

# EQUITY TRUST NEWS

December 2016

## Hudson Valley Farm Affordability Work Gains Momentum

### *Dairy farms are first to be protected*

Equity Trust's Hudson Valley Farm Affordability Program protected its second permanently affordable farm this year and made progress on several more. By coincidence, the first two farms protected have been dairy farms.

In June, **Walt's Dairy**, a family-owned fourth-generation dairy farm in Copake, NY run by Bill and Rosalie Kiernan and their two sons, Walter and David, was permanently protected with affordability restrictions. The Kiernans market through Cabot and Hudson Valley Fresh, a regional dairy cooperative that Bill helped start in 2005, that provides farmers a higher and more stable price than available through the large consolidators. Their 347 acres, highly visible from State Route 22 and the Harlem Valley Rail Trail, are prime quality farmland.

The farm was protected through sale of a conservation



*Walt's Dairy, NY (credit: Columbia Land Conservancy)*

easement to Columbia Land Conservancy, paid for by the USDA Agricultural Conservation Easement Program, Scenic Hudson, and Equity Trust. The money from our program paid for resale restrictions that ensure future sales will be made to farmers at an affordable price. The farmers immediately used much of the capital from the easement sale to invest in additional land, strengthening their business as they prepare for succession to the family's fifth generation.

It is significant that our program's first two completed projects were both dairy farms. Dairy farming is the backbone of agriculture in the northeast, yet many of these farmers have been left out of the "local food" movement and dairy farms perpetually struggle under federal pricing policy. Their success is vital, keeping a large portion of land in active agriculture and supporting important farm services, like equipment repair, that are essential to the agricultural economy.

Equity Trust doesn't stop at creating protections for farms; we support them in other ways, too. After our Hudson Valley program helped farmer Dean Zapp protect the 83 acres of **Delapenta Farms** in 2015, this year the Equity Trust Fund made his dairy operation a loan to expand his herd. Dean wanted to scale up production to make his switch to organic economically viable, so we used funds loaned to us by individual investors from around the country, for the purpose of supporting projects aligned with our mission, to provide the short-term financing he needed.

*Read about other Hudson Valley projects on Page 2 and other Equity Trust Fund loans on page 4.*



*Setting things right at Laughing Earth Farm, NY (credit: Bridget Kelly). Story on page 2.*

*Celebrating 25 years of promoting equity in the world by  
changing the way people think about and hold property.*

# Hudson Valley Farm Affordability Program

## Five more affordable working farms approach completion

**Laughing Earth Farm:** As we go to press, work is on track to complete the Hudson Valley Farm Affordability program's third project this month.

Agricultural Stewardship Association (ASA), a land trust serving the upper Hudson Valley, will use a New York State farmland protection grant to purchase a conservation easement to protect Laughing Earth (formerly Homestead) Farm in Cropseyville, NY, from development. Simultaneously, Equity Trust will provide a farm affordability grant for ASA to also purchase an overlay restriction to preserve the farm's ongoing affordability. Farmers Zack and Annie Metzger will use a portion of the proceeds from these sales to repay the bridge loan that we provided last year when they purchased the farm.

Meanwhile, four more affordable farm projects were awarded New York State funding in 2016 to protect valuable farmland. In each case, Equity Trust will pay for a permanent affordability restriction to ensure the farms will always be sold to farmers at agricultural value. We expect all four to be permanently protected as affordable working farms in 2017. The farms are distributed from Saratoga County in the north to Orange County in the south, and involve partnerships with five different land trusts.

**Featherbed Farm:** Farmer Tim Biello recently launched a unique a horse-powered year-round Community Supported Agriculture enterprise on a 62-acre property currently owned by Local Farms Fund (LFF), a social investment fund. LFF purchased the farm and leased to Tim with a plan to transfer it to farmer ownership once it has been protected and Tim's business is more fully established. With state and county funding now committed, the county land trust, Saratoga PLAN, will move forward with the landowners, farmer, and Equity Trust to complete this project.

**Farm at Miller's Crossing:** Described in detail in our 2015 annual report, this project is on track to move ahead now that Columbia Land Conservancy (CLC) has been awarded easement funding. The easement will protect a 400-acre former dairy



*Farm at Miller's Crossing, NY*

adjacent to the already-protected 200-acre Farm at Miller's Crossing owned by Chris and Katie Cashen. Once the easement is in place, the Cashens will purchase a 70-acre section that they currently lease, and Equity Trust will pay for an overlay resale affordability restriction to be held by CLC.

**Artemis Farm:** As reported last year, to provide time to protect this 120-acre farm, Equity Trust's Hudson Valley Farm Affordability Fund temporarily acquired a portion of the property, where Cynthia Creech breeds and sells Randall Cattle, a rare but hardy indigenous breed of cattle. The state grant that CLC has been awarded represents the final piece of the funding puzzle,

complementing a grant from the Federal Agricultural Conservation Easement Program, a match from Scenic Hudson, and Equity Trust's farm affordability funds. Upon sale of the easement, Creech will purchase the parcel held by Equity Trust, and the entire property will remain affordable for future farmers. e

**Farmer's Daughter:** Orange County Land Trust (OCLT) was awarded state funding to protect this 196-acre property and make its purchase affordable for the young farmers currently leasing it from a retiring farmer. Trish and Matt Southway produce livestock and vegetables for sale at their farm market in the nearby village of Otisville. We are working with them and OCLT to develop an easement with both resale restrictions and farming requirements to protect this working farm in a region facing extreme development pressure.



*Farmer's Daughter Farm, NY*

# Worth the wait

## Farms for Farmers

Farm projects sometimes unfold so rapidly that they're hard to keep up with, but many take years to complete. Some require the sustained effort of a changing group for up to a decade! The creation of a permanently-protected **North Amherst Community Farm** has been years in the making, but all of the pieces have finally come together.



*Equity Trust board and staff tour North Amherst Community Farm*

It started in 2005 in a densely-populated part of Amherst, Massachusetts when a beautiful 33-acre farm within walking distance of the state university went on the market. Neighbors came together to save the land from development, forming the nonprofit North Amherst Community Farm (NACF), seeking farmers, and figuring out how to fund a \$1.2 million purchase.

Desiring to see the property remain agricultural, the selling family offered owner financing and NACF closed on the property in 2006, still unsure of where the money would come from. A capital campaign was launched; an Agricultural Preservation Restriction on the farm's tillable acreage was purchased by the state and town; and several house lots were sold, most recently one this year to the emerging Amherst Community Land Trust to develop affordable housing in partnership with Habitat for Humanity.

Meanwhile, NACF consulted Equity Trust on how to preserve the property as a working farm and to develop a lease agreement with incoming farmers Jeremy Barker Plotkin and Dave Tepfer,

who had been chosen to operate their community-oriented organic vegetable and meat CSA, **Simple Gifts Farm**, on site.

By late 2011, Simple Gifts had been on the land for five years and the farm was in full swing. Grass-fed pastured livestock were building soil and families were flocking to the farm to visit the animals, see their food being grown, and celebrate the harvest. The farmers and volunteer community members had cleared brush and debris, improved existing infrastructure, and erected new greenhouses.

Important questions were also being raised about how to share the value of these improvements, allocate unexpected costs, and manage the farm's remaining debt. With guidance from Equity Trust, NACF and the farmers reached consensus around these issues and developed the financial terms for the sale of the infrastructure to the farmers, once the land debt was retired. The negotiation was a challenging process over many months, and the parties worked hard to balance the interests of NACF and the farmers.

A reinvigorated community effort raised the last \$400,000 over two years, finally retiring the mortgage in 2016! NACF and the farmers then got down to work to finalize a long-term ground lease for Simple Gifts Farm, turning once again to Equity Trust for help to craft an agreement that will carefully protect the land's many stakeholders and support the farm's long-term viability.

While NACF will continue to own the land, by the end of this year the farmers will own the farmhouse and other buildings and hold a long-term lease to the land. This will give Simple Gifts secure tenure and allow the farmers to build equity and pass it on to their children, while preserving the affordability of the buildings now and in the future.



*NACF board president Bruce Coldham describes the project's history.*

## Lending links communities across the country

While the individual projects that Equity Trust works on are typically focused on a specific local or regional community, the Equity Trust Fund allows us to link communities across the country in a shared effort to affect positive social and economic change. We pool loans from a nationwide network of individual lenders and use that to provide financing for a variety of different borrowers both near and far. It lets California urbanites help small-town Mainers and retirees in Florida participate in a land use experiment in Oregon. Two new loans approved this year illustrate the reach of our loan fund. The projects are located in different regions of the country: One in the Deep South and one in New England. One is urban, one rural. One addresses housing needs, one farming. Both are good examples of the kind of work we do.

**Efforts of Grace** is a multi-faceted nonprofit with a broad community service mission in New Orleans. They own and steward on behalf of their community several properties serving a variety of purposes, including art galleries, performance space, offices, retail, and affordable rental housing. They provide health, education, and cultural programming. One of their



*Efforts of Grace's Ashé Cultural Arts Center students, LA*

## Equity Trust Fund Loans

properties is a house, formerly owned by one of the organization's co-founders, that they want to use for artist residencies, both as a way to reduce expenses and to provide an affordable place to stay for visitors to their community. Our loan will enable them to perform needed rehab of the building.



*Kroka's Expeditions students, NH*

**Kroka's Expeditions** is a wilderness education school in southern New Hampshire. The campus includes many acres of forest, stream, and hill, plus a three-acre organic farm where they grow a portion of their vegetables, berries, milk, and eggs. Our loan enables them to purchase and protect prime farmland nearby under threat of development, and is an opportunity to expand their produce-growing capacity and secure their long-term agricultural sustainability. Once the land is secure, they will grant the local land trust a conservation easement that permanently protects the land from development while allowing Kroka to farm it. A provision in our deal with them will ensure that the land will be made available to another nonprofit or a farmer if they ever decide to end their ownership of it.

## On the Phone and On the Road: Assistance and Outreach

Among the groups and individuals we assisted this year were a Michigan landowner protecting a large property for agriculture and nature-based education; a farmer in Pennsylvania seeking a long-term ground lease with a land trust after repeatedly losing access to leased land; and nonprofits in Montana and in Melbourne, Australia developing farmland community land trusts. Our work with Trust Montana led to opportunities to speak about land ownership at several events in western Montana. This month, Equity Trust presented on land access for

urban agriculture at the Maine Farmland Access Conference (with Conservation Law Foundation's Jenny Rushlow) and at Stone Barns Center's Young Farmers Conference (with Tess Brown-Lavoie of Sidewalk Ends Farm and Land For Good). Topics included accessing urban land; how land trusts can support urban farms; and how race and justice relate to land access. We continue to work on land tenure innovations for urban and rural farms through Land For Good's Land Access Project, a multi-year, USDA-funded regional effort.