## Preserving Peacework: A Long-Term Alternative to Farm Ownership

## By Elizabeth Henderson

For a farm to be sustainable, secure tenure is necessary. Building healthy topsoil, nurturing diverse plantations of annuals and perennials, and establishing reliable markets and supportive community relations all require long-term investments. In the US, the ideal for most farmers, organic or conventional, is to have their own farm and to hold it as private property. Over the past decade in the United States, a few organic farmers have sought out alternatives — long-term, inheritable leases on land owned by non-profit land trusts or conservation easements held by land trusts. Under US law, these arrangements are as close as you can come to turning private property into community property. The farms function as private businesses, but the broader society has the opportunity to invest in the farmland, reducing the financial burden on the farmers while guaranteeing the preservation of an essential resource.

The high cost of land in densely populated areas in the United States has made it difficult for farmers to acquire adequate amounts of quality farmland. Many small-scale farmers lease land from non-farming owners who benefit from the reduced rate of taxation on land used for agriculture. Often these leases are short-term and when the owner decides to sell, the farmer is left with no alternative but to leave. For younger people who want to enter farming, the level of financial investment required can be a major obstacle. By partnering with Conservation and Community Land Trusts, organic farmers are creating ways to make farmland affordable for the long term. Holding Ground: A Guide to Northeast Farmland Tenure and Stewardship documents some of these experiments and provides case studies, sample leases, and checklists.<sup>1</sup>

Private ownership of land is one of the most fiercely entrenched rights in the U.S. As Robert Swann, founder of the E. F. Schumacher Society and a leading voice in the Community Land Trust movement put it: "Built into the very core of the U.S. Constitution, written as it was by land owners, is the proposition (although not explicit) that property rights take precedence over human rights or ecological realities. The notion of ownership of land and national resources in private hands and for private profit was incorporated into the Constitution, thus perpetuating the myth of divine rights in ownership first promulgated by Roman law. Only the American Indians, the original inhabitants of this soil, dared to question the supposedly divine right of kings to bestow legal title to land. The Indians did not claim ownership, but rather they questioned the notion of ownership of land and resources which, in fact, had no place in Indian culture."

<sup>&</sup>lt;sup>1</sup> Kathy Ruhf, Annette Higby, and Andrea Woloschuk, New England Small Farm Institute, 2004. Available from www.smallfarm.org

<sup>&</sup>lt;sup>2</sup> Robert Swann, "Land Trusts as Part of a Threefold Economic Strategy for Regional Integration." Available from the E. F. Schumacher Society: www.smallisbeautiful.org.

The Schumacher Center for a New Economics and Equity Trust, two small non-profits, have been helping farmers acquire secure tenure without ownership. To make sense of their approach, one needs to understand that under U.S. law land ownership amounts to a cluster of rights, any of which can be sold to someone else while keeping the others. For example, a farmer can sell the right to mine for gas on a farm and continue farming while a gas company sets up gas wells on the property. By placing a conservation easement on a farm, the farmer gives up the right to develop the land, but can go on living there and farming. Non-profit land trusts or public entities such as towns and counties can legally hold conservation easements. There are two kinds of land trust in the U.S.: conservation trusts and community land trusts. Typically, the conservation trusts raise funds to buy or accept gifts of conservation easements in order to preserve open land in perpetuity. The community land trusts buy or accept gifts of the land itself and then lease the properties to people to build houses or to farm, and highlight in their mission keeping the land affordable. <sup>3</sup>

When Rebecca Kraai, the owner of the 18 acres my partners and I were renting, offered to sell us the entire 140-acre farm, instead of going to the bank for a mortgage, we decided to contact our local land trust. At that time, we had a 5-year rolling lease with the Kraai family, a medium-term and moderately secure form of tenure. We renewed the lease every year, but the owners would have to give us 5-years notice to leave. With the chance of buying the land, we approached the Genesee Land Trust (GLT), a conservation trust, with a proposal that they accept a conservation easement on our farm. GLT's Mission is to "preserve and protect waterways, wetlands, farmland, natural and unique habitat, scenic and recreational lands." We hoped to replicate what the Decaters had done at Live Power Farm in CA.

In 1995, Chuck Matthei of Equity Trust guided Gloria and Steve Decater of Live Power Farm through a set of complex maneuvers. The Decaters purchased the land they had rented for many years at its value as farmland while the members of their Community Supported Agriculture (CSA) project purchased the development rights and donated the conservation easement to Equity Trust. In consultation with Equity Trust, the Decaters wrote the conservation easement requiring themselves and all future farmers on that land to earn at least 50% of their living from farming it and to use organic or biodynamic methods. They also included limitations on the resale price of the land to prevent market forces from driving the price above what a farmer could afford.

We thought we could ask the members of our CSA to finance the purchase of an easement so that we could buy the farmland at its agricultural value. We knew that farmland in our area was selling for \$1000 to \$1200 an acre and that the development value constitutes about half the price. To our surprise, the land trust agreed to depart from its usual practices by purchasing the farm and leasing it back to us for a very long term.

<sup>&</sup>lt;sup>3</sup> According to the 2015 National Land Trust Census, over 1,000 local, state and national land trusts are protecting close to 56 million acres of land from development: http://s3.amazonaws.com/landtrustalliance.org/2015NationalLandTrustCensusReport.pdf See: Land Trust Alliance, www.lta.org.

In doing this, the GLT took the innovative step of functioning like a community land trust. Our farm business purchased the improvements on the land, a barn and packing shed, but not the land under them. To raise the money to buy the land, the members of our CSA, together with the land trust, engaged in a fundraising campaign – "Preserving Peacework."

The old Humbert dairy farm is a rich and beautiful place with 88 acres of tillable prime soils, and 50 acres of woods and wetland areas with rare wildflowers. My partners Greg Palmer, Ammie Chickering and I did not want to finance our retirements by selling this farmland, as U.S. farmers so often are forced do. We could have obtained a conventional mortgage that would have enabled us to purchase the land as our own private property. The decision to partner in stewardship with the GLT followed from our commitment to a long-term vision of social justice and environmental responsibility. By GLT owning the land, it remains affordable for future farmers. We wanted to make our farm business solid enough financially that we could provide living wages, full benefits and retirement to the farmers without selling the land. Without the financial burden of a mortgage, the total investment in the farm business would be smaller, allowing younger people, who want to farm, but do not have a lot of money, to become full partners through sweat equity over a few years

Greg and I founded Peacework Organic Farm in 1998 on 15 of these rented acres. The 5-year rolling lease gave us reasonably secure tenure, but we were aware that, with or without the legal agreement, our remaining on the land depended on maintaining good relations with the owners. Greg and I, and starting in 2000 – Greg's wife Ammie – grew organic vegetables and herbs, most of which we provided to Peacework Organic Community Supported Agriculture, a buying club in Rochester, New York (formerly named the Genesee Valley Organic Community Supported Agriculture project (GVOCSA), in its 29<sup>th</sup> year in 2018, and to Abundance Cooperative Market.

The Peacework CSA dates back to the winter of 1988-89 when I first moved to Rose Valley Farm in Wayne County. Alison Clarke, Politics of Food founder, recruited a retired Xerox engineer to brainstorm with my farm partner and me – we decided to ask everyone who purchased a share to participate in the farming and distribution and in setting CSA policy. This model worked well for over 20 years. In 1989, the CSA started with 31 shares for 29 households. Gradually, we expanded – 45, 90, then 130. When Greg and I left Rose Valley in 1997, the CSA came with us and helped us find the Kraai land for our new farm. We spent the 1998 season building infrastructure – the beds, greenhouse, cold frame, cooler and packing shed. For 1999, our first production year on the new land, we attracted 160 families. Subsequently, we expanded to 293 shares that supported 4 full-time farmers and 2 interns. In 2004, we fed a total of 817 individuals: 564 adults and 253 children. In 2005, we expanded the farm business a little more so that we could afford our fourth partner, Katie Lavin, who had apprenticed on our farm for two seasons. She was 27 years old and owned nothing but some college debts. Our hope was to bring a farmer from the next generation into our partnership to set a pattern for future successions and many years of sustainable, ecological production. Unfortunately, after two years, Katie decided to move on.

The combination of rich soils and adequate water makes this land a treasure that is worth preserving for the future food security of this region. Greg and I looked long and hard to find a place to grow food for the CSA. We examined 20 other sites before deciding on the Kraai's land. We were very excited when we discovered that the Humbert Farm offered prime soils, Palmyra sandy and silty loams, as fine as any in the Northeast. Since 1983, when the Kraai's bought the land, Doug used no chemicals on this or the adjacent lands he owned. The land is criss-crossed by streams and has enough ground water to assure irrigation for annual vegetable crops on such well-drained soils.

Soil scientists in the Cornell Soil Health project did extensive testing on the farm. At a field day, Professor George Abawi was lavish in his praise of our management of the soil resource. Managing for soil health is a long-term investment that is not compatible with insecure tenure of the land. To allow a soil to reach full maturity and peak capabilities, one needs to use organic methods for at least a decade. The farm can look forward to ever-greater ecosystem benefits over the years to come.

With technical assistance from Equity Trust and George Parker, a Rochester lawyer, we negotiated a land lease document with the GLT. The members of the land trust board shared our conviction that this land is worth preserving in perpetuity. Few of them, however, have any experience of organic farming and none of them had ever engaged in a deal of this kind. Some of them did not understand why a long-term lease is so important to us until we explained how long it takes to regenerate the soil and how heartbreaking it can be to do perennial plantings and then not see them mature. It also made sense to them that we could not afford to make the investments needed to upgrade the old barn unless we could be sure to use it for many years.

We had lengthy discussions of the appropriate lease fee. Under the terms of their non-profit status, they could not offer us a "sweetheart deal" on the rental fees we pay. They asked me to research what farmers pay to rent an acre of land in our county. We were all surprised to learn that the going rate at that time, ranging from \$35 to \$50 an acre, just barely covered the land taxes. As a result, we agreed that the farm will pay the land taxes and all insurance and other local fees, but only pay a small administrative fee to the land trust.

Because the Kraai's sold the Humbert farmhouse and only kept the land, there are no houses on the property. I was fortunate to be able to purchase a house right next to the land; Ammie and Greg commuted 30 minutes from another town. We asked the GLT if we could set aside two small corners of the farm to build houses for farmers. At first, the board resisted: they did not like the idea of being landlords and pictured all the problems involved with owning rural housing. A letter from Leslie Reed-Evans, Director of the Williamstown Rural Foundation (WRLF), the land trust that entered into a similar arrangement with Caretaker Farm, persuaded them to see the matter differently: "The WRLF needs to preserve farms. A key to preserving farms is to make the land and the infrastructure affordable to farmers. The Caretaker Farm project gives the WRLF the opportunity to move beyond farmland preservation to farm preservation. This is an

important distinction and critical to the survival of small family farms." The GLT Board has realized that only by allowing the construction of homes for the farmers on the land and controlling the future sale price of those homes, can they assure that farmers will be able to afford to farm there.

To raise money to pay for the 140-acre farm, the core committee of Peacework Organic CSA set up a special "Preserving Peacework" committee to raise funds in coordination with the GLT. Including all of the ancillary expenses of land purchase – a survey of the property, a land stewardship fund to allow the land trust to monitor the land use on an annual basis, etc. – the fundraising goal was \$150,000. Because the GLT is a non-profit organization, members of the public can make tax-deductible contributions towards the purchase price. To raise funds for several land preservation projects, including Peacework, the GLT had embarked on a \$500,000 capital fund, directing appeals to land trust members and others. Since CSA members had a special relationship with the farm, the fundraisers especially targeted them. After describing the purchase and lease work in progress, the Preserving Peacework committee made this special appeal to members: "So, what does this mean to us? It means our CSA is going to benefit by knowing that land ownership costs and the issues around buying and selling land are not going to be issues our CSA has to deal with, nor will the farmers need to worry about a landlord who decides to sell the land out from under them. In short, in addition to reaping the benefit of knowing that Peacework farm – "our farm" will have a stable home farm, the CSA will also be a partner in the permanent preservation of high quality organic soils, Ganargua Creek wetlands and floodplains, and hardwood forest land with important wildlife habitat and beautiful wild flowers."

In only fourteen months, the Preserving Peacework committee raised the money to buy the farm; CSA members pledged \$140,000. The GLT completed the purchase of the land in January 2006 and in March of that year signed a twenty-five year rolling lease with Peacework Farm. The very first contribution of \$25,000 was anonymous and accompanied by this eloquent note:

"I believe that the planet is in a serious 'people created' ecological crisis motivated by greed and perpetuated by ignorance. The privilege and good fortune of eating clean local food is mine, due to the existence of the GVOCSA and Peacework Organic Farm. ... My donation of \$25,000 has caused raised eyebrows and not a few gasps. Conventional financial advice dictates 'saving for a rainy day.' Dear people, it is raining today, and it has been raining for a long, long time. It is rare that one has an opportunity to participate in such a fine cooperative venture. I do this with complete confidence in the ethics of the farmers, the GVOCSA and the GLT. I participate with joy and hope so that my great grandchildren will have safe vegetables grown on a beautiful organic farm."

Between 2000 and 2005, three other organic CSA farms - Roxbury Farm in New York, and Indian Line Farm and Caretaker Farm in Massachusetts - went through a similar process. Together we hope to create a new model for preserving farms and farmland. We have several interrelated goals: we want to preserve farmland from development while keeping it affordable for people like ourselves who make our living as

farmers. The other organic farmers, who have chosen, as we have, to farm on leased preserved land, have also raised the money from contributions from their CSA members and other donors, establishing these farms as community property, divorcing them from the real estate market. These are the common threads to these stories - you need the cooperation of several entities, good legal advice is crucial, and patience will be rewarded.