



ADVOCACY GUIDE

Agricultural Development and Farm Preservation Trust Funds: How North Carolina Counties Can Use Deferred Present-Use Value (PUV) Taxes to Support Their Local Food Economy

Tips

- Interest in establishing an Agricultural Development and Farm Preservation Trust Fund will depend on support of the County Manager. If they do not have an interest, it may be difficult to convince them to support the establishment of this type of fund. There has to be a desire and a willingness from county officials to make this change.
- Obtaining data on farmland loss and the economic impact of agriculture and tourism on the county are two good first steps to take when framing your pitch for establishing a fund.
- Make a [strategic networking plan](https://toolkit.communityfoodstrategies.com/strategic-networking/) (https://toolkit.communityfoodstrategies.com/strategic-networking/) to meet with the local tax official in charge of the PUV program, each County Commissioner, the County Manager, members of local Boards that would take interest (Farmland Preservation, Agricultural Preservation, Farm Bureau, Soil and Water, etc.), to gauge their position on establishing a fund.
- If you or your group do not find initial champions for establishing a fund during your meetings with local officials, you may need to find additional community allies to advocate with you to make this change. Make a [strategic advocacy plan](https://toolkit.communityfoodstrategies.com/create/) (https://toolkit.communityfoodstrategies.com/create/) to increase the likelihood that your work will have the impact and outcomes that you desire.

Sample Talking Points

- Establishing an Agricultural Development and Farm Preservation Trust Fund using deferred PUV tax dollars creates a "rational nexus" between the deferred taxes fee and the agricultural needs created by development pressure on existing farmland. The purpose of this funding can be designated as specifically and uniquely attributable to the needs of existing agricultural producers which are amplified by additional development pressures.
- As land leaves agriculture and becomes commercially and residentially developed, using these tax dollars through this type of fund is a good way to support the remaining agricultural land.
- While agricultural land is still being sold to development, all of the local farmers are not leaving the community. If the county wants to preserve the agricultural heritage and farmland, then the money from those taxes should be used to support the remaining agricultural economy.
- Designating these funds to support farming and agriculture instead of spending the money out of a general fund is preferable because:
 - i. It is hard to go wrong by supporting farmers (this will look good for any County Manager or Board of Commissioners!)
 - ii. The county will not miss the funding because there is no way to plan to use the money annually due to the annual variance in these specific deferred PUV tax revenues
 - iii. An Agricultural Development and Farm Preservation Trust Fund creates a wealth of opportunity for little additional effort, particularly if there is a advisory group that uses a standard process to vet applicants annually with County Commissioner approval.
 - iv. This funding can potentially leverage additional financial support for food system projects from other sources (like USDA) that typically requires matching funds.

Sample Language

- Excerpt of minutes from the Cabarrus County Board of Commissioners meeting on May 21, 2009.

Trust Fund Supporting Local Food Economy

As requested by the County Manager, John Day, the Board took the following action to establish a trust fund to support local food economy and the purchase of conservation easements utilizing the payment of deferred taxes on property removed from the present-use value system.

UPON MOTION of Commissioner Poole, seconded by Commissioner Mynatt, and unanimously carried, the Board voted to establish a trust fund to support local food economy and the purchase of conservation easements utilizing the payment of deferred taxes on property removed from the present-use value system.

- Cabarrus County Agricultural Development and Farm Preservation Trust Fund
On May, 2009, the Cabarrus County Board of Commissioners authorized the establishment of a fund to promote agricultural development and farm preservation. This fund is established pursuant to the Board's effort to encourage the development of a local food system, which is an integral part of the strategy to achieve a sustainable community.

The Cabarrus County Agricultural Development and Farm Preservation Trust Fund supports public and private enterprise programs that will promote profitable and sustainable farms by assisting farmers in developing and implementing plans for the production of food, fiber and value-added products, agritourism activities, marketing and sales of agricultural products produced on the farm, and other agriculture-related business activities.

The Cabarrus County Agricultural Development and Farm Preservation Trust Fund may also provide for the purchase of farmland conservation agreements targeted at the active production of food, fiber and other agricultural products and for the purchase of agricultural conservation easements, including transaction costs.

All proceeds from taxes and interest received as a result of land exiting the present-use value program will be placed in the Cabarrus County Agricultural Development and Farm Preservation Trust Fund. Money may only be transferred out of the Trust Fund by the Board of Commissioners.

Resources

- [Community Food Strategies Strategic Advocacy Toolkit](https://toolkit.communityfoodstrategies.com/) (https://toolkit.communityfoodstrategies.com/)