

GREENER PASTURES FOR NEW FARMERS

CASE STUDY NONPROFIT MODEL

THE VERMONT LAND TRUST'S FARMLAND ACCESS PROGRAM
Vermont Land Trust | <http://www.vlt.org/initiatives/affordable-farmland>

Written By: Kelsey Wickel, Food System Planning Intern
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Vermont Land Trust (VLT) has been protecting farmland in Vermont since 1977. In recent years, however, Vermont has become a popular destination for rural estates. Many new landowners who had no interest in farming were taking land out of agricultural production. Additionally, the increasing price of land made it impossible for VLT to buy back land they had protected. In 2004, VLT started to include an “option to purchase” at agricultural value feature in its conservation easements. The “option to purchase” feature is one of the many strategies VLT employs in order to connect young farmers with farmland through its Farmland Access Program.

KEY POINTS:

- VLT protects land with conservation easements that feature an “option to purchase” at agricultural value, guaranteeing VLT the right to repurchase protected land at an affordable price or match the land with a young farmer in search of land.
- VLT has protected over 700 farms, 310 of which have an “option to purchase” at agricultural value feature.
- As a result of the Farmland Access Program, VLT has helped approximately 50 young farmers gain access to land and brought many acres of farmland back into agricultural production.

Since 1977, Vermont Land Trust (VLT) has helped farmers protect their land by purchasing conservation easements on farmland. Conservation agreements included “right of first refusal” feature, which ensured that once land was put up for sale, VLT was offered the option to purchase the protected land back before the land was opened for sale to other buyers. However, the land trust recognized that despite the right of first refusal feature, many protected farms were too expensive to be purchased back by the VLT. Instead, farmland was being purchased as estates by non-farmers and taken out of active production. In 2004, VLT began to include an “option to purchase” land at an agricultural value in its conservation easement agreements, requiring sellers of protected parcels to first offer to sell land back to VLT at its appraised agricultural value. Through this provision, VLT encourages farmland to remain available to new farmers at an affordable price.

In 2009, VLT created the Farmland Access Program in 2009 to aid the transition of farmland to a new generation of farmers and help support the state’s growing and diversifying agriculture economy. Under the program, VLT employs several strategies. In some instances, VLT will purchase unprotected farmland, apply a conservation easement to the property, and resell the land to a farmer approved through VLT criteria. VLT also provides financial assistance to farmers who identify unprotected farmland in exchange for a conservation easement on the property. As noted above, VLT repurchases protected land through its “option to purchase” clause and matches it with new farmers. New farmers are required to show they have at least three years of agriculture experience and a business plan that projects a gross income of \$100,000 annually.

Jon Ramsay, Program Director, notes that the success of the Farmland Access Program relies on VLT’s close relationship with state organizations like the Vermont Housing and Conservation Board (VHCB). VHCB provides VLT with the funding they need to purchase development rights and operates a Farm Viability Program that provides financial planning and business development resources to new farmers. VLT also finances fee simple purchase and the purchase of development rights through the organization’s revolving loan fund. VLT’s long history building relationships with the agriculture community means the organization maintains a large database of farmers looking to purchase their first farm. Ramsay admits, “There’s never not a buyer for a parcel.” However, funding for the initial purchase of development rights remains a challenge for the program, limiting the amount of land VLT can protect.

All told, the Farmland Access Program has protected over 300 farms with the “option to purchase” at agricultural value, helped transition about 50 farms to new farmers, and brought many farms back into agricultural production, encouraging a stronger farm economy in Vermont.

RESOURCES:

Vermont Land Trust website, <http://www.vlt.org/initiatives/affordable-farmland>

Interview with John Ramsay, Program Director, January 21, 2015