



**WASHINGTON
FARMLAND TRUST**
Sustaining a Future for Farming



IS FARMLAND CONSERVATION RIGHT FOR YOU?

Photo: Karen Wang

We are Washington Farmland Trust, a nonprofit, 501(c)(3) land trust working to protect and steward threatened farmland across the state. We aim to keep land in production by making it accessible to future generations of farmers.

To protect farmland forever, we work with landowners to purchase their farm's development rights. In some circumstances, we also purchase at-risk farmland with the goal of returning it to private ownership by selling to a local farmer. In both scenarios, we use tools like conservation easements to make farmland more affordable, and work in partnership with farmers as they steward their land into the future. In order to support the long-term viability of local farms, we also connect farmers to land opportunities and resources through our land-matching program, Farm to Farmer.

We are a statewide organization, with a current focus in the Western Washington region. Based on the urgent threats to farmland in Central Puget Sound, that is where our conservation work is most active. In special circumstances, we respond to inquiries from others parts of the state.

Benefits of Conserved Farmland

Protected farmland provides many benefits, not only to the land, but to landowners, future farmers, and the community.

- **Cash payment** – landowners receive a lump sum cash payment for selling a conservation easement
- **Affordability** – conservation easements lower the land's future purchase price, making it more accessible to the next generation of farmers
- **Tax benefits** – tax benefits may be available to landowners choosing to donate a conservation easement or looking to pass on conserved land through their estate
- **Ownership** – protected land stays in private ownership
- **Agricultural legacy** – historic and multi-generational farms remain in agricultural use
- **Community benefits** – open space and local farms contribute to community livability, agricultural jobs are created to help boost the local economy
- **Ecological resilience** – conserved farmland helps to protect important soil, water, and habitat resources
- **Stewardship** – farm businesses on protected land have access to additional cost-share funding and technical support

Eligibility for Conservation

We prioritize farms to protect based on a set of conservation criteria. Below is a list of criteria we typically look for when considering a conservation project. If you answer "yes" to some or all of the questions below, your land might be eligible for conservation.

- **Soil quality** – *Are your soils designated as "Prime Farmland" by the USDA?*
- **Size** – *Is your farm larger than 20 acres, or larger than the average farm in your county?*
- **Agricultural production** – *Is your farm in active production? Does it have a history of being farmed? Is it near other land in production?*
- **Zoning** – *Is your farm zoned for agriculture? Does it have remaining development potential?*
- **Water rights** – *Does your farm have secure water rights?*
- **Conversion threat** – *Is your farm likely to be developed in the near future? Have other nearby farms been converted to residential, commercial, or industrial development?*

CONSERVATION TOOLS & SCENARIOS

Threatened farmland sometimes needs direct intervention to ensure it stays available for future generations of farmers. We use the following tools in different combinations, depending on the context and needs of each specific project. Each tool ensures the permanent protection of farmland.

Conservation Easement Sale

In exchange for the permanent removal of a farm's development rights, we pay the landowner for the value of those rights, and commit to ensuring the soil, water, and open space on that property are available in perpetuity.

Scenario: *Maria owns land and wants to keep farming it for the next few years. Her plan is to eventually pass her land on to her children. Selling an easement allows Maria to realize some of the equity in the land without having to sell it, setting her up for retirement. Maria's farm is appraised at \$1,000,000. With an easement in place, the appraised value decreases – in this case, to \$600,000. Upon selling the easement, Maria is paid \$400,000 in compensation for the foregone development value, the difference between the two appraised values. An easement means Maria can continue farming her land and pass it on when she is ready, knowing it will remain a farm forever.*

Simultaneous Sale

When a farmer plans to sell their land at a cost that is prohibitive to a farm buyer, we may be able step in and purchase a conservation easement at the time the property is sold. This not only protects the farm, but it enables the farm buyer to purchase the land at its agricultural value, a more affordable price.

Scenario: *If Maria was ready to sell her land but wanted to ensure it stayed in farming forever, we could arrange a simultaneous sale. Not only would Maria be paid \$400,000 for the value of the conservation easement, but she would also be paid \$600,000 from the farm buyer, the appraised value of the protected land. This means Maria would receive the full \$1,000,000 value of her land, while making it affordable to a future farm buyer and ensuring it stays in farming forever.*

Easement Donation

Donating a conservation easement on your farm may provide tax benefits and help with your succession planning. Charitable deductions can offset income or capital gains taxes and potentially reduce future estate taxes. For more information on tax benefits visit bit.ly/LTAtax.

Scenario: *Maria would like to pass her farm on to her daughter, who plans to keep it in farming. Rather than sell an easement to protect her land, Maria decides to donate it to Washington Farmland Trust, knowing she may be eligible for federal income tax deductions and reduced estate taxes.*

Buy-Protect-Sell

For certain high priority, highly threatened properties, we may decide to pursue a Buy-Protect-Sell transaction. To implement Buy-Protect-Sell, we raise the capital necessary to purchase farmland and get it off the market quickly. From there, development potential is removed and we work to lease or sell the land back to a farmer.

Scenario: *If there was no farm buyer that could afford Maria's land and she needed to sell quickly, we could raise the \$1,000,000 necessary to buy her land. From there, we would place a conservation easement on the property, ensuring it was protected forever, and lease or sell it to a farmer at a more affordable rate.*

Want to discuss your options with Washington Farmland Trust?

Contact us at conserve@wafarmlandtrust.org

wafarmlandtrust.org