

Accessory On-Farm Business (AOFB) Guidelines for Farmers and Municipalities



The Vermont Agency of Agriculture, Food and Markets (VAAFAM) has jurisdiction over Vermont farms that meet the thresholds set in the Required Agricultural Practices (RAPs). Unlike farm businesses and farm structures, which are devoted wholly to farming activities and are under the jurisdiction of VAAFAM, accessory on-farm businesses (AOFBs) may need AOFB Permits and are subject to municipal site review.

What is an Accessory On-Farm Business (AOFB)?

Accessory On-Farm Businesses focus on:

- I) the storage, preparation, processing, and sale of qualifying products, where more than half of the total annual sales of the business is from qualifying products principally produced on the farm where the business is located; and/or
- II) educational, recreational, or social events that feature agricultural practices or qualifying products. AOFB events may include tours of the farm, farm stays, alcohol tastings and meals featuring qualifying products, and classes or exhibits in the preparation, processing, or harvesting of qualifying products.

Definitions:

Qualifying products are those wholly grown raised or produced on a farm or manufactured on-farm from such products. This includes all agricultural, horticultural, and viticultural commodities.

Qualifying products are **principally produced** if at least 50% (by weight or volume) of their materials originate on the farm where they are sold or prepared.

What is NOT an Accessory On-Farm Business (AOFB)?

1. A business unassociated with a farm, a business located off-site of the farm it is associated with, or a business that may be located on the farm but where more than 50 percent of the business' annual sales are generated from non-qualifying products or from non-principally produced products.
2. A business that is devoted wholly to farming activities. This includes the processing and sale of exclusively principally produced products.



AOFBs and Structures

A structure housing an AOFB likely will not qualify as a farm structure, as defined in Section 2.15 of the RAPs. Whether or not the structure is a farm structure impacts the applicability of Act 250 on AOFBs.

Please reach out to your Act 250 District Coordinator for more information at:

<https://nrb.vermont.gov/act250-program/district-staff-and-commissions>

What is the process for starting an Accessory On-Farm Business?

When the Vermont Legislature passed Act 143 to define Accessory On-Farm Businesses (AOFBs) in 2018, they tried to support the creation of such value added businesses for farms while also giving towns authority to ensure that AOFBs meet the necessary and reasonable conditions that the town has set for local businesses. Therefore, AOFBs are subject to Site Plan Review and other permitting processes, depending on local regulations of the municipality.

1. Contact your town to inquire about local zoning applicable to your property and the local process for applying for an AOFB permit.
2. Confirm that you are a farm regulated under the RAPs and that the business qualifies as an AOFB.

NOTE: If you are unsure if your operation qualifies as a farm or if the town requires an official farm determination, you can ask VAAFMM to make a farm determination by calling Kaitlin Hayes at (802) 622-4112.

3. If your town requires it, the AOFB will be subject to Site Plan Review at the municipal level. Site Plan Review processes vary by town, but often involve a public hearing with notice to adjacent landowners and the local community. Contact your Zoning Administrator to learn what the process is in your municipality.
4. Apply for any additional town permits that are required that extend beyond the Site Plan Review process. Examples include zoning permits, permits for noise, parking, smells et cetera.
5. Commence operating your AOFB and continue to comply with relevant local, state and federal land use regulations!