CURRENT THREATS

LAND: Between 2001 and 2016 Colorado converted a total of 2,349,900 acres away from agricultural use into commercial and residential development. Nearly half of that land (48%) was considered highly productive farmland - now lost forever. The remaining highly productive farmlands of the state lie in a region of increasing development pressure and climate-related weather and water impacts. Existing agricultural land preservation efforts are insufficient to keep up with rate and location of loss.

WATER: Water resource management in Colorado is impacted by a number of factors, chief among which are urbanization, groundwater sustainability, and agricultural to urban (e.g. “buy and dry”) water transfers. The already significant rate of loss of irrigated agricultural lands (currently projected to reach 450,000 acres by 2050) could further increase depending on municipal, state, and regional policy decisions. Facing decreasing levels of public support for maintaining land and water for agricultural production, and the significant increase in cost for irrigated lands, Colorado’s farm operations face water challenges on legal, economic, and social fronts.

FARMS AND FARMERS: Pressures on agricultural land and waters compound the challenges faced by new and beginning farmers. High cost and difficulty finding viable agricultural lands is resulting in a higher rates of precarious leasing/tenant operations which disincentivize conservation investments and do little to build wealth within farm operations of young and diverse farms. Conversely, an aging farm operator population means that a significant portion of Colorado agricultural lands are poised to turn over in the coming years.

EXISTING TOOLS

FEDERAL: Federal programs to support agricultural land and water conservation include the Agricultural Conservation Easements facilitated by National Resources Conservation Service, and the Farm Service Agency’s Conservation Reserve Program, support availability of affordable agricultural lands to new farmers, incentivize land and water conservation practices, and improve economic activity in rural communities. Support for farm succession comes through federally subsidized loan programs for beginning farmers, and estate tax policy.

STATE: The Colorado Land Board (CLB) manages, leases and sells 2.8 million acres of lands held in public trust (98% of which is in agricultural use) with the goals of generating consistent income, primarily for Colorado’s public schools. However, as commercial pressure and interests in natural resources grow, the CLB’S focus on revenue creation is at times at odds with agricultural land conservation. With significant financial resources at-hand and large agricultural footprint, the CLB can serve as a key player in agricultural land and water conservation.

For landowners, the State Purchase of Agricultural Conservation Easement (PACE) program, the Colorado Conservation Easement Tax Credit, and reduced tax assessment for agricultural lands support agricultural land conservation. Colorado Agricultural Development Authority also oversees the state’s beginning farmer loan program (i.e. Aggie Bonds) which has been shown to have positive impact. A lack of resources has caused the CDA to mothball a Value-Added Producer Grant and farm lease income tax deduction program though both were shown to have positive impact.

COUNTY AND MUNICIPAL: State law and the Local Government Land Use Control Enabling Act delegates substantial land use, conservation and planning authorization to counties and municipalities. Leases,
transfer of development right programs, and land use planning are all valuable tools for land and water conservation, but a checkerboard approach allows high value lands to fall through gaps. There is a need for counties and municipalities to intentionally embrace agricultural use rather than intentional or unintentional displacement.

RECOMMENDATIONS FOR ACTION

FINANCIAL MECHANISMS: With billions of dollars of estimated farmland transfer anticipated in the coming decades along with an increasingly strained water supply, successful land and water conservation will require more dedicated public and philanthropic dollars. The rise of financial investment and speculation in land and water has made it increasingly difficult to attract private capital that retains local control over those resources. The need to move quickly in a rapidly evolving land and water marketplace makes time-intensive easement processes and publicly subsidized loan programs too slow on the jump when lands come available.

Recommendations:
• Expand the flexibility of public conservation dollars to be quickly deployable
• Agricultural conservation easements should be required on agricultural land purchased with public funds
• Facilitate market-driven approaches to farmland conservation by innovating public-private partnership models that retain local control of farmland
• Establish new grant/loan programs for new and beginning farmers that address gaps in existing programs and leverage flexible financing
• Explore tax credit programs to benefit new and beginning farmers

DATA AND MAPPING: Proactive conservation of high value agricultural lands in Colorado requires high quality, relevant and timely data and information. Existing land mapping tools identify high value lands that have been lost to development. Expanding these mapping tools will include high quality agricultural lands, water resources, and market opportunities.

Recommendations:
• Enhance comprehensive land and water mapping tools to support proactive prioritization of agricultural land conservation
• Develop beginning farmer land dataset including relevant pending and successful farmland succession
• Develop an agricultural land transition monitoring program that highlights risk indicators and provides early warning sign for high-value land under threat

COMPREHENSIVE POLICY: In the absence of a shared framework or organizing body, municipal, county, and state approaches to working lands and water preservation are disjointed and lack the capacity to affect landscape-scale change. Building on the Colorado Resiliency Framework, ample opportunity exists to expand voluntary and incentive-based tools to conserve land and water.

Recommendations:
• Integrate conservation of prime and high-public value agricultural land and water as explicit goals in local, state, and regional comprehensive plans
• Prioritize agricultural land for conservation in statewide comprehensive agricultural plan, integrating conservation with consideration of future natural resource and market development
• Develop mechanisms for regionally coordinated land and water conservation

OWNERSHIP AND SUCCESSION: Responding in part to the increase in purchase of agricultural lands by foreign and corporate entities, several states have enacted legal and constitutional protections of agricultural land ownership. There is also opportunity to establish incentives for farm succession and mechanisms to ensure fair and equitable transfer of heirs property.

Recommendations:
• Explore potential impacts of regulations that restrict agricultural land ownership and control
• Explore legal mechanisms to limit unnecessary partition of heirs’ property sales
• Provide free and reduced-cost legal counsel, financial planning, and succession planning support for retiring/transferring farms