of 10 years or more. Farmers (leasing farmers included) may apply.
Guaranteed Conservation Loan Program
USDA/Farm Service Agency (FSA) • fsa.usda.gov

This program provides guaranteed loans to finance qualifying conservation projects. Loans may also be used to finance the borrower’s share of a USDA Environmental Quality Incentives Program (EQIP) contract. Qualifying projects are those included in a NRCS conservation plan. Guaranteed loans are capped at $1,392,000 with a maximum repayment period of 30 years. The loan can be used to implement a NRCS conservation plan or retire debt associated with implementing a conservation plan. Farmers (leasing farmers included) may apply.

Healthy Forests Reserve Program (HFRP)
USDA/NRCS • nrcs.usda.gov/wps/portal/nrcs/main/national/programs/easements/forests/

This program is intended to restore, enhance, and protect forestland for the purpose of promoting the recovery of threatened and endangered species, improving animal and plant biodiversity, and enhancing carbon sequestration. The program offers a 30-year agreement for Tribal nations; all others are permanent easements—and provides cost-sharing for restoration of threatened or endangered species habitat. Landowners and land trusts (provided the land is not already under an easement) may apply. Eligibility may be tied to specific geographic areas.

Joint Venture Grants Program
Connecticut Department of Agriculture
state.ct.us/doag

This small grant program (less than $5,000 matching) is intended to promote Connecticut agricultural products through the use of the “Connecticut Grown” logo. Funds have been used in the past for brochures, announcements, farmers’ market promotion, and signage. Farmers (leasing farmers included) may apply.

Renewable Energy Systems and Energy Efficiency Improvement Program
USDA/Rural Development • rurdev.usda.gov

This program provides grants and guaranteed loans to farmers and rural small businesses to purchase renewable energy systems and make energy efficiency improvements to their operations. Renewable Energy Systems grants can range from $2,500 to $500,000; Energy Efficiency Improvement grants can range from $1,500 to $250,000. Grants may be used to pay up to 25 percent of an eligible project’s costs. Up to 75 percent of total eligible project costs can be covered through the Rural Energy for America (REAP) Guaranteed Loan Program. The program provides assistance to finance renewable energy (renewable biomass; anaerobic digesters; geothermal for electric generation; geothermal for direct use; hydroelectric—30 megawatts or less; hydrogen; small and large wind; small and large solar; and ocean) and energy efficiency projects.

Scenic Byways Program
U.S. Department of Transportation in cooperation with Connecticut Department of Transportation • ct.gov/dot

Administered by the Connecticut Department of Transportation, this federal program is a potential source of funding for the purchase of easements on farmland along designated scenic roads in Connecticut. Grant applications are submitted to the Connecticut Department of Transportation, which prioritizes applications and forwards them to the Federal Highway Administration. A list of designated scenic roads is available from the state Scenic Highways Coordinator at the Connecticut Department of Transportation. Farmland owners may apply.

Wetlands Reserve Easement Program (WRE)
nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/easements/acep

This federal program—a component of the Agricultural Conservation Easement Program (ACEP)—provides technical and financial assistance to private landowners to restore, protect, and enhance wetlands through the purchase of an easement. Three easement options are available: permanent, 30-year, and term. NRCS pays all costs for recording the easement, including recording fees, title insurance, and survey and appraisal fees.
State Policies for Farmland Preservation and Farm Viability

Public Act 490

In Connecticut, Public Act 490 is helping to keep working farm and forest lands part of the state’s landscape.

By allowing farm and forest land to be assessed at its current use value rather than its “highest and best use” value for purposes of local property taxes, the act reduces the sizeable tax burden that many farmers and owners of working lands would otherwise face. Without use value assessment, most landowners would be unable to afford the property taxes on their farms and forest land.

Use value assessment is not a subsidy for farmers and large landowners, since farm and forest land require far less in municipal services than land devoted to residential use. In fact, even when taxed at its current use value, farmland generates a fiscal surplus that towns use to offset the high costs of residential services.

To qualify for Public Act 490, landowners must apply to the local tax assessor. Once land has been classified as eligible, it remains eligible until the use of the land changes or the land is transferred. If land enrolled in Public Act 490 is sold or taken out of agricultural production within the first 10 years of ownership, landowners may face a tax penalty.

The Connecticut Farm Bureau Association has an extensive guide on Public Act 490; the latest version can be downloaded from its website at cfba.org/.

Cost of Community Services Studies

Cost of Community Services (COCS) studies conducted by American Farmland Trust and others around the country have analyzed local revenues and expenditures by land use to determine the impacts of residential, commercial, and farm, forest, and open land on local budgets. Ten COCS studies completed in Connecticut have consistently shown that farm, forest, and open lands generate more tax revenues than they receive in public services, compared with residences that typically require more in public services than they pay in taxes.
### Cost of Community Services Per Dollar of Revenue Raised

<table>
<thead>
<tr>
<th>CONNECTICUT TOWN (YEAR OF STUDY)</th>
<th>COMMERCIAL &amp; INDUSTRIAL</th>
<th>WORKING &amp; OPEN LAND</th>
<th>RESIDENTIAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bolton (1998)</td>
<td>$0.23</td>
<td>$0.50</td>
<td>$1.05</td>
</tr>
<tr>
<td>Brooklyn (2002)</td>
<td>$0.17</td>
<td>$0.30</td>
<td>$1.09</td>
</tr>
<tr>
<td>Colchester (2013)</td>
<td>$0.18</td>
<td>$0.18</td>
<td>$1.14</td>
</tr>
<tr>
<td>Ellington (2018)</td>
<td>$0.27</td>
<td>$0.27</td>
<td>$1.13</td>
</tr>
<tr>
<td>Farmington (2007)</td>
<td>$0.32</td>
<td>$0.31</td>
<td>$1.33</td>
</tr>
<tr>
<td>Hebron (1995)</td>
<td>$0.47</td>
<td>$0.43</td>
<td>$1.06</td>
</tr>
<tr>
<td>Lebanon (2019/20)</td>
<td>$0.17</td>
<td>$0.20</td>
<td>$1.15</td>
</tr>
<tr>
<td>Litchfield (1995)</td>
<td>$0.34</td>
<td>$0.34</td>
<td>$1.11</td>
</tr>
<tr>
<td>Pomfret (1995)</td>
<td>$0.27</td>
<td>$0.86</td>
<td>$1.06</td>
</tr>
<tr>
<td>Windham (2002)</td>
<td>$0.24</td>
<td>$0.19</td>
<td>$1.15</td>
</tr>
<tr>
<td><strong>CT median cost—per dollar of revenue raised—to provide public services to different land uses</strong></td>
<td><strong>$0.25</strong></td>
<td><strong>$0.30</strong></td>
<td><strong>$1.12</strong></td>
</tr>
<tr>
<td><strong>U.S. Median (2016)</strong></td>
<td><strong>$0.30</strong></td>
<td><strong>$0.37</strong></td>
<td><strong>$1.16</strong></td>
</tr>
</tbody>
</table>

### Community Investment Act (CIA)

In 2005 the state’s Farmland Preservation Program was dramatically strengthened thanks to enactment of the Community Investment Act (CIA). The CIA has generated more than $25 million for statewide farmland protection activities since its inception. Unlike state bond funds, which can be used only for purchasing development rights on farmland, CIA funds can also be used for program staff, appraisals, and boundary surveys.

The CIA was hailed by then Governor Jodi Rell as “landmark legislation” and received broad bipartisan support among state policymakers.

The CIA requires town clerks to collect a fee on all documents filed on municipal land records. A portion of the fee is used to pay for municipal town clerk record management and local capital improvements, and the remainder is then remitted to a dedicated fund that is divided equally among four state agencies to be used for open space protection, affordable housing, historic preservation, agricultural viability, and farmland preservation.

In addition to farmland preservation, the CIA provides funding to several key agriculture programs that support farm viability. The Department of Agriculture is required to distribute CIA funds as follows: $100,000 for the “Connecticut Grown” program to help brand and promote local agricultural products; $75,000 for the Connecticut Farm Link program to help farm seekers find farmland owners; and $1 million for the Agriculture Viability Grants Program. The highly successful Agriculture Viability Grants Program provides matching grants to farmers, nonprofit organizations and municipalities to help develop new markets for farm products, build facilities to support direct marketing and encourage town policies that support agriculture and farmland preservation.

In 2009, the CIA was amended to provide needed assistance to dairy farmers when the price of milk falls below the cost of production. This amendment to the CIA, which raised the total fee collected from $30 to $40, was made permanent in 2011.
In 2020, American Farmland Trust released the *Farms Under Threat: The State of the States* and *Farms Under Threat: A New England Perspective* reports. The reports outline the current state of America’s agricultural landscape—and took an even deeper dive into New England’s farmland. Between 2001 and 2016, 11 million acres of farmland and ranchland were converted to urban and highly developed land use (4.1 million acres) or low-density residential land use (nearly 7 million acres). This total is equal to all the U.S. farmland devoted to fruit, nut, and vegetable production in 2017—or, 2,000 acres a day.

In Connecticut, 22,994 acres of farmland were converted to urban or low-density residential development between 2001 and 2016. In this period, over 6% of Connecticut’s farmland was converted, placing the state in the top three, nationally, for percent of farmland lost to development. For more information about farmland loss, tools for prioritizing protection, and policies that combat that loss, see: farmland.org/project/farms-under-threat/ and farmland.org/project/farms-under-threat-new-england/

Low-density residential development was responsible for much of the conversion in this period, which impacts farming by restricting the amount of contiguous farmland available, thereby reducing farms’ ability to scale up and remain viable. Trends show that Connecticut farmland under low-density residential development in 2001 was 4.5 times more likely to be completely urbanized by 2016. Swaths of high-quality farmland remain in Connecticut. Roughly half of all farmland in Connecticut is considered nationally significant, the tier of highest-quality farmland across the country, and is concentrated in the Connecticut River Valley and pockets of Litchfield, New London, and Windham counties. This assault on our working lands occurred despite the Great Recession, plummeting housing starts, and declining population growth. While Connecticut has taken steps to protect their agricultural land base, they all could—and must—do more.

- As of August 2020, the State of Connecticut’s Farmland Preservation Program has permanently protected 382 farms on 45,900 acres from development
- The program has spent $125 million to date to protect farmland, leveraging federal, municipal, and private contributions

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Contact Information and Resources

Federal Agencies

USDA/Farm Services Agency
344 Merrow Road, Suite B
Tolland, CT 06084
(860) 871-4090 • fsa.usda.gov

USDA/Natural Resources
Conservation Service
344 Merrow Road, Suite A
Tolland, CT 06084-3917
(860) 871-4011 • ct.nrcs.usda.gov

USDA/Rural Development
Southern New England Office
451 West Street, Suite 2
Amherst, MA 01002
(413) 253-4300 • rurdev.usda.gov

State Agencies

Connecticut Department of Agriculture
450 Columbus Blvd.
Hartford, CT 06103-1841
ct.gov/doag
Agriculture Grants: (860) 713-2550
Farmland Preservation and CT FarmLink: (860) 713-2511

Connecticut Department of Energy and Environmental Protection
79 Elm Street
Hartford, CT 06106
ct.gov/deep
Division of Forestry: (860) 424-3630
Open Space and Watershed Land Acquisition Grants: (860) 424-3081

Connecticut Department of Transportation
2800 Berlin Turnpike
Newington, CT 06111
ct.gov/dot
Scenic Byways State Coordinator: (860) 594-2132

University of Connecticut Cooperative Extension System
Farm Risk Management and Crop Insurance
Tolland County Extension Center
24 Hyde Road
Vernon, CT 06066
(860) 875-3331 • ctfarmrisk.uconn.edu
Through workshops, one-on-one consultation, and online resources, the Connecticut Farm Risk Management Program helps farmers address farm risk management issues including farm business planning and farmland preservation and land use issues.

Non-Profit Organizations

American Farmland Trust
78 Beaver Rd. Suite 2A
Wethersfield, CT 06109
(860) 969-4386 • farmland.org

American Farmland Trust is a national conservation organization dedicated to protecting farmland, promoting sound farming practices, and keeping farmers on the land.

Connecticut Farm Bureau Association
79 Beaver Rd. Suite 2A
Wethersfield, CT 06109
(860) 768-1100 • cfba.org

Connecticut Farm Bureau Association is a non-profit, 5000-member organization dedicated to farm families through advocacy and education.

Connecticut Farmland Trust
77 Buckingham Street
Hartford, CT 06106
(860) 247-0202 • CTFarmland.org
A statewide land trust dedicated to farmland protection, CFT assists landowners with the sale of the development rights on their farms, accepts donations of agricultural conservation easements, and works with communities to develop strategies for protecting farmland.

Connecticut Forest and Park Association
16 Meriden Rd. Rockfall, CT 06481
(860) 346-2372 • ctwoodlands.org

The Connecticut Forest & Park Association (CFPA) is a 501c3 nonprofit organization dedicated to connecting people to the land in order to protect forests, parks, walking trails, and open spaces in Connecticut for future generations.

Connecticut Land Conservation Council
deKoven House, 27 Washington Street, #12
Middletown, CT 06457
(860) 852-5512 • ctconservation.org

As the umbrella organization for the land conservation community in Connecticut, CLCC advocates for land preservation, stewardship and funding, and works to ensure the long-term strength and viability of the land conservation community.

Land for Good
25 Roxbury Street #114
Keene, NH 03431
(603) 257-1800 • landforgood.org

Land for Good is a New England based nonprofit that provides support and expert guidance to help farmers, landowners, and communities navigate the complex challenges of land access, tenure, and transfer. In Connecticut the organization has a field agent who assists farmers with land access inquiries.

Northwest Connecticut Land Conservancy
P.O. Box 821
5 Maple Street
Kent, CT 06757
ctland.org

Founded in 1965 as a nonprofit public charity, Northwest Connecticut Land Conservancy is a regional land trust and the largest land trust in the state. As a guardian of natural and working lands, public recreation areas, and drinking water resources, NCLC permanently protects 12,000 acres (and growing) of vast, connected natural areas in Litchfield and northern Fairfield Counties.

Trust for Public Land
Connecticut Office
101 Whitney Avenue
New Haven, CT 06510
(203) 777-7367 • www.tpl.org

TPL is a national land conservation organization with a commitment to protecting land for people to enjoy, including farms and forests that support land-based livelihoods. TPL helps communities define a conservation vision, raise funds, and negotiate conservation transactions.

Working Lands Alliance
78 Beaver Rd. Suite 2A
Wethersfield, CT 06109
(860) 969-4386 • WorkingLandsAlliance.org

WLA is a statewide coalition of farmers, planners, conservationists, anti-hunger groups, local food advocates, and others working together to protect Connecticut’s productive farmland.

This project was funded in part by the Connecticut Department of Agriculture through the Community Investment Act.