



Agenda Action Form Overview

The Board is requested to approve a 2018 Cooperative Agreement between the County and the United States by and through the Commodity Credit Corporation (CCC) for \$47,295 to provide federal grant support towards the protection of 10 additional acres of the Scottie McFarland farm in northern Durham with a permanent conservation easement. The CCC is the federal entity that disburses grant funds under the federal Agricultural Lands Easement Program (ALE). The grant funds are awarded to reimburse Durham County for 50% of the approved appraised value for the acquisition of a conservation easement on the McFarland farm. This farm is owned by Mr. Scottie McFarland, and consists of a total of 91.5 acres located in northern Durham County at the intersection of Snow Hill and Infinity Roads, as shown on Attachments 1, 2, and 3.

Background/Justification

The County has had an active program of farmland protection since 2001, with the Durham County Farmland Protection Advisory Board providing oversight and guidance. The County presently has permanently protected 2131 acres of farmland with conservation easements on fifteen farms, as shown on Attachment 3. There are five additional farms totaling 256 acres approved by the Board of County Commissioners with 2016 and 2017 federal funds awarded that are in process, including the 81 acres that comprise the bulk of Mr. McFarland's farm.

The farm consists of 91.5 acres in two parcels (#179779 and #200879) located at the intersection of Snow Hill and Infinity Roads in northern Durham County as shown on the attached Map 1 and 2. The McFarland Farm is strategically located where the Eno River and Little River come together. The property is bordered by the Eno River on the south, and by lands owned by the Army Corps of Engineers for Falls Lake on the east. With its location at the confluence of these two watersheds, protecting the property for permanent open space and farmland uses serves multiple public benefits. The State of North Carolina also owns property on the south and western borders of the farm for protection of significant plant habitat. Mr. McFarland presently has hay on a portion of the property as well as beef cattle.

Mr. McFarland previously committed to convey a conservation easement on the 81 acres of his farm, which was awarded \$364,500 in 2016 federal ALE funds. This 10.5 acre lot addition was jointly owned by Mr. McFarland with his sister and he was able to purchase her share and would now like to combine this parcel with his other property, increasing the size of the easement to 91.5 acres.

Policy Impact

The protection of the S. McFarland farm with a conservation easement specifically helps to advance the Durham County Strategic Plan, Goal 4. Environmental Stewardship and Strategy 4.1C "Number of total acres of open space and farmland that have been protected/influenced by Durham County."

Protection of farmland with permanent conservation easements also supports the adopted Durham Comprehensive Plan "Conservation and Environment" element, which has a specific objective regarding the County funding an active program of acquisition of farmland conservation easements and seeking grants to assist with these purchases. In addition, protection of farmland through



conservation easements was a recommendation in the Durham County Agricultural Development and Farmland Preservation Plan, adopted by the Board of County Commissioners in 2009.

Procurement (Acquisition) Background

The Board of County Commissioners approved the acquisition of a conservation easement on the 81 acre Scottie McFarland farm in January 2014. The farm was submitted several times for an ALE grant, and a cooperative agreement was awarded in September 2016 for \$364,500. The ALE funding for the county's share of the conservation easement was approved from the open space and farmland capital project at that time. The attached 2018 federal cooperative agreement award for \$47,295 will pay for 50% of the cost of the additional 10 acres of the farm. The value of the easement will be determined by a federally reviewed and approved appraisal at the time of closing.

Fiscal Impact

The ALE grant funds will be used to pay for 50% of the approved appraised value for the acquisition of the conservation easement on the farm. The appraisal cannot be completed until after the federal funds are awarded, so the option to purchase the easement that was previously approved by the Board specified a purchase range between \$5,000 per acre and \$9,000 per acre for the easement value, with the actual cost of the easement determined by the later appraisal. The Board previously approved funding the county's portion of the easement from the County's open space and farmland capital project account, so no additional funding is needed at this time. A final budget for the farm easement would be brought back to the Board prior to closing. The grant funds are not paid until the time the easement on the farm is conveyed.

Recommendation

The County Manager requests that the Board approve the Cooperative Agreement between Durham County and Commodity Credit Corporation for the amount of \$47,295, to authorize the County Manager to execute the Cooperative Agreement, as well as the corresponding conservation easements on the S. McFarland farm. A final budget for the farm easement will be brought back to the Board prior to closing.