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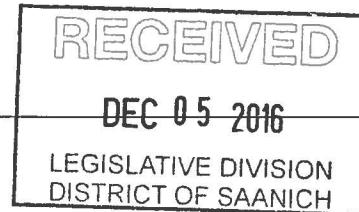
## The Corporation of the District of Saanich

Mayor  
Councillors  
Administrator

Council  
Administrator  
Media

# Report

**To:** Mayor and Council  
**From:** Sharon Hvozdzanski, Director of Planning  
**Date:** December 2, 2016  
**Subject:** Exploration of Farmland Trusts  
**File:** 2110-55



### PURPOSE

The purpose of this report is to:

1. Provide an overview of recently completed research on farmland trust models; and
2. Seek Council support for further exploration of farmland trusts in conjunction with the proposed Capital Regional District (CRD) "Capital Region Food and Agriculture Strategy Plan" and companion Task Force.

### BACKGROUND

At its meeting of January 28, 2014, the Environment and Natural Areas Committee passed the following motion:

"That the Environment and Natural Areas Advisory Committee recommends to Council that they request Planning staff undertake a preliminary exploration of possible partnerships with other regional stakeholders; and draft potential frameworks for the development of a Farmland Trust for Council's consideration."

Subsequently, at its February 24, 2014, Council passed the following motion:

"That Council request Planning staff undertake a preliminary exploration of possible partnerships with other regional stakeholders and draft protection frameworks for the development of a Farmland Trust for Council's consideration."

As an outcome of the above noted motions, and interest expressed by other local governments and stakeholders in the Region, the exploration of a potential Farmland Trust government model was initiated in 2015 by the Capital Regional Food and Agriculture Initiatives Roundtable (CRFAIR).

Rather than duplicating the work being undertaken by Capital Regional Food and Agriculture Initiatives Roundtable, Saanich staff opted to support the work and ultimately bring it before Council for consideration. Representatives from Capital Regional Food and Agriculture Initiatives Roundtable will be attending the Council meeting at which this matter is discussed.

The Capital Regional Food and Agriculture Initiatives Roundtable published their findings in August 2015 in a report entitled, "Findings Report - Exploring Farm and Food Lands Access in the CRD: A Local Government Farmland Trust Approach". A copy of the report is included in Council's Agenda package.

This staff report summarizes information on farmland trust models presented in the Capital Regional Food and Agriculture Initiatives Roundtable report and seeks Council direction on whether to pursue further exploration of potential farmland trust models through the ongoing work at the CRD and the proposed Task Force which Saanich staff are to be part of.

Subsequent to its January 2014 motion, the Environmental and Natural Areas Committee made the following motion at its June 23, 2015 meeting:

"That the Environmental and Natural Areas Advisory Committee request that Council consider having Saanich take a leadership role in the development of a Farmlands Trust."

As noted further on in this report, staff believe the best approach for Saanich to take a leadership role on this issue is to participate in the proposed CRD Food and Agricultural Task Force. At the time the Environmental and Natural Areas Committee (ENAC) made the above noted motion the notion of the proposed Task Force had not fully evolved. Staff believe ENAC's objective can be met through Council endorsed participation by staff in the CRD Task Force.

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## **FARMLAND TRUSTS**

A farmland trust is based on the principle of managing a community asset for public good. Farmland trusts facilitate partnerships and programming that enables the protection of farmland, promotion of environmentally sound farming practices, and retention of farmers on the land. Farmland trust activities commonly include:

- Land acquisition and long term leases to farmer(s);
- Covenants attached to the land title;
- Land use planning and monitoring;
- Land stewardship support; and
- Farm support, succession planning, and public engagement programs.

Farmland trusts are most commonly private non-profit organizations, however, governments may also act as a land trust for holding farmland as a public service and may seek partnerships for the management and production on the farmland. The Capital Regional Food and Agriculture Initiatives Roundtable report focuses primarily on farmland trust models that include public ownership of land.

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## **CAPITAL REGIONAL FOOD AND AGRICULTURE INITIATIVES ROUNDTABLE FARMLAND TRUST REPORT**

The Capital Region Food and Agriculture Initiative Roundtable (CRFAIR) "Findings Report - Exploring Farm and Food Lands Access in the CRD: A Local Government Farmland Trust Approach" responds to the interest in exploring possible partnerships and a framework for the

development of a farmland trust, as expressed by Saanich and North Saanich Council's and the Capital Regional District (CRD).

The study reviews the rationale for establishing farmland trusts, methods for acquiring agricultural land, mechanisms for financing the purchase of land, and options for the management and operation of farmland trusts for the public good.

Capital Regional Food and Agriculture Initiatives Roundtable researched examples of farmland trust models that have been created for different situations in other communities within British Columbia and undertook a series of stakeholder consultations to gather input and gauge public support for the different approaches that could be employed in establishing and managing a farmland trust.

The following is a summary of options for a local government farmland trust model that were explored in the report. The full report provides a more detailed analysis of these topics, as well as case study examples.

### **Rationale for a Farmland Trust**

The report highlights some of the current conditions that threaten the long-term viability of farming and overall farmland productivity in the CRD. Key challenges include:

- Much of the farmland in the CRD is not being farmed. A 2012 study by CRFAIR estimates that nearly 50% of CRD farmland sites sit idle;
- More than half of British Columbia farmers are over 55 years old and likely to retire in the next 20 years;
- Non-farm use of farmland, including for residential, transportation, and recreation, reduces the availability of arable land and drives up the cost of available land;
- High land prices represent a significant barrier to the next generation of farmers being able to take over a family farm or for new farmers to establish new farms; and
- Development pressure and speculation are leading to higher land prices.

A trust is identified as one tool that can contribute to protecting working farmland in the region, through such means as: protecting land in perpetuity; supporting the succession process between retiring and new farmers; and helping with the transference of practical knowledge about farming between generations.

### **Ownership and Governance Options**

The Capital Regional Food and Agriculture Initiatives Roundtable report notes that a farmland trust could be implemented at either a regional (CRD) or municipal level, as land can be acquired, owned, and managed by both levels of government. Food production and farming are inherently a regional issue and Capital Regional Food and Agriculture Initiatives Roundtable consultation with stakeholders indicated a preference for a regional trust.

The report states that a governance structure would be required to oversee the acquisition and management of the lands according to a strategic plan developed for that purpose. Possible options for the governance of a farmland trust are:

#### In-House Governance Model:

The management of a local government farmland trust and acquisition fund could be incorporated into the mandate of an existing government department. This approach is

currently used by the CRD to manage regional parklands, with staff responsible to oversee land acquisition, develop management plans, conduct assessments, and consult with partners in the management of lands.

#### Local Government Corporation Model:

A legal entity could be established in the form of a local government corporation that is a not-for-profit, subsidiary corporation managed by its own board of directors. The board of directors could incorporate both community stakeholders and government representatives. The Capital Regional Housing Corporation is an example of a local government corporation.

#### **Land Acquisition**

The Capital Regional Food and Agriculture Initiatives Roundtable report identifies a range of mechanisms for acquiring farmland, including:

- Identification of existing public lands that are available and suitable for farming;
- Donations from private land owners to government;
- Community amenity contributions and density bonus zoning; and
- Purchase or co-purchase with a non-governmental organization.

#### **Financing the Purchase of Land**

In the case where farmland is to be purchased, options for financing the purchase may be accomplished in many different ways and would most likely require a combination of approaches. Capital Regional Food and Agriculture Initiatives Roundtable states that people they consulted thought it would be important to have both government and non-government sources working together to fund land purchase and farm maintenance. Options identified for financing include:

- Cash-in-lieu amenity contributions;
- Development cost charges (at the current time, development cost charges may only be imposed for the purpose of providing funds to assist in providing sewage, water, drainage, and highway facilities or providing park land. Changes would need to be made to the "Local Government Act" to allow contributions for farmland or park land that would need to be acquired for the purpose of farming);
- Property taxes/household or municipal levy (CRD parkland acquisition model/Regional Housing Trust Fund model);
- Leveraging investment from other levels of government; and
- Non-profit or private sector partners (funding from private donors to non-profit organizations or a Community Investment Fund).

#### **Land Management and Access Arrangements**

The Capital Regional Food and Agriculture Initiatives Roundtable report suggests that management of the activities on the lands within a farmland trust may either be through local government or a non-governmental organization. Local government staff could manage access agreements directly with farmers or the government could lease the land to a non-government organization who would then be responsible for the management of activities and access to the land.

#### **Key Findings**

Through their consultation, Capital Regional Food and Agriculture Initiatives Roundtable found considerable support for a farmland trust model. They note that broad public support,

particularly in municipalities that do not have a significant amount of farmland, would be required to implement a local government farmland trust. Emphasizing the public benefits of the farmland trust and its link to existing policy is seen as critical to gaining support. Based on the research and consultations, the report highlights thirteen key findings:

1. There is general support for a local government farmland trust policy direction;
2. A regional (CRD) approach to a farmland trust was favoured over implementation at the municipal level;
3. There was preference for a trust and fund specific to farmland;
4. The acquisition of land can occur through a diverse strategy;
5. A strong, diversified funding strategy is required;
6. Adopt a “no net loss of farmland” approach;
7. A clear governance structure and development of a strategic plan is a key to success;
8. Partnerships with non-governmental organizations was recommended;
9. Build on proven models;
10. A trust mandate inclusive of diverse land uses/food activities is desired;
11. Explore partnerships with First Nations;
12. Start with existing public lands to establish a trust framework and develop operations; and
13. Strike a joint government-key stakeholder task force.

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## DISCUSSION

The Capital Regional Food and Agriculture Initiatives Roundtable report addresses Council's motion requesting a preliminary exploration of farmland trust models. The report provides insights into potential farmland trust models that could be implemented and highlight areas for further exploration. Notable findings from the report include:

- A stakeholder preference for operating a farmland trust of public lands at the regional level;
- A recommendation for a strategy that includes diversified financing options and non-government sector partnerships;
- Funding and management options similar to the CRD Parkland Acquisition model and/or the Regional Housing Trust Fund model;
- Suggestions that a phased approach may work best, where one or two municipal governments initiate a farmland trust and over time the model may expand to other municipalities; and
- A recommendation to engage a community advisory board or task force to develop the strategy for management.

### **Relationship to Other Initiatives**

#### Agriculture and Food Security Plan

The Planning Department is currently working on developing an Agriculture and Food Security Plan, with the intention of presenting a plan for Council's consideration in early-mid 2017. A primary goal of the Agriculture and Food Security Plan is to establish priorities for future work items to support agriculture and food security. Initial public consultation has identified the protection of farmland and support for multi-generational and emerging farmers as key areas of community interest. Farmland trusts have been identified in public feedback as one potential action to address this concern.

From a Saanich perspective, further work exploring a farmland trust represents an opportunity to gather more information and assess regional interest in establishing a farmland trust. The

farmland trust model provides a potential tool to further the Official Community Plan direction of ensuring a healthy, sustainable, and stable food supply. Based on the experience in other communities, farmland trusts are a viable tool that could be used to address the issues of high agricultural land values, idle farmland not in productive use, and succession planning for older farmers. Given the potential implications for Saanich taxpayers of establishing a farmland trust, the additional proposed work would provide important information to help inform future Council decisions around potential participation in a farmland trust.

#### Capital Region Food and Agriculture Strategy

A draft "Capital Region Food and Agriculture Strategy" has been completed by the CRD. The Strategy includes a direction to: "Initiate a process to establish a regional food and farmland trust". This direction reinforces the Capital Regional Food and Agriculture Initiatives Roundtable finding that supports the establishment of a trust at the regional level. The draft Plan is scheduled to appear before the CRD Board in mid-December for review and consideration. As Council is aware, as part of the CRD's "Capital Region Food and Agriculture Strategy" a companion Task Force is being recommended to support the implementation of the CRD Plan. A Saanich staff representative is proposed to be part of the CRD Task Force.

#### **Next Steps**

If Council endorses further exploration of farmland trust models, it is recommended that, Saanich staff work with other regional stakeholders to assess potential approaches. Assuming the CRD "Capital Region Food and Agriculture Strategy Plan" and companion Task Force are supported by the CRD Board at its upcoming December meeting, the CRD Task Force would be the most appropriate venue through which to further explore the funding and governance structure related to a potential farmland trust. As previously noted, a Saanich staff representative is proposed to be part of this CRD Task Force.

If the CRD "Capital Region Food and Agriculture Strategy Plan" and/or companion Task Force is/are not supported by the CRD Board at its upcoming December meeting, Saanich Planning staff would bring forward a subsequent report to Council seeking direction on alternative options for proceeding forward with exploring the potential for a farmland trust.

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#### **SUMMARY**

The Districts of North Saanich, Central Saanich, and Saanich and the Capital Regional District (CRD) have all shown support for the exploration and development of farmland trusts through resolution or policy. Capital Regional Food and Agriculture Initiatives Roundtable's, "Findings Report - Exploring Farm and Food Lands Access in the CRD: A Local Government Farmland Trust Approach" outlines options for the acquisition, financing, and governance of a local government based farmland trust on public land.

The Capital Regional Food and Agriculture Initiatives Roundtable report recommends that a local government farmland trust be established and governed at the regional level and that funding and management of the farmland trust could follow the CRD Parkland Acquisition model and/or the Regional Housing Trust Fund model. They also encourage the option of partnering with not-for-profit organizations in the financing and management of the trust. As a next step, Capital Regional Food and Agriculture Initiatives Roundtable recommends that an inter-municipal task force be formed to develop strategic direction for a farmland trust in the region. The CRD Food and Agriculture Strategy will be considered for adoption by the CRD Board before the end of 2016. A key action of the Strategy is to establish a Regional Food and Farmland Trust.

Both the Capital Regional Food and Agriculture Initiatives Roundtable report and the draft "Capital Region Food and Agriculture Strategy" identify the further exploration of farmland trust models among municipalities as a key next step. Staff recommend that Council support this continued work to assess farmland trust models in the CRD in order to provide better information to inform future decisions on potential participation in a farmland trust.

Saanich support of this further work would not involve significant resource commitments at this time, as the process would hopefully be led by a regional partners and would be exploratory at this stage.

If Council endorses further exploration of farmland trust models, it is recommended that, Saanich staff work with other regional stakeholders to assess potential approaches. Assuming the CRD "Capital Region Food and Agriculture Strategy Plan" and companion Task Force are supported by the CRD Board at its upcoming December meeting, the CRD Task Force would be the most appropriate venue through which to further explore the funding and governance structure related to a potential farmland trust. As previously noted, a Saanich staff representative is proposed to be part of this CRD Task Force.

If the CRD "Capital Region Food and Agriculture Strategy Plan" and/or companion Task Force is/are not supported by the CRD Board at its upcoming December meeting, Saanich Planning staff would bring forward a subsequent report to Council seeking direction on alternative options for proceeding forward with exploring the potential for a farmland trust.

**RECOMMENDATION**

That Council:

1. Receive the Capital Regional Food and Agriculture Initiatives Roundtable (CRFAIR), "Findings Report - Exploring Farm and Food Lands Access in the CRD: A Local Government Farmland Trust Approach" for information.
2. Support continued work to explore a farmland trust in the Capital Regional District (CRD), through participation in the proposed "Capital Region Food and Agriculture Strategy Plan" companion Task Force.

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Report reviewed by:   
 Sharon Hvozda, Director of Planning

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Attachment

cc: Paul Thorkelsson, CAO

**CAO'S COMMENTS:**

I endorse the recommendation of the Director of Planning.

  
 Paul Thorkelsson, CAO