#### AGRICULTURE AND FORESTRY

When Cape Elizabeth and what is now South Portland mutually agreed to split at the turn of the 20th century, a key factor in the decision was Cape Elizabeth's desire to eschew the modern trappings of commercial development, expensive utilities and infrastructure in favor of its traditional farming and fishing identity. Over one hundred years later, Cape Elizabeth has embraced modern living and taken its place as a desirable suburb of the City of Portland, but is also recommitting to local farming.

# History of farming

Highlights of Cape Elizabeth's farming history, provided by the Cape Farm Alliance, include:

•In 1875, the Scarborough/Cape Elizabeth Farmers Association was formed. The association held a fair every fall for about 30 years at Nutter's Field, Pleasant Hill, Scarborough.

•In 1880, cabbage from Cape Elizabeth sold for \$10/ton and was considered the best in the state. Cabbage was grown on the mainland and on Richmond's Island.

•In the early 1900's, peas became a major crop to supplement cabbage. More produce was sent by ship, and later by train, to Boston.

•In 1934, the first tractor was purchased by Stewart Jordan. Horses were still the standard hauler of plows into the 1940's.

• Around 1940, there were between forty and fifty farms in operation in Cape Elizabeth.

•In the 1950's, iceberg lettuce became a major product. 300 to 400 acres were planted in lettuce, on the town's approximately 20 farms. It was not unusual to ship 2,000 crates of lettuce per day to the Boston market.

•By the 1960's, about ten farms remained in operation.

•By 2008, more farms were established.

#### <u>Farms</u>

According to the 2015 American Community Survey, 66 residents, comprising 1.4% of the labor force, identify their primary occupation as Natural Resources (fishing, farming or forestry). The 2000 U.S Census reported 22 residents with Natural Resources as the primary occupation. Not included are an estimated 20 seasonal farm workers. The growth in farming jobs is likely due to the establishment of new farms from 2006-2018.

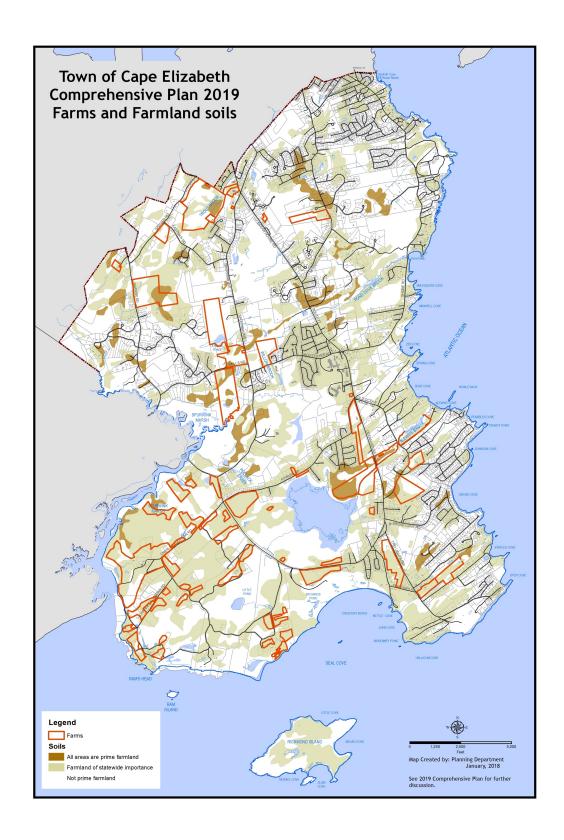
A town inventory of farms, which range from growing traditional vegetable and flower crops to raising animals for sale and horse farms, indicate that approximately 1,000180 acres of land are devoted to farming. Total number of acres are approximate and often includes land for homesteads. Particularly on the Sprague Corporation property, acreage devoted to farming, horse stabling, and haying is approximate. From 2006 to 2018, the amount of land devoted to farming may have decreased by 130 increased by 40 acres. During this time period, the Sullivan farm was developed into Eastman Meadows and a portion of the Maxwell Farm has been approved as 46 unit condominium/apartment development called Maxwell Woods. During the same time period, several new small or specialty farms have been established.

Source: Cape Farm Alliance website, Town Records

<sup>\*</sup>Y=farm stand on property, PYO=Pick your own seasonally offered

<sup>\*\*</sup>All acreage amounts are approximate and may include home lot and land not in production

1	INSERT COMMUNITY GARDENS INFORMATION - requested
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3	Agricultural Soils
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5	The Farms and Farmland soils map shows the location of existing farms and
6	their relationship to prime farmland soils and farmland soils of statewide
7	importance. Prime farmland soils are located on the following farms: William H.
8	Jordan Farm, Maxwell Farm, Old Farm Christmas Tree Place, Alewive's Brook
9	Farm, and Turkey Hill Farm. Much of the town's prime farmland soils are
10	located immediately upland of wetland protection areas and protected by local
11	resource protection zoning. Some of the prime farmland soils have been
12	developed as single family residential subdivisions, including Elizabeth Farms,
13	the Highlands at Broad Cove, Wainwright Circle, Autumn Tides and the Dyer
14	Pond Subdivision.



# Conservation land, Farm open space and Tree growth programs

The State of Maine has established several programs, intended to advance public policy objectives, that provide for a reduction in the value of land for the purpose of taxation. Farmland and Open Space are state programs that provides for a reduction in the value of land for purposes of taxation. The reduction creates a financial incentive for land owners to maintain their land as farmland or open space. The amount of the financial incentive ranges from a 20% reduction to a 90% reduction, based on the degree of restrictions that the land owner agrees to impose on the land.

Tree Growth is a State program where property owners are provided a financial incentive to maintain land as woodland (minimum 10 acres to be eligible). Hardwood, softwood and mixed wooded lots are mapped out by a registered forester. These differing types of trees are assigned a per acre value by the Maine Forestry Service annually. Tree Growth plans must be recertified every 10 years by a licensed forester to remain in the program. Reductions in the total valuation of the woodland are available based on the degree of restrictions the land owner agrees to impose on the land.

The chart below summarizes the enrollment in the property valuation reduction programs. A total of 2,650 acres of land, or 28% of the land area of the town, is enrolled the programs. This is an increase from the 20% enrolled in 2006.

2018 Property Value Reduction Programs			
		Number of	
Program	Acres enrolled	parcels	
Conservation Land	1139.58	51	
Farm Open Space	307.8	22	
Tree Growth - Hard wood	251.24	28	
Tree Growth - Mixed wood	494.02	26	
Tree Growth - Soft wood	458.1	27	

Source: Town of Cape Elizabeth Assessing Office

In 2006, all the land enrolled in the farm and open space program (23 acres) was held by the Sprague Corporation. More property owners are now participating in the program. As the largest land owner (20% of the town) in Cape Elizabeth, the Sprague Corporation remains the major participant in the programs. There are a total of 59 parcels enrolled in the tree growth program and all but 8 of them are owned by the Sprague Corporation. Because of the articles of incorporation, master planning and subdivision approval recorded for the bulk of the corporation property, it is unlikely that the current Sprague Corporation management strategies will change in the future.

The state programs are described in the following bulletins:

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Tree Growth – see ME Revenue Services Bulletin #19, reference 36

§§ 1101-1121.

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M.R.S.A. §§571 - 584-A. • Farmland – see ME Revenue Services Bulletin #20, reference 36 M.R.S.A. §§ 1101 – 1121. Open Space – see ME Revenue Services Bulletin #21, reference 36 M.R.S.A.

<u>Future Open Space Preservation Committee</u>

In 2012, the town council appointed an 11-member committee and charged it with a series of tasks to quantify open space needs and thoroughly examine ways to meet those needs. The Future Open Space Preservation Committee (FOSP) issued a report with 19 recommendations. As part of its work, the committee reviewed the availability and use of property valuation relief programs. Specifically, the committee discussed ways to provide property tax relief to farmers. The committee learned that, after accounting for land associated with a home, the remaining land on farms is taxed at a very low value. There is little opportunity to meaningfully reduce the property tax burden on farmers any further. The committee also learned that farmers tend to avoid the state property valuation relief programs because the programs include restrictions on property enrolled.

The FOSP committee considered and ultimately did not recommend the following:

• Promoting Economic Viability of Agriculture Fund (PEVA). This is a potential new program established in the local budget intended to enhance the economics of farming in Cape. Existing farms may apply annually for a grant equal to the property tax they pay on the excess land used for farming. See attached sample spreadsheet.

Benefits: This program is targeted to existing farms and provides a grant with no reporting requirements to farmers.

Limitations: The grant program relies on an approved list of existing farms. FOSP used a farm list provided by the Cape Farm Alliance. Some land that could potentially be considered a farm was not on the list, often because the private property owner did not want to be on a list. When the Comprehensive Plan Committee assembled a list of farms, issues about what can be considered a farm arose. Should areas that have previously been farmed but not currently cultivated (outside of a normal resting field rotation) be included? If so, how long should a field not in active cultivation be farmland? Should "prime farmland soils" or "soils of state significance" be included? All of these questions would become significant and have to be equitably addressed as a basis for refund of

taxes. It will also proportionally increase the overall town tax rate to pay for the fund, which is what happens to fund any town service.

Source: 2012 FOSP Report

The FOSP committee was also asked to review growth areas, commonly included in the RB Zoning District. The Planning Board conducted that review as part of the Land Use amendments package. Overall, there is very little farm land included in the RB zone, and the RB zone is actually considered beneficial for farms because it provides opportunities to generate revenue from the least amount of land and maximizes open space preservation. (2012 FOSP Report)

# Threats and Opportunities

As noted above, farms also continue to supply the land that results in new development. The Sullivan farm on Eastman Rd became Eastman Meadows, a 46 unit condominium development. A portion of the Maxwell Farm (19 acres) has been approved as Maxwell Woods, a 46 unit condominium/apartment development).

Mirroring the population demographics of the town, the town's largest land owners are aging. The above developments, as well as the new Hill Way project in the town center, were precipitated when property ownership changed following the death or estate planning of the prior owners.

Farms are surviving where a new generation steps forward. Sometimes, the next generation in the farming family takes over. In other examples, such as the Down Home Farm and Green Spark Farm, new young farmers are partnering up with established farms.

Farms are thriving when farmers are adapting past practices to take advantage of new markets. Established farms are often tilling fewer acres, but producing crops with potentially greater value. Farm markets, both onsite at the farm and in the region, are used to sell products. Some farms have established community supported agriculture (CSA) programs. Production of farm compatible products, such as earth materials, are offered to create additional revenue. In Cape Elizabeth, the farming community has organized into the Cape Farm Alliance, a volunteer organization of farmers and farm supporters.

The Cape Farm Alliance has identified land use regulations, including habitat preservation requirements, as a concern for farmers. For example, habitat concerns that constrain a farmer from withdrawing water from existing streams for irrigation may be problematic.

#### Measures to Promote otect Farms and Woodlands

The current Zoning Ordinance includes provisions for clustering of development and preservation of adjacent woodlands and working farmland. The town approved its first agricultural easement on an existing farm field to satisfy an open space requirement in 2017.

TDR, the transfer of development rights from a "sending" parcel of land to a "receiving" parcel of land, is also authorized in the Zoning Ordinance. TDR would allow, for example, a farmer to earn money by selling the right to develop his land, while retaining ownership of the land for farming by permanently prohibiting, by deed, the opportunity to develop the land. The Cape Elizabeth TDR provisions identify active farmlands and woodlands as "sending" areas so that land owners have the opportunity to raise funds without selling the land. In 2015, the town updated its open space requirements to include an 1/3 bonus of density for TDR transfers from active farm fields. Fish and farm market stand regulations allow temporary standards and permanent stands (with Site Plan

Review) in all zoning districts.

In 2010, the town adopted a package of agricultural amendments that increased flexibility in the uses allowed on farms. The amendments were recommended in the 2007 Comprehensive Plan, drafted by the Cape Farm Alliance, and augmented by the town to create an "agriculture related use" category. Activities related to farming can be allowed as long as the principal use remains farming. Farmers have used this provision to augment their revenue. One example is "The Well," a seasonal farm to table restaurant located on Wells Rd. The town's adoption of a Special Event Overlay District (2015) also primarily benefits farms who wish to host events.

### Agriculture and Forestry Goal

Goal 1: The Town shall promote agriculture with farm-friendly policies to continue the town's desire to <u>maintain</u> our rich tradition and heritage of farms, open space, and private property rights.

#### Recommendations

1. Continue the farm-friendly regulatory structure, including but not limited to allowing agriculture related uses, the TDR agricultural bonus and agricultural land preservation as part of open space zoning developments.

2. Expand partnership opportunities between farmers and local government, such as the serving locally food in the schools and managing solid waste composting programs.

3. Educate farmers and woodland owners of the full benefits available under the State tax relief programs.

4. Promote community gardens and agriculture related programming in the public school system.