

Growing Metro Atlanta's Regional Food Future

Project Summary

In Fiscal Year 2017, The Conservation Fund received a Natural Resources Conservation Service (NRCS) Conservation Innovation Grant (CIG) to structure and prepare for launch an innovative, metro region-centered revolving fund to accelerate working lands agricultural conservation surrounding the city of Atlanta. The goals of the revolving fund are to provide affordable access to land ownership for producers close to major market centers, enhance natural resource conservation, and strengthen the regional agricultural economy.

We are on track for a successful launch of the revolving fund. In 2019, we plan to make our first investments by purchasing farmland from willing sellers. Next, we plan to maintain the properties as working agricultural lands by matching producers to those farm sites through a lease agreement with clearly defined pathways to ownership. Over the past year, the project team developed the models, program infrastructure, and partnerships necessary to build out the fund and supporting ecosystem. Significant milestones included:

- Development of acquisition model and capital structure under expected scenarios of philanthropic and impact investment support; and,
- Producer and landowner outreach to identify initial cohort of producer and farm opportunities within target geography;
- Development guidelines and template for lease contract with option to purchase and best farm management practice requirements;
- Creation of due diligence process for producer screening to assess producer eligibility for the program.

With the revolving fund model in place, The Conservation Fund plans to permanently protect thousands of acres of working farmland and establish dozens of new farm businesses on permanent land opportunities with the potential to produce millions of pounds of local, healthy food.

Access to Affordable Farmland is Needed in Metro Regions

Metro regions across the country face a common paradoxical challenge: at the same time that demand for local, sustainably-produced food greatly outpaces supply, we are rapidly losing farms to development. Producers with aspirations to own land close to major metro markets cannot afford to compete with other land-uses (often development). As these producers seek land further and further out from market centers, their business prospects decline and the viability of a strong agricultural economy diminishes.

The Conservation Fund seeks to halt this process of farmland loss and open up land access to aspiring owner/operators at farmland values that are affordable for producers.



The Model

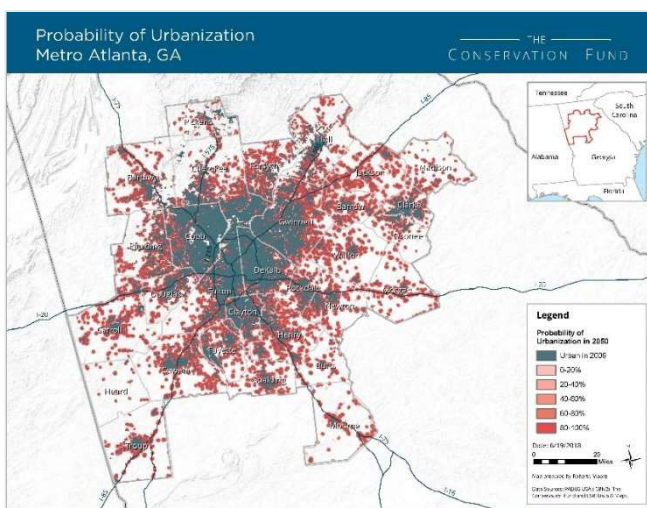
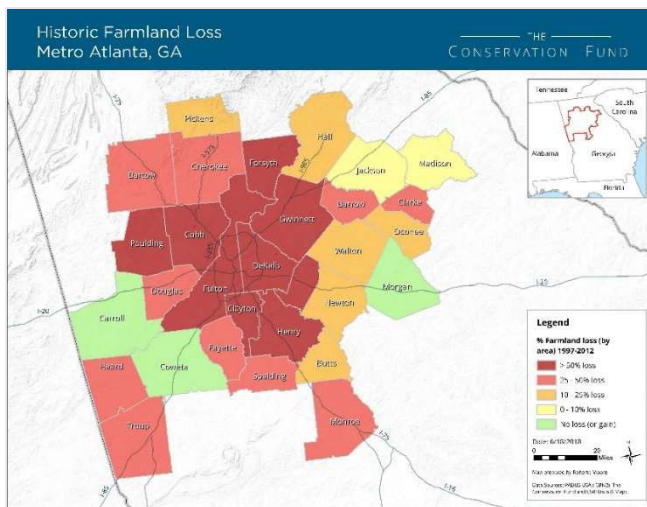
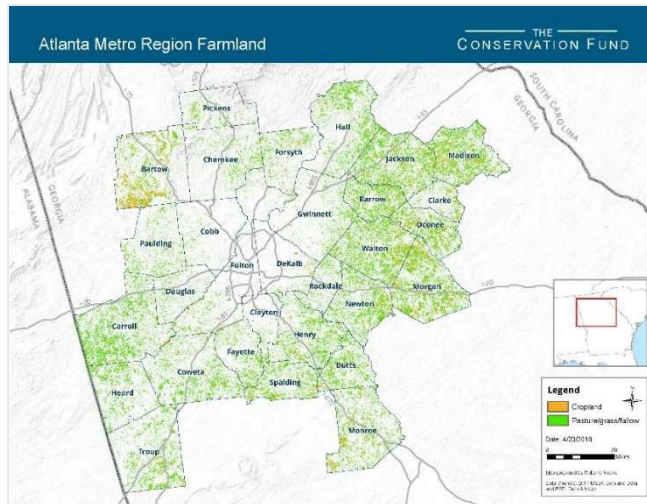
The Conservation Fund will utilize a revolving fund based on a buy-lease-protect-sell acquisition structure, whereby the Fund acquires at-risk farmland, enters into a lease-to-own contract with a producer, seeks permanent conservation of the property through an agricultural conservation easement, and then sells the property to the producer at an affordable price with the development value removed.



Atlanta Metro

Metro Atlanta exemplifies the dynamics of sprawling development and farmland loss that influence land-use patterns in metro areas across the country. Extensive mapping work by The Conservation Fund revealed both significant threat and opportunity in our target 30-county region surrounding Atlanta. While the majority of the 30-counties have experienced over 25% declines in farmland acreage in recent years, there is still a rich agricultural heritage within metro Atlanta and a greenbelt of over 900,000 acres of farmland that requires protection.

Looking forward, a significant percentage of this acreage is expected to come on the market within the next five to ten years, and given projected patterns of development across the region, farmland loss will continue unabated without a new approach to farmland conservation.¹



¹ USDA Census of Agriculture, 2012

Looking Forward

Remaining Challenges

Working within an entire food system requires a wide range of actors and systems to function cooperatively. As we scale available farmland and the potential for local production, the rest of the system will need to respond in-kind.

Conservation Easement Capital

Our model creates efficiencies on the front end of farmland investment, both through the revolution of capital and stacking of multiple sources of capital. Creating the conditions for corresponding efficiencies on the back end of the model, especially in securing capital for conservation easements at the right scale and time will require careful due diligence, risk management, and partner relationship cultivation.

Producer Pipeline

There is no shortage of land opportunities in the metro Atlanta geography. Growing an adequate pipeline of farmers to match to those land opportunities before land is converted to development will require significant commitment from other local partners, including those providing business and farming education as well as other financial resources to cultivate a robust local food system.

Opportunities for Growth

A metro-specific approach creates unique opportunities to scale local food production within a focused geography, and this is a model that could be scaled in other locations in Georgia and potentially replicated in other areas of the country.

Network and Clustering

Within a metro geography there is significant opportunity to create producer networks and cluster production systems to share resources throughout the supply chain. This includes technical assistance resources, financing, and physical infrastructure. The added benefit of this approach is the potential to build landscape connectivity across farm sites.

Demand-Driven Production

Proximity within the metro region to major centers of demand creates the opportunity to coordinate with markets to ensure that producers are responding to demand. This approach opens up the possibility of tapping into larger scale distribution channels such as institutional buyers and local retail.

Whole Ecosystem Support

There are significant resources already available within the metro area, not only state and national level agricultural resources such as those provided by NRCS and university extension programs but also support systems that have emerged within cities to support local production. Tapping into this vast array of support is a major opportunity that is unique to the metro context.