



**GOVERNOR'S COMMISSION ON
THE FUTURE OF VERMONT AGRICULTURE
ACTION PLAN**

NOVEMBER 15, 2021

February 7, 2022

Dear Vermonters,

Thank you for your strength and perseverance during this trying time. This relentless pandemic has exposed and exacerbated our vulnerabilities and highlighted our capabilities and strengths. One lasting lesson that we need to both appreciate and address is the critical importance of Vermont farms and local food. Although Vermont agriculture is resilient, it needs attention and care. Vermonters need a reliable source and network of healthy and sustainable local food. The pandemic has repeatedly challenged us, but we now have access to a rare infusion of resources that can strengthen our agricultural infrastructure and help us innovate and rebuild.

When Governor Scott created the Governor's Commission on the Future of Vermont Agriculture he recognized today's crucial challenges and opportunities to help us chart a path forward. The Governor named his Secretaries of the Agriculture and Commerce agencies as Commission Co-Chairs and appointed 12 citizen Commissioners to study the issues and propose solutions.

The Commission began its work in April 2021 and provided its first report to the Governor late last year. We now share that report with you. The Commissioners worked together by sharing their considerable expertise, and consulted with young farmers, members of the public, and distinct groups that are working on environmentally sound farming practices, climate adaptation and resilience, and diversity. The Commission is wonderfully dedicated to its mission, and each Commissioner's selfless commitment to thoughtful collaboration is a reminder of what we can accomplish by working together.

When considering the Commission's attached report, we believe it important to keep a few principles in mind:

- **Vermont is a small State defined by its rural character, but its population and land management practices are changing.** Vermont agriculture is iconic, and its maple producers, apple orchards, farms, cheese, and ice cream have long defined the Vermont experience. Vermont's red barns, green valleys, black and white cows, and open pastoral lands are revered by many Vermonters and help attract tourists and new entrepreneurs to our State. As our communities have changed, so have the size and scale of our farm and food operations. These innovative land and business managers remain committed to implementing best production practices, reaching new consumer markets, and enriching the lives of Vermont's population.
- **Agriculture is a principal engine for Vermont's rural economy.** Small towns cannot thrive without economic opportunity or without the innovation that agricultural and food businesses bring to our rural landscapes. And, unless Vermont farm families can earn a sustainable living from their open productive agricultural land, it becomes a target for development, is chiseled off and sold, or becomes overgrown and under-utilized.
- **Dairy remains essential to Vermont's agricultural future.** While dairy farms were once ubiquitous and now less than 600 remain, Vermont's dairy farms still generate

approximately 70% of the State's agricultural sales and utilize over 80% of its working land. Despite the reduction in farms, dairy contributes over \$2.2 billion in annual economic activity toward Vermont's \$11.3 billion annual economic output of the state's entire food system.

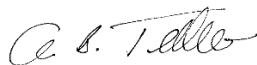
- **Times change, and Vermont food and agriculture needs to grow, attract new and diverse farmers and workers, and adapt.** Fortunately, Vermont farmers are adapting, value-added producers are expanding and sometimes thriving, farmers markets are popular and robust, many Vermonters are passionate about their landscape and local food, and the "Vermont" brand is treasured and nearly synonymous with great quality. Diversified agricultural operations are on the rise and produce, meat, maple, and value-added food businesses continue to respond to evolving consumer preferences and explore expanding market opportunities. And, Vermont still has ample open land, innovative and dedicated farmers and citizens, and millions of customers and visitors who eat and purchase Vermont food and products.

As we build Vermont's future, this is a pivotal opportunity to implement strategies that maintain our strengths and allow us to adapt and innovate to build a brighter agricultural future. The Commission's overarching mission is to help ensure Vermont remains a vibrant agricultural State that continues to produce food to feed all people. The Commission believes a robust agricultural sector is essential to supporting Vermont's residents, building its rural economy, employing its citizens, drawing tourists, and maintaining Vermont's unique character and beauty.

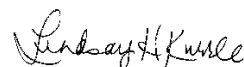
The Commission also believes in expanding the production, processing, market reach, and sales of Vermont food, and supports sustainable agriculture and production methods that foster an ever-more symbiotic relationship with the environment. Additionally, the Commission believes that while we work toward change, we must appreciate and preserve the many economic, social, and environmental benefits farms already provide.

Vermont's farms, food production, and its rural landscape are a treasure worth preserving. The challenges are significant, but Vermont agriculture has flourished and persevered and remains integral to Vermont's past and future. The Commission believes implementation of its recommended strategies can help ensure that Vermont remains firmly rooted to its agricultural heritage and communities for many generations to come.

Sincerely,



Anson Tebbetts
Secretary
Agency of Agriculture, Food and Markets



Lindsay Kurrle
Secretary
Agency of Commerce and Community Development

Governor’s Commission on the Future of Vermont Agriculture:
Action Plan

November 15, 2021

I. Introduction: The Future of Vermont Agriculture

Vermont agriculture is about more than growing food. Farms and farmers are central to Vermont’s identity and character. Without open working lands, rolling pastures, and miles and miles of diverse recreational trails, Vermont just wouldn’t be Vermont — for its residents or visitors. To keep our state healthy and vibrant, we need to nourish agriculture and strengthen its steady beat throughout the state. It is not a foregone conclusion that a cold-weather, mountainous, and heavily forested state will remain a robust agricultural producer or that our rural communities will thrive. If we value what we have, it is essential that Vermont remains a state of and for farmers.

Despite its importance, Vermont agriculture is at a critical moment of promise and peril. The state’s dairy sector, the foundation of its agricultural economy, is under threat from a confluence of factors mostly outside the state’s control.¹ Dairy’s vulnerability underscores the extent to which the success of Vermont farms and farmers depends on larger market forces. Simultaneously, the Covid pandemic revealed the importance and fragility of local and regional food systems, as the state experienced record levels of food insecurity and national supply chains broke down from 2020 into 2021. Despite these challenges, local farms and food businesses stepped up to keep shelves stocked, communities fed, and local markets operating.

These immediate crises are taking place in the context of significant long-term challenges to the sector and the state’s agricultural land base. These include an aging cohort of farmers reaching retirement without a succession plan; economic drivers that encourage converting agriculture land to development; financial barriers to entry for would-be agricultural entrepreneurs; tight profit margins across the industry; limited public understanding of the sector’s role in supporting communities, the economy, and the environment; a lack of racial diversity within the state overall and the agricultural sector in particular; and long-term threats to the state’s natural and working lands posed by climate change, water pollution, and degraded soil health.

These challenges underscore the urgent need for the sector to continue to adapt. The future of Vermont agriculture will and must look different from its present, and the state’s ability to navigate this transition effectively will have enormous implications for its landscape, economy, and way of life.

The future of Vermont agriculture will and must look different from its present, and the state’s ability to navigate this transition effectively will have enormous implications for its landscape, economy, and way of life.

Fortunately, the members of the Commission are optimistic for multiple reasons. First and foremost are the state’s farmers themselves: hard working, resilient, welcoming, innovative, and invested in pathways to success, with a wealth of technical knowledge and experience.

¹ These include a long-term decline in conventional milk prices due to production efficiencies and evolving consumer preferences, a rigid USDA pricing regime, a national market with returns to scale that favor larger farms from other regions of the country, and decisions from regional producers to consolidate their supply chains.



Generations ago, Vermont farmers navigated an enormous economic transition, as dairy replaced the state's once-thriving sheep industry in the early 20th century. The Commission is confident farmers will meet present-day challenges with similar resolve. Vermont farmers are currently advancing one of the most sophisticated Farm to Plate efforts in the country, involving a diverse network of stakeholders selling an expanding and evolving suite of products through every market channel available, from farmers' markets to CSAs, restaurants, and retail and institutional outlets across the Northeast. They are exploring new value-added products like artisan cheese and reinventing older ones like grass-fed beef. With appropriate supports, there is good reason to believe they will successfully navigate today's threats to dairy and agricultural lands overall.

Vermont has a wealth of resources that will help the sector to adapt: a strong cultural history and collective identity connected to agriculture and the land, valued by both residents and visitors to the state; geographic proximity to large retail and tourist markets in the Northeast; high-quality and award-winning agricultural producers; a strong brand identity and reputation for producing authentic, sustainable, and high-quality local products; a largely intact supply chain infrastructure that provides access to parts, supplies and equipment; excellent support systems available through the state, nonprofit organizations, and technical service providers; and a new [Agriculture & Food System Strategic Plan 2021-2030](#) that stakeholders have already begun implementing.

With the right collective strategy and a robust commitment to investing in appropriate programs and policies over the next ten years, the future for Vermont agriculture will be bright. In this future, Vermont will fuel opportunities for farmers and food producers across a diverse range of enterprises to innovate and grow. While dairy's share of farm gate sales may remain volatile or decrease overall, the strategy will focus on maintaining a strong agricultural base in dairy. This focus will be crucial to ensuring that dairy can continue its role supporting infrastructure across the sector, maintaining a working landscape, and to retaining the valuable talents, skills, and knowledge of existing farmers. Vermont will help dairy farmers identify the assets they need to compete at the national level over the long-term and continue to explore value-added opportunities, and will help farmers without these assets transition into alternative, profitable agricultural production. Meanwhile, Vermont will bolster production of maple, meat, produce, value added products, and other agricultural goods, with strong supports in place to enable new and diverse types of farming and farm businesses.



Effective state-level policies and programs will support increased margins and efficiencies and additional revenue streams across all industry sectors. These will include new payments for ecosystem services, support for the development and deployment of new scale-appropriate agriculture technologies and climate-smart practices, a strengthened Current Use tax program, a streamlined regulatory process, and expanded access to capital. The state's robust technical assistance programs will receive an infusion of funding and expertise, allowing them to better support a wide range of farms and farm businesses regardless of their size, stage of development, or target markets. Investments in strategic infrastructure, including storage, distribution, and the meat processing and waste industry, will unlock opportunities for entrepreneurial farmers to succeed using new business models and to market and sell new farm

products. These investments in scaling food production will pay enormous dividends for the state, resulting in an estimated \$50 million in annual local food sales by 2025 if Vermont reaches its current procurement targets.

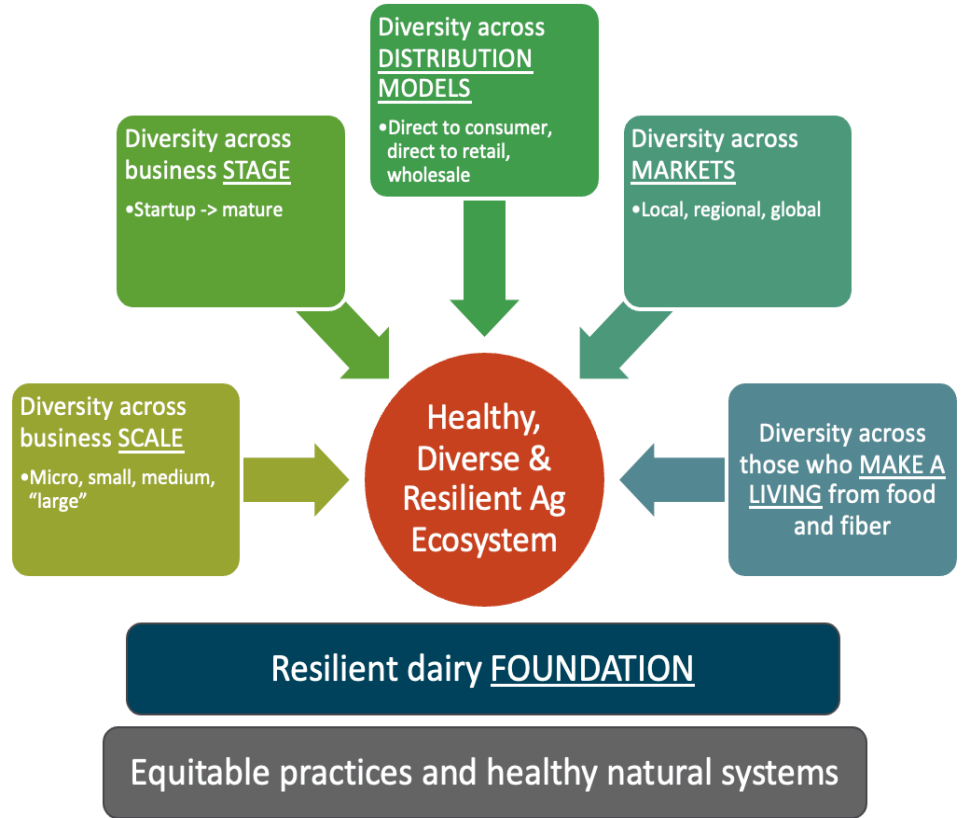


Vermont will and must do better at bringing new and diverse talent into the sector and attracting more Vermonters who want to live and work here. Dedicated supports for new farmers, including down payment assistance, increased financing options for farm enterprises at various stages of development, and improved mentorship, education, and training opportunities will lower financial barriers to entry, support generational transfers of farmland, attract new entrepreneurs and workers, and inject new dynamism into the sector. A renewed focus on racial equity across all strategies will increase diversity across race and class and enhance Vermont’s reputation as a state that is just and welcoming to all.

Vermont will also redouble its efforts to connect Vermonters to their local food system, improving the public’s experience of the benefits of healthy local food and a thriving agricultural economy, and improving food security for the most vulnerable Vermonters. To support these efforts, Vermont will invest in a strategic branding initiative. The initiative will solidify the state’s reputation as a source of high-quality, sustainable, and community-oriented agricultural products; increase margins and profitability; and help attract new Vermont citizens excited about participating in the state’s dynamic agricultural economy.



Overall, the sustaining of a competitive and resilient dairy foundation will support and enable innovation and growth across a wider range of sub-sectors, from maple to produce to meat, grains, hops, honey, cheese and more. Rather than there being a single “model” for the successful Vermont farm, the sector will be dynamic and innovative, with a diversity of agricultural enterprises by scale (micro, small, medium, and large), development stage (from startup to mid-stage to mature), distribution model (direct to consumer, direct to retail, and wholesale) and target market (local, regional, and global). A focus on promoting diversity among those who make a living from food and fiber, equitable access to land and capital, and healthy soils, clean water and regenerative natural systems will further buttress the system overall. As depicted in the graphic to the right, the result of all these efforts will be a healthy, diverse, and resilient agricultural ecosystem.



II. Background

In accordance with [Executive Order No. 03-21](#), the Governor’s Commission on the Future of Vermont Agriculture met from April to November 2021 to develop long- and short-term strategies and specific action plans to advance goals within Vermont’s agriculture and food sectors. The Commission includes the Secretaries of the Agency of Agriculture, Food and Markets and the Agency of Commerce and Community Development as co-chairs, and twelve non-state members from various industry sub-sectors and areas of expertise. Commissioners’ names and affiliations are listed in the Appendix.

The Commission met fifteen times in 2021, including two in-person meetings, a panel discussion with new and young farmers, and an open listening session for stakeholder input. The Commission consulted with outside stakeholders and experts on specific issues including dairy, access to capital and finance, and racial equity, and met with representatives from the Vermont Climate Council’s Agriculture and Ecosystems Sub-Committee and the Payment for Ecosystems Services Working Group.

Commission activities April to November 2021:

- 15 total meetings
- New and young farmer panel
- Stakeholder listening session
- Consultations with experts on dairy, finance, and racial equity
- Consultations with the Vermont Climate Council’s Agriculture and Ecosystems Sub-Committee and the Payment for Ecosystems Services Working Group



As described in more detail below, the Commission developed four **high-level priorities** for the future of

Vermont agriculture and three to five **specific goals** for each priority. The Commission then identified and selected a list of 18 **high-impact strategies** to advance the priorities and goals over the next three to five years, and a five-step **action plan** that focuses on a subset of the strategies that the Commission recommends to the Governor for immediate implementation.²

The sections below describe the Commission’s high-level priorities, the goals associated with each, the strategies needed to advance these priorities and goals, and the action plan. The final section details recommended next steps for the Commission. We begin with the Action Plan to emphasize immediate priorities. In the Appendices, the Commission provides a variety of additional information, including potential metrics, indicators, and milestones to track progress on each strategy, and information on how the strategies help advance specific elements of the Governor’s agenda. The Commission will further develop these components in 2022.

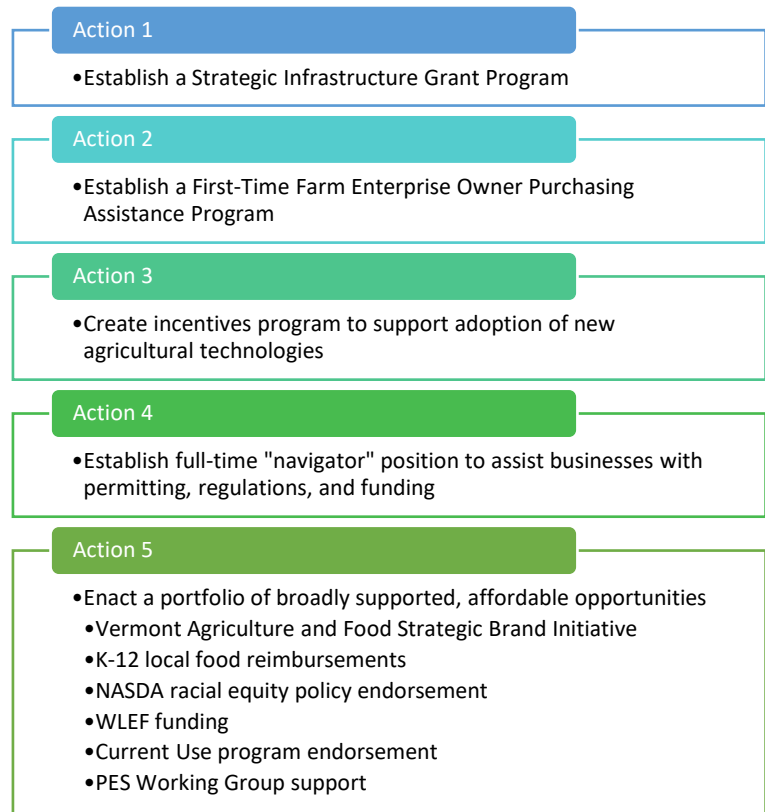
² Many of the selected priority strategies were previously identified during an 18-month stakeholder engagement process which led to the publication of the [Vermont Agriculture & Food System Strategic Plan 2021-2030](#) in February 2021. The Strategic Plan served as an initial and foundational document that Commissioners selected from, adapted, and added to based on their expertise and additional stakeholder input.

III. Action Plan

The Commission has identified action steps that it recommends the Governor implement immediately. The details of these and other strategies are further described in subsequent sections. This section simply names each action and why it should be an immediate priority. The order of these action steps is not intended to indicate a hierarchy or suggested sequence for implementation.

Action 1: *Establish a \$20 million VAAFMS Strategic Infrastructure Grant Program with \$10 million dedicated to storage, distribution, and other infrastructure needed to increase producers' access to Vermont distribution networks and out-of-state markets, and the remaining \$10 million directed toward investments in the meat processing and waste industry. (See Strategy #5 below for additional details.)*

Rationale: A lack of scale- and sector-appropriate infrastructure is the most critical barrier preventing agricultural entrepreneurs from reaching more consumers, growing new businesses across a wider range of industry subsectors, and scaling up to attract and retain new employees. Using ARPA and/or other funds to support strategic infrastructure investments would jumpstart innovation and growth across the sector while building long-term capacity.



Action 2: *Establish a First-Time Farm Enterprise Owner Purchasing Assistance Program funded at \$2.5 million annually for an initial five-year term to provide matched down payment assistance and other supports. (See Strategy #12 below for additional details.)*

Rationale: First-time farm enterprise owners face significant challenges accessing money to make down payments to purchase land and/or housing, which limits dynamism and growth and exacerbates the aging demographic of our farmers. A matched down-payment assistance program would help address this critical barrier for the next generation of Vermont farmers while attracting new citizens to the state and expanding opportunities for increased diversity and entrepreneurship within the sector.

Action 3: *Create an incentives program to support adoption of scale-appropriate agricultural technologies that will increase operational efficiencies including broadband, GPS, robotics, and blockchain, funded at \$3 million annually for five years.*

Rationale: Vermont farmers need better access to technology driven production techniques to drive down costs and facilitate innovation and efficiencies, so they can compete nationally and innovate locally and regionally. An incentives program would increase productivity, decrease costs, and support

workforce solutions that are critical to long-term industry growth, in particular within the critical dairy sector. These scale-appropriate technologically advanced investments are needed now to shore up dairy and other sub-sectors facing intensified regional and national competition.

Action 4: *Establish a new full-time permitting, regulation, and funding “navigator” position at VAAFM to assist a range of farm and food businesses streamline their experience of government programs and resources. (See Strategy #10 below for additional details.)*

Rationale: Commissioners and stakeholders voiced strong support for dedicated staff to help farm and food businesses efficiently navigate emerging business opportunities and supports, regulatory complexities, and financing opportunities, and to support more effective interagency coordination. This action is powerfully aligned with the Governor’s priorities to expand the economy and workforce, modernize government, and reduce costs for businesses. Eventually, the Commission believes at least two staff members to serve the entire state, will be critical.

Action 5: *Immediately initiate a portfolio of high impact strategies from this Report that are already under discussion and/or broadly supported; evaluate the potential for initiating the remaining recommended strategies in future years.*

The following actions reflect available opportunities that the Commission recommends for immediate implementation:

- *Provide an initial one-time allocation of \$250,000 to initiate a Vermont Agriculture and Food Strategic Brand Initiative to engage consumers, buyers, farmers, producers, restaurateurs, and others to actively support products grown and made in Vermont, followed by ongoing funding to support marketing assistance and coordination. (See Strategy #17.)* Rationale: The first step in establishing this agriculture and food marketing initiative is extremely low-cost and low risk. The potential long-term upsides of a strengthened and more unified Vermont brand are enormous.
- *Request that the legislature fund a long-term program to reimburse K-12 schools for purchasing healthy local foods beyond FY22. (See Strategy #2.)* Rationale: The legislature has initiated a local food incentives program to be launched this coming year. The Governor should keep this initiative moving forward and direct the necessary support toward lasting local food procurement for K-12 schools.
- *Direct VAAFM to endorse and operationalize the National Association of State Departments of Agriculture Diversity, Inclusion and Racial Equity Policy. (See Strategy #4.)* Rationale: Endorsing the NASDA principle is a common-sense, low-cost first step towards a more comprehensive plan of action for the agricultural sector on racial equity.
- *Provide \$3 million in annual base funding to the Working Lands Enterprise Fund. (See Strategy #6)* Rationale: The program is established and provides a successful model for making catalytic investments in working lands businesses and service providers. The grants are highly effective and existing demand far exceeds current annual funding levels. Funding increases are currently under discussion and the time is ripe to implement a more consistent base allocation for the Working Lands Program.

- *Endorse the maintenance and strengthening of the Current Use program. (See Strategy #7)*
Rationale: The Current Use program is arguably the most essential state incentive program supporting the agriculture sector and retention of Vermont’s working lands. The program would benefit from a strong endorsement by the executive branch and even further strengthening through enhanced appraisal values and rate structures, among other measures.
- *Announce the Governor’s intention to provide continued, robust support for the Payment for Ecosystem Services (PES) and Soil Health Working Group. (See Strategy #11.)* Rationale: The PES Working Group is engaging in critical work and poised to become a central point of coordination and connection among PES research and design efforts. \$1 million is needed to set up a pilot program offering initial payments and tracking participant outcomes and maintain the PES working group efforts to help Vermont develop a successful and sustainable PES program.

In future years, the Commission recommends that the Governor move forward on each of the Commission’s additional strategies, as further detailed below. Funding for additional initiatives, like \$3 million for the Farm & Forest Viability Program and grant or incentive programs focused on healthy local foods, climate smart farming, mentorship, continuing education, and new marketplace hubs should be carefully considered for FY23 budget requests or beyond. (See Strategies 1, 8, 9, 13-15, 17 & 18.) New staff positions focused on food security and marketing could emerge from ongoing or future planning processes. (See Strategies 3 & 17.)

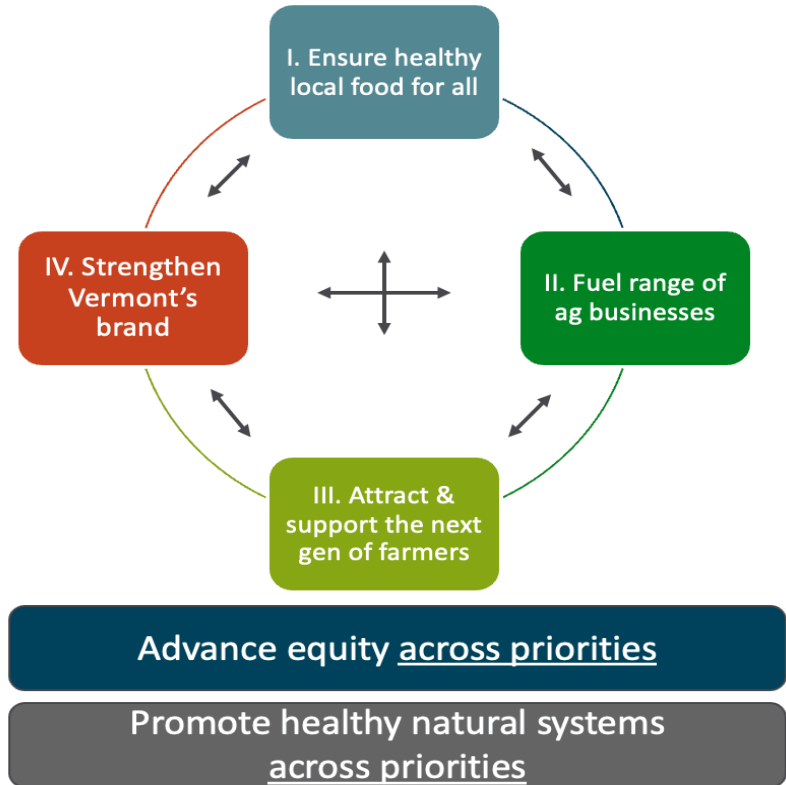


IV. Priorities for the Future of Vermont Agriculture

The Commission has articulated four intersecting and mutually reinforcing high-level priorities for the future of Vermont agriculture:

- I. All Vermonters benefit from healthy nutritious food and a robust local food system
- II. Vermont fuels agricultural business entrepreneurship, growth, and sustainability, so that food producers and businesses are profitable across a range of sizes, stages, and business models
- III. Vermont attracts and supports the next generation of farmers
- IV. Vermont strengthens and supports its brand

Each of these high-level priorities is critical to achieving the Governor's stated purpose in his [Executive Order No. 03-21](#), and **reinforces each of the others**. In addition, it will be critical for the state to promote equity and healthy natural systems **across all four priorities**. The state should develop best practices and metrics that ensure its efforts to advance each priority have positive impacts on equity (based on race, socioeconomics, and other factors) and natural systems (including climate, water quality, and soil health). The image to the right illustrates how these priorities interact and the cross-cutting importance of advancing and supporting equity and natural systems. See the Appendix for further details.



Priority I, ensuring that all Vermonters benefit from healthy nutritious food and a robust local food system, speaks to the first imperative of any agricultural economy: to feed one's population in a way that supports their health and promotes a sustainable and healthy landscape. COVID has highlighted how essential it is for the state and region to be capable of feeding its own population. This priority will also have critical intangible cultural impacts by helping Vermonters feel more directly connected to their food system as they experience first-hand how it enriches their lives and communities.

Priority II, fueling entrepreneurship, growth, and sustainability across a range of agricultural businesses, will directly drive creation of the healthy, diverse, and resilient agricultural ecosystem discussed above. It will ensure the long-term competitiveness of Vermont's farmers and food producers through supporting and rewarding innovation, and addressing infrastructure, regulatory, and capital bottlenecks that currently inhibit the creativity of the state's talented and dedicated agricultural entrepreneurs. This priority will support new enterprises (including BIPOC owned and/or led businesses), grow larger and more sustainable businesses, and expand markets and customer bases for established businesses while establishing new jobs and economic growth across the sector.

Priority III, attracting and supporting the next generation of farmers, will help address the sector’s long-term demographic challenge and inject new energy and ideas into the sector, while also redefining narrow perceptions of who a “farmer” is and what farmers do. This priority will invite diversity into the sector, promote new models of farming, welcome new entrepreneurs and workers to the state, and maintain a viable working landscape for future generations.

Priority IV, strengthening and supporting the Vermont brand, will first and foremost allow farms and food businesses to grow markets, increase the value of growing and distributing Vermont foods and food products, and improve margins and profitability across the sector. More broadly, it will reinvigorate the story of what Vermont agriculture is and what it delivers, attracting new and diverse consumers and producers alike. This priority will continue to highlight our state’s reputation for integrity and differentiate our products in a competitive regional and global marketplace.

The Commission has named **specific goals** associated with each high-level priority, which provide additional detail on what is needed to advance the priority. The table below lists fifteen goals underlying the Commission’s four high-level priorities.

High-level Priority	Goals
I. All Vermonters benefit from healthy nutritious food and a robust local food system	A. There is increased access to local, healthy, nutritious food for all Vermonters.
	B. Vermonters understand the benefits of healthy, locally sourced, nutritious food.
	C. Vermont builds a robust and sustainable local food system.
II. Vermont fuels agricultural business entrepreneurship, growth, and sustainability, so that food producers and businesses are profitable across a range of sizes, stages, and business models	D. There is an expansion in the number, scale and geographic location of strategic infrastructure and facilities that enable distribution and production at multiple scales.
	E. Agricultural businesses have greater access to the right match of human and financial capital for their stage of development.
	F. Scale-appropriate policy, regulations, and incubation and business assistance services support successful business growth and viability.
	G. Vermont’s farmers receive more income streams from the climate and ecosystem services they provide and are recognized for their environmental work and contributions.
III. Vermont attracts and supports the next generation of farmers	H. There are more family farms in Vermont, through both multi-generational transfers and the addition of new, BIPOC, young, and socially disadvantaged farmers and workers.
	I. Vermont’s educational institutions are coordinated and connected and train diverse workers, entrepreneurs, and producers to meet evolving market demands.
	J. Producers and workers receive fair compensation for their efforts within family-friendly, supportive workplaces.
	K. Vermont’s farms are more diverse, innovative, and resilient in the face of economic realities and climate change, allowing the next generation to farm successfully.
IV. Vermont strengthens and supports its brand	L. Vermont’s brand is more powerful than ever, attracting Vermonters, visitors, and consumers nation- and world-wide to our high-quality products and farm and culinary experiences.
	M. The thoughts, feelings, and beliefs that come to mind when audiences see and hear “Vermont” as part of a label, advertisement, or social media post are

	consistent with what represents Vermont agriculture, our farmers, and the state as a whole, including attributes like authenticity, determination, sustainability, working hard, and highest quality.
	N. Business owners large and small can market their products effectively.
	O. There are stable and accessible marketplaces for farmers and producers to directly market their produce and products, and for consumers to access affordable, healthy local food.

V. Strategies

The Commission has identified 18 priority strategies that it recommends the Governor support over the next 3-5 years to achieve its high-level priorities and associated goals. The Commission reviewed all 34 priority strategies from the [Vermont Agriculture and Food System Strategic Plan 2021-2030](#), developed additional potential strategies based on its own expertise, and evaluated every strategy based on its degree of alignment with a clear set of criteria (see text box).

Each of the Commission’s 18 priority strategies performed very well against these criteria. The sections below describe the 18 strategies in connection with the high-level priority they support. They also specify the funding requirements associated with each strategy and offer a more detailed description and/or rationale for how each strategy will advance the relevant high-level priority. To help demonstrate how the strategies will practically benefit different types of Vermont farmers, we have embedded brief hypothetical case studies within the descriptions of strategies below.

Criteria for evaluating strategies:

- **Specific and clear**: The strategy represents a clearly articulated, specific course of action.
- **Measurable**: It is possible to identify metrics and milestones to measure whether, when, and how the strategy has been successful.
- **At the right scale**: The strategy is focused on the level of robust statewide action (i.e., state programs or policies, legislative or administrative action). It represents something the Governor can and should enact or influence.
- **Impactful**: The strategy will have a significant impact on advancing the Commission’s statewide goals as specified in its mandate, high-level priorities and goals, and the Governor’s priorities.
- **On the right timeline**: The strategy is implementable or initiatable within the next two legislative terms.
- **Cost-effective**: Considering one-time and ongoing costs to the state, the strategy reflects an efficient use of available state resources.

Priority I: All Vermonters benefit from healthy nutritious food and a robust local food system

Strategies:

1. Provide annual pool of grant funding for projects that support access to local, healthy, nutritious food
2. Establish program for K-12 local food purchase reimbursements
3. Create a new Director of Food Security position
4. Commit to a Plan of Action to promote equity and inclusion in Vermont’s food system and operationalize the NASDA principle on racial equity

These strategies will inject needed funding and coordination to address structural weaknesses and systemic opportunities within Vermont’s local food system.

Strategy 1: Provide an annual pool of grant funding awarded to projects that increase access to local, healthy, and nutritious food.

Case study: Large dairy farmer

Margaret owns a large dairy farm with just over 1,000 cows, which has been in her family for five generations. Although she has a strong business model and relatively little debt, the business has been struggling due to low milk prices, decreased demand, costs of labor, and stringent water quality regulations. Recently, she’s been attempting to expand her operations to increase profitability but has been stuck in the state permitting process for over a year. Margaret will benefit from this plan in various ways including:

- Funding for new, precision technologies and robotics to increase operational efficiencies and reduce labor costs. (Strategy 9)
- Direct assistance from the new “navigator” position at VAAFM related to business and financing opportunities, permitting, and regulations, helping her successfully expand operations and navigate regulatory issues. (Strategy 10)
- Over the long-term, the opportunity to establish new revenue streams for improving soil health, water quality, and flood mitigation, among other ecosystem benefits, through Vermont’s PES program. (Strategy 11)
- Cost-share for an intern or apprentice. (Strategy 15)
- Free continuing education courses at Vermont Technical College or elsewhere to learn about new agricultural practices. (See Strategy 16)
- Access to tailored marketing assistance and materials. (Strategy 17)

- Description/rationale: Grants should be awarded to projects that support the local food system. Grantmaking criteria should be centered around “the four A’s”: projects that help ensure food is geographically *available*, physically *accessible*, *affordable*, and culturally and ethnically *appropriate*. Funding should focus on scaling up existing programs that successfully and directly deliver healthy local food to Vermonters.

- Funding request: \$1M/year

Strategy 2: Vermont reimburses K-12 schools to incentivize local purchasing on a per-meal basis, with the goal of doubling the percentage of food dollars spent by Vermont schools on local food.

- Description/rationale: The program will directly connect Vermonters to their local food system from a young age and expand equitable access to local food. The concept not only provides fresh nutrition and local food to our school children but also establishes an expanded and reliable market for Vermont’s food producers. This strategy builds upon the one-year incentive enacted by Act 67 (2021). Eventually the program could expand to state colleges, health care, and correctional facilities.

- Funding request: \$2M/year

Strategy 3: Vermont creates a Director of Food Security position, a non-political appointee who works to enhance communication and coordination among all Vermont Agencies related to food, and coordinates with businesses, charities, and NGOs to scale positive impact.

- Description/rationale: Various state agencies scaled up their capacities and data collection to address food insecurity during the COVID emergency, but their efforts have never been coordinated. Businesses, charities, and NGOs similarly operate without high-level coordination. This has resulted in significant missed opportunities to scale up collective impact. This position can align with current state emergency and food security planning efforts.
- Funding request: \$125K/year

Strategy 4: Vermont commits to a Plan of Action to promote equity and inclusion within our food system. As a next step, VAAFM endorses and operationalizes the National Association of State Departments of Agriculture Diversity, Inclusion and Racial Equity Policy.

- Description/rationale: The [Diversity, Inclusion and Racial Equity Policy](#) was ratified by NASDA and supported by all the members of Northeastern Association of State Departments of Agriculture in September 2020. The policy acknowledges the deep roots of racism in our shared history and calls on state governments to play a key role in collaborations for achieving racial equity, centering community, and leveraging institutional partnerships in agriculture. Endorsement and operationalization of the policy should be the first step in a larger statewide Plan of Action.
- Funding request: N/A

Priority II: Vermont fuels agricultural business entrepreneurship, growth, and sustainability, so that food producers and businesses are profitable across a range of sizes, stages, and business models

Strategies

5. Establish \$20M Strategic Infrastructure Grants Program
6. Provide \$3M in annual base funding to the Working Lands Enterprise Fund
7. Fully fund the Current Use program and maintain other agriculture exemptions
8. Increase funding for the Farm and Forest Viability Program
9. Incentivize adoption of new agricultural technologies
10. Create new staff positions to assist farm businesses in navigating funding opportunities, permitting and regulations
11. Maintain support for the Payment for Ecosystems Services Working Group

These strategies are designed to target specific, high-leverage opportunities where investments will have an outsized impact on fueling entrepreneurship, growth, and sustainability of agricultural businesses operating at different scales, targeting different markets, and at different stages of development. They target critical gaps or supports in the existing system that, when addressed or sustained, will unlock innovation and growth across the sector.

Strategy 5: Establish a \$20M VAAFMM Strategic Infrastructure Grant Program.

- Description/rationale: This program will provide grants to companies and organizations investing in facilities and infrastructure that enable distribution and production at multiple scales (e.g., cross docking, cold storage, inventory management, bottling, packaging, labeling, processing facilities and equipment). Of the \$20M in total funding, **\$10M should focus on storage, distribution, and other infrastructure** needed to increase producers' access to Vermont distribution networks and out-of-state markets. Large-scale grants are needed for real infrastructure development that will create aggregation locations and thus strengthen supply chain networks. The remaining **\$10M should be invested in the meat processing and waste industry**, for example through support to meat processing workforce training programs, subsidies for the construction, renovation, expansion and management of new slaughterhouses and meat processing facilities, subsidies to facilitate the transition of exempt slaughterhouses to state or federal inspection, and marketing/branding assistance for small-scale meat producers. The availability of slaughterhouse and meat processing facilities is a clear bottleneck in the livestock industry, which needs to be addressed for livestock producers to scale their businesses and provide a consistent supply of Vermont-raised meat. Administering this program through VAAFMM will allow for more nimble and responsive investments, with a goal of ensuring grants are quickly accessible. The program should reward projects that prioritize energy efficiency and

use of renewable energy sources, and specifically dedicate a percentage of awards to BIPOC applicants.

- Funding request: \$20M (one-time)

Strategy 6: Provide \$3M in annual base funding to the Working Lands Enterprise Fund.

- Description/rationale: Working Lands Enterprise Initiative grants are a unique and critical source of capital that accelerate innovation and sustainability in Vermont food system and forestry businesses. The annual demand for these grants far exceeds the current funding model for the program. The program should be scaled up to meet current and future investment needs in critical leverage points of the Vermont farm and forest economy.
- Funding request: \$3M/year

Strategy 7: Fully fund the Current Use program, maintain all agriculture tax and land use policy exemptions, and ensure that the benefits accrue to farms.

- Description/rationale: The Current Use program provides an essential benefit to agricultural enterprises across the state and is one of the primary drivers preventing conversion of agricultural lands to development. Without it, Vermont's landscape would look dramatically different. The Governor should consider ways of strengthening the program. This should include an exploration of the benefits to preserving land in agriculture in general, a thorough review of the Use Value Appraisal program related to all forms of agriculture, and the development of an enhanced rate structure to further support agricultural land preservation to counteract recent years of increased tax burdens on farms. Eligibility criteria could be revisited to ensure new and innovative agricultural enterprises have access to the exemptions, and potentially to limit benefits accruing to landowners who do not participate meaningfully in the agricultural economy.
- Funding request: Maintain or increase \$9.7M/year



Strategy 8: Fully fund the Vermont Housing & Conservation Board through the Property Transfer Tax Fund and allocate \$3M annually to its Farm & Forest Viability Program (FFVP).

- Description/rationale:
More resources are needed to expand agricultural business and technical services broadly across the state. The FFVP provides critical assistance services to farms and forest product businesses of all types. Allocating \$3M per year to FFVP (and fully funding VHCB overall to ensure these funds are not subtracted from other essential land conservation and housing programs) would dramatically increase the capacity of support service provider organizations and enhance professional development opportunities for technical and business assistance providers. Additional capacity will enable support service organizations to better assist clients in addressing issues such as marketing, climate change, racial equity, health care, labor, business planning, and accessing capital.
- Funding request: Up to \$3M/year

Case study: Young entrepreneur

Isaac recently graduated from the UVM School of Business. He wants to explore opening a small farm business, but he's daunted by all the barriers to entry. How will he raise capital for buying land and a home, and ensure he has financing for the first few critical years of operation? Does his plan for a new cut flowers business make sense and has he thought through all the contingencies? Is he sure he wants to "go for it" and start his own business, or does he want to get some hands-on experience first? As a Black male farmer, will he be treated fairly by Vermont vendors, lenders, agency staff, and others? Isaac will benefit from this plan in several ways, including:

- Increased access to business support services through the Farm & Forest Viability program. (Strategy 8)
- Access to appropriate tax incentives through the Current Use program, despite ownership of a non-traditional farm enterprise. (Strategy 7)
- Matched down payment assistance for purchasing land and home. (Strategy 12)
- Improved access to bridge financing for early years of operations. (Strategy 14)
- Stronger farmers markets where he can sell and market products. (Strategy 20)
- Opportunity to apprentice at another farm before deciding whether to start his own business (Strategy 15)
- A more inclusive food system for Vermont BIPOC farmers that is free of discrimination. (Strategy 4)

Strategy 9: Incentivize the adoption of new scale-appropriate agricultural technologies that will facilitate the expansion of tech-driven production techniques, workforce solutions, and local food safety and tracking.

- Description/rationale: Vermont is unlikely to ever become a low-cost-of-production agricultural state, but it can and must become a high-tech innovation state. To compete nationally and innovate locally and regionally, Vermont farmers need better access to technologies to drive down costs and facilitate innovation and efficiencies. Incentives could include grants and additional program funding to support farmers' access to critical technologies including broadband, GPS, robotics, and blockchain, to facilitate scale-appropriate technology-advanced investments for automation solutions and other tech-driven techniques.
- Funding request: \$3M/annually for 5 years

Strategy 10: Create two new permanent permitting, regulation, and funding “navigator” positions at VAAFAM to assist a range of farm and food businesses and help streamline their experience of government programs and resources.

- Description/rationale: This strategy will educate farm and food businesses and create a more supportive environment for business financing, growth, and diversification. The new staff should be housed at VAAFAM but should collaborate closely with ANR, ACCD, and lending institutions, with one new staff serving southern Vermont and the other serving northern Vermont. These staff should provide information and guidance without performing a regulatory compliance role. They should help businesses connect to local, state, and federal resources and understand permitting, regulatory and funding issues. Specific actions could include: mapping existing funding programs for new and existing farmers; identifying gaps in regional, state, and federal funding programs; working with lenders to address these gaps; serving as a lending coach for farmers; providing training workshops for farmers on new rules (e.g., water quality); and supporting farmers navigating complex permitting issues (e.g., on-farm accessory businesses, farm employee housing, development of off-farm processing, distribution, and storage infrastructure). The staff should also provide feedback to regulators to support more effective interagency coordination. The staff must be highly knowledgeable about needs and opportunities for businesses at multiple scales and stages of development.
- Funding request: \$285K/year

Strategy 11: Maintain robust support for the Payment for Ecosystem Services and Soil Health Working Group.

- Description/rationale: Vermont’s PES program, once established, can and must provide a vital source of additional revenue to farms and appropriate, well-designed incentives for the provision of ecosystem services. The PES Working Group present need is support for a pilot program, that is poised to offer payments and track participant outcomes, and maintenance of the PES Working Group development activities. The resultant recommendations will become a central point of coordination and connection among PES research and program design efforts. It is critical for the state to keep supporting these efforts so that Vermont can develop a PES approach that is scale-appropriate for Vermont’s farms and has enough funds to initiate a pilot and create a sustainable program.
- Funding request: \$1M (one-time)

III: Vermont attracts and supports the next generation of farmers

Strategies:

12. Create a First-Time Farm Enterprise Owner Purchasing Assistance Program
13. Incentivize climate smart farming practices
14. Establish a revolving bridge funding program
15. Establish a mentorship cost-share fund
16. Create a continuing education voucher program

These strategies target key barriers that systematically limit the number of new farmers entering and succeeding in the sector, including the costs of starting and sustaining a new business and limited opportunities for mentorship and professional development, as well as the critical need to ensure the sustainability and resilience of Vermont’s agricultural landscape for the next generation.

Strategy 12: Create a First-Time Farm Enterprise Owner Purchasing Assistance Program to provide matched down payment assistance and other supports.

- Description/rationale: For first-time farm enterprise owners, whether they live in Vermont or are relocating to the state, raising enough money to make a down payment to purchase agricultural land and/or housing on or near that land is one of the most challenging barriers to ownership. New entrepreneurs are often burdened by expensive debt or dissuaded from entering agriculture altogether, limiting dynamism and growth in the sector more generally. A matched down-payment assistance program, administered through VAAFM in collaboration with key lenders, would address a critical barrier of access for new farmers and establish opportunities for new and diverse farm ownership models. The program should include a focus on providing equal opportunities to BIPOC and New American farmers.
- Funding request: Up to \$2.5M/year for 5 years

Case study: Organic produce farm owner

Sandy owns a mid-sized organic produce farm. The farm also raises and sells organically fed beef, pork, and chicken, and in recent years they've expanded into selling various value-added products including cheeses, butter, and snacks. The farm has done relatively well selling to local coops, at farmers markets, and through direct sales, but logistical and infrastructure barriers have prevented them from expanding sales across the northeast. Sandy would also love to see the farm further embrace climate smart farming practices by managing the land for soil conservation and carbon sequestration, but she's concerned about the costs involved and unsure about the related benefits. Sandy will benefit from this plan in multiple ways, including:

- Expanded access to regional markets through strategic infrastructure investments (Strategy 5)
- Ability to charge less and earn more on meat products due to improved in-state meat processing and waste management capacity (Strategy 5)
- More local sales to Vermonters in general and K-12 schools in particular (Strategies 1 & 2)
- Funding for climate smart farming practices (Strategy 13)
- Dedicated marketing assistance, materials, and an improved Vermont brand overall (Strategies 17-19)
- More funding opportunities through Working Lands Enterprise Initiative grants to expand her business into new areas (Strategy 6)

Strategy 13: Incentivize new and emerging climate smart farming practices.

- Description/rationale: Many new and beginning farmers are interested in climate smart farming practices, and in using these practices to mitigate agricultural emission of GHG, build resilience on their farms against extreme climate change-related weather events, add value to their existing products, or adapt to shifting climate and land management conditions. Vermont should enhance existing programs developed to incentivize climate smart farming practices through financial incentives, low interest loans, grants, tuition remission training, and awards. In designing this program, the state should incorporate recommendations from the Vermont Climate Council Agriculture and Ecosystems Subcommittee.
- Funding request: \$4.5M annually for 5 years

Strategy 14: Establish revolving bridge funding program for new and beginning farmers who lack access to traditional forms of financing.

- Description/rationale: New farmers, and especially BIPOC farmers, are particularly constrained by their need for funding and financial support for the first three years of their business operations. Typically, their access to capital during this period is severely limited, resulting in a

longer timeline to profitability and higher likelihood of business failure. Removing this barrier could support and inspire new business growth and agricultural entrepreneurs to move to Vermont. This strategy focuses on access to more flexible, higher-risk capital targeting an early stage of development business. As a part of this program, it will be important that recipients of bridge funding receive support from a lending coach (see Strategy #10).

- Funding request: \$10M (one-time)

Strategy 15: Establish a mentorship cost share fund for farmers for hosting an intern or apprentice.

- Description/rationale: Prospective farmers often lack opportunities for hands-on experience to build their skills and solidify their interest in pursuing a career in agriculture. Many existing farm enterprises would welcome the chance to bring in an intern or apprentice but find that it is not financially viable or lack the matching knowledge for connection. Elements of this program should include funding for salaries and other expenses like insurance, housing, and trainings, all designed to increase the financial viability of adding an on-farm experience for an interested intern or apprentice. The program could also serve as a strong draw for farmers and workers interested in immigrating to Vermont and entering the state's agricultural economy. The program could be based at Vermont Technical college and/or elsewhere.
- Funding request: \$250-500K/year

Strategy 16: Create a continuing education voucher program allowing for up to six credits or an equivalent dollar allocation for Vermont farmers to pursue coursework at a Vermont college, university, or technical program.

- Description/rationale: Vermont should invest in providing new and existing farmers more opportunities to build their skills and knowledge to increase business profitability and farm and environmental sustainability. Access to courses like business management, marketing, production innovation, soil health, and water quality analysis could help farmers unlock new approaches and pathways to profitability. The state currently provides vouchers for high school students to take six credits at a state university; it should expand the program to farmers to access relevant technical courses and certificate programs.
- Funding request: \$500K/year

Priority IV: Vermont strengthens and supports its brand

Strategies:

17. Establish a Vermont Agriculture and Food Strategic Brand Initiative, including tailored marketing assistance services and coordinated marketing efforts and materials
18. Establish eight flagship marketplace hubs across the state

Investing in and developing a unified brand for the state's agriculture sector has enormous potential to help attract the next generation of farmers and producers to the state while increasing the value of Vermont's products domestically and globally. These strategies represent a simple first step to articulate and explore the potential added value of a more unified statewide brand.

Strategy 17: Establish and sustain a Vermont Agriculture and Food Strategic Brand Initiative with the intent to engage consumers, buyers, farmers, producers, restaurateurs, and others to actively support products grown and made in Vermont. The initiative should include three components to effectively

increase the value of Vermont products in the marketplace and message that Vermont is a great place to live and work:

Component 1: Initial convening

- Description/rationale: The Vermont Agriculture and Food Strategic Brand Initiative should be created with a small staff and Board and tasked with convening focus-groups and collecting opinions, stories and content assets that will be distilled and disseminated for community input and comment. Once final, the "ingredients" of the Vermont Agriculture and Food Brand should be codified, finalized, and made available through a marketing resource hub to state agencies, organizations, and companies to use to promote their products and services within and outside the state using the brand.
- Funding request: \$250K (one-time)

Component 2: Tailored marketing assistance services and programs

- Description/rationale: Develop assistance services and programs specific to various market channels to help individual farms and food businesses reach new customers. As a result of this initiative, farmers, producers, cooperatives, and retailers will have access to training and/or assistance with local, domestic, and global marketing, and will be able to more fully market their products under the Vermont Agriculture and Food Brand as desired. Funding would be available to individual farm and food businesses to improve their branding via graphic design consultants or coaches, grants to attend or virtually participate in national sales and marketing industry events, and a marketing technical assistance and mentorship program focused on the seven P's of marketing. It will be critical to sustain this funding in an ongoing manner to capitalize on its long-term benefit to market access and development.
- Funding request: Ongoing funding at \$500K/year

Component 3: Coordinated marketing efforts and materials

- Description/rationale: During each step of The Vermont Agriculture and Food Strategic Brand Initiative's process, specific marketing materials should be created for each industry sector (i.e., dairy, maple, honey, etc.) and vetted with the specific industry via in-person and virtual focus groups. Coordinated marketing efforts could include a statewide marketing campaign for local agricultural products, marketing support in emerging metropolitan markets, marketing materials for specific products or associations, opportunities for business-to-business engagement, funding for shared marketing broker positions, and a new state-level communications and content creator position (jointly housed at the Vermont Department of Tourism and Marketing and VAAFMM). It will be critical to sustain this funding to capitalize on the long-term benefits of coordinated, broad, and inclusive marketing promotion.
- Funding request: Ongoing funding at \$250K/year

Strategy 18: Provide funding to establish eight "flagship" marketplace hubs across the state.

- Description/rationale: Currently, the majority of Vermont farmers markets lack secure locations to host their seasonal or year-round farmers markets and frequently spend time and resources negotiating and establishing temporary hosting locations. Stable and accessible marketplaces for farmers and producers to directly market their produce and products, and for consumers to access affordable and healthy local food, would improve producers' bottom lines, expand food access, and showcase the bounty of locally grown Vermont food and food products. Vermont should invest in purchasing or dedicating public land for eight "flagship" farmers markets across

the state through land trusts, Vermont State Parks, or some other body that can help institutionalize market locations. Each of these dedicated farmers market locations will require relationship development over time. The requested funding would allow for markets to establish a down payment on a permanent site. The long-term plan should involve an economic study and the development of a revenue model to sustain funding after the initial five years.

- Funding request: \$400K/year for 5 years



Images: March 9, 2020 First Maple Tapping at Gagne Maple in Highgate, Vermont. Governor Scott helps Highgate Elementary students see what this tradition is all about.



VI. Recommended Next Steps

The Commission has accomplished a significant amount in just a few short months, but critical work remains to clarify the components of this plan, vet the strategies, develop a work plan, and track progress. To date, the Commission has had a limited opportunity to conduct a robust public participation and engagement process, in particular because of its tight timeline and its advisory role. The Commission has also not yet vetted its recommended strategies and actions through an equity assessment tool, despite the significant equity implications of its recommended strategies.

In 2022 and 2023, the Commission recommends that it should work to further define and assess its recommended strategies. This process could involve:

- Improving and refining strategies considering feedback from the Governor and others
- Further defining metrics, indicators, and milestones for each strategy
- Soliciting feedback and input from stakeholders on the strategies through additional public participation and engagement
- Conducting targeted efforts to assess the equity implications of the Commission’s recommended strategies, and identify specific approaches to advance more equitable outcomes
- Developing an implementation work plan for advancing specific strategies
- Tracking and reporting progress on implementation

The Commission looks forward to feedback from the Governor on this report and to continuing to advance this critical work for the state.

Appendices

I. List of Commissioners

- Anson Tebbetts, Secretary, Agency of Agriculture, Food and Markets (Co-Chair)
- Lindsay Kurrle, Secretary, Agency of Commerce and Community Development (Co-Chair)
- Jed Davis, Cabot Creamery Cooperative
- Kate Finley Woodruff, UVM College of Agriculture and Life Sciences
- Harold Howrigan, Howrigan Family Farms
- Ellen Kahler, Vermont Sustainable Jobs Fund
- David Mance, Jr., Mance Family Tree Farm
- Leslie McCrorey-Wells, Pizzeria Verità, Trattoria Delia, and Sotto Enoteca, Co-owner
- Annie Myers, Myers Produce
- Mieko Ozeki, Vermont Farmers Market Association
- Josh Poulin, Poulin Grain Inc.
- Nick Richardson, Vermont Land Trust
- David M. Roth, The Wakaya Group
- Steven Schubart, Grass Cattle Company

II. Details on How the Commission’s Priorities Reinforce Each Other

As depicted in the graphic on page 7, each of the Commission’s high-level priorities for the future of Vermont agriculture supports each of the others and, if implemented appropriately, should also

promote equity and improve the health of Vermont’s natural systems. The bulleted lists below unpack the different causal arrows and supports depicted in the graphic.

By increasing demand for and supply of local food, progress on **Priority I** will:

- Unlock new markets and increase margins for businesses serving the local economy (Priority II)
- Create new opportunities for the next generation of farmers (Priority III)
- Strengthen the state’s brand by deepening connections between local communities and the agricultural economy (Priority IV)
- Lower the state’s overall carbon footprint by reducing imports (natural systems)
- Advance food security, health, and economic opportunity for vulnerable and marginalized populations (equity)

Likewise, by increasing supports for a range of businesses across the agricultural ecosystem, progress on **Priority II** will:

- Expand the sector’s overall capacity to service diverse local food needs (Priority I)
- Provide new entrepreneurs easier pathways into the sector (Priority III)
- Generate stories of success and innovation that can contribute to strategic branding (Priority IV)
- Incentivize practices that provide climate and ecosystem benefits (natural systems)
- Provide access to capital and business supports for members of lower-income and traditionally marginalized groups (equity)

Success in attracting and supporting the next generation of farmers via **Priority III** will:

- Lead to an infusion of new ideas to meet local food needs (Priority I)
- Maintain agricultural production and drive industry innovation and growth (Priority II)
- Reinforce consumers’ association of the state brand with entrepreneurship and inclusion (Priority IV)
- Expand the use of innovative climate-smart practices (natural systems)
- Attract and support new farmers from lower-income and historically marginalized groups (equity)

Finally, the creation of a stronger brand identity for Vermont agricultural and food businesses through **Priority IV** will:

- Expand consumers’ desire and willingness to buy local (Priority I)
- Increase margins for Vermont agricultural businesses via a brand premium (Priority II)
- Improve the state’s reputation as an attractive place for young people to pursue opportunities in the food economy (Priority III)
- Reinforce farmers’ ability to charge a premium for engaging in sustainable practices (natural systems)
- Provide increased marketing and storytelling opportunities for farmers from lower-income and historically marginalized groups (equity)

III. Summary of Strategies

The table below lists the 18 strategies and summarizes the following information for each:

- Investment category: What category of investment does the strategy target? Is the strategy investing in *people* (i.e., crucial positions to get more boots on the ground across the sector), *hard assets or technologies*, or funding to expand access to *capital*?

- Associated goals: Which of the Commission’s specific goals does the strategy help to advance? See the table on pages 8-9 for the letter associated with each goal.
- Type of strategy: What kind of strategy is it with respect to action by the Executive Branch? Is it a funding request, a new or expanded program, a policy change or endorsement, a personnel change, or something else?
- Alignment with Governor’s priorities: How does each strategy align with the Governor’s [priority initiatives](#)? Which specific initiatives does the strategy help to advance?

Strategy	Investment Category	Associated Goals	Type of Strategy	Alignment with Governor’s Priorities		
				Growing the Economy	Vermont Affordability	Protecting the Vulnerable
<i>I. All Vermonters benefit from healthy nutritious food and a robust local food system</i>						
1. Grants for increasing access to local, healthy, nutritious food	Hard assets/tech	A, B, C, O	Funding request; new/expanded program	Economic expansion; Expand/strengthen workforce	Reducing costs for families and businesses	Preserving the environment; Healthy communities
2. K-12 local food purchase reimbursements	Hard assets/tech	A, B, C	Funding request; new/expanded program	Economic expansion; Expand/strengthen workforce; Education system		Preserving the environment; Healthy communities
3. Dir. of Food Security position	People	A, B, C, O	Personnel change		Modernizing government	Healthy communities
4. Plan of Action and NASDA principle on racial equity	People	A, B, C, K	Policy change/endorsement	Expand/strengthen workforce	Modernizing government	Healthy communities
<i>II. Vermont fuels agricultural business entrepreneurship, growth, and sustainability, so that food producers and businesses are profitable across a range of sizes, stages, and business models</i>						
5. Strategic Infrastructure Grants Program	Hard assets/tech	D	Funding request; new program	Economic expansion; Expand/strengthen workforce	Reducing costs for businesses	
6. WLEF funding increase	Capital	E, H	Funding request; expanded program	Economic expansion; Expand/strengthen workforce	Reducing costs for businesses	
7. Fully fund Current Use and maintain other exemptions	Capital	E, H	Maintain and update policy/regulations	Economic expansion; Expand/strengthen workforce	Responsible tax relief	
8. Increase FFVP funding	People	E, F	Funding request/	Economic expansion;		Preserving the environment;

			allocation; expanded program	Expand/ strengthen workforce		Healthy communities
9. Ag tech incentives	Hard assets/tech	E, K	Funding request; new/ expanded program	Economic expansion	Reducing costs for businesses	
10. Additional staff assistance on funding, permitting, and regulations	People	E, F	Personnel change	Economic expansion; Expand/ strengthen workforce	Modernizing government; Reducing costs for businesses	
11. Maintain PES Working Group support	Capital	G, K	Maintain current policy/funding; future funding requests and program launch	Economic expansion; Expand/ strengthen workforce	Modernizing government	Preserving the environment; Safe and healthy communities
<i>III. Vermont attracts and supports the next generation of farmers</i>						
12. First Time Farm Enterprise Owner Purchasing Assistance Program	Capital	E, H	Funding request; new/ expanded program	Economic expansion; Expand/ strengthen workforce	Affordable housing and construction jobs; Reducing costs for families and businesses	Preserving the environment; Healthy communities
13. Climate smart farming incentives	Hard assets/tech	G, H, K	Funding request; new/ expanded program	Economic expansion; Expand/ strengthen workforce	Reducing costs for businesses	Preserving the environment
14. Revolving bridge funding program	Capital	E, H	Funding request; new/ expanded program	Economic expansion; Expand/ strengthen workforce	Reducing costs for families and businesses	
15. Mentorship cost-share fund	People	H, J	Funding request; new program	Economic expansion; Expand/ strengthen workforce; Career education system	Reducing costs for families and businesses	
16. Continuing education voucher program	People	H, I, J	Funding request; new/ expanded program	Economic expansion; Expand/ strengthen workforce; Career	Reducing costs for families and businesses	

				education system		
<i>IV. Vermont strengthens and supports its brand</i>						
17. Vermont Agriculture & Food Strategic Brand Initiative	People	L, M, N	Policy/ personnel change; funding request; new/ expanded program	Economic expansion; Expand/ strengthen workforce	Modernizing state government; Reducing costs for businesses	
18. Flagship marketplace hubs	Hard assets/tech	O	Funding request; expanded program	Economic expansion; Expand/ strengthen workforce	Reducing costs for businesses	Healthy communities

IV. Table of Funding Requests and Potential Metrics, Indicators and Milestones

The table below lists the 18 strategies, specifies the funding request, and identifies potential metrics, indicators and milestones that could be designated for each of them.

Strategy	Funding Request	Potential Metrics, Indicators and Milestones
<i>I. All Vermonters benefit from healthy nutritious food and a robust local food system</i>		
1. Grants for increasing access to local, healthy, nutritious food	\$1M/ year	<u>Metrics/indicators</u> <ul style="list-style-type: none"> • Vermonters eat more local, healthy and nutritious food • Creation of a \$1M Four-A Healthy Food Fund (binary) • 25% increase in sales of local foods attributable to project funding <u>Milestones</u> <ul style="list-style-type: none"> • \$1M Four-A Healthy Food Fund launched in 2022 • 25% increase in attributable local food sales by 2025
2. K-12 local food purchase reimbursements	\$2M/ year	<u>Metrics/indicators</u> <ul style="list-style-type: none"> • Vermont schools increase purchasing of local foods • Double (2X) % of food dollars spent by VT schools on local food • Establish per-meal reimbursement (NYS at \$.25/meal) (binary) • Participation by VT schools rises to 90% <u>Milestones</u> <ul style="list-style-type: none"> • VT Schools double local food dollars spent by 2025 • Per-meal reimbursement set before Q3 2022 • 90% of VT Schools participate in program by Q2 2024
3. Dir. of Food Security position	\$125K/ year	<u>Metrics/indicators</u> <ul style="list-style-type: none"> • Optimized coordination and communications re: Food Security • Creation of Director of Food Security permanent position (binary) • Food insecurity reduced by 35% against 2019 baseline <u>Milestones</u> <ul style="list-style-type: none"> • Director of Food Security position filled by Q2 2022 • Food insecurity reduced by 35% by 2025
4. Plan of Action and NASDA principle on racial equity	N/A	<u>Metrics/indicators</u> <ul style="list-style-type: none"> • Endorse NASDA principle on racial equity • Endorsement of the NASDA principle on racial equity (binary) • Operationalize NASDA principle on racial equity <u>Milestones</u>

		<ul style="list-style-type: none"> • Endorse NASDA principle on racial equity in Q4 2021 • Plan to operationalize NASDA principle 100% complete by Q2 2022
<i>II. Vermont fuels agricultural business entrepreneurship, growth, and sustainability, so that food producers and businesses are profitable across a range of sizes, stages, and business models</i>		
5. Strategic Infrastructure Grants Program	\$20M (one-time)	<p><u>Storage and distribution metrics/indicators</u></p> <ul style="list-style-type: none"> • Farmers increased access to in- and out-of-state markets • Farmers increased understanding of accessing out-of-state markets • NE distributors carry more VT products <p><u>Storage and distribution milestones</u></p> <ul style="list-style-type: none"> • All farms 1-hour drive to cross-docking location by 2027 • 50% increase in out-of-state sales between 2022 and 2025 • VT farm/food products = 25% of in-state food purchases by 2030 <p><u>Meat processing and waste metrics/indicators</u></p> <ul style="list-style-type: none"> • Livestock farmers increased access to slaughterhouses • Slaughterhouses and meat processing facilities can find and hire trained personnel • Slaughterhouses and meat processing facilities can follow through on growth strategies <p><u>Meat processing and waste milestones</u></p> <ul style="list-style-type: none"> • 25% increase in commercial slaughter, processing, wholesale meat distribution operations by 2025 • 50% increase in capacity for slaughterhouse workforce training programs by 2023 • 25% increase in slaughterhouse & meat processing jobs by 2025
6. WLEF funding increase	\$3M/year	<p><u>Metrics/indicators</u></p> <ul style="list-style-type: none"> • Farmers increase Acres in Use due to Working Lands grants • Farmers increase Job Creation and Retention due to Working Lands grants <p><u>Milestones</u></p> <ul style="list-style-type: none"> • 10% of Vermont farmers receive meaningful capital from WLEF by 2025 (~ 800 recipients). • Average 10% percent increase in job creation by Working Lands grant recipients by 2025.
7. Fully fund Current Use and maintain other exemptions	Maintain \$9.7M/year	<p><u>Metrics/indicators</u></p> <ul style="list-style-type: none"> • \$9.7M annually (based on FY19 data) • Increasing annual allocation to the program for farms' forgone revenue to state (may involve changing formula) <p><u>Milestones</u></p> <ul style="list-style-type: none"> • Thorough review of Use Value Appraisal program related to all forms of ag and consider ways of strengthening the program. • Explore benefit to preserving land in agriculture in general and consider enhanced rate structure to further support ag land preservation (i.e., due to recent years of increased tax burden on farms)
8. Increase FFVP funding	Up to \$3M/year	<p><u>Metrics/indicators</u></p> <ul style="list-style-type: none"> • Provide 'earmark' of funds within annual allocation of \$ to VHCB for VFFP at \$1.5M for FY23, and \$2M in FY24. • Assess level of additional need and if gap still exists, fund at up to \$3M in FY25. • Sustain funding year-over-year. <p><u>Milestones</u></p> <ul style="list-style-type: none"> • Fund VFFP with VHCB property transfer tax allocation with \$1.5M in FY23. • Use funding to significantly increase business and technical assistance personnel at UVM Extension in particular

9. Ag tech incentives	\$3M/ year for 5 years	<u>Metrics/indicators</u> <ul style="list-style-type: none"> • Participating dairy farmers show a year-to-year increase in profitability from 2023 – 2028 • Technology upgrades are matched with multiple scales of agriculture, and tracked over five years, arming the state with data on the profitability that results from technological investment <u>Milestones</u> <ul style="list-style-type: none"> • At least three agricultural sectors, including dairy, have shown a specific and replicable increase in profitability due to investment in technology by 2028
10. Additional staff assistance on funding, permitting, and regulations	\$285K/ year	<u>Metrics/indicators</u> <ul style="list-style-type: none"> • # of ANR-related violations will decrease • 50% reduction in time it takes to receive permits after 1 year of full operation • State hires lending coach • Farmers increased awareness of lending options • Lenders increased understanding of farmers’ changing financing needs • Increase in lending to new farmers <u>Milestones</u> <ul style="list-style-type: none"> • Develop job descriptions, post, hire 2 staff positions at VAAFM. • FY23 months 1-6 - create and test a check list type website that provides sub-sector specific paths (e.g., maple, vegetable, dairy, eggs, etc.) that are unique to each + common to all. Begin developing printed resource/ handbook for those with poor or no online access. • FY23 months 7-12, make improvements based on extensive testing and intended user feedback. • Fully launch in FY24 with online website + printed handbook. • \$ BUDGET: \$250k annually for staff; \$25k for website development; \$10k for printed handbook
11. Maintain PES Working Group support	\$1M/ (one-time)	<u>Metrics/indicators</u> <ul style="list-style-type: none"> • PES program launched in VT • Farmers are being paid for the ecosystem services they are generating <u>Milestones</u> <ul style="list-style-type: none"> • PES WG recommendations finalized • Funding allocated to join existing or create a new program • Program specifics established • Implementation of the Program begins <u>Note:</u> Metrics/indicators and milestones to incorporate guidance from PES work products moving forward.
<i>III. Vermont attracts and supports the next generation of farmers</i>		
12. First Time Farm Enterprise Owner Purchasing Assistance Program	Up to \$2.5M/ year for 5 years	<u>Metrics/indicators</u> <ul style="list-style-type: none"> • # new and beginning farmers receiving support into farm ownership • # farmers able to access conventional financing goes up • # viable new farm enterprises increases • # farmers interested in purchasing land in Vermont goes up <u>Milestones</u> <ul style="list-style-type: none"> • Over 100 new and beginning farmers financially supported in purchasing a home with an investment of \$2.5M by 2026
13. Climate smart farming incentives	\$4.5M/ year for 5 years	<u>Metrics/indicators</u> <ul style="list-style-type: none"> • # of new and existing farmers adopting climate smart farming practices • # of ag mitigation pathways and programs implemented • Positive change in sector-wide GHG emissions and sequestration levels <u>Milestones</u>

		<ul style="list-style-type: none"> • 40 new farmers each year will receive grant assistance to implement new climate smart practices <p><u>Note:</u> Metrics/indicators and milestones to incorporate guidance from Vermont Climate Council and PES work products moving forward.</p>
14. Revolving bridge funding program	\$10M (one-time)	<p><u>Metrics/indicators</u></p> <ul style="list-style-type: none"> • Permanent capital is brought in to capitalize bridge financing mechanism • Access for short term financing for new and beginning farmers increases • Timeline to profitability for farmer participants gets shorter • Farmers leave bridge financing equipped/ready to use more traditional sources <p><u>Milestones</u></p> <ul style="list-style-type: none"> • \$10M new investment in bridge funding and leverage \$30M additional funding from other state and federal programs to serve 60-80 farms
15. Mentorship cost-share fund	\$250-500K/year	<p><u>Metrics/indicators</u></p> <ul style="list-style-type: none"> • Farmers access to interns/apprentices interested in learning about operating VT food/ag business • More opportunity for mentoring and training for future farmers of Vermont <p><u>Milestones</u></p> <ul style="list-style-type: none"> • 100 VT farmers receive 66% cost share toward mentoring interns/apprentices by 2026
16. Continuing education voucher program	\$500K/year	<p><u>Metrics/indicators</u></p> <ul style="list-style-type: none"> • Farmers better prepared and trained for emerging issues (farm viability, “hard” skills, marketing, business management, climate smart farmer practices, etc.) • Farmers are more profitable and better equipped to manage and grow their businesses <p><u>Milestones</u></p> <ul style="list-style-type: none"> • 100 new and existing farmers enroll in 600 credits at VT higher ed institutions by 2026
IV. Vermont strengthens and supports its brand		
17. Establish and sustain Vermont Agriculture & Food Strategic Brand Initiative	<p>Component 1: \$250K (one-time);</p> <p>Component 2: \$500K/year (on-going);</p> <p>Component 3: \$250K/year (on-going)</p>	<p><u>Component 1:</u></p> <p><u>Metrics/indicators</u></p> <ul style="list-style-type: none"> • VT Ag/Food Brand Initiative created with small staff and Board. • Creation of The Vermont Brand <p><u>Milestones</u></p> <ul style="list-style-type: none"> • The Vermont Ag/Food Brand will have clearly defined input and use requirements articulated in print and digital marketing through multiple national, state, and local media platforms by 2025 <p><u>Component 2:</u></p> <p><u>Metrics/indicators</u></p> <ul style="list-style-type: none"> • # of farmers, producers, cooperatives, retailers that access training and/or assistance with local, domestic and global marketing <p><u>Milestones</u></p> <ul style="list-style-type: none"> • All producers and trade organizations will be invited to participate in focus groups on the Brand • Within three years, at least 50% of farmers, producers & trade organizations will indicate they have at least 1 person on their team with basic knowledge and practice implementing traditional and digital marketing tactics <p><u>Component 3:</u></p>

		<p><u>Metrics/indicators</u></p> <ul style="list-style-type: none"> • Estimated # of agricultural and “maker” sectors that received the VT Ag/Food Brand Initiative targeted marketing materials <p><u>Milestones</u></p> <ul style="list-style-type: none"> • Industry-specific marketing materials created and vetted with the specific industry via in-person and virtual focus groups
18. Flagship marketplace hubs	\$400K/year for 5 years	<p><u>Metrics/Indicators</u></p> <ul style="list-style-type: none"> • # of existing farmers markets in high impact and accessible locations with secure sites for flagship marketplaces <p><u>Milestones</u></p> <ul style="list-style-type: none"> • Farmer and producer revenues will increase due to stability and high traffic of marketplace • Low-income Vermonters have greater access to fresh local produce and increase use of state food assistance funds at farmers markets