

EQUITY TRUST

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



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Advocating for affordable working farms since 1990s

Because

- Farmers struggle to access land
- Communities want local food and agricultural economy
- Even CE land often lost to farming

Our roles

- Facilitate & advise projects
- Help farmers partner with local stewardship organizations
- Provide resources for farmers, land trusts, & communities (see website)
- Education

Farms for Farmers



To keep farms part of the food system we need to protect:

- The farmland itself, including soils, water resources, environmental services...
- Farm infrastructure, including housing
- Affordability to farmers: price can be paid with farm earnings
- Productivity—the continued use of the farm to produce food and other agricultural products

Equity Trust Hudson Valley Farm Affordability Program



- Launched 2013
- Funding from **NoVo Foundation** to support *permanent preservation of affordable working farms* in partnership with land trusts and farmers
- Working in fifteen counties: Rockland, Westchester, Orange, Putnam, Sullivan, Ulster, Dutchess, Delaware, Greene, Columbia, Albany, Rensselaer, Schenectady, Saratoga, and Washington

Equity Trust Hudson Valley Farm Affordability Program



Designed to

- Assist farmers seeking secure and affordable land tenure
- Partner with local and regional land trusts aiming to protect and steward working farms
- Support communities working to preserve or revive local farms
- Complement existing farmland protection strategies including state and federal programs

Whole Farm Affordability— 2 Approaches



Specialized agricultural conservation easement

- Farmer owns property subject to restrictions of easement
- Easement includes requirement for active farming
- Preemptive Right to Purchase* included in easement ensures future sales will be to a qualified farmer at agricultural value.

* Similar to the option to purchase at agricultural value (OPAV) used in VT and MA state programs, the PRP prevents sales to non-farmers or at prices farmers can't afford

Whole Farm Affordability— 2 Approaches



Ground Lease

(modeled on community land trust approach for affordable housing)

- Land trust owns farmland; leases to a farmer on a 99-year basis
- Farmer buys farmhouse & other infrastructure at agricultural value
- Farmer pays ground lease fee at based on land's value for farming
- Lease includes active farming requirement & resale restrictions to keep farm affordable
- Third party easement can provide additional protection

Equity Trust Hudson Valley Farm Affordability Program



Program can

- Partner in the acquisition and preservation of affordable working farms
- Add affordability protections to overlay existing conservation easements
- Develop long-term ground leases for land trust-owned farms

Equity Trust Hudson Valley Farm Affordability Program



Supports farm protection projects in three ways:

- Technical assistance for protecting affordability and agricultural use of farms
- Short-term low-interest loan funds for farm acquisition—can be loaned to farmer or to land trust or used for short-term acquisition by Equity Trust
- Matching funds to protect permanent affordability

Stone Ridge Orchard



Established farm at risk

- 114 acre commercial orchard in Rondout Valley, Ulster County, with good infrastructure.
- Important watershed and wildlife habitat
- Leased and managed by current farmer for 7 years
- Strong local desire to see farm preserved
- 400 unit housing development was proposed for site in 2005
- By 2013, property remained unprotected and on the market for \$1.8M

Stone Ridge Orchard



Farm acquisition

- Farmer signs \$1.25M purchase and sale agreement
- Equity Trust provides \$1M bridge loan at May 2014 closing

Farm protection

- Scenic Hudson to hold easement
- Scenic Hudson seeks ACEP funding and commits, w/ Open Space Institute, to provide match
- Equity Trust to cover cost of additional restrictions with match from local fundraising and SH

Unexpected challenge

- No ACEP funds awarded

Sample projects in progress



- Columbia Co: Overlay easement with farming requirements and resale restrictions for 70 acre CSA with existing CE
- Washington Co: Diversified, multi-farmer cooperative developing on 100 acre former dairy
- Orange Co: 120 acre farm serving NYC markets aiming to transition to land trust ownership with long-term leases to multiple farm businesses
- Farmers seeking land in various locations