Keeping farmland in farming:

preserving farm legacies through viability, access, and transfer

RCP Gathering 2017

Key topics

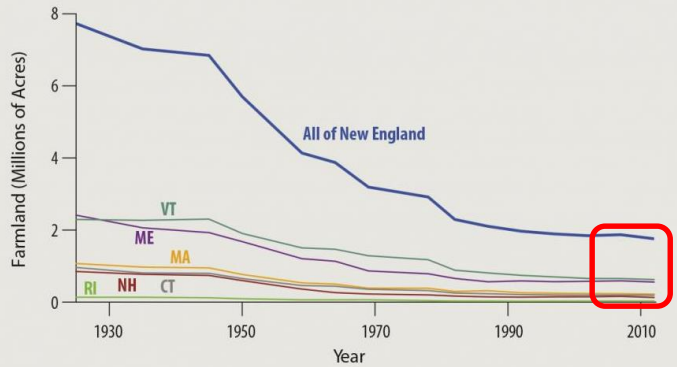
1. *What are the issues?*

2. *How farmland protection can support land access, farm viability and transfer – & vice versa.*

3. *How land trusts work with diverse partners to support and protect viable, working farms*

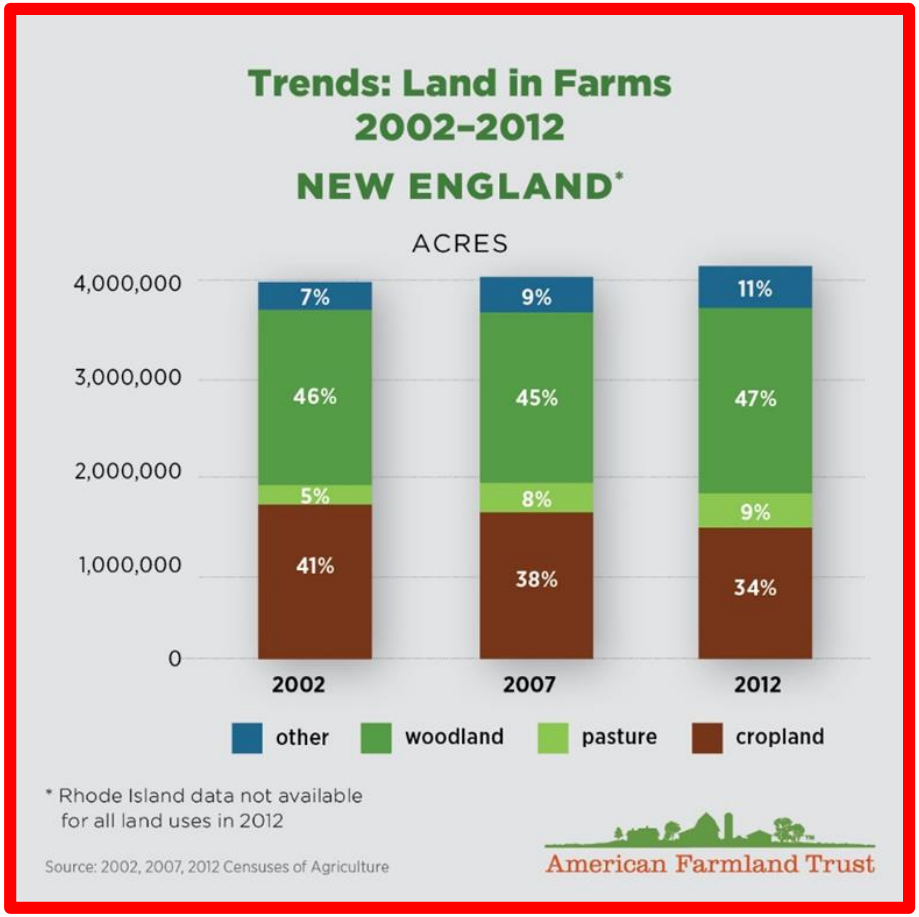
Land For Good

New England Farmland Over Time



Farm area has declined across New England from a peak in the mid to late 19th century, and has largely regrown as forest. More recently, farmland has been replaced by housing and commercial development.

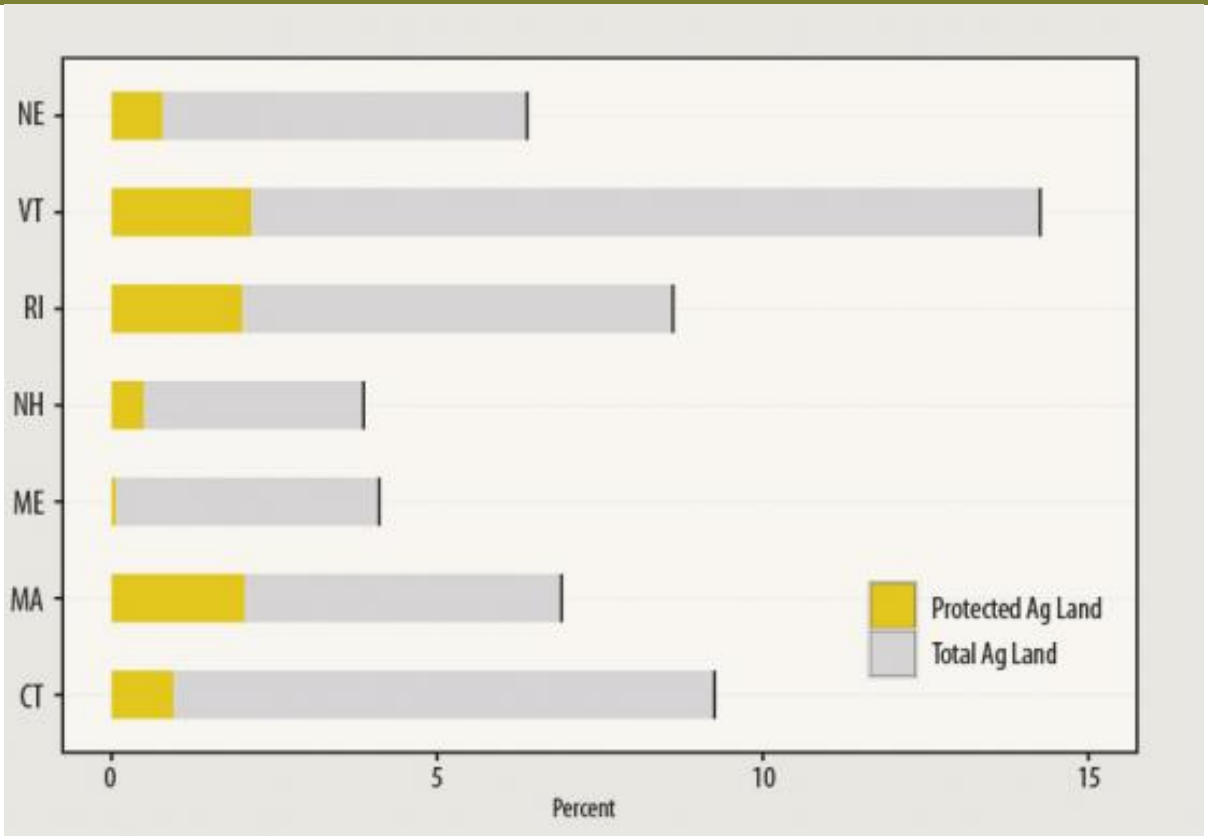
Source: Wildlands and Woodlands, 2017. Data compiled from U.S. Agricultural Census reports by Brian Donahue and Sarah Sutton at Brandeis University.



Landforgood.org/insights

Land For Good

We can't protect it all



Data: Forest cover data from Olofsson et al. 2016 and Homer et al. 2015 (see cited refs #7 and 8). See Thompson et al. In Review (cited ref #19) for methods. Conservation data from USGS 2016 (cited ref #26). Full figure references available in the full report.

Source: Wildlands and Woodlands, 2017.

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Gaining ground for farmers

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What We Do

Educate	*Practical Tools, Workshops, Professional Training*
Innovate	*Creative Models, Collaboration, Applied Research*
Consult	*Direct Help to Individuals, Families, Organizations, Communities*
Advocate	*Supportive Policies and Services, Engaged Communities*

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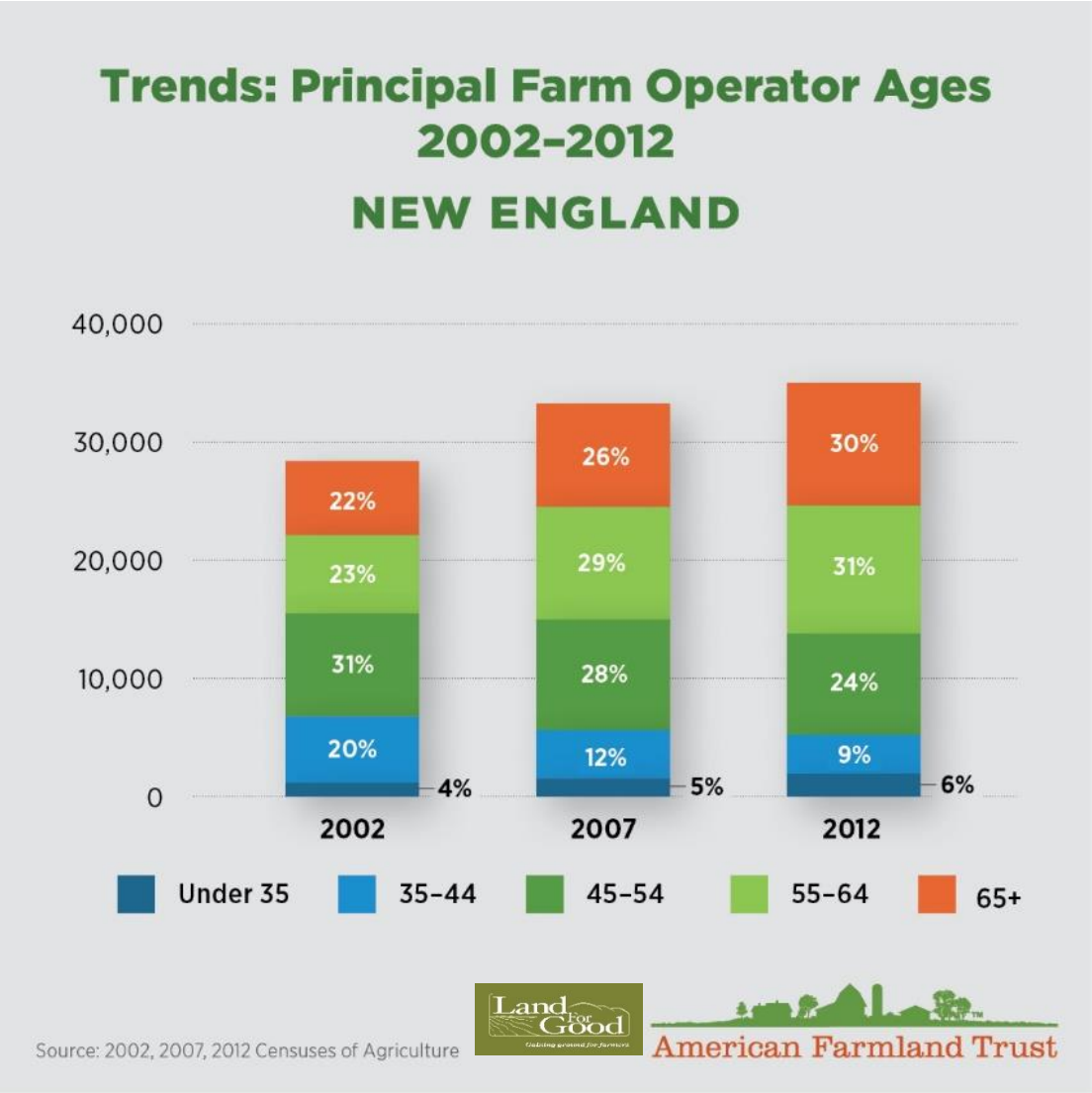
Land For Good

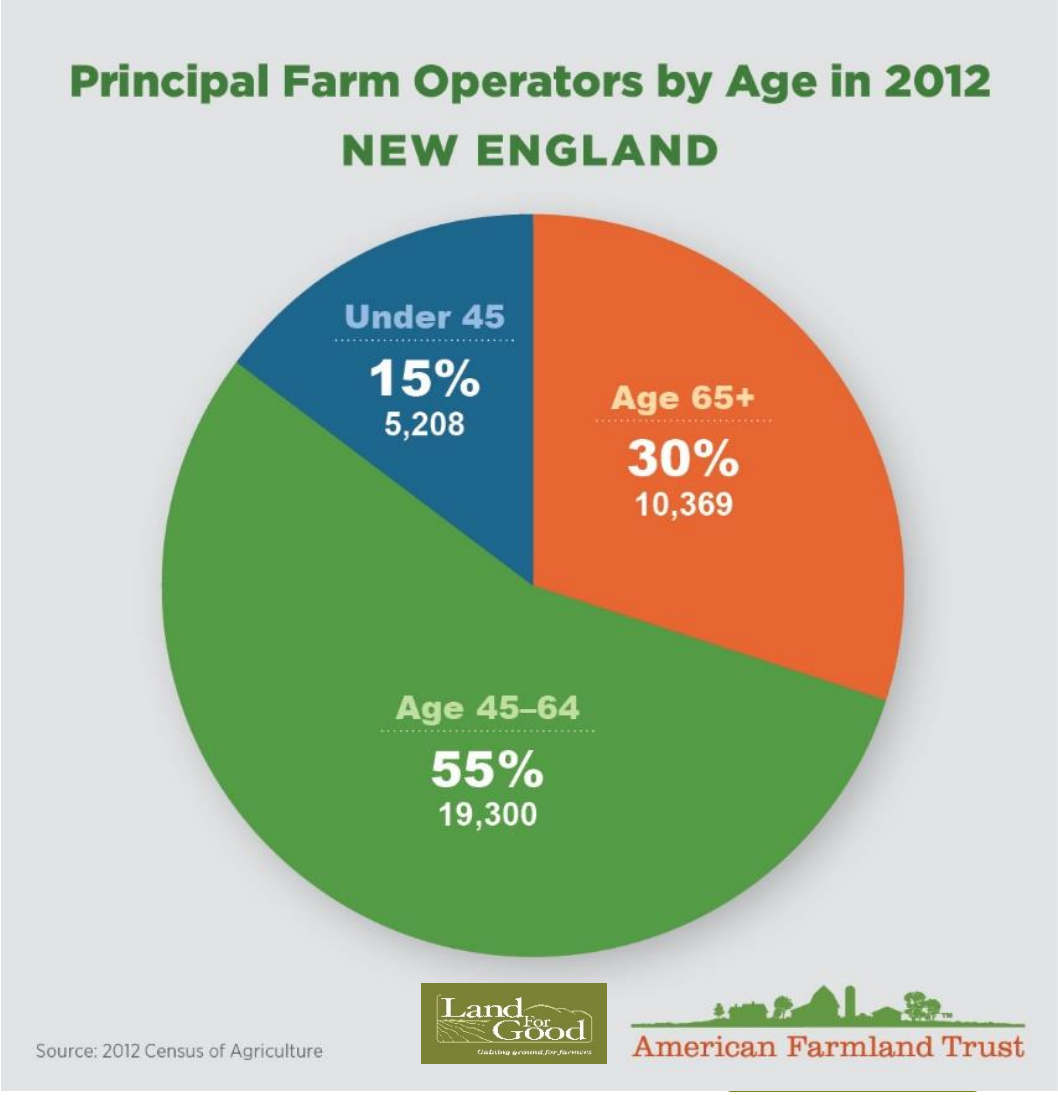
Gaining ground for farmers

Farmers older on average



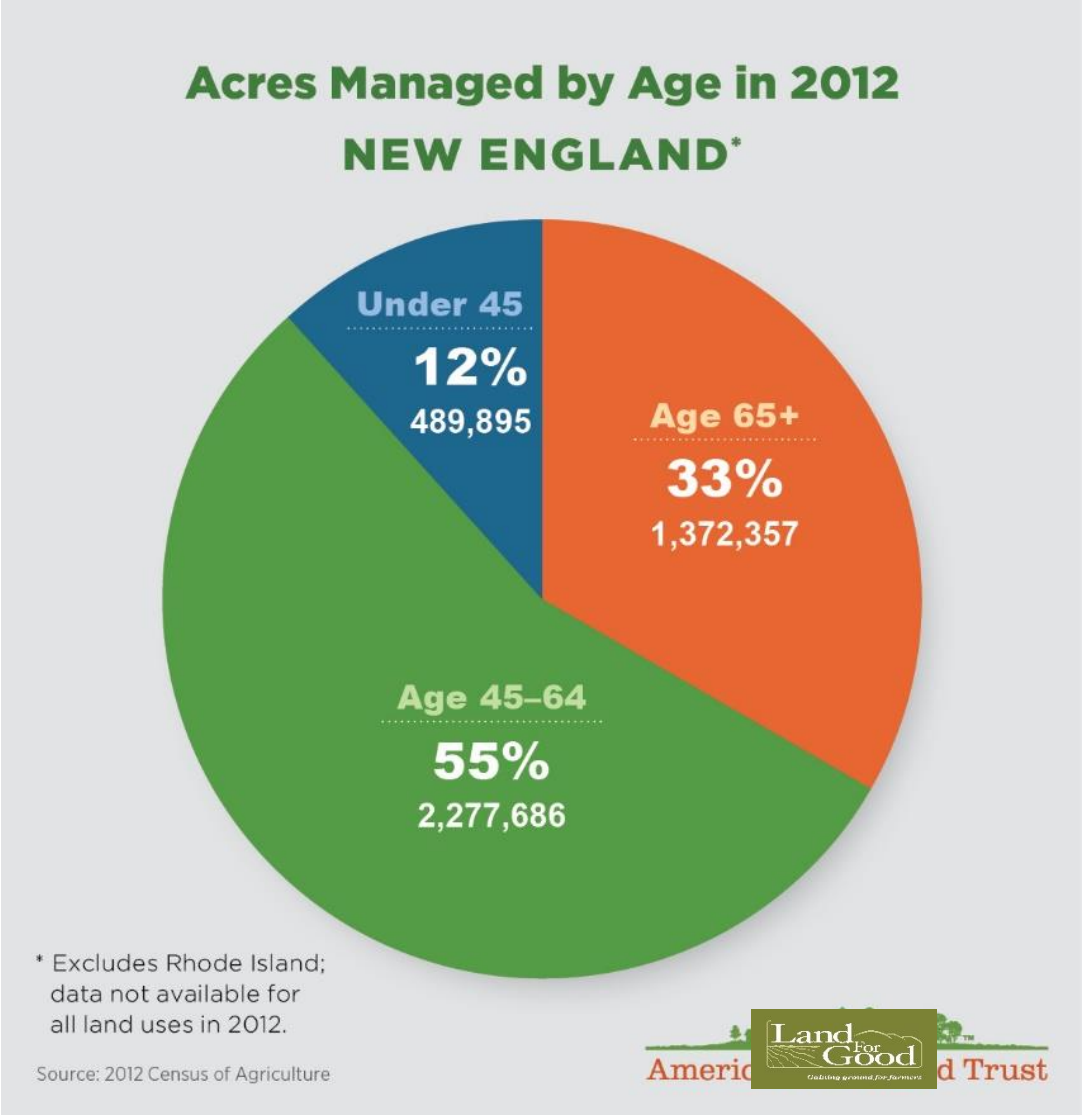
- Sr. farmers increasing as % of all farmers
- Slight increase in % <35 yrs old farmers
- Significant increase in % of 35-44 and 45-54 yr old farmers

New England farm transitions



- 1/3 farmers will exit farming in next 10-20 years

Sr. farmers manage 33% of acreage



- 33% of acreage (1.3 mil acres)
- $6.45 billion assets

Farm succession/transfer planning

A **process** to determine how **a farm** will pass to the next generation operator or to a non-family transferee

- **Succession, transfer, transition**
  - Land/real estate vs business
  - Business income, assets and management
- **Multiple stakeholders**
- **PLANNING vs. *the* plan or transfer**
  - Plan (months), implement (years)
  - Plans change
- **Soft issues are the hardest issues**

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Why is farm transfer planning important?

- Loss or consolidation → impacts to communities, ag economy
- Taxes (not the driver)
- Avoid family, legal, financial troubles
- Legacy – land, business, family
- Retirement - vision & security
- Jr. gen needs to know & prepare
- Time to transition to a new owner
- "Succession effect"
- Farm succession planning secures farm and business tenure across generations and owners

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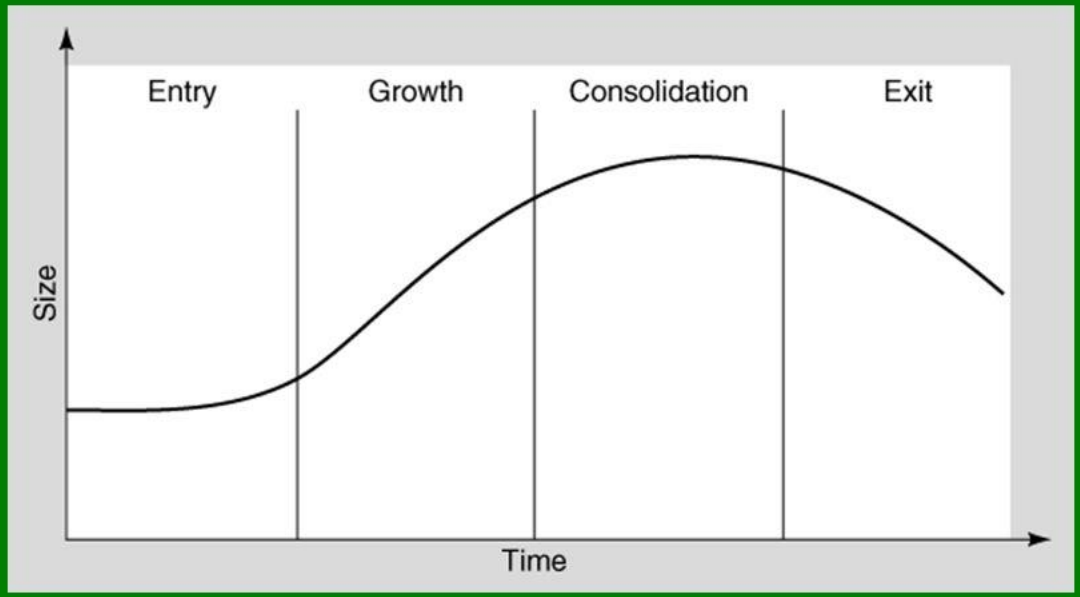
"It's never to early or too late to develop a farm transfer plan (but)…

- Better to start early!

Figure 14-1
Illustration of the life cycle of a farm business



Business Life Cycle Transition Planning

EARLY (20s -40s)	MID (40s-60s)	LATE (60s-70+)
• **Focus on financial & production systems** • Develop business plan • Network with other farmers • Create processes for good communications with family and employees • Acquire assets (farm and non-farm) • Create will, Power of Attorney, Health Care Directive, guardianship • Start saving (incl. retirement, rainy day/emergency, kids' college, etc.) • Establish business entity/ies and other legal structures • Monitor and assess business viability • Fine-tune business plan for growth, profitability and family needs • Develop a team of advisors (attorney, financial advisor, tax preparer, etc.) • Mature family business practices (e.g., meetings, records, job descriptions, etc.) • Revisit will • Assess business viability; make adjustments • Expand/adapt business per plan • **Acquire additional assets**	• Vision for succession; including farming and non-farming heirs • Review insurance needs (life, health, long-term care) • Solidify team of advisors • Contribute to savings plan(s) • Develop transition plan: -- Initiate formal retirement plan -- Revisit legal/business structures -- Develop estate plan; update will • Groom family successor or plan to recruit successor • Assess business value and viability; make adjustments • Begin asset transfer? (e.g., equipment, livestock) • Consider/pursue farmland protection easement	• Update vision for succession • Clarify retirement path • Calculate retirement needs • Revisit estate plan incl. will • Initiate regular family/transition meetings • Begin formal transfer of management • Determine retirement housing; move from farm? • Begin or continue asset transfer according to plan; may include sale/gift of real estate • Begin process to cut back; focus on farm activities you enjoy • Mentor your successor • Shift to non-farm activities • Collect income from farm if part of the plan (rent, wage, sale) • Change housing if in the plan

Challenges for Farm Families

- The “soft” issues
  - Values and beliefs
  - Communications
  - Emotions & underlying issues
  - Avoidance and procrastination
  - Needs of junior generation

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Farm Transfer Plan

Goal Setting & Family Communication

Set forth personal, family and business goals as well as ways to ensure constructive communication among all involved.

The foundation of a good plan

Asset Transfer

Spell out how farmland, buildings, and other assets are conveyed from one party to another.

Management Transfer

Lay out how management tasks, responsibilities and income shift over time from one farm operator to another.

Business Plan

Sets out strategies for farm operations, personnel, marketing, finance, and business entity formation.

Estate

Direct the eventual transfer of assets, usually with the goal of preserving as much of the estate value as possible for the beneficiaries.

Land Use

Map out land use options that address agriculture, forestry and recreation uses as well as conservation and development.

Retirement

Address how and where the retiring person(s) want to live, their anticipated income and health care costs.

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PO Box 625, Keene, NH 03431 603.357.1600 info@landforgood.org www.landforgood.org

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Challenges for Farm Families

- Different stages and expectations
- Costs (real/perceived)
- Equal v. equitable; perceptions of "fair"
- No identified successor
- Lack of support and advisors

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Changing Expectations

"I want to die with my boots on."

—FOCUS GROUP PARTICIPANT, ON RETIREMENT

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Family Legacy

"Sometimes I don't feel I have the right to sell the farm outside the family. But sometimes I feel it's someone else's turn."

—FOCUS GROUP PARTICIPANT, ON THE FUTURE OF THE FARM

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Advisors for Farm Transfers

Values, goals & communication

- ✓ Coach
- ✓ Mentor
- ✓ Instructor/trainer
- ✓ Educator
- ✓ Facilitator
- ✓ Mediator

Farm business & land use

- ✓ Farm business consultant
- ✓ Lender
- ✓ Accountant
- ✓ Financial adviser
- ✓ Land-use planner
- ✓ Conservation/ land trust

Legal, financial & asset management

- ✓ Lawyer
- ✓ Tax attorney
- ✓ Insurance agent
- ✓ Financial planner
- ✓ Retirement planner
- ✓ Estate planner

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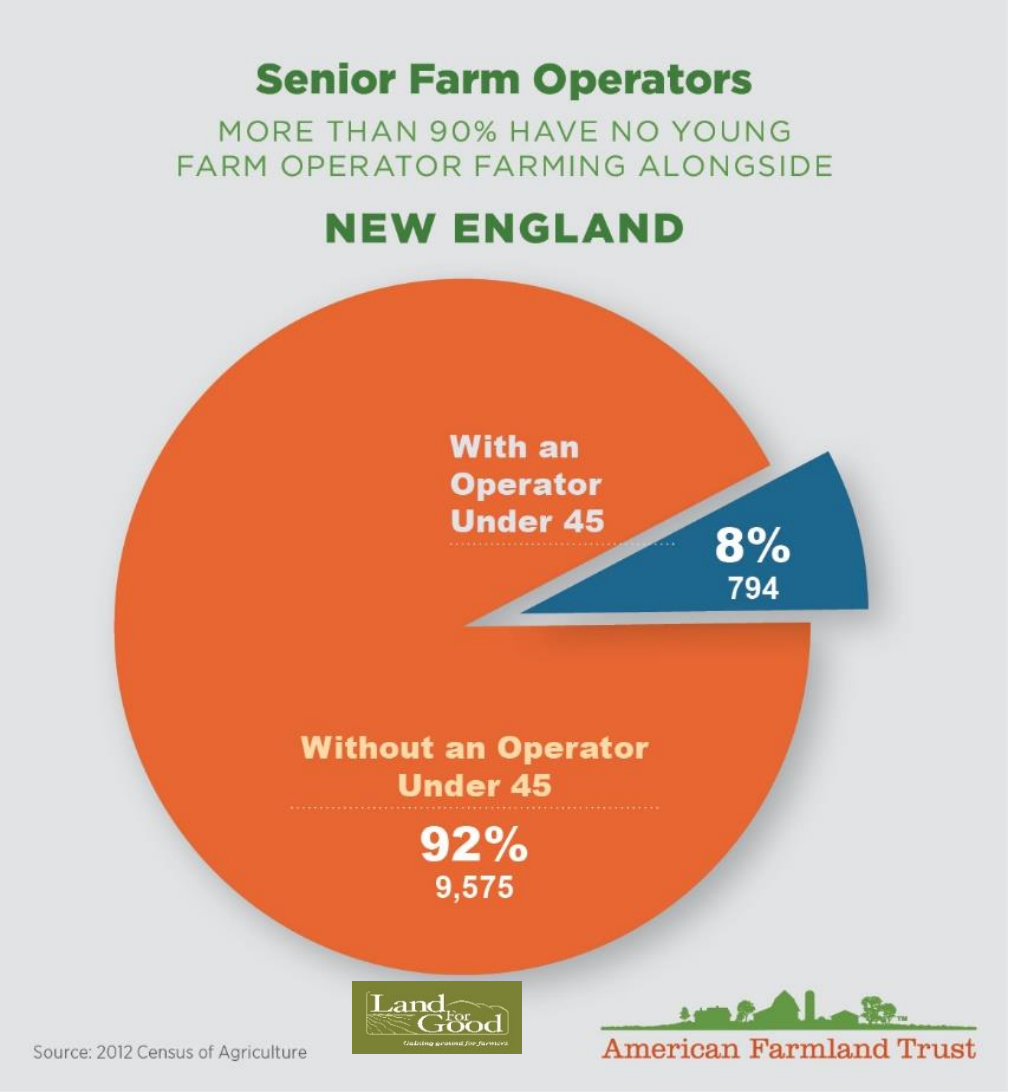
Few have ID'ed successors

- Over 90% do not have a younger operator working with them



Sr. Farmers w/o Successors: Focus Groups

- Feel particularly overwhelmed
- Want help planning best succession strategy
- Want help finding a suitable successor, buyer or tenant
  - ✓ TA, screening service, $$ to hire TA

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Key Insights

Older farmers…

- *Want to see their* ***land remain in farming***
- *Willing to* ***look outside family for a successor***
- ***Open to innovative approaches and strategies*** *around farm transfer and succession.*

> "I want to leave the land in better shape than I found it for whoever comes next."
>
> —FOCUS GROUP PARTICIPANT, ON THE FUTURE OF THE FARM

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Farm Legacy

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Sr. farmers see farm viability as obstacle

- **If farm more profitable,** children might be interested.
- **Farm operation too small** for buyer ROI & pay retiring farmer
- Hard to find someone with **enough capital to take over**
- **Younger farmers seek smaller parcels** to grow more profitable specialty crops

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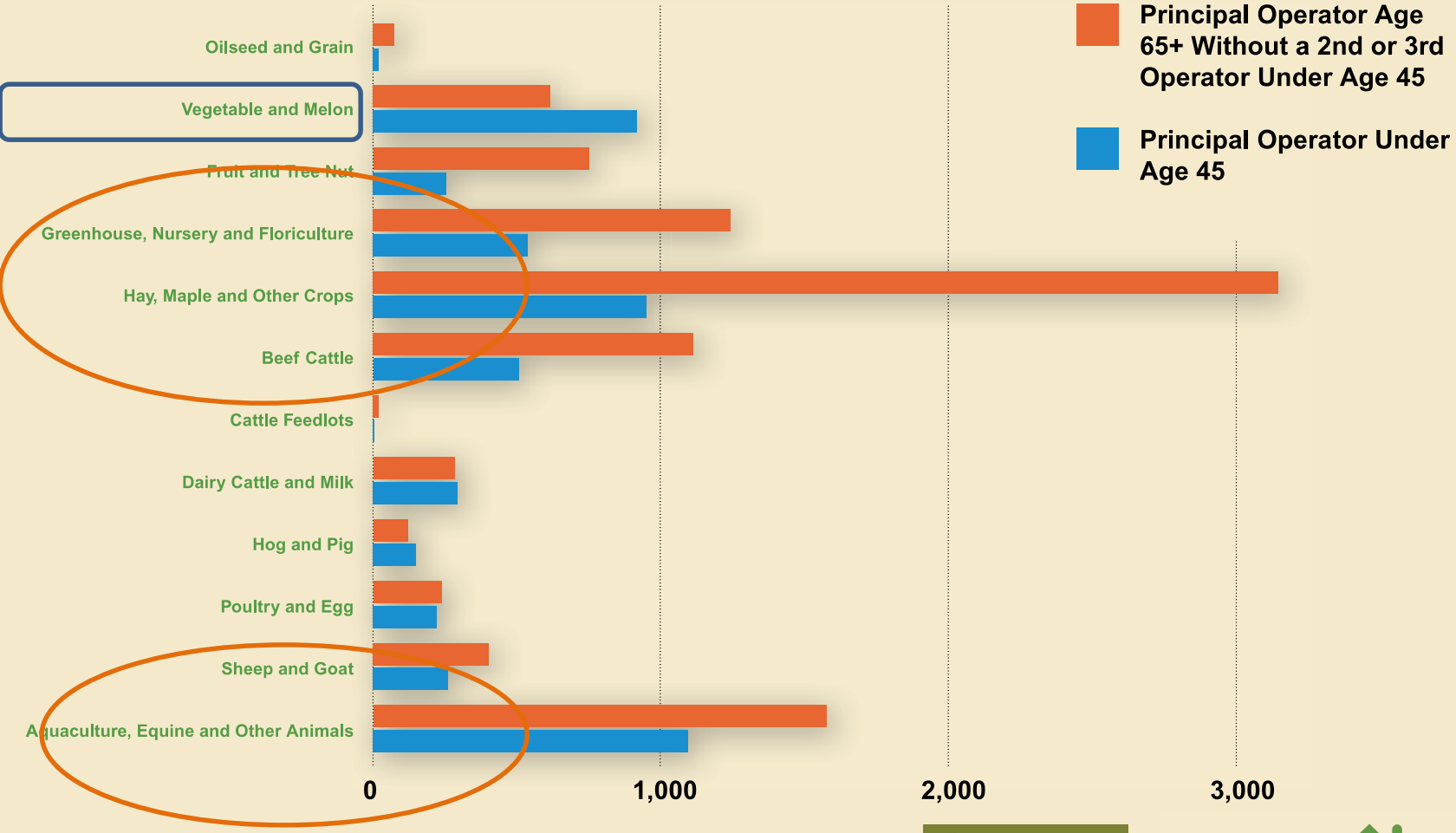
Farmers by Primary Commodity Type

NEW ENGLAND



Source: U.S. Census of Agriculture

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Gaining ground for farmers

American Farmland Trust

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Crisis-Opportunity

- Successful farm transitions *can* create farming opportunity for new farmers.
- New farmers *can* access land in face of high land prices.
- Requires also educating and supporting beginning farmers in complementary ways

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Land access for farmers:

educate, train, advise, advocate, and collaborate

- Toolbox for Seekers
- New England Farmland Finder
- Acquiring Your Farm Tutorial
- Individual advising
- Service provider collaboration
- Policy advocacy

landforgood.org

Protection, Farm Viability and Transfer

- It's not farmland without viable, working farms
- Land protection and farm viability mutually supportive
- Land protection can support farm viability
    - Affordability
    - Fund productive investments
    - Fund aspects of a transfer
    - Encourage stewardship
- Protection more likely for viable farms with plans

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Roles for Service Providers

- Raise awareness
- Encourage & support farmers
- Advocacy & promotion
- Add your subject expertise
- Facilitation, team coordination, “coaching”
- Make referrals (info, advisors)

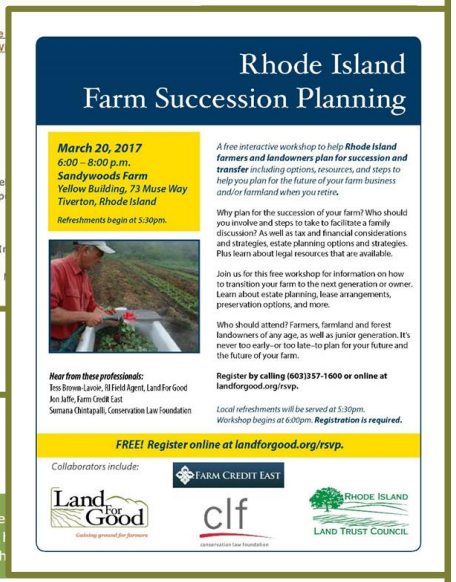
***Don’t promise beyond your comfort zone*.**

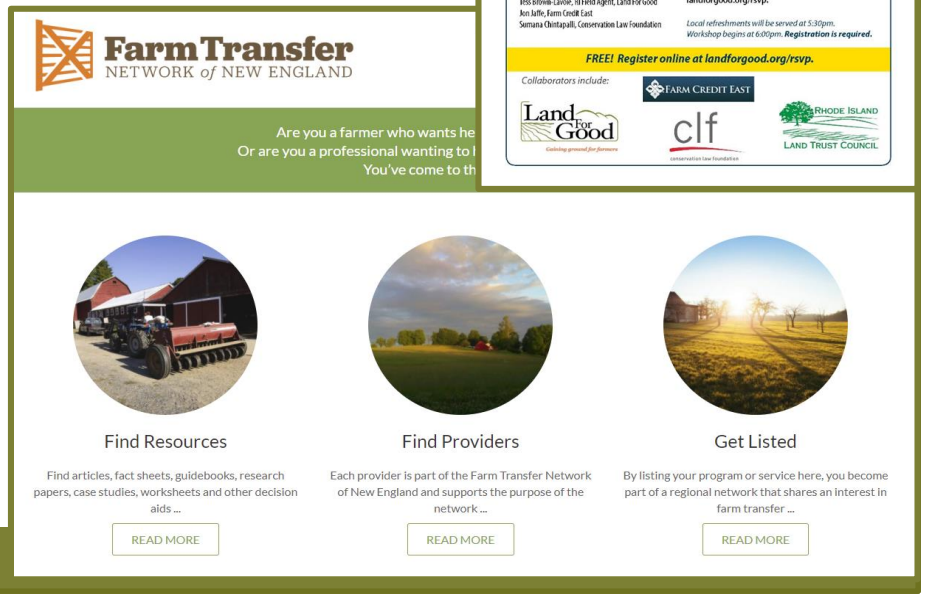
Land For Good

Farm transfer planning

educate, train, advise, advocate, and collaborate

- Toolbox for Farm Families
- FarmTransferNewEngland.org
- Workshops
- Succession School
- Individual advising
- Service provider collaboration
- Policy advocacy





landforgood.org

We can help!

landforgood.org
tel 603.357.1600

jim@landforgood.org
39 Central Square, Suite 306
Keene, NH 03431

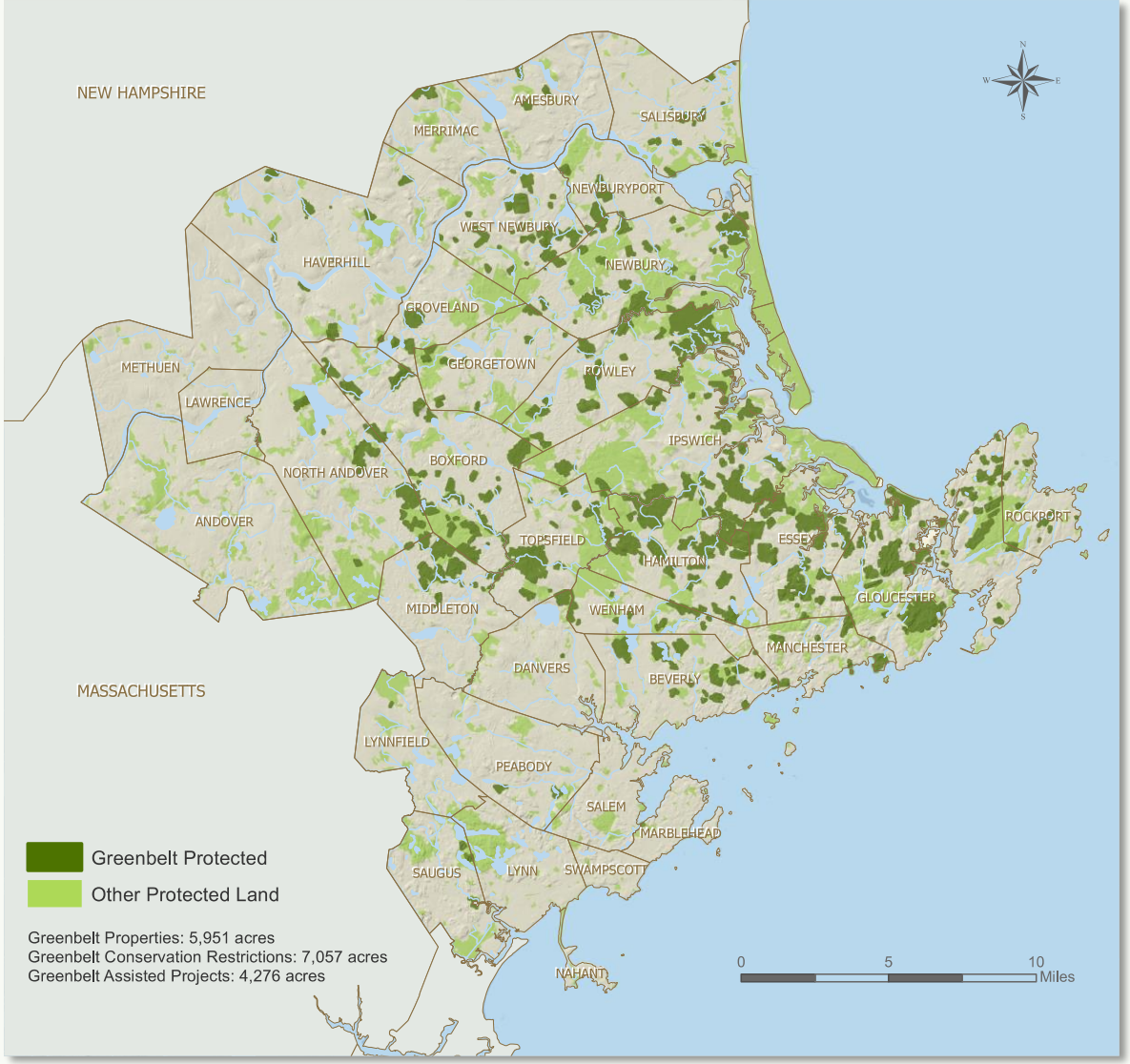
Land For Good

Greenbelt
Essex County's Land Trust

Engaging Farmers

Changing old methods to reach new landowners

Greenbelt
Essex County's Land Trust



Since 1961, Greenbelt has worked with local families, farmers & communities to protect the farmland, wildlife habitat and scenic vistas of Essex County. Greenbelt has protected over 17,000 acres of local land and has had a direct role in 75% of all land in Essex County conserved in the last decade.

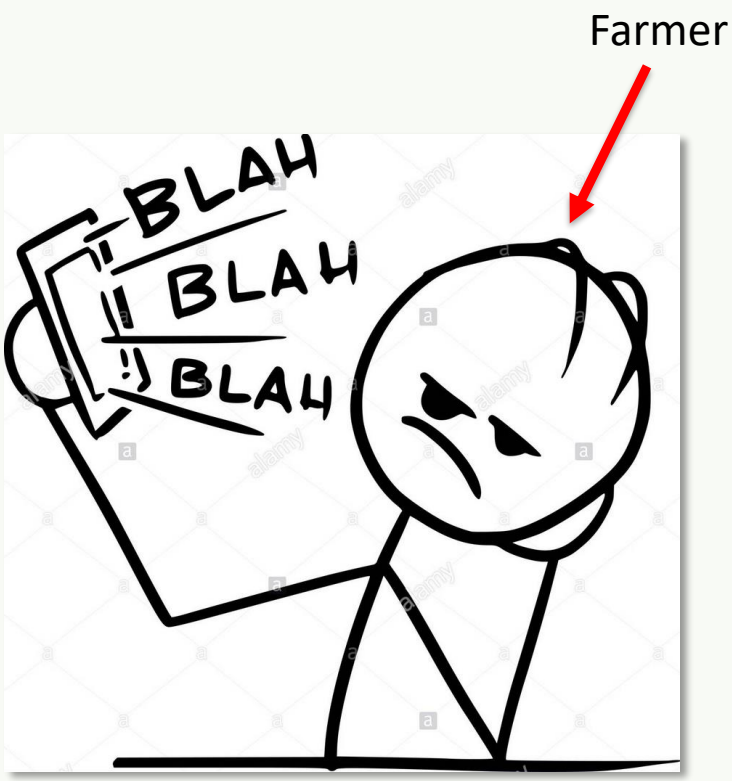
Paradigm Shift

Old: Conserve farms now.

New: Keep farms farming!

(and hopefully conserve later)

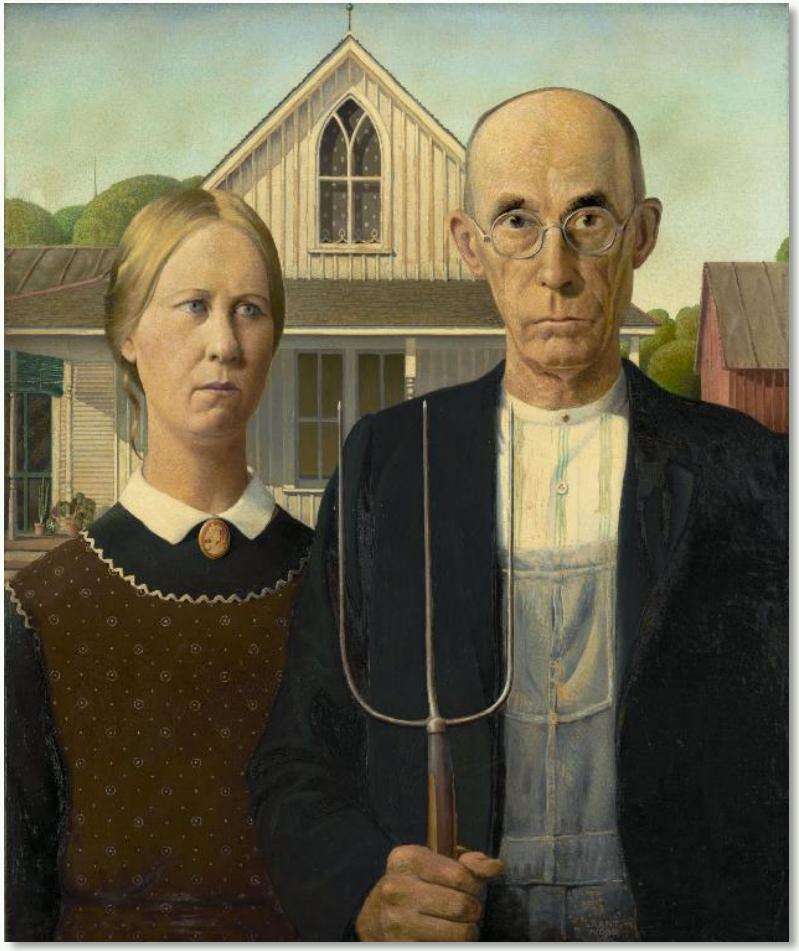
The Old Way



- Mass Mailings
- Personal Letters
- Phone Calls
- Stopping by
- Farmers Markets
- Land Conservation & Estate Planning workshops
- Farm Bureau

Challenges to the Future of Farming

- Development Threats
- Land Values
- Land Access
- Housing
- Farm Viability & Capital
- Farm Succession & Transfer



Challenges to the Future of Farming

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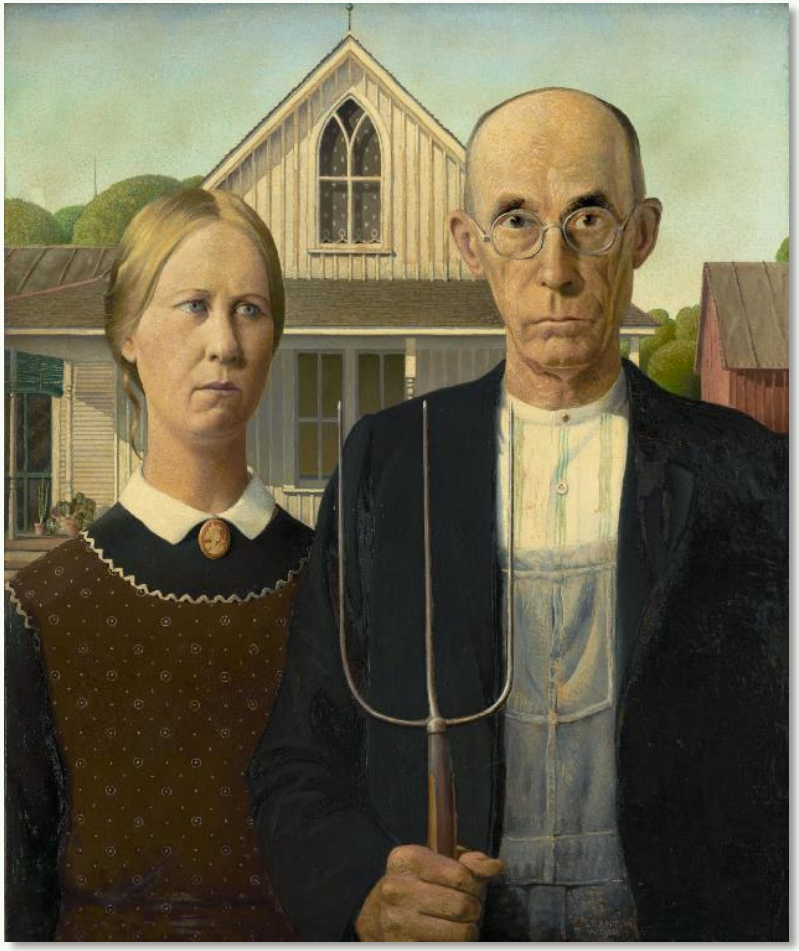


Farm Succession & Estate Planning:

How to Transfer Your Farm to the Next Generation

A FREE Workshop for Farmers & Farmland Owners

Saturday March 14th, 2015

8:00 – 10:30am
Gould Barn, Topsfield
full breakfast included with RSVP

Farm Succession & Estate Planning

A FREE, interactive workshop designed for Essex County farmers seeking to better understand the options, resources, and steps to transferring your farm business and/or farmland. Featuring farmland access, tenure & transfer expert Kathy Ruhf with Land for Good.

- Learn how a farm transition plan can provide for a secure retirement while creating opportunities for the next generation of farmers.
- Receive a complete guide to farm asset & management transfer.
- Q&A with an attorney experienced with farm succession and estate plans.
- Come away with practical, concrete steps for completing your farm transfer plan.

RSVP by March 10 to: alice@ecga.org or (978)768-7241 x24

Land for Good

Land for Good's mission is to ensure the future of farming in New England by putting more farmers more securely on more land. Workshop hosted & sponsored by: Greenbelt, Mass DCR and UMass Amherst.

Greenbelt
Essex County's Land Trust

82 Eastern Avenue
Essex, MA 01929

www.ecga.org

Non Profit
U.S. Post
PAI
Permit N
Essex, M

Farm Succession & Estate Planning:
How to Transfer Your Farm to the Next Generation

March 14, 2015

AGENDA

8:00 Sign in & breakfast

8:15 Welcoming remarks – Vanessa Johnson, Greenbelt

8:20 Overview, challenges & process of farm succession planning – Kathy Ruhf, Land for Good

9:00 Legal basics of farm estate & succession planning – Attorney Rich Cavanaugh, Common Grow LLC

9:30 Conservation options in farm succession – Vanessa Johnson, Greenbelt

9:40 A landowner's story – Ben Nutter, Farmer/CR donor

9:50 Finding a Farmer – Noelle Fogg, New Entry Sustainable Farming Project

10:00 Discussion, Q&A

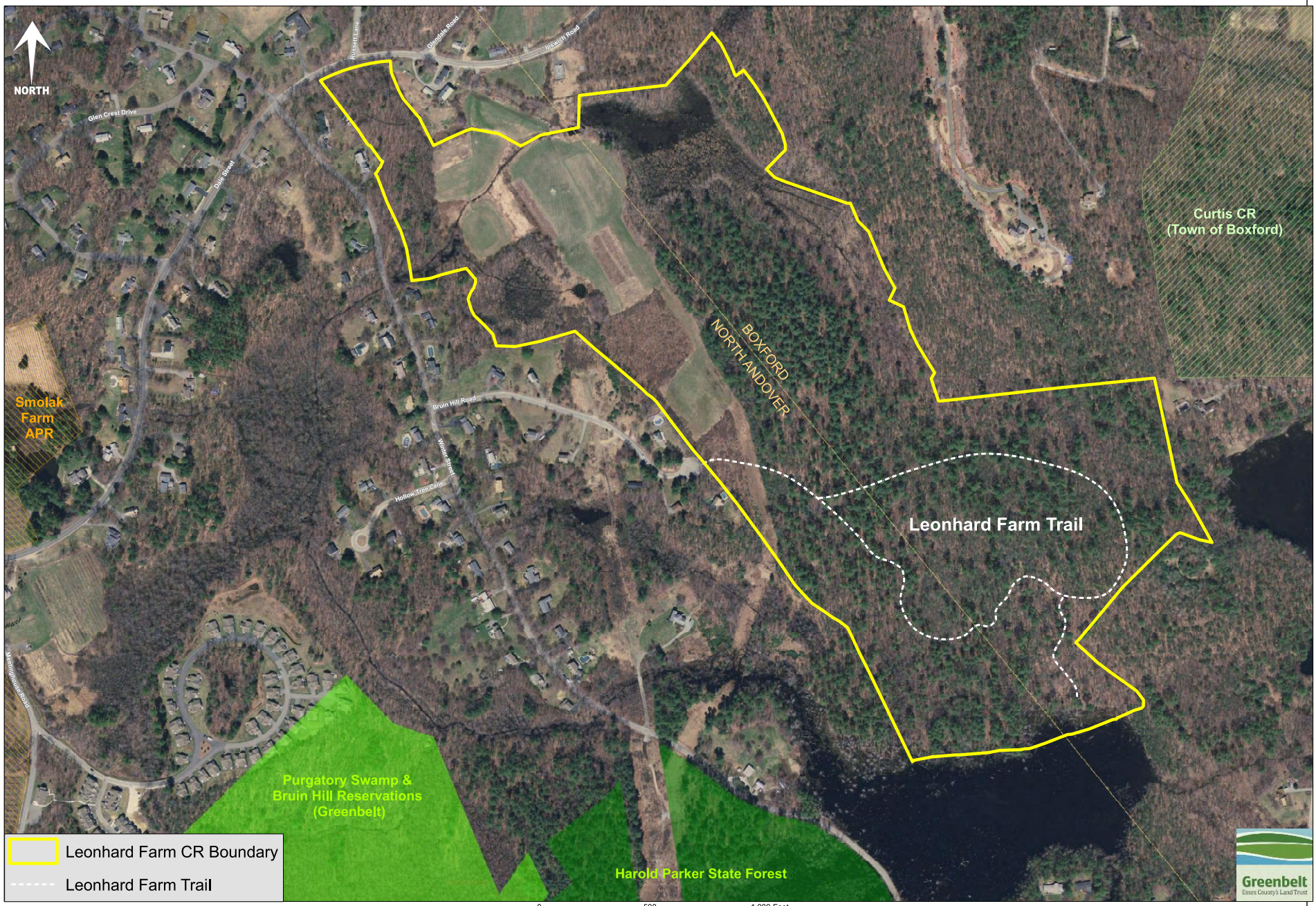
10:25 Evaluations

10:30 Adjourn

Sponsors: Greenbelt, Mass DCR, UMass Amherst, Land For Good, New Entry Sustainable Farming Project, USDA Risk Management Education.

Leonhard Farm Conservation Restriction, 116 acres

53.4 acres in North Andover; 62.9 acres in Boxford



Other Farmer Outreach Events

<u>Farmland Brainstorm & Beer</u>

Join Greenbelt for beer, pizza, and a brainstorm session on how to keep farming an essential part of Essex County's landscape and economy.

We are seeking input from you on such issues as:

- What are farmers looking for in terms of farmland? How many acres & where? Wooded vs. cleared? Leasing vs. owning? How do farmland needs differ between new and established farmers?
- How do farmers view conservation easements and how can we better engage famers in discussions on farmland conservation?
- How can Greenbelt play a stronger role in engaging farmers and preserving Essex County's farmland?

<u>When</u>: 4:30-6:30 pm Monday, January 25, 2016

<u>Where</u>: Greenbelt offices, Cox Reservation, 82 Eastern Ave, Essex, MA

Please feel free to forward this on to others who might be interested in attending!

January 2018: Farm Law 101

- Partnership with Legal Food Hub
- Audience: young farmers

Community Engagement

2017

2018

www.forgottenfarms.org

www.leaveitbetter.com/farmers-for-america

On Deck…

- LFG Farm Succession School Scholarship
- Subsidizing LFG Farm Succession Planning consultations
- National Young Farmers Coalition's Farmland Affordability Calculator Workshop
- Partnership with New Entry Sustainable Farming Project: Business Planning for Young Farmers

Resources:

www.landforgood.org

www.youngfarmers.org

www.equitytrust.org

www.legalfoodhub.org

www.nesfp.org

Vanessa Johnson-Hall
Essex County Greenbelt Association
vkjohnson@ecga.org
978-768-7241 x16
www.ecga.org

LEGAL FOOD HUB
A project of Conservation Law Foundation

EQUITY TRUST
eq' ui ty: 1. a financial interest in a property, 2. a moral principle of fairness

Monadnock Conservancy's Farmland Protection Program

Stacy Gambrel
Conservation Project Manager
Monadnock Conservancy
357-0600 ext. 106
stacy@monadnockconservancy.org
www.monadnockconservancy.org

The Monadnock Conservancy

Based in Keene, cover 35 towns in Monadnock region

Conserve natural resources, wild and working lands, rural character and scenic beauty of Monadnock region

Conserved over 20,000 acres, 200+ easements

8 staff

Conserved Farmland Access Partnership

- Funded $15k over 2 years
- Access to sufficient farmland big challenge for farmers

Conserved Farmland Access Partnership

- Learn interests, concerns, needs of owners and farmers
- Educate & support farm seekers
- Help bring farmers and landowners together → get more land into farming

Conserved Farmland Access Partnership

Methodology:

- Advisory Committee
- Focus groups
- Surveys
- Workshops
- Technical assistance
- Case studies

What did we learn…about landowners?

- Want to see land farmed, used more intensively
- Most have just couple acres for lease
- Easement not impediment to farming
- Some do not “get” economic realities of farming
- Some have romanticized notions of farming
- Want more education & networking w/ farmers

What did we learn…about farmers?

- **ALWAYS** need more land!
- Easement not impediment to farming
- Most do not have formal leases, but desire long-term, secure arrangements
- Good communication and respect for landowner is key
- Want more education & opportunities to connect w/ landowners

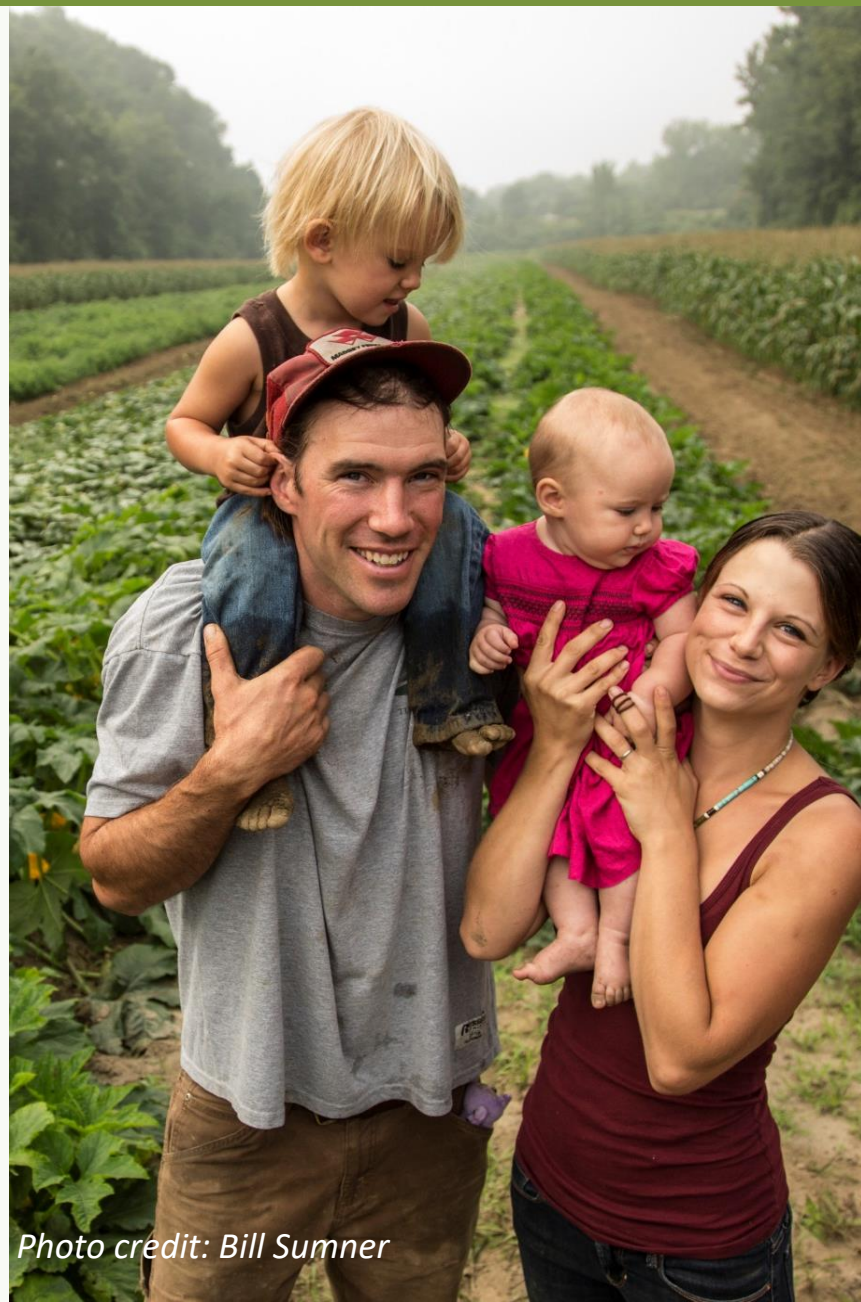


Photo credit: Bill Sumner

Farm Disaster Relief Fund

- Seeded with single $100k donation – response to 2016 drought
- $163,000 in requests
- $100,000 granted to 10 farmers
- Most were dairy or livestock producers
- Funds used for variety of purposes
- Cultivation tool for conservation

Farm Disaster Relief Fund

Eligibility:

- Conservancy service area
- 25% income from farm
- Demonstrate $5,000 in losses from disaster

Evaluation Criteria:

- Already conserved or in process?

- Commercially viable operation contributing to household income and local economy?

- Statement of need

- The current Fund balance and the Conservancy's knowledge of other applications that may be expected in the future.

- The availability of other government or charitable sources of comparable assistance.

Farm Disaster Relief Fund

Take Aways:

1. Wildly popular among farmers.

2. Keeping farms in business is de facto form of conservation.

3. Gained respect in farming community > future conservation projects.

What’s next?

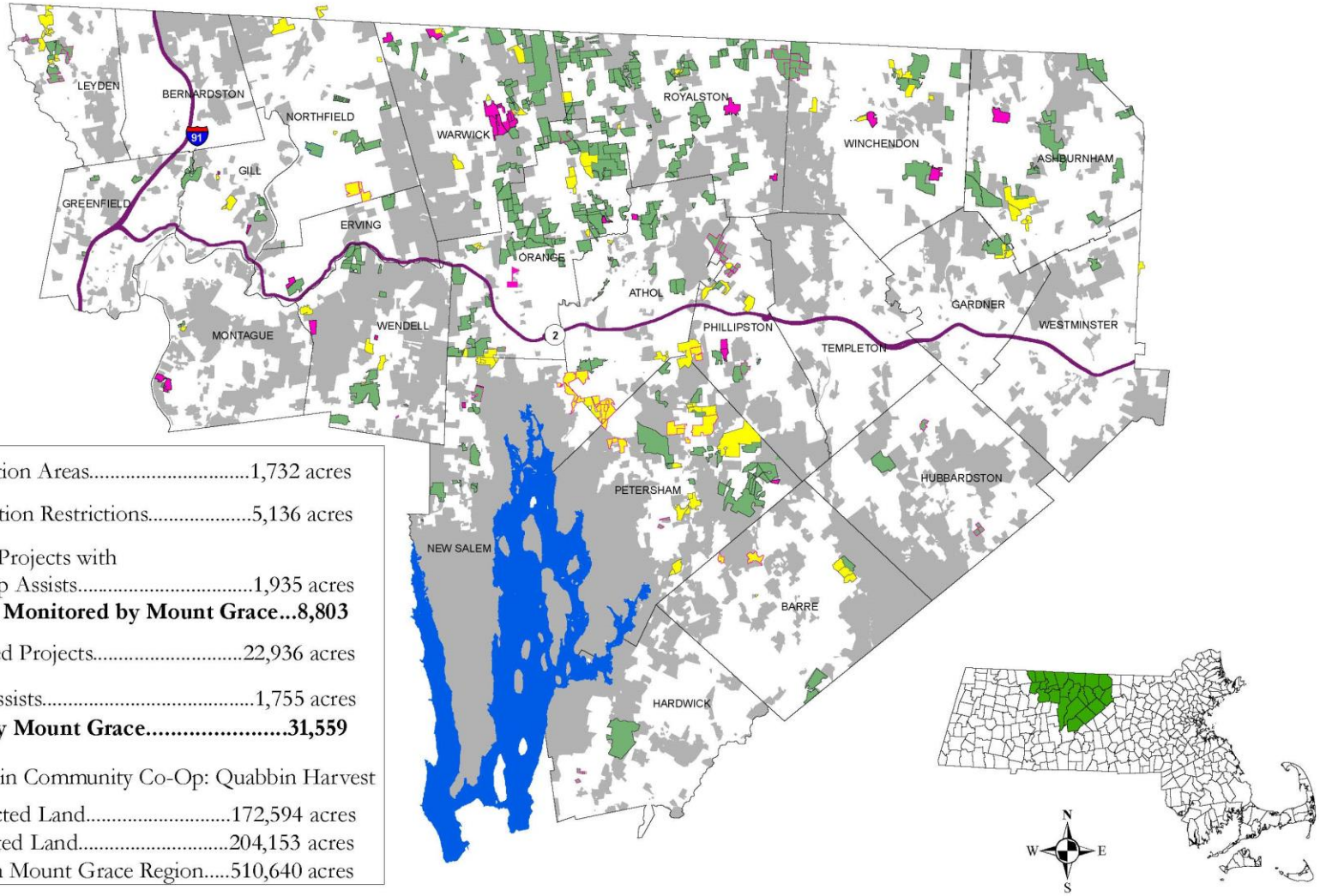
Want to learn more?

Stacy Gambrel
Conservation Project Manager
Monadnock Conservancy
357-0600 ext. 106
stacy@monadnockconservancy.org
www.monadnockconservancy.org

Mount Grace Land Conservation Trust

Our Holistic Approach to Farm Conservation

Mount Grace Land Conservation Trust
Conservation Projects 1986 to 2016



23 Conservation Areas.....1,732 acres

69 Conservation Restrictions.....5,136 acres

8 Facilitated Projects with
Stewardship Assists.....1,935 acres

Acres Managed & Monitored by Mount Grace...8,803

223 Facilitated Projects.....22,936 acres

22 Project Assists.....1,755 acres

Acres Protected by Mount Grace.....31,559

North Quabbin Community Co-Op: Quabbin Harvest

Other Protected Land.....172,594 acres
Total Protected Land.....204,153 acres
Total Land in Mount Grace Region.....510,640 acres

Our mission is to protect significant natural, agricultural, and scenic areas, and encourage land stewardship in Massachusetts for the benefit of the environment, the economy, and future generations.

Since 1986, Mount Grace has helped protect more than 32,000 acres, including over 50 farms.

Mount Grace Land Conservation Trust

Challenges for the Future of Farming

- Development Threats
- Land Values
- Land Access
- Housing & Farm Buildings
- Farm Viability & Capital
- Farm Succession & Transfer

Whole Farms Forever Campaign

Wingate Farm
(Mount Grace CR)

Sugarbush Farm
(Mount Grace CR)

Red Fire Farm
(Mount Grace owns the land: leases land on 99-year lease to farmers)

EQUITY TRUST

Promoting equity in the world by changing the way people think about and hold property

Wingate Farm

Hinsdale & Winchester, NH

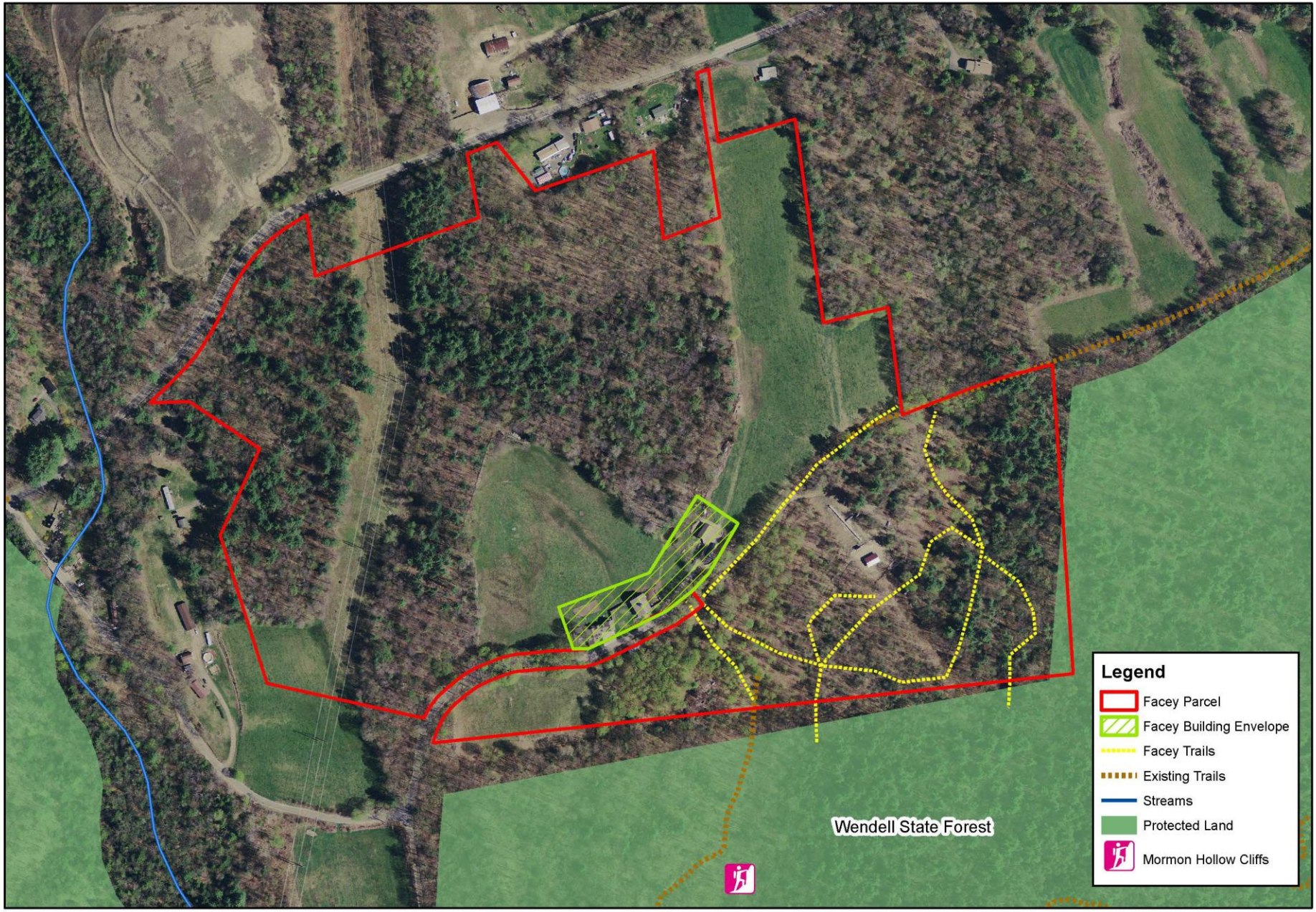
Conservation Easement & OPAV

Connecticut River
US RT 63
Massachusetts - New Hampshire State Line
Pauchaug Brook WMA

Sugarbush Farm

Wendell, MA

Conservation Restriction & OPAV



500 Feet

Mormon Hollow Working Lands Corridor Project
Component 7: Facey Conservation Restriction, 70 Acres

Red Fire Farm

Montague, MA

Mount Grace owns the land: leases land on 99-year lease to farmers. Farmers own buildings.

0 750 1,500 3,000 4,500 6,000 Feet

0 0.75 1.5 2.25 3 Miles

Legend

- Blue Meadow Nursery
- Tuvek Farm/Red Fire Farm
- MA Open Space

THIS MAP IS NOT A SURVEY

This map is not a survey or subdivision plat, and should not be used or construed for such purposes. It was prepared without the benefit of field measurements or extensive title research. It is intended solely to assist the owner(s) of the land and Mount Grace in the administration and interpretation of the conservation restriction, by clearly depicting the presumed boundaries of the property, calculating the approximate acreages, and showing the approximate locations of any excluded lands, farmstead or homestead complex or special treatment areas.

Map prepared by

Ryan Voiland
Red Fire Farm
Montague, MA

In-House Programmatic Approach

Farmland Inventories

Outreach to Farmland Owners

Community Conversations to achieve community conservation goals

Farmland Inventory

How much farmland do we have?

What farm products are being produced?

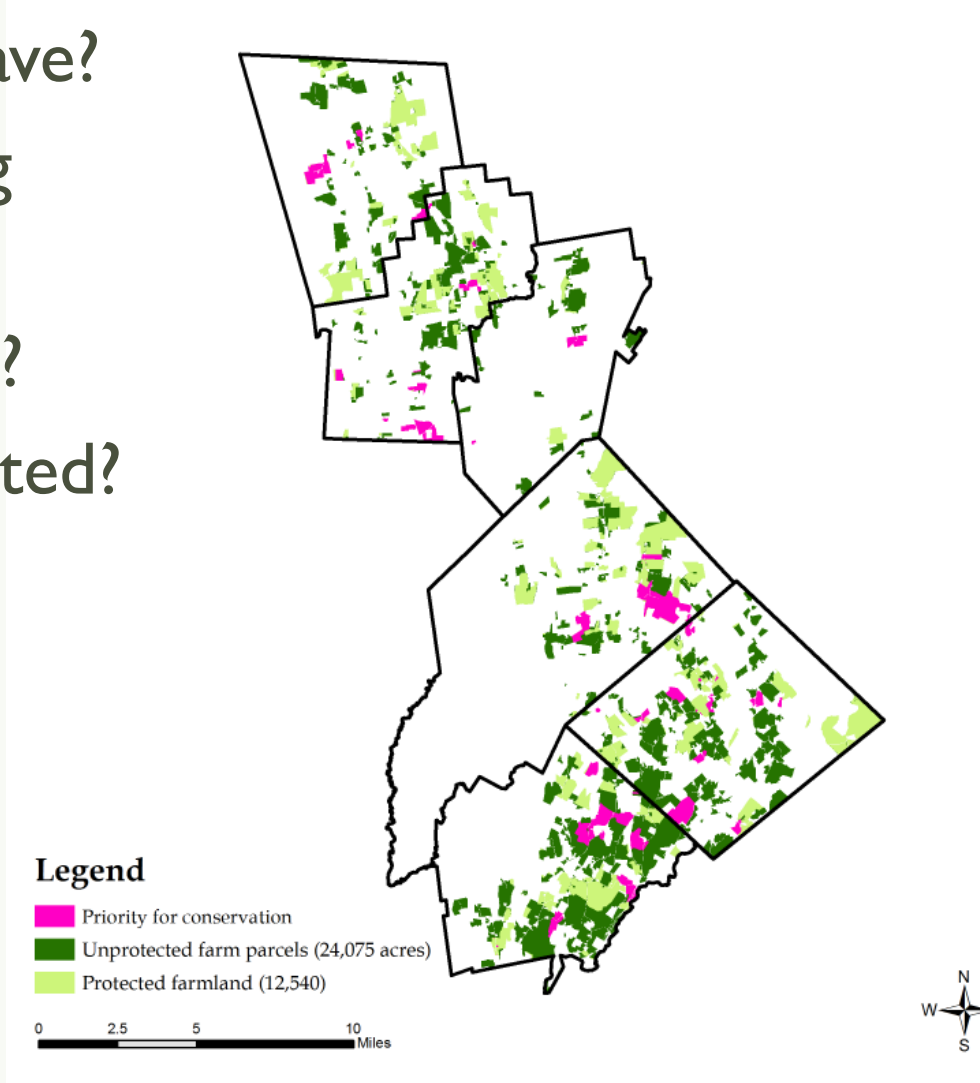
How much prime soil is there?

How much farmland is protected?

Who owns the farms?

Who is farming them?

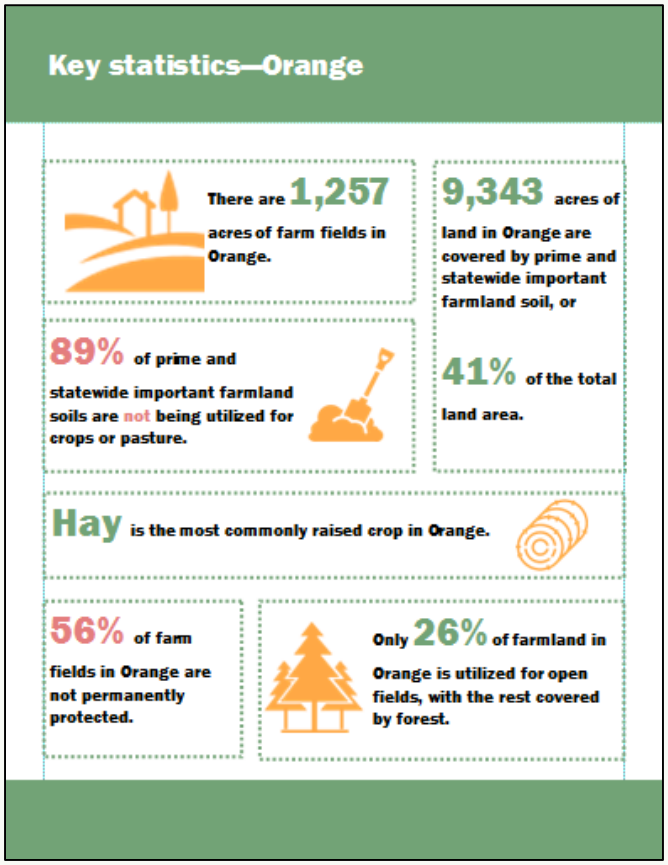
What are the threats?



MASS GIS

Partnering with Ag Coms & Committees to Share Information

Sharing Data



Organizing Landowner Outreach Events

Petersham, MA Town Hall

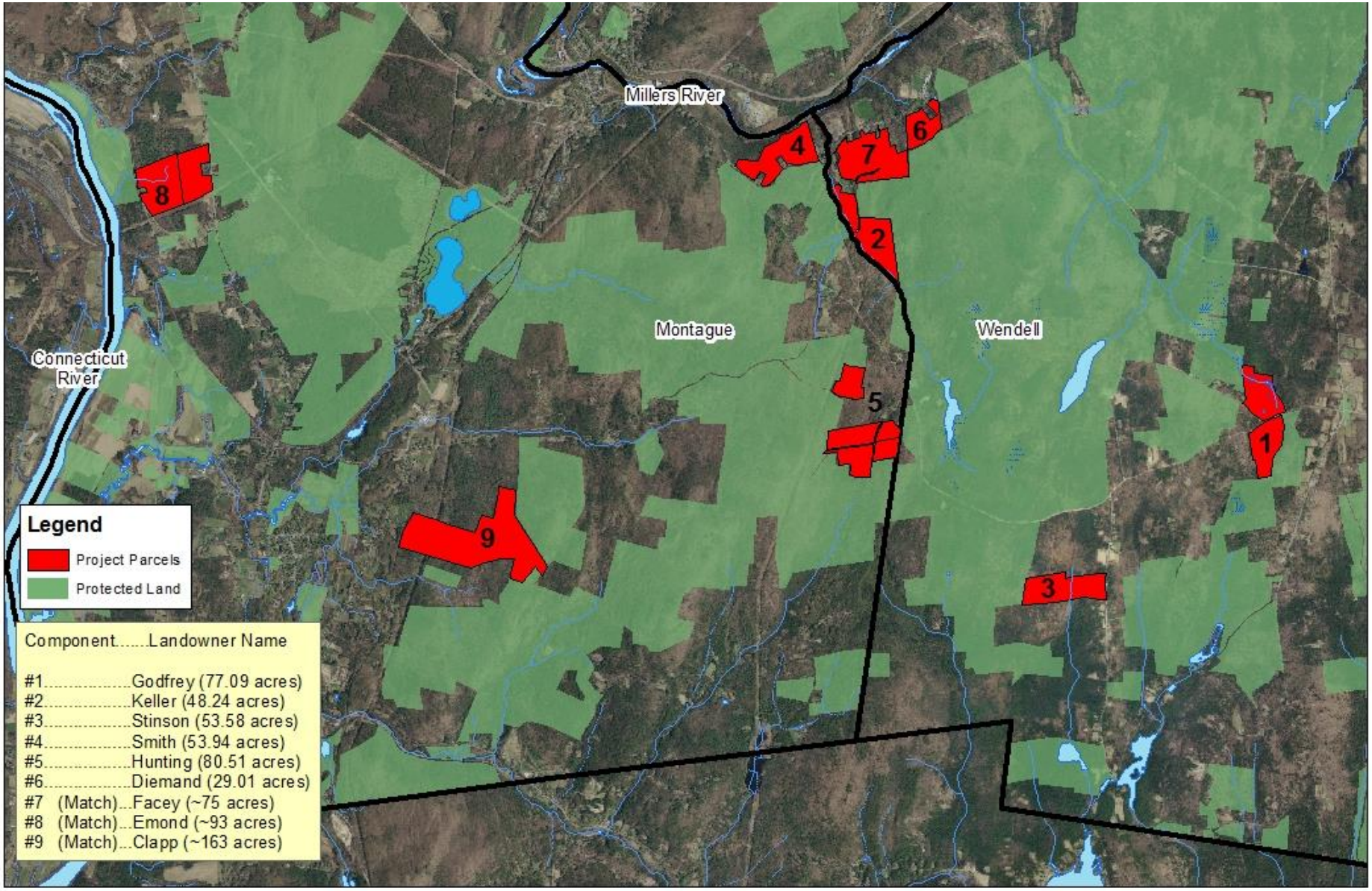
Warwick, MA Library

Greenfield, MA Elks Club

Orange, MA Johnson's Farm Restaurant

Wendell, MA Diemand Farm

Conservations in a Barn→ Community Conservation



5,000 Feet

Mormon Hollow Working Lands Corridor Project
673.37 acres TOTAL

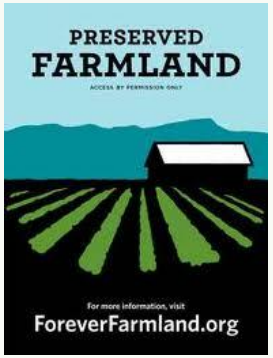
Rebuilding the Local Food System

Montachusett Regional Planning Commission
Commonwealth of Massachusetts
MRPC
1968

Greater Quabbin Food Alliance
SPONSORED BY MOUNT GRACE LAND CONSERVATION TRUST

Grow Food Everywhere
Seeds of Solidarity

frcog



North Quabbin Community Coalition
Working to improve the quality of life within the North Quabbin region

Mount Grace Land Conservation Trust

oic

CISA community involved in sustaining agriculture

Farm to School

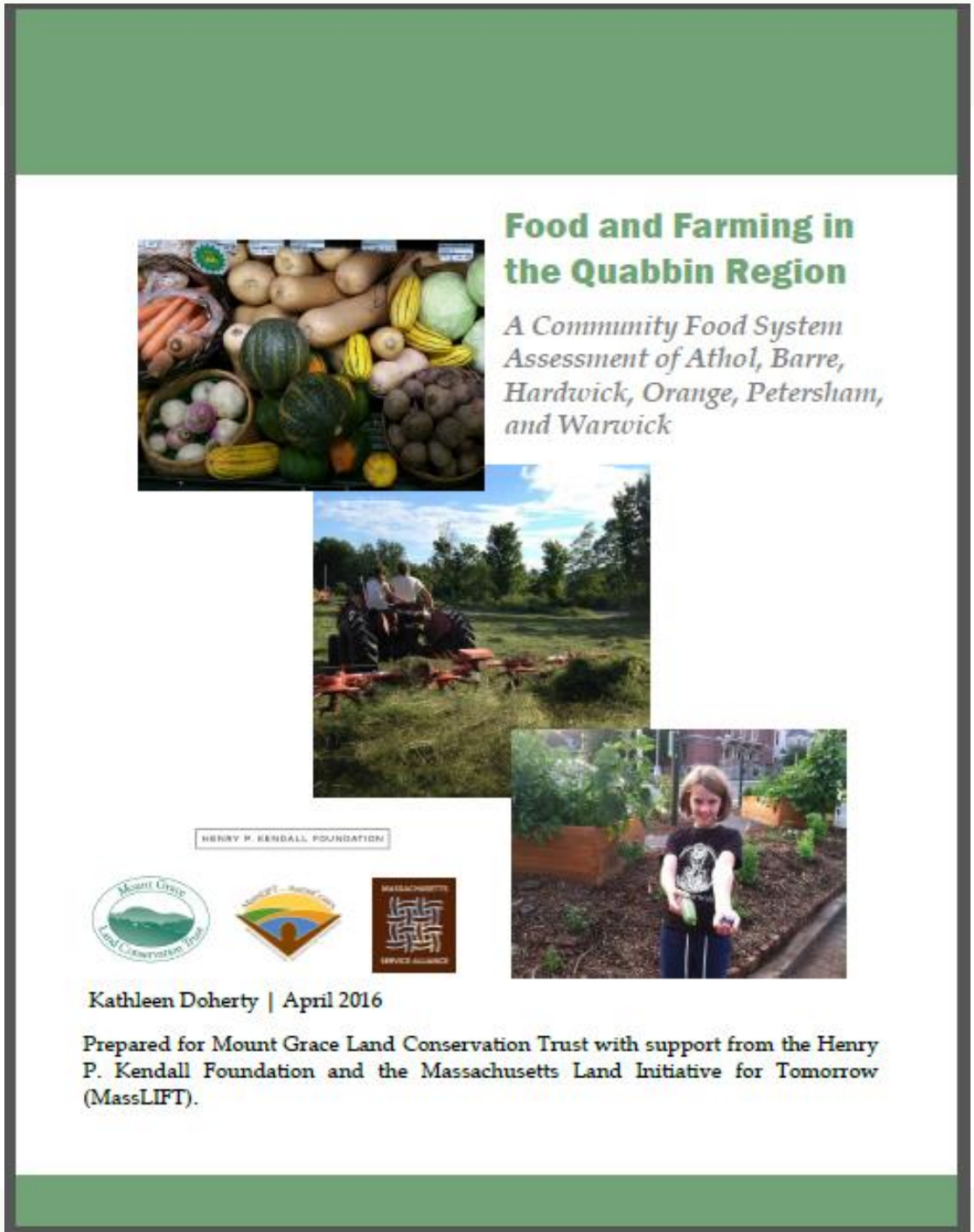
CMRPC
Central Massachusetts Regional Planning Commission

East Quabbin Land Trust
Conserving the land. Preserving our heritage

Looking at the Whole System!

Community Food System Assessment

"A tool for analyzing and assessing the assets and barriers related to local food production and consumption in a community or region"



Food and Farming in the Quabbin Region

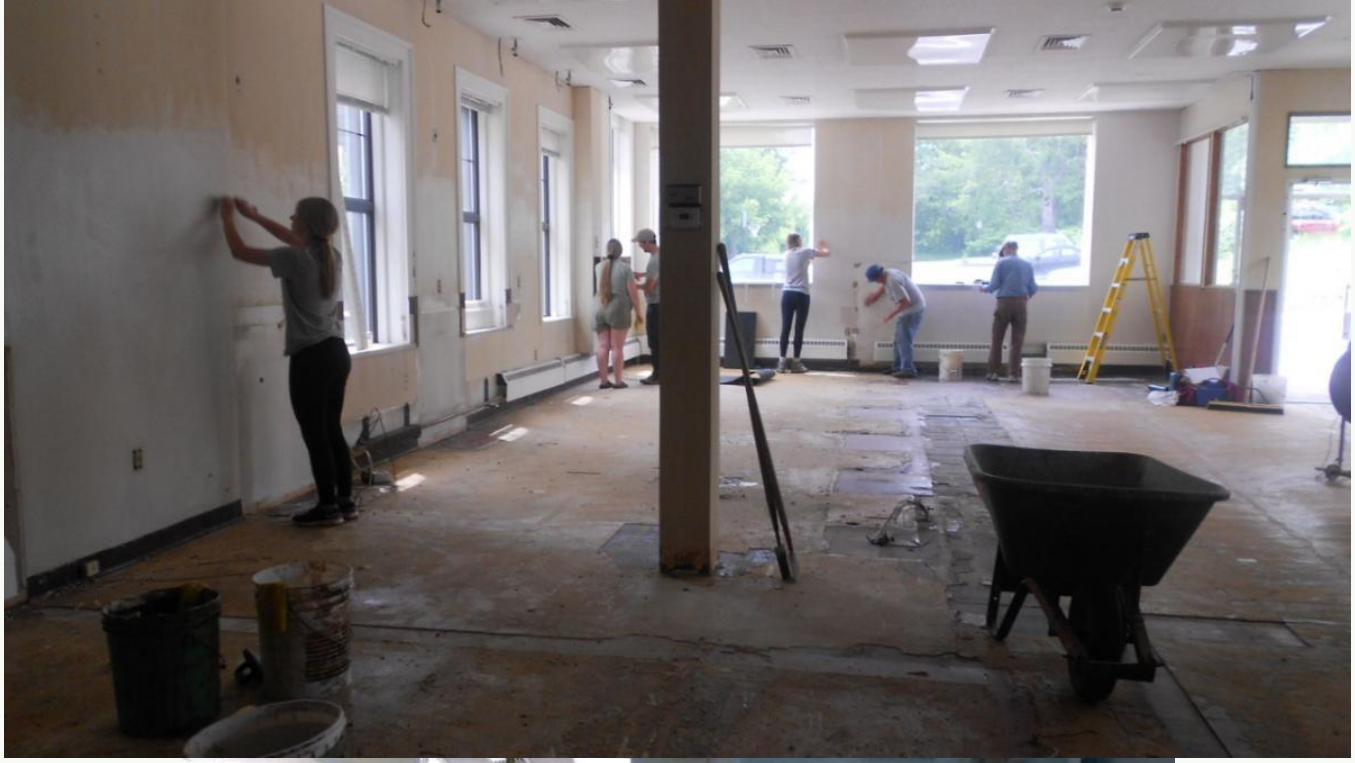
A Community Food System Assessment of Athol, Barre, Hardwick, Orange, Petersham, and Warwick

HENRY P. KENDALL FOUNDATION

Kathleen Doherty | April 2016

Prepared for Mount Grace Land Conservation Trust with support from the Henry P. Kendall Foundation and the Massachusetts Land Initiative for Tomorrow (MassLIFT).

Quabbin
Harvest
your community market
12 North Main Street • Orange, MA • 01364



WORKERS' CREDIT UNION
Quabbin Harvest
Everyone Can Shop! Anyone Can Join!
OPEN!
Tuesday - Friday
Saturday

We support local agriculture.

WITH US

Mission Link

- Alignment with MG's Mission & Ends Policies
- In line with efforts to strengthen local food systems, support farmers, create jobs, & improve local economies
  - Multiplier Effect
- Responsiveness to community needs

We are proud to carry products from over 50 producers within 35 miles.

Quabbin Harvest
your community market

12 North Main St, Orange

Thank You!

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quabbinfoodalliance.wordpress.com

Mount Grace Land Conservation Trust

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