AGRICULTURE

DELAWARE’S #1 INDUSTRY

FAMILY FARMS

On 525,000 acres of farmland, Delaware’s 2,300 family farms produce a wide variety of agricultural products. These include corn, soybeans, wheat, poultry, fruits, and vegetables.

ECONOMIC IMPACT

Agriculture provides more than 65,000 jobs and $8.9 billion in direct economic activity to the state, including $1.5 billion in direct sales.
Delaware Department of Agriculture supports farmers and consumers alike, working to sustain and grow our industry, promote fresh and seasonal products, and build consumer trust in Delaware.

- 186 dedicated staff in 13 sections strive to effectively and efficiently protect and enhance the environment, health, and welfare of the general public.

### Delaware Department of Agriculture Sections

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<td>Aglands Preservation &amp; Planning</td>
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<td>Thoroughbred Racing Commission</td>
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# STATE CAPITAL FUNDS

## FY23 AND FUTURE YEAR REQUESTS

<table>
<thead>
<tr>
<th>Project Description</th>
<th>FY 2022</th>
<th>FY 2023 Request</th>
<th>FY 2023 Recommended</th>
<th>FY 2024 Request</th>
<th>FY 2025 Request</th>
</tr>
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<tbody>
<tr>
<td>1. Aglands Preservation Program*</td>
<td>$10,000,000</td>
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<td>$10,000,000</td>
<td>$10,000,000</td>
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<tr>
<td>2. Cover Crop Investment</td>
<td>$3,190,000</td>
<td>$3,190,000</td>
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<td>$3,190,000</td>
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<tr>
<td>3. Minor Capital Improvement and Equipment</td>
<td>$525,000</td>
<td>$500,000</td>
<td>$500,000</td>
<td>$500,000</td>
<td>$500,000</td>
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<tr>
<td>Total</td>
<td>$13,715,000</td>
<td>$13,690,000</td>
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*Alternative project funding is recommended from the Realty Transfer Tax.
In 2020, the American Farmland Trust ranked Delaware’s Aglands Preservation Program the 2nd most effective farmland preservation program in the country.
Delaware lost almost 6% of its farmland to urban and residential development between 2001 and 2016. This is the 4th highest loss of farmland in the country.*

Two step process:
1. Landowners voluntarily enroll their farm into a 10-year Preservation District agreement.
2. And then, landowners can apply to sell their farm’s development rights, known as a preservation easement, keeping the farm preserved for perpetuity.
Delaware has permanent preservation easements on:
• More than 1,100 farms, totaling 143,000 acres
• Approx. 27 percent of Delaware farmland

County-Level Data:
• Kent County: 528 easements on 72,600 acres
  – 39 percent of county farmland
• New Castle County: 105 easements on 14,650 acres
  – 21 percent of county farmland
• Sussex County: 471 easements on 54,700 acres
  – 20 percent of county farmland
Farms requesting appraisals for Round 26 easement selection, using FY22 funding, expected to be announced in the spring:

- Kent County: 65 farms on 5,643 acres
- New Castle County: 12 farms on 689 acres
- Sussex County: 108 farms on 10,128 acres
- Total: 185 farms on 16,460 acres

The program accepted the following district applications in 2021:

- Kent County: 16 farms on 1,564 acres
- New Castle County: 2 farms on 122 acres
- Sussex County: 35 farms on 2,263 acres
- Total: 53 farms on 3,949 acres
Delaware farms in 10-year Preservation Districts
335 farms – 37,000 acres

Estimated Value
The average appraisal from the last two years ($6,500 / acre*) and a moderate landowner discount of 40%. We would pay $3,900 / acre on average for easements.

Cost Estimate for 335 Easements
Using $3,900 / acre – we would need $146M to buy easements on all 335 farms in 10-year districts, including appraisal, survey, and closing costs.

* This is an average; values are higher for cropland and lower for forest.
• Helps young farmers purchase farmland, one of the obstacles to getting starting in farming.
• 30 year, no-interest loan
• 37 young farmers have received $8.42 M in loans
• Farms are placed in permanent preservation easement
• 2,969 acres of land permanently preserved through Young Farmer Loan Program
Our funding partners help leverage additional funds to purchase easements. Preserving farmland would not be possible without:

- USDA Natural Resources Conservation Service
- New Castle County Council, Kent County Levy Court, and Sussex County Council
- United States Navy’s Readiness and Environmental Protection Integration Program (REPI)

Full funding of Delaware Aglands Preservation for FY23 would ensure that DDA is able to match any potential funding sources from our partners.
**FARMLAND PRESERVATION**  
**AGRICULTURAL EASEMENTS FINANCIAL STATISTICS**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Total Easement Costs:</td>
<td>$252.0 million</td>
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<tr>
<td>State funds:</td>
<td>$172.0 million</td>
</tr>
<tr>
<td>Federal funds:</td>
<td>$ 62.0 million</td>
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<tr>
<td>County funds:</td>
<td>$ 15.0 million</td>
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<tr>
<td>Other funding:</td>
<td>$  3.0 million</td>
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<tr>
<td>Total Landowner Discount:</td>
<td>$358.0 million</td>
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COVER CROP INVESTMENT

$3,190.0 REQUEST

BACKGROUND

Research shows that cover crops are the best tool in Delaware – environmentally and economically – to reduce agricultural nutrient runoff, improve water quality, and mitigate climate change. This management tool improves soil health, increases the resiliency of fields to pests, and reduces fertilizers and pesticides use.

THESE FUNDS WILL…

Offset the costs for farmers to plant cover crops. These crops are not harvested; therefore, they do not provide any income for the farmer, but they help Delaware reach its nutrient reduction goals for the Chesapeake Bay.
In an independent peer-reviewed survey, Delaware’s Nutrient Management Program was the:

**ONLY program in the region that received a positive impression from**

FARMERS
MINOR CAPITAL IMPROVEMENTS
REQUEST: $500.0

BACKGROUND
Previously, the Department requested funding for minor capital improvements each year outlining the projects that needed to be funded. FY21 was the first year that we used this line as a single request, and it has been successful.

THESE FUNDS WILL...
Allow us to continue renovations within our main building, laboratories, state forests, and replace equipment at the end of its useful life.
MINOR CAPITAL IMPROVEMENTS
REQUEST: $500.0

Planned upgrades and equipment replacements using FY23 funding include:

**Animal Health lab renovations**
Previously planned renovations require additional funding for demolition due to asbestos flooring.

**Replacement of two gasoline provers**
Two provers used by Weights and Measures are 30 years old and at the end of their useful life.
- Used to ensure gas pumps work properly.
- Delaware has 436 gas stations with 12,500 gas pumps.

**Entomology lab renovation**
The Plant Industries Entomology Lab is furnished with hand-me-down lab furniture installed 20 years ago. A full renovation will improve the usability and ergonomics of workstations, lighting, and storage.
MINOR CAPITAL IMPROVEMENTS
REQUEST: $500.0

Planned upgrades and equipment replacements using FY23 funding include:

Redden and Blackbird State Forest building renovations
Several State Forest buildings need HVAC upgrades, roof and window repairs, and security improvements.

Rehabilitate historic state forest pavilions by replacing support columns.

Department of Agriculture main building upgrades
Maintain facilities at the main office, including shower renovations for field staff, entrance repairs, and conference room upgrades.