INTERVALE CENTER

farm to plate
STRENGTHENING VERMONT'S FOOD SYSTEM

Exploring Collaborative Farmland Ownership and Community-based Land Access Models in Vermont

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Acknowledgements

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Background

Vermont loses nearly 10% of its dedicated farmland every five years. Many Vermont farmers are approaching or beyond their retirement years, with 40% of farm owners now over 65. Most of these farmers have not identified a younger successor. As farmers age without farm transfer plans, nearly one million acres of farmland in Vermont are in jeopardy.

The next generation of farmers reports land access as their number one challenge. Soaring land prices, rising borrowing costs, and financing options that do not meet their needs all impact their ability to purchase or secure long-term land access. Young farmers are also developing farming models with quite different land and infrastructure needs from those of their predecessors. Farmers are trending toward smaller,more diversified operations that don't always align with large tracts of farmland and the dairy infrastructure that has defined the Vermont landscape. Even if an aging farmer wants to transfer an existing, viable dairy or farm business to a younger farmer, the existing business model is unlikely to support the transfer of the land. Finding a farm business model that supports the current land market value is the challenge of Vermont's intergenerational farmland transfers.

Efforts to protect farmland through agricultural conservation easements and other farmland protection programs have made farmland more affordable for young farmers and helped ease the rate of farmland loss. Purchasing a conserved farm at a reduced agricultural value rather than at market rate is certainly more attainable, but it is still not enough.

Farmers are seeking alternatives to the one-farmer ownership model to help overcome barriers to farmland ownership. More farmers are exploring collaborative, community-based land access models that can mitigate the high cost of land ownership and create opportunities for more people to engage in food production and land stewardship. These new models include creative approaches to housing and infrastructure. They are leading lenders to develop financing options for non-related, multi-member entities for both purchase and operations, and are pressing against some of the longstanding institutional discrimination new and beginning farmers have faced when trying to access land.

Vermonters are not yet confronting what the significant, impending loss of agricultural lands means economically, environmentally, and culturally for our rural communities, food security, and way of life. Our farmers and communities need new models to ensure that farmland stays in production and farmers can access land to grow their businesses and produce food.

Project

The Intervale Center

The Intervale Center, based in Burlington, Vermont, has initiated many progressive food system advancements and emerged as a leader locally and nationally around issues related to farm viability, food access, tree nursery management, native seeds, and land stewardship. On the 360 acres the Intervale Center owns and manages, we have developed a model of collaborative land access and community food production, including commercial farms, community gardens and recreational trails. We have a long history of supporting farm business development in Vermont,

including helping farmers navigate the challenges of accessing land. We have provided hundreds of new and beginning farmers with business planning support, many of whom have gone on to secure long-term land tenure. We also manage Vermont Land Link, a listing and linking site for farmland owners and farmers seeking land. Through our work, we have observed a trend of more farmers seeking different strategies to access and own land. This project and report came from a desire to capture some of those experiences and models so that other farmers may learn from them.

Farmers and Land Access Models

This report explores collaborative ownership and long-term, community-based land access models through the narratives of three farm projects. The goal of this report is to help farmers and landowners make decisions that best align with their land and farm business goals. The initial portion of this document will discuss their histories and structures, and then we will explore some of the lessons learned from each.

Model: Collaborative or co-ownership of land by multiple farmers and/or farm businesses

Lee River, LLC, The Farm Upstream, and Bone Mountain Farm

In 2021, a group of four farmers established The Farm Upstream (TFU) to grow a few wholesale crops on leased land in central Vermont. They wanted to try farming together before fully committing to the possibility of co-owning land and transitioning away from their full-time jobs. In their second year, they expanded, securing two additional leases and doubling farm revenue. By the end of the 2022 season, they were confident enough in their model to begin seeking land to purchase.

They identified a property in Jericho, the Lee River Farm, that met their criteria and was potentially for sale. The 50+ acre farm property at Lee River included roughly 20 acres of prime tillable soils, a consistent water source, direct market access to nearby town centers, and

onsite retail opportunities. In addition, the property had an older farmhouse, large barn, multiple outbuildings, and an additional 5+ open acres suitable for perennials and livestock along the river. It had the potential to support the expansion of these farm businesses and become a permanent hub for growing food and building community. The land was held in a family trust, with its trustee having a goal to keep it in farming.

Another farmer, the owner of Bone Mountain Farm, was also interested in Lee River Farm and had built a relationship with the owners over the years. He had similar goals to expand and relocate his vegetable farm business away from his current flood-prone location. After hearing of each other's shared interest in purchasing the property, the farmers of TFU and Bone Mountain Farm began exploring the idea of collaboratively purchasing the land and leasing it to their respective farm businesses.

The Vermont Land Trust and the Jericho Underhill Land Trust worked with the landowners to permanently protect Lee River Farm with an agricultural conservation easement. Once the easement was in place, the five farmers formed Lee River, LLC, the landholding entity with five members, and purchased the farm property in 2023.

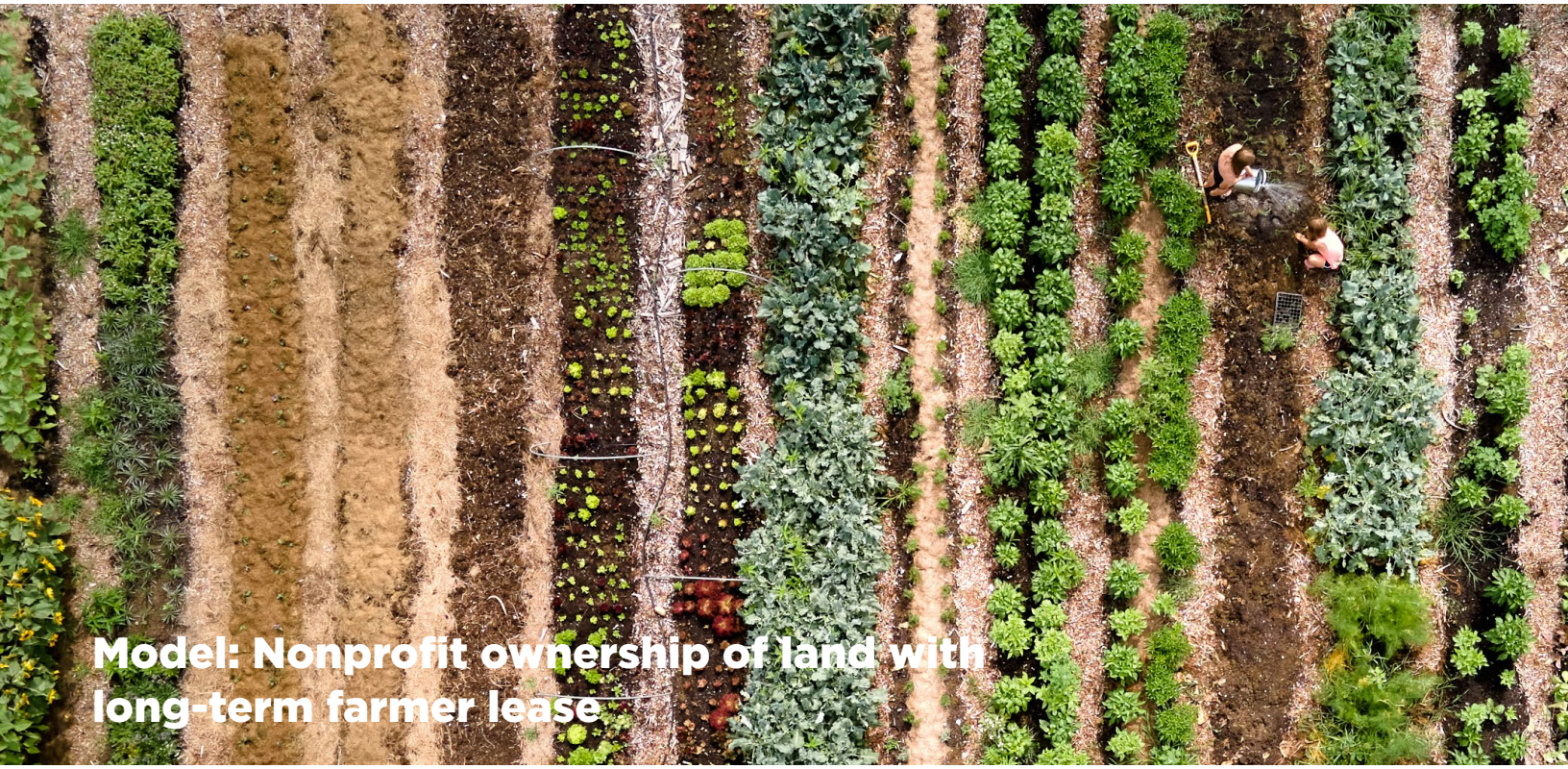
Model: Community land trust-owned land with long-term farmer lease

Earth Bridge Community Land Trust and Milkweed Farm

Milkweed Farm began as a small, diversified vegetable farm on one acre of leased land in Brattleboro, Vermont, in 2017. For the first two seasons, the owner worked part-time selling at farmers' markets and to local restaurants. In 2019, the farmer relocated to another property, taking a short-term lease on two acres in Guilford and receiving additional part-time help from their partner. In 2020, the farm business pivoted away from selling at farmers' markets and began selling vegetables through a small CSA and through wholesale to local food hubs and food co-ops. As the business grew, the owner was able to work full-time on the farm and bring on their partner as a member of the business LLC. T In 2021, sales continued to grow, but the instability of

the farm's land tenure made future planning impossible.

The farmers began exploring a land opportunity at Earth Bridge Community Land Trust (EBCLT) in Westminster West. EBCLT is a small, member-run non-profit organization that owns and stewards about 400 acres of rural land in Vermont and New Hampshire. About 50 members have long-term leases on the land while owning their homes and other improvements. When Milkweed Farm approached EBCLT, they learned that an EBCLT member was planning to sell their farmhouse and all farm infrastructure (including several greenhouses and high tunnels, a well and irrigation system, half-acre orchard, and a few smaller outbuildings) and transfer their 89-year ground lease to someone who would farm the land. In 2022, Milkweed farm assumed the long-term lease and purchased the existing infrastructure with the intention of replacing the existing home.



Model: Nonprofit ownership of land with long-term farmer lease

Vermont Land Trust, White River Land Collaborative, and Flying Dog Farm

In 2020, a historic, 200-acre Vermont organic dairy farm came up for sale in Tunbridge. The property had 140 forested acres and 60 acres of open pastureland conserved through an agricultural easement with the Vermont Land Trust. The property had a turn-of-the-century farmhouse, an enormous old stock barn, stables, silos, and many other barns and outbuildings. Flying Dog Farm, a local grass-based livestock farm, had been searching for more pasture to graze its beef cattle, pigs, and sheep, but the purchase price of the historic farm was beyond their reach.

Through a series of conversations, Flying Dog Farm, members of the 4-Town Coalition (a grassroots-based effort for local housing and conservation planning), and an attorney from the Center for Agriculture and Food Systems at the Vermont Law School became the founding members of The White River Land Collaborative. The WRLC was based around a vision to transform the former dairy farm into a hub that would support sustainable agricultural

enterprises, forest stewardship, and community activities. Needing more time to structure the non-profit entity, plan for its future land strategies, and raise capital for the future land purchase, the WRLC proposed that the VLT buy the farm and lease it back to WRLC. The plan was for Flying Dog Farm and possibly other farm enterprises to sublease the pastures and farmhouse from the WRLC. VLT had used a similar buy-hold-sell model on other properties, allowing individual farmers to lease from them, build their businesses, and eventually purchase the farm. The Vermont Land Trust agreed to the plan, bought the farm in 2021, and gave WRLC five years to raise the capital they needed to purchase the property.

Findings

Affordability vs. Equity

This report includes key findings to consider when deciding whether collaborative ownership or a community-based model is a viable option for long-term land access for farmers. These findings broadly include how desired project goals have tradeoffs, how limited financing options greatly impact the success of a project, and how significant a role communication and conflict resolution play in this process.

Land Access Goals

Affordability vs equity-building opportunities

In all the models we examined, the policies and programs designed to improve affordability negatively affected the farmers' ability to build equity in the land. The tradeoffs related to affordability were sometimes apparent during the planning stages, but could also emerge

later in the process. While conservation easements are designed to eliminate open market speculation, they also reduce the value of any improvements the farmer must make (housing and infrastructure), thereby reducing the equity the farmer has in the property. On the other hand, reduced land purchase or lease rates mean that farmers can prioritize earnings toward growing their businesses or non-farm investments such as retirement savings.

In the collaborative land ownership model of Lee River, LLC, the cost and risk of purchasing the property were spread among the five farmer-owners. The conserved farm was purchased at a reduced market rate, known as its agricultural value, because of the development restriction in the easement on the property deed. Though easements like this one permanently protect farms and increase affordability for farmers, they have a significant drawback: they do not build wealth for owners as readily as land ownership without easements can. Farmers may not be able to fully benefit from market appreciation and return on investments for improvements on conserved farmland, but they may need to make these investments in order to support a viable farm business in the short-term.

The two long-term lease models also gave farmers an affordable pathway to access land. Both models required less capital from the farmers than if they were to finance the purchase of the land themselves. The lease payments are nominal; however, unlike the collaborative ownership model, there is no option to own or partially-own the land. The ground lease option at Earth Bridge Community Land Trust potentially strikes a balance and provides farmers with an opportunity to build equity through investments in the farmhouse and other owned improvements. The WRLC considered subdividing the house and selling it to the farmer, but the conservation easement restricted this possibility. This would have allowed the farmer to build equity in the house while continuing to lease the farm.

Affordability goals are less at odds with equity-building opportunities when we look at other ways farmers can build equity outside of land appreciation. Affordable lease rates allow farmers to build equity in their farm business by reinvesting net income back into the business. Additionally, when the farm business meets a financial goal of paying its owners above their personal expenses, farmers have an opportunity to invest savings and plan for retirement.

Secure land tenure

Access to secure land tenure on affordable, high-quality land is the biggest barrier beginning farmers face today. While leasing land is a more affordable alternative in the short term, land ownership empowers farmers to invest in long-term business development and incentivizes better stewardship of the land. Investing in infrastructure or conservation practices that will outlast the length of a lease can be risky and not in the financial interests of the farmer.

Long-term or life-long land leases do offer more security than short-term leases, but any agreement is only as strong as its contract – and even that protection is not always guaranteed. The farmers of Milkweed Farm have had an unfortunate history of leaseholds falling through. Even now, with an 89-year lease recently secured with Earth Bridge Community Land Trust, the farmers feel some apprehension. What if the lease falls through for some reason? Flying Dog Farm, which subleases from the White River Land Collaborative in Tunbridge, shared the same back-of-the-mind concern.

Values and Land Ideology

Values are often at the core of how farmers use and own land. Our beliefs and values of land shape how it is treated, from the perspective of individual rights to the concept of collective stewardship. Land ideology broadly refers to the ways in which we understand and relate to land and its ownership, use, and value within our social, political, and economic contexts. Each of the three land access projects presented in this report holds different land ideologies or reasons they structured land tenure the way they did. Land access and tenure goals can be values-based, but they must also exist within the constraints of the social and economic structures that govern our society.

The farmers from The Farm Upstream and Bone Mountain Farm wished to pursue private ownership of the land and prioritized long-term land security. They also sought affordability through shared financial investment and risk. This shared investment included a community-based ethos to create work-life balance and help share the inevitable physical, emotional, and financial stresses of owning a farm business. Sharing the land with people who have the same land and farm goals was important to each owner.

Milkweed Farm saw the community land trust model as a way to create a safe and welcoming space for all people, prioritizing a social equity ideology. One aspect of that ideology is the concept that land ownership and access should not be commodified. As the farmer stated, 'Small-scale, sustainable agriculture is inherently a logical and safe place for queer people because it's a place where we can enact and practice our queer values. For me, my queer values are that I'm anti-capitalist and anti-authoritarian, and engaging in farming is another beautiful way to do that.'

Land ownership can be a symbol of power and status, leading to inequalities in access and control over land. Flying Dog Farm and the White River Land Collaborative wanted to explore the concepts and processes involved in creating community-based, equitable land tenure. Their goals were to support farmers and others engaged in the farm property economically, socially, and environmentally. The WRLC prioritized Indigenous perspectives, highlighting the spiritual and cultural significance of land. The forested acreage of the farm holds importance for the Abenaki people native to Vermont, who lived here for thousands of years prior to colonial settlement. WRLC worked with local Abenaki tribe members to develop plans for sustainable forest management, biodiversity protection, educational opportunities, and public accessibility.

Scale and farm type

Determining the scale of potential agricultural enterprises during the planning process is essential to the success of any land tenure arrangement. To allow a beginning farm business to successfully grow and mature, planning for future expansion needs is essential. It is rare for the scale of production in the startup years to meet the farm's financial goals for profitability. Increasing diversification with new enterprises, expanding operations, and investing in additional equipment and infrastructure all require more space.

While Milkweed Farm's leasehold at Earth Bridge Community Land Trust is ten acres, only about one acre of the land is currently suitable for vegetable production. Beyond the farmhouse, greenhouses, orchard, newly-built farmstand, and other farm infrastructure, much of the rest of

the land lies along a wetland or has historically been overtaken by invasive plants. Managing the invasives would only open another half to one acre of land to expand veggie production. Even though the farm's production system is small-scale and intensive, access to additional land would give Milkweed Farm options for future expansion or diversification.

In 2024, Milkweed Farm was presented with an opportunity to gain access to 5.5 acres of neighboring land with an understanding that the additional acreage would become part of their lifetime leasehold in the future. EBCLT members and the Board of Directors verbalized support for the farm's expansion. The land was previously stewarded by leaseholders who had been vegetable farmers. One of the acres was suitable for vegetable production, a half-acre was suitable for future perennials, and the remaining acreage was wooded or sloped but included a parking area. With an initial sublease, Milkweed Farm expanded operations and made investments in the land with the understanding that the farm would assume the lease. However, in 2025, one of the neighbors had a change of heart, and with a lack of a clear procedure for how land is ceded through their community land trust model, the future of those 5.5 acres remains uncertain. The short-lived land gain allowed the farmers to see the impact of what the extra acreage could do to their bottom line. It also further demonstrates the advantages of land ownership, as it provides peace of mind, freeing farmers from the uncertainties of fluctuating lease terms or non-renewals, regardless of how secure the leasehold is.

Farmers need to choose a suitable land base not only to meet the growth goals of their business but also to support their farm type. The White River Land Collaborative's vision for the former dairy farm was to turn it into a community hub and home to multiple agricultural enterprises and projects. With a goal to reduce barriers to land access for young farmers, they imagined how the land could support multiple farms but did not fully understand the acreage needs of its primary livestock producer. During Flying Dog Farm's first season on the farm grazing beef cattle, pigs, and sheep, it became apparent that there was not enough open acreage to accommodate additional farm businesses. They quickly realized that all 60 acres were essential to support the scale and success of Flying Dog Farm. The financial goals of one farm became at odds with the mission and vision of the project.

Financial Feasibility

The land purchase or financing plan

Collaborative or co-ownership of land by multiple farmers and/or farm businesses

Transferring land-holding rights or ownership from one entity to another typically involves a sale based on the appraised value of the land. With farmland values soaring, most beginning farmers do not have the cash on hand for a down payment nor the financial ability to service thousands of dollars in monthly mortgage payments. Agricultural lending institutions are used to the traditional method of farm purchase and often find it challenging to have the flexibility required for creative land-holding models. All three land access models in this project include examples of the challenges of securing capital to finance land purchases.

The unconserved purchase price of the Lee River Farm in Jericho was $850,000, far beyond financially feasible, even for five farmers collectively. After conservation efforts made possible by

the Vermont Land Trust, the Vermont Housing and Conservation Board, the Jericho-Underhill Land Trust, and the local Jericho Conservation Reserve Fund, the appraised agricultural value or purchase price for the farmers was reduced to $215,000. Funding for the purchase and start-up phase of the farm came from personal savings, off-farm income, and loans. Seeking a loan for a five-member, landholding LLC proved to be the biggest challenge due to the unconventional nature of the request. The group was unable to secure a traditional USDA-FSA Beginning Farmer Purchase loan. USDA-FSA eligibility requirements stated that if the loan applicant is an entity, (i) all members must be related by blood or marriage and all entity members must be eligible beginning farmers. Though eligible beginning farmers, the five members of Lee River, LLC were not all related to each other. (ii) Not related by blood or marriage, the entity member holding at least 50% interest must be the operators of a family farm. The five farmers wanted equal shares of ownership and risk, meaning a majority member-led entity was not an option.

As it turned out, there was a mistake in the USDA-FSA loan procedure documentation that unintentionally disqualified the LLC. The original Vermont loan statute stated that since one entity member operating the farm is not holding at least 50% interest, Lee River, LLC was not eligible because it read 'member' [singular]. However, when the Vermont office followed up with Washington, DC, the typo was realized. It should have read members [plural]. The update is to be released in the next edition of the loan manual, and all Vermont loan officers are supposed to be notified of the change in interpretation.

Though this is potentially good news for new applicants, it was too little, too late for Lee River's owners. Lee River, LLC needed a lender who was more flexible to meet the individual needs of its borrowers. The state-based Vermont Economic Development Authority (VEDA) was that lender. VEDA's agricultural loan eligibility requirement stated that a farmer or business entity, the majority of which is owned by farmers, thus allowing for equal interest of its members. Regardless of possible bad timing or a simple fix of a typo, this points to an all-too common experience of beginning farmers having to navigate a complex institutional financing system that does not meet the needs and goals of their borrowers.

Community land trust-owned land with a long-term farmer lease

In Westminster West, Earth Bridge Community Land Trust offers its members lifetime leaseholds through ground leases. EBCLT was founded in 1973 by a small group of people with strong ideals and a wish to affect the future of land access and stewardship in the area. The donated land, time, and creative thinking of the early founders of EBCLT became the basis for what has been a primarily member-run organization. Farmers and other EBCLT members pay lease fees to utilize the land while owning their homes and other infrastructure. This model, however, has made it difficult for EBCLT members to secure a mortgage or home equity loan to purchase or make major improvements on their homes and other infrastructure because they own their house but not the land under the house. This was the case with Milkweed Farm.

Milkweed Farm was presented with the opportunity of a next-generation leasehold transfer with EBCLT and the separate sale of a house and farm buildings by one of its members. The farmers had to search for a mortgage loan to finance the purchase of existing infrastructure and a construction loan to renovate the house. The farmhouse needed extensive renovations before the

new owners and their family could relocate. They were qualified beginning farmers under USDA-FSA eligibility requirements, yet they were denied a loan due to the complex land-ownership structure. FSA's Direct Farm Ownership loans can be used to construct, purchase or improve farm dwellings, but without owning the land, they did not have sufficient collateral to meet the 150% equity to loan value required to secure the loan. As the farmer stated, 'As it turns out, getting a construction loan for a home on land you don't own is very difficult, nearly impossible. We were turned down by almost every institution we approached.'
Milkweed Farm needed an agricultural lender willing and flexibl
e to lend under terms that are affordable for its borrowers yet secure enough to mitigate perceived risks of 'non-conventional' land ownership. Vermont Economic Development Authority (VEDA) proved to be that lender once again. In 2022, Milkweed Farm secured financing through VEDA to improve its home.

Nonprofit ownership of land with a long-term farmer lease

The Vermont Land Trust (VLT) purchased the historic, conserved former dairy farm and non-conserved adjacent forestland in Tunbridge for $650,000 to support the startup of the White River Land Collaborative (WRLC). The agreement between the two organizations gave WRLC five years to raise the capital to buy the 200+ acre property from VLT in 2026. In the meantime, WRLC leased from VLT and subleased the 60 acres of pastures and farmstead to Flying Dog Farm. The option-to-purchase agreement also allowed WRLC time for non-profit formation, goal setting, and collaboration with the local Abenaki community to create a land strategy to steward the 140 acres of forested land.

Four years into the proposed timeline, the WRLC successfully received recognition of 501(c)(3) tax-exempt status, but had not met its fundraising goals. They had developed an advisory board composed of members and organizations, including Northeast Organic Farming Association of Vermont (NOFA-VT), Vermont Sustainable Food Jobs Fund, Vermont Council on Rural Development, Preservation Trust of Vermont, White River Partnership, and the Intervale Center. The organization continues to struggle with the tension between the financial goals of the farm enterprise, the additional enterprises/programs that were part of the initial vision, and the values of the various stakeholders. This lack of alignment has made it challenging to move forward with raising the necessary capital, and the WRLC has not exercised its option to purchase from the VLT.

Viability of farm operations

New and beginning farmers seldom have the profitability in their developing farm enterprises to support land purchase. Most rely on one or more members to provide support to a land purchase through off-farm income. This often leads to a legal structure where the land-holding entity is separate from the farm entity. With creative, multi-member entities, this structure becomes essential. The farmers of The Farm Upstream and Bone Mountain Farm developed a structure where they co-own the land, farmhouse, and other immovable structures through the landholding entity, Lee River, LLC, while the separate farm businesses lease from it. This structure ensures secure, long-term land access for the farmers with a 25-year lease agreement, but it also allows the members to draw clearer boundaries between the farm and their personal lives.

By design, if farm operations were to fail, their ability to service mortgage payments should not fully be at risk. Leading up to the decision to co-own land, the five farmers thoughtfully assessed their risks, including modeling worst-case scenarios. Ideally, farm lease rates would cover the farm share of the mortgage as well as property taxes, building insurance, and maintenance. The farmers developed a gradually increasing lease rate where, over time, the farms will pay more rent and eventually be able to cover the mortgage and additional land costs. Off-farm income serves as a contingency plan, not as a means of subsidizing farm operations. Separating the land asset from the farm business can also keep the total value of farm assets low enough to allow members to join the farm entities with a low-cost buy-in or exit without requiring the dissolution of the farm business and risking the security of land ownership for everyone else.

Financial considerations of community-based entities

When exploring nonprofit or community land trust models as pathways for affordable land access for farmers, it is necessary to plan for the initial land purchase and ongoing overhead, including property taxes, insurance, and maintenance, as well as the additional administrative costs of operating the organization.

The Earth Bridge Community Land Trust generates income through leasehold and member fees. The lease fee is determined at the beginning of any lease and is based on a standard per-acre equation. This fee is significantly less than the open market cost of land. The lease fee requires only a small down payment, is not subject to interest of any kind, and is typically paid within 10 to 20 years. The farmers make regular payments toward the lease fee until it is paid in full. This is separate from any mortgage payment they may have on any buildings, since they own the buildings but lease the land. There is also a yearly EBCLT membership fee. For the farmers of Milkweed Farm, their lease fee is around $1,500 a year, and their membership fee is $3,000 a year.

Also, the farmers pay two tax bills each year, one to the town for the taxes due on their buildings and one to EBCLT for the taxes due on the land associated with the leasehold. If there is more than one leaseholder on a given parcel, each leaseholder pays its share of the property tax bill. The White River Land Collaborative has been less successful in structuring its long-term financial plan and identifying income sources. At the beginning of 2025, the initial fundraising campaign raised funds to cover two years of basic operating expenses that included rent to Vermont Land Trust, administrative costs, and a portion of the down payment to purchase the property. They have also not been able to generate income through additional leases in the farmstead infrastructure. The WRLC still has a significant shortfall in the funds needed to purchase the land and no long-term financial plan to pay for the ongoing land and organizational costs post-purchase.

Legal and Tax Considerations

Another challenge of collaborative or community-based land models or any alternative to single-farm ownership in Vermont is limited access to legal and tax resources. Consulting with a legal professional or tax advisor should be part of the planning process to assess the viability of these projects, especially with respect to liability and risk.

The Farm Upstream experienced frustration in finding a lawyer or tax accountant familiar with structuring these models or willing to provide answers. One lawyer dropped the team two weeks before their closing date, citing that they were not paying him enough to do this much work. They ran into the predicament of trying to seek counsel with another lawyer, only to be told, 'I'm not a tax accountant,' and then talked to a tax accountant who said, 'I'm not a lawyer.' They ended up not getting answers to questions because no one wanted to be held accountable for answers they were unsure of.

Separating the farm businesses from the landholding entity has its advantages, but there is still much ambiguity in its tax implications. At Lee River, the farmers had to find and interpret answers for how to pass income through each entity and how the property qualifies and applies for the Current Use tax-incentive program. This structure can also create challenges in navigating permit regulations on renovations and infrastructure upgrades to the farmhouse. The separation of land and business entities can have potential tax benefits, but without an accountant knowledgeable in the structure, there is a risk of improperly allocating income and expenses between the entities.

Housing and Infrastructure

Housing demand in rural communities

Vermont, like many other rural communities, has seen increased demand for housing, with available housing being sorely in need of significant repairs. Balancing increasing housing demands with land access is challenging, especially with the added goals of affordability and farmland conservation.

Prioritizing improvements and renovations

The significant amount of capital needed to acquire a suitable farm property can often overshadow the realities of the needs of the farmhouse. Many farmers prioritize securing the land with relatively little consideration of the realistic expenses required to make the farm housing safe and habitable. When farmers can secure the farm more affordably, more resources can be devoted to improving necessary infrastructure earlier, including the farmhouse. Both The Farm Upstream and Milkweed Farm focused on home renovations and construction in their first year, which also meant they both sacrificed full farm production during that growing season.

The two farming couples of The Farm Upstream made the decision to invest in the space that would best serve them for this next chapter of their lives, rather than doing the bare minimum to the house. They relied on off-farm income and personal savings and spent a year and a half gutting the single-family farmhouse and transforming it into a multifamily residence while farming part-time. They set realistic expectations that the farm was not going to be able to financially support all of them right away. Now that they have completed the renovation, they can focus on implementing their business plan and transition to working full-time on the farm.

Similarly, Milkweed Farm intentionally took the first year off from farming during the transition to Earth Bridge Community Land Trust in Westminster West. Financially, it was not an easy decision, but the farmhouse included in the purchase was uninhabitable. They had no other option but to spend the season renovating it. They had cultivated a supportive CSA membership base that committed to resuming their subscriptions for the 2023 season when they resumed production.

With careful planning, flexible financing, and grants, Milkweed Farm built a beautiful farmhouse with a multi-use lower space, a new farm store, and cold storage in 2022. The improved infrastructure enabled the farm business to be fully operational in the next growing season with full CSA membership and thriving farmers. Sales that year reached an all-time high, and by the fall, both farmers were farming full-time.

Impacts of agricultural conservation easements

Agricultural conservation easements have long been an effective tool to protect Vermont's farms and agricultural land from development. Easements are a type of voluntary, legal contract between a land trust and a land owner that restricts the use of the land. The easement removes the potential for development and subdivision, reducing the value to align it with the potential agricultural usage. All three land access models in this project operate on land conserved through and/or owned by the Vermont Land Trust or Earth Bridge Community Land Trust.

Earth Bridge Community Land Trust states there are no specific development restrictions on EBCLT-owned and conserved land, but any significant development to the land, including new buildings, requires permission from the Board of Directors. It is the intention of EBCLT that homes be primary residences for its members with lifelong leaseholds and not second homes, vacation homes, or rental units. Building additional housing is restricted to house those named on the leasehold and based on the decisions of those leaseholders, their capacity to afford and/or secure financing to build on leased land, and the approval of the Board of Directors if the leaseholders can prove primary residence of multiple dwellings.

Land uses are specified under the conditions of the EBCLT leases. For any leasehold that is designated prime agricultural land, if the leaseholder fails to agriculturally use, maintain, or improve a majority of said agricultural land for a period of three successive years, the leaseholder will be required to sublease the prime agricultural land for three years to a farming sub-lessee chosen by EBCLT. The use of the prime agricultural land will revert to the leaseholder at the termination of the sublease, unless it is renewed by the mutual written consent of all three parties. The historic former dairy farm in Tunbridge is conserved and currently owned by the Vermont Land Trust. Unlike EBCLT, the easement and ownership include the farmhouse and all other buildings. The subsequent lease to the White River Land Collaborative and sublease agreement with Flying Dog Farm created some challenges. As landowner and lessor, VLT or any nonprofit that leases housing to farmers has legal obligations to provide safe, habitable living conditions for its lessees, which usually means upgrades to roofs, septic systems, and other mechanicals as needed. This can be a significant financial undertaking in addition to purchasing the property for land trusts. And as was the case for VLT, the property was purchased at pre-conservation market rate so that they could then conserve it post-purchase and sell it to farmers (or in this case, a nonprofit land manager) at a reduced agricultural value.

The lease-sublease arrangement, though temporary, has been challenging to serve the individual goals and needs of each party. There has been conflict trying to simultaneously develop WRLC multi-use land plans while Flying Dog Farm is currently the sole sub-lessee with access to all 60 acres of conserved pasture and the farmstead complex. As farm operations scale up and the need to utilize and improve infrastructure changes, striking a balance between supporting the growing farm business already on the land and upholding the goals of the nonprofit becomes increasingly

challenging. As WRLC considered adding enterprises with leases in the farmstead complex, any improvements would require VLT approval. With the large number of stakeholders and lack of clarity around governing processes, this type of communication has been difficult.

The terms of conservation easements are unique to each property and remain tied to the land for future owners. The farm in Jericho is also conserved through the Vermont Land Trust and collaboratively owned by Lee River, LLC. The conservation process at the time involved collaborating with the former owners of Lee River Farm to map conserved areas of the property and exclude areas where development for agricultural use is permitted. This planning process can be tricky when farm sellers are making decisions that will impact the buyers in perpetuity.

Shared or limited equity clauses

Typically focused on homeownership, shared equity models can ensure that housing remains accessible to future generations of farmers, especially those with limited resources. These models limit the sale price of homes and often create a structure where community members participate in governance through democratic decision-making and/or a cooperative ownership structure. With the intention of affordability, shared equity models also provide farm homeowners with the opportunity to recoup the equity of the principal they invested in purchasing the home and the value of any capital improvements made, while also maintaining an affordable resale price. Earth Bridge Community Land Trust combines the benefits of limited equity homeownership with long-term affordability protections by adding a limited equity clause to its leaseholds. All EBCLT ground leases limit the selling price for the improvements (houses and outbuildings) to no more than 100% of the appraised value at the time of sale. Some EBCLT members choose to further limit the selling price of their improvements to 80% of appraised value and stipulate that in their lease. This means that they are legally bound to sell their improvements for no more than 80% of the appraised value at the time of sale. All successor leases on the leasehold will also include the 80% limited equity language to ensure that the 20% equity stays with the improvements. Shared equity models are most successful when the homes and improvements are maintained for the next generations. Milkweed Farm was offered a leasehold transfer with the 80% limited equity clause for the sale of the infrastructure. However, the buildings were in disrepair and required major investment in renovations and new construction. This posed an additional challenge to securing financing. Not only were the farmers seeking a mortgage and construction loan for buildings on land they did not own, but they were also requesting a loan to build a house with an immediate 20% reduction in post-construction value. Milkweed Farms successfully petitioned the EBCLT Board to transfer the leasehold to the 100% limited equity option to allow for more collateral for the construction loan.

Governance and Conflict Resolution

Management structure and governance

Cooperatives and LLCs

Farm management structure and governance define the roles and responsibilities of individuals and the decision-making processes to guide operations. These are best defined at the outset when communication and cooperation are at their highest levels. Established structure and governance processes allow the farmers to have a pathway to make effective decisions through hard times.

These structures can be tailored to be unique to the farm's culture, goals, and preferences. With goals of forming a democratic decision-making process with equal voice and equal risk-reward for its members, TFU explored a cooperative structure to form its business. They initially explored forming a cooperative but realized that the governance and tax structures were complex and challenging. They elected to utilize a simpler LLC structure with an Operating Agreement that is structured to incorporate their cooperative values.

In 2025, after purchasing the property as Lee River, LLC, the two farm businesses, Bone Mountain Farm and The Farm Upstream, decided to merge to form a five member LLC under The Farm Upstream name. According to their business plan and operating agreements, each member holds an equal share of the business and holds equal responsibility for the success of the business. A robust operating agreement exists, which details how members buy into the business, exit the business, share profits and losses, make major decisions following a sociocratic (consent-based) governance structure, gain equity, contribute capital, and more.

The Farm Upstream's owners are aware of the challenges that come with collective management and ownership, but they believe the benefits far outweigh the challenges. With more experience, diverse problem-solving approaches, and more people to do the work, the business is more insulated from unexpected life events. This also leads to more flexibility for members to meet their quality-of-life goals. While large decisions are made collectively, TFU designated an individual member to oversee each enterprise for day-to-day decision making and to build and maintain buyer relationships. Office tasks are also divided among members, including bookkeeping, budgeting, marketing, record keeping, certifications, and grants.

As the landholding entity, Lee River, LLC is responsible for the management of 'immovable' assets. Lee River, LLC has its own set of operating agreements tailored to its purpose of sustainable management of the property.

Nonprofits and community land trusts

Management and governance within Milkweed Farm and Flying Dog Farm function similarly to The Farm Upstream in that they also needed to define roles and responsibilities and develop a decision-making process. A comprehensive operating agreement is just as important for an LLC with two members as for one with five. The main difference between these farm businesses and TFU is that both Milkweed Farm and Flying Dog Farm's owners have less decision-making power when it comes to larger, land-based determinations. Again, this demonstrates the difference between owning land and leasing land.

Just as the farmers at TFU wanted to develop cooperative governance, farmers may hold values-based land goals and ideologies that align with community-based land management models. Nonprofit and community land trust structures offer a land tenure alternative to private ownership. Instead of individuals having the right to use, sell, or transfer the property, they exist to serve a public purpose. Nonprofits hold assets, including land, dedicated to their charitable mission. The Earth Bridge Community Land Trust and White River Land Collaborative share similar missions to hold land in stewardship for current and future generations and to create and share land-based opportunities with people of diverse means and backgrounds. With a focus

on agriculture, these organizations aim to reduce barriers to land access for farmers through affordability and long-term land security.

Nonprofits are required to form a board structure. Typically, that includes a Board of Directors, an Executive Director, staff, and volunteers. The Board sets policies and oversees the organization, while the Executive Director manages daily operations. Even with values-based missions, these management structures may feel like a top-down approach to governance and decision-making to the farmers they serve. Conflicts of interest may occur when electing farm tenants as Board Directors. When farmers access the same resources that the organization manages, this can compromise their ability to act in the best interests of the whole.

In the case of Earth Bridge Community Land Trust, the Board of Directors are members of EBCLT and generally serves three-year terms. The governance and management of EBCLT, for most of its history, have consisted of a Board of Directors and member-run standing committees, such as the Lease Committee. The directors and members volunteer their time in various ways to help run the organization, with the help of a part-time coordinator. Ultimately, there is a tradeoff between farmers having full decision-making power over their land and property and having affordable land access or being a part of a community-based land model. This tradeoff may play a significant role when deciding how best to structure long-term land access.

The significance of conflict resolution

While not every conflict can be fully resolved, creating a framework to manage the conflict is crucial to the success of the land access model. Pathways toward conflict resolution need to be established within the farm business, as well as between the farmers and the entities that support the farmers. Regardless of how profitable the farm business, affordable or secure the land opportunity, or perfect the legal structure fit, if conflict cannot be resolved, there may be no moving forward. Unresolved conflict can hinder communication channels and damage relationships, making it difficult to collaborate, trust, or work together effectively.

When Milkweed Farm became a member of the Earth Bridge Community Land Trust, the organization had been in operation for more than fifty years. There were established systems and processes for all members to utilize – how to transfer leaseholds, sell and purchase improvements, and resolve conflicts. Even if the current EBCLT board is inexperienced, they usually have precedent and documented processes to draw on to resolve a conflict.

The Farm Upstream focused on developing the processes to resolve conflict before forming the multimember farm business and purchasing land together. From sudden accidents to unforeseen disagreements, their operating agreements laid the groundwork for how to manage death, disability, divorce, disagreement, and disaster. Even if the worst-case scenario of sale or dissolution happens, they have a legal process in place to guide them.

The White River Land Collaborative has yet to agree on the management and governance structures of the project. Without processes in place for decision-making and conflict resolution, the success of the project is at risk. The 'design while implementing' approach has resulted in ineffective communication and strained relationships between the non-farmers and farmers, which threatens the long-term viability of the project.

Conclusion

As an increasing number of Vermont farmers seek to retire and transfer their land, there is an opportunity to explore creative mechanisms for land transfer and ownership. This generation of new and beginning farmers is facing significant challenges that require them to diversify their operations and work collaboratively to secure land tenure. Their values and concepts of what might be possible require an openness to considering multi-member entities that go beyond the historic model of single farm ownership.

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