

California Agricultural Land Equity Task Force Grants & Resources Subcommittee Meeting Summary: July 10, 2024

Roll Call

The meeting was called to order around 10:00 a.m. Roll call was conducted by Meagan Wylie, facilitator. Members present:

- James Nakahara
- Thea Rittenhouse
- Doria Robinson
- Liya Schwartzman

Members absent:

- Irene de Barraicua

Welcome and Housekeeping

Meagan Wylie provided information on Zoom policies for online attendees, and the public comment process. She discussed the meeting plan and code of conduct. Slides and materials presented during the meeting are available on the Strategic Growth Council [\(SGC\) website](#).

Working Session & Next Steps

Subcommittee Goals

Members determined and discussed the following goals for the *Grants and Resources* subcommittee:

Examine existing resources and their impacts to better understand structural challenges and resource gaps, with a primary focus on programs available in California.

Members suggested that before making recommendations, it is necessary to examine the set of existing resources to assess to what extent they produce outcomes that address structural challenges of land access inequities. From there, the subcommittee could identify gaps in the landscape, with a primary focus on programs available in California.

To better understand the impacts of existing programs, members suggested developing a set of metrics to analyze program outcomes. Key details include the number and acreage of land transfers, demographics and location of beneficiaries, and the type of land involved, and how

long farmers maintain land tenure after lands are transferred. Also of importance is understanding the number of applicants versus awardees (i.e., oversubscription rates), and the effort involved in applying as compared with program outcomes.

To better understand the efficacy of technical assistance (TA) programs, members suggest gathering demographic and geographic data of those accessing assistance and conducting interviews with recipients to understand outcomes and barriers to address. One key issue raised is that while some TA resources fill essential and valuable niches, others have been created in response to overly complicated government grant application requirements.

Provide an overview of best practices to inform final Task Force Recommendations, including for TA support.

This may include ideas for how to pair existing TA programs with grant and financing programs, adjusting eligibility requirements, defining a set of values to guide future programs, suggestions for building and administering grant programs so that TA is not inherently required to complete grant and financing applications, and developing of a road map or model for how to effectively navigate these opportunities. This process may include an overview of existing models and ideas that are effective in addressing challenges and gaps.

Working Session

Members next referred to the Agricultural Land Equity Resource List provided in the May 9, 2024 Briefing Packet. They discussed challenges in navigating grant programs for farmers, including complexity and other barriers to access.

The following gaps in the existing set of resources were identified:

- Programs are not consistently funded.
- Not all programs or organizations are resourced enough to support the entire State of California.
- Many resources can be spent to establish programmatic infrastructure for one-time distribution of funds.
- There is a complex pipeline of technical assistance necessary to support different aspects of applying for and implementing resources. There is a need to support communication and collaboration among these players for coordinated backend support.
- Program eligibility requirements can be limiting. For example, some financing is designed in a way that excludes beginning and underserved farmers and certain finance and grant programs exclude undocumented applicants.
 - Only three of the more than 50 resources include individual farmers as eligible applicants.
- Very few opportunities for those who can't use debt financing to acquire land.
- Resources to sustain access beyond land transfer and acquisition are minimal.
- Tax structures do not favor proactive succession planning. More support for farmer retirement and transitioning land are needed.

A member noted that some farmers prefer leasing versus ownership. It is therefore also important to consider forms of secure land tenure other than via ownership, such as through land trusts or cooperatives.

Members are also interested to explore opportunities related to tax mechanisms that can be employed to facilitate land transfer, farmer retirement planning without having land ownership, and succession and transition planning. Initial ideas put forward include:

- Eliminate extra fees and processes where possible, especially in the first ten years of ownership. Note: this raises a concern about the purpose of agricultural land purchases and the importance of vetting buyers.
- Align tax incentives with farming incomes. Possibly follow an inverse benefit model, where smaller farm businesses are afforded greater tax breaks.
- Expand the Farm Service Agency (FSA) Land Contract Guarantee program in California and offer better documentation and support for sellers.
- Offer reverse amortization with balanced or limited interest payments, to allow landowners to first pay down their principal and build equity sooner.
- Change tax laws so that a farmer can sell or transfer land while alive without penalization.
- Proactively plan for farmer retirement and succession planning so the upcoming wave of farmland transfers does not result in more land consolidation.
- Support land trusts to more effectively reach farmers and prioritize equity.

The subcommittee anticipates inviting financial experts to speak to these issues and ideas at a subsequent meeting.

Members further proposed to better understand experiences of historically underserved groups through surveys and interviews. This includes surveying individuals who have successfully or unsuccessfully purchased farmland and have accessed resources through one or more grant/funding programs.

Next Steps and Action Items

The next steps and action items considered during the meeting include:

- Staff to:
 - Gather more information on existing programs that support land transfer .
 - Compile existing data on grant program metrics and outcomes.
 - Research existing applicant surveys and propose a survey and interview approach for subcommittee purposes.
 - Schedule a follow-up subcommittee meeting in September.
- Consider inviting financial experts and those with tax expertise to future meetings to discuss financing and tax-related topics.

Public Comment

None.

General Public Comment

None.

The meeting concluded at 12 p.m.