

# **DRAFT Land Use and Working Lands Issue Paper**

## **Section 1 – Goal for Enhancing Rural Conditions**

As a Commonwealth, we must remove the existing barriers that prevent rural communities from making desired, proactive land use decisions so that it is possible to plan for resilient development into the future. We must empower communities to maintain working lands by valuing and disbursing the costs of ecosystem services that rural areas provide, and by taking a holistic approach to managing the interconnectedness of rural, urban, and suburban lands throughout the state.

[Length: max 40 words]

## **Section 2 – The Key Issues**

1. The lack of accessible funding mechanisms for installing water and sewer infrastructure in town centers is an extreme barrier to implementing proactive land use planning in rural communities. Smart growth approaches incentivize compact development in town centers and expand housing choice, all while consuming less land than traditional development and maintaining rural functions and character. Rural communities that want to implement smart growth best practices are cut off from these options when they cannot address the underlying lack of infrastructure that center-based development requires.
2. Agriculture and forestry face an uncertain future from the potential effects of climate change. Farmers are having difficult conversations around accommodating climate change by growing different, non-traditional crops. Foresters are managing operations as tree species shift. Maintaining viable working lands under new and unfamiliar conditions requires a transformation of our existing knowledge base, and a network for researching adaptive practices and promulgating adaptive techniques. However, funding for extension services and technical assistance from land grant universities and county conservation districts has diminished significantly in many parts of the state.
3. Rural communities often make unsustainable land use decisions for financial reasons related to the priority of expanding their tax base for the provision of essential services. At the same time, rural lands are providing vast ecosystem services such as drinking water infiltration, carbon sequestration, and habitat for species integral to food production. The presence of large conservation tracts in rural towns benefits the Commonwealth, but can limit the expansion of the local tax base. Correctly calibrated valuation of these ecosystem services and adequate maintenance of rural lands providing nature-based solutions for the state as a whole can help to offset current fiscal imbalances at the local level.

4. Little information is known about the overall state of local zoning bylaws across Massachusetts. Studies have attempted to correct this deficiency,<sup>1</sup> but without a centralized method or database for tracking zoning bylaws, it is difficult to observe major trends and develop state land use programs that effectively address issues as they arise in local communities. Rural communities are being particularly affected, for example, by the wide degrees of strength in local solar bylaws, but an effective policy fix is difficult to prescribe without an understanding of the interplay between local bylaws and state incentives.

[Length: 2-3 sentences for each issue. Maximum 375 words.]

### Section 3 – Existing Policies and Programs

- Larger projects undertaken in some areas of the state (South Coast Rail, as one example) have involved **Community Priority Area Initiatives** through which Regional Planning Agencies provided technical assistance enabling local review of land use priorities and the identification of **Priority Development Areas and Priority Preservation Areas** within each town. One intention was for state agencies to consider consistency with these designations when making funding decisions.
- **STRAP grants** exemplify a dedicated pool of funding for rural communities in the context of MassWorks' larger mission. STRAP, however, is limited to financing roadway infrastructure. Making strategic investments in other infrastructure systems, such as water and sewer package plants, is essential to providing additional housing in rural town centers and villages (an achievement that furthers the MassWorks goal of expanding the state's housing stock).
- DHCS's **40R Program** encourages communities to create dense residential or mixed-use smart growth zoning districts with financial incentives. The 40R program conditional eligibility requirements are generally flexible enough so that rural towns, that may not have extensive existing town centers, can still demonstrate that they are applying under Existing Rural Village District category or as an Other Highly Suitable Location.
- The **Healthy Incentives Program**, which enables SNAP users to receive a dollar-for-dollar match in their spending on fruits and vegetables purchased from local farms, benefits both Massachusetts food producers and consumers.
- **EEA Smart Growth / Smart Energy Toolkit** provides guidance on a range of land use and zoning bylaw topic areas. Many of the Toolkit modules and case studies provide an example of a rural application. While the toolkit is extremely helpful, the issue of local capacity to implement the programs it suggests is a challenge in rural communities, making it crucial to expand the role of programs such as the **MVP Action Grants and EEA Municipal Planning Grants** which make implementation possible.

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<sup>1</sup> See, for example, the report prepared by Amy Dain for the Massachusetts Smart Growth Alliance on the state of multi-family housing zoning regulations in 100 towns.

- **EEA's Agricultural Preservation Restriction (APR) program** preserves farmland by paying owners the difference between the "fair market value" and the "agricultural value" of their farms in exchange for a permanent deed restriction.
- **Transfer of Development Rights (TDR) program and the new TDR State Credit Bank** allow transfers of development potential from a "sending" district to another "receiving" district in order to achieve both open space and economic goals without changing a town's overall development potential. TDR has been difficult to employ in single towns, but a regional framework may expand its potential.

[Length: Maximum of four (4) policies/programs. Maximum 430 words.]

#### **Section 4 – Best Practice Examples**

- The **Vermont Working Lands Enterprise Initiative**. Made possible through the support of the state legislature, multiple state organizations and public/private donors, the program supports entrepreneurs at the forefront of Vermont's Working Lands economy through technical and financial assistance. The program includes direct grants to businesses and to technical assistance service providers.
- The **Vermont Housing and Conservation Board and Trust Fund**. The Fund links the dual goals of affordable housing provision and land conservation in a single common program, making loans and grants to municipalities, nonprofit organizations, and state agencies. Eligible activities conserve agricultural lands, natural areas, recreational lands and historic properties, and preserve, rehabilitate, and develop perpetually affordable housing. Since 1987, the VHCB has conserved 161,700 acres of agricultural land, 261,000 acres of natural areas and recreational lands, and provided affordable housing for more than 30,000 people.
- The **New Jersey State Development and Redevelopment Plan** classifies the entire state into major Planning Area categories (urban, rural, etc.) with a secondary set of classifications for nodes, centers, and environs. Land use planning recommendations are tailored to the major categories and subcategories. The Plan was developed through a "cross acceptance" mechanism that allowed for an interplay of local, county and state priorities.

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#### **Section 5 – Policy, Program or Investment Recommendations**

1. Develop a State Land Use Plan to promote the unique functions of each land use type and the interconnection of varying land uses throughout the state. The creation of the plan could be overseen by EEA and coordinated by RPA's with a bottom-up approach similar to that used in previous Community Priority Area initiatives. Funding for the RPAs to conduct this work and staffing resources at EEA would be required. Future grants and programs could be targeted to specific priority areas or land use planning area types.

2. Create a dedicated funding stream for the provision of water and sewer infrastructure in rural town centers. The program could be similar to MassWorks STRAP, but should focus specifically on water and sewer as the major hurdle to smart growth and center-based development in rural towns, and include feasibility studies and engineering design work as eligible actions.
3. Expand or develop an alternative to the PILOT framework for valuing the full array of nature-based solutions and ecosystem services provided by rural lands. The Department of Conservation and Recreation, where the PILOT program currently sits, could oversee such an effort, starting with an examination of the current approaches and best practices for valuing ecosystem services.
4. Enhance technical outreach to farmers and foresters by significantly expanding extension services from UMass, by supporting active county conservation districts, or by modeling another approach such as the Vermont Working Lands Enterprise Initiative. Robust technical assistance is essential in communicating the research that is already being done on farming and forestry practices at UMass and Harvard Forests to the owners and operators of working lands and for continuing essential services such as soils testing.
5. Prioritize the development of policies that address farmland adaptation to climate change and new market conditions, such as the use of cranberry operations for wild rice, blueberries, or other crops.
6. Examine existing state programs such as the Municipal Vulnerability Preparedness program and open space planning for their effectiveness in engaging farmers and foresters. These groups are not always well represented in MVP core teams, and opportunities are missed for incorporating farming and forestry as companion land management practices in open space planning when these voices are left out of the discussion.
7. Model the Vermont Housing and Conservation Trust Fund as a method for coupling the inherently related goals of affordable housing development and land conservation, which would assist rural towns that are striving to meet the needs of aging, downsizing populations today and facing uncertain and potentially elevated development pressures in the future. Such a fund would bolster the efforts of CPA communities, and provide an alternative for communities in which CPA has not yet been passed.
8. Bolster the working lands economy by focusing on the economic development potential of the agricultural and woodlot processing sector. Explore the possibility of using Industrial Revenue Bonds to set up a CLT forestry plant and meat and poultry processing plants here in Massachusetts. A lack of these facilities is a huge impediment to growing the working lands economy. Model the Vermont Working Lands Enterprise Initiative by directing grants and loans to small and local forestry and farming operations.
9. Expand grant programming focused on local zoning bylaw analysis and revisions to incorporate smart growth and low impact development principles. Develop a better mechanism for tracking trends in land use regulation so that state policy responds to local realities and issues.

10. Correct an oversight in the Chapter 61 program that makes large landowners pay rollback taxes on an entire land tract when seeking to move a portion of it into permanent protection in the context of a cluster development project. Having to factor in rollbacks for the entire development area is a disincentive to utilizing a cluster development option that is often the best development outcome.

[Length: Two to three sentences per rec (50-80 words). Maximum 630 words.]

Stakeholders: Many people, agencies and organizations were consulted in the drafting of this Plan. Recommendations contained in this document are not necessarily supported or endorsed by all parties listed below.

- EEA
- DHCD
- USDA
- New England Forestry Foundation
- Massachusetts Smart Growth Alliance
- MA Food System Collaborative
- Central Mass Grown
- MassConn Sustainable Forest Partnership
- Community Involved in Sustaining Agriculture
- American Farmland Trust
- Rural Planning Associates
- Harvard Forest
- MassAudubon
- Town officials or farmers/foresters from
  - Brookfield
  - Petersham
  - Carver
- Regional Planning Agencies
  - Central Massachusetts Regional Planning Commission
  - Southeastern Regional Planning and Economic Development District
  - Pioneer Valley Planning Commission
  - Franklin Regional Council of Governments