How is Farmland Protected?

• Willing buyer/willing seller (farmers paid for development and estate values)
• The conservation easement:
  – is a perpetual, legal, & recorded document
  – prohibits development
  – allows commercial farming activities
  – includes Option to Purchase at Agricultural Value (OPAV) for holders of easement
Since 1987:

- Invested over $40 million in state funds to purchase conservation easements
- Leveraged equal federal and private funds
- Permanently protected over 105,000 acres of Vermont’s best farmland
Is Vermont’s Farmland Protection Program working well?

- **500+ Farms/Parcels Conserved**
- Conserved land stabilizes the “infrastructure” of agriculture
- Helps transfer to next generation/owners
  - Reduces purchase price of farmland from highest and best use to agricultural value
- Reduce long-term debt and/or allow expansion/modernization
VHCB Pre-Application

• Farmer contacts Vermont Land Trust, Upper Valley Land Trust, Municipality, or Local Land Trust to be their facilitator

• Local Conservation Commissions
  – are active in discussions with landowner
  – share in a portion of the costs associated with the 1.5 to 2 year farmland conservation process.

• Facilitator submits bi-annually to VHCB
How much are farmers paid?

Appraisers determine the “before” value of the farm

(Fair Market Value without an easement) $600,000

Appraisers determine the “after” value of the farm

(Value of the farm with the easement in place) $300,000

“Before” value minus “after” value

(Value of the easement) = $300,000
VHCB Grant Application

• Notification and letters of support from town planning and selectboards. (key).
• Grant application is submitted to VHCB for consideration.
• Approval of grant application occurs approximately twice a year due to funding limitations.
• Closing......$$$$$.$
• Approximate time frame-1.5 years