

**INTERIM POLICY POSITION  
VERMONT FARM VIABILITY ENHANCEMENT PROGRAM**

**PURPOSES**

In accordance with the Vermont Housing and Conservation Trust Fund Act (10 VSA Chapter 15), it is a goal of the Vermont Housing and Conservation Board (“the Board”) to fund activities that will “encourage or assist the retention of agricultural land for agricultural use.”

While the Board’s funding of farm conservation projects results in the retention of agricultural land, the retention of agricultural *uses* is dependent on the economic viability of farming. To encourage or assist agricultural use, the Board has created the Vermont Farm Viability Enhancement Program (“the Program”). The Board intends the Program to be supplemental and complementary to the Board’s funding of the conservation of agricultural land.

This policy is also intended to implement 6 VSA §4710, “An Act Relating to a Farm Viability Program.”

**FARM VIABILITY ADVISORY BOARD**

The Board shall receive guidance and advice on the Program from a Farm Viability Advisory Board. The Farm Viability Advisory Board shall consist of the following *ex officio* members or their designees: the Secretary of the Vermont Agency of Agriculture, Food and Markets, the Commissioner of the Vermont Department of Economic Development, the Manager of the Vermont Economic Development Authority, the Director of the University of Vermont Cooperative Extension Service, the Executive Director of VHCB, and a person who has expertise in agricultural economics, financing, or business planning appointed by the Secretary of Agriculture. The Farm Viability Advisory Board shall also consist of four farmer members appointed by the Secretary of Agriculture in consultation with the Vermont Housing and Conservation Board.

The Board shall rely upon the Farm Viability Advisory Board to advise the Board on potential amendments to this policy, to prioritize the needs to be addressed by the Program, to identify the types of services and methods of delivery that would be most appropriate, to evaluate the Program’s effectiveness, and to provide any other advice or guidance that the Board may request.

**FUNDING PRIORITIES**

Funding commitments shall only be made by resolutions of the VHCB Board, by a VHCB Board committee authorized by the VHCB Board, or by VHCB staff members authorized by VHCB Board resolution.

The Board will fund projects under the Program that the Board believes have the potential to increase the economic viability of Vermont farms, that propose to work with producers who are committed to participating in the program, and that include an evaluation to be completed by

enrolled farmers. The Board advises applicant organizations to consult with producers in the development of their proposals to VHCB.

The Board encourages and gives priority to proposals centered around comprehensive business planning augmented by technical assistance in areas of expertise tailored to individual farmers' goals or needs, and delivered in a coordinated, or team approach. The team members may be employees of eligible applicants, individuals under contract with eligible applicants, or may be cooperating affiliates of applicants.

The Board may also fund proposals to offer one or more components of farm business planning/ technical assistance teams, with priority given to proposals that will collaborate with other providers so that comprehensive and coordinated business planning and technical assistance services are made available.

The Board shall give lesser priority to proposals for: (1) farm business planning and/or technical services to be delivered to farmers in group settings, (2) training of service providers, and (3) special programmatic studies or evaluations.

All entities seeking funding must demonstrate the capacity to offer expertise in one or more aspects of farm management and must have the ability to communicate effectively with Vermont farmers.

The Board may give priority to applications that provide matching funds. Matching commitments may include cash, grants, or donation of in-kind services.

## **TYPES OF FUNDING**

The Board's funding of the Program shall take one or more of the following forms:

1. Grants to eligible applicants (as defined by 10 VSA § 303) for the delivery of business planning and technical services to Vermont farmers, and/or post-business planning technical assistance and monitoring of changes to farm profitability on farms that have completed business plans.
2. Contracts with private organizations or individuals for the same purposes as in #1 above.
3. Grants to eligible applicants, farm cooperatives, and/or participating farmers for the purpose of implementing long term measures, such as capital improvements, that will contribute to the economic viability of agriculture in Vermont.

The Board may also enter into cooperative agreements with private organizations or individuals or with any agency or instrumentality of the United States or of the State of Vermont to encourage or assist economically viable agricultural use of Vermont farmland.

Entities seeking funding shall be required to submit a proposal or an application in writing on forms prepared by staff of the Program. The forms may be developed with guidance from the Advisory Board.

## **FUNDING REQUIREMENTS AND ELIGIBILITY**

Farmer participants: To receive services funded by the Program, participating farmers shall be year round residents of Vermont, shall own or rent by written lease one or more parcels of Vermont farmland, shall have at least three years of farm management experience, and shall have earned at least \$10,000 annual gross income from the business of farming in the previous year. These requirements may be waived at the discretion of a committee appointed by the chair of the Farm Viability Advisory Board.

Farmer participants may be required to sign a form prescribed by VHCB to certify eligibility.

Service providers: Entities receiving funding under the Program shall sign a Grant Agreement, contract, or other form of written obligation as determined by VHCB prior to receiving any disbursement of VHCB funds. These documents shall contain reporting requirements that hold the recipients of funds accountable and that allow the Board to evaluate the efficiency and effectiveness of the services provided.

The Board may choose not to fund applications in which budgeted amounts are at levels that the Board determines are higher than necessary to provide quality services to farmers.