

# **Sustainable Iowa Land Trust**

## **Business Plan**

### **September 2015**



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**SILT.ORG**

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## Executive Summary

Iowa is facing the greatest transfer of land and wealth in its history in the next 20 years, when nearly 60 percent of Iowa farmland, worth an estimated \$150 billion, will change ownership.

Meanwhile, Iowa imports 90 percent of its food, while paving over 25 acres of the best soil in the world per day for development. The local food economy has increased exponentially with young people and women disproportionately represented among the farmers in that economy.

At the same time, real estate moguls, Wall Street investors and multinational corporations stand at the ready while Iowa farmers and landowners in the 60s and 70s face decisions that will determine the future of the state, currently considered the home of industrial corn, soybean, hogs and chickens. Will it belong to out-of-state investor funds, corporate interests and disinterested landowners waiting for the inevitable rise in land value? Or will it be used to secure a local food system, rebuild rural economies, improve public health and the environment and draw much-needed young people back to Iowa?

The Sustainable Iowa Land Trust (SILT) launched in early 2015 to help answer these questions. Its mission is to permanently protect land to grow healthy food. It will take land speculation out of the equation for future healthy food farmers through sole ownership of farmland and the stringent enforcement of sustainable ag conservation easements. It is also seeking partnerships among investors, developers and real estate companies to build neighborhoods that will incorporate SILT-owned nature-friendly farms into them, providing a win-win for all involved and permanently protecting more land more quickly during this massive land transfer. It is the only land trust in the Midwest dedicated to such an ambitious and vital mission.

In the next three years, SILT must dedicate marketing funds to raise its visibility throughout the state to encourage landowners to donate land or easements to the organization. SILT is building its credibility as an organization first with the impressive leadership team it has already assembled, then by raising funds to secure its future and by attaining accreditation through the Land Trust Alliance. As it acquires land and easement donations, it will use these to grow its assets by leasing SILT-owned land to qualified farmers and by providing services to landowners who donate easements and seek marketing, farming and other expertise necessary to fulfill the requirements of the easement while keeping their land in production.

“Slow Money investors have believed in the Sustainable Iowa Land Trust since its beginning. SILT is a nonprofit that’s tackling land access, healthy food and our environment in creative ways that provide opportunities for impact investors as well as philanthropists.”

*Woody Tasch, venture capitalist and founder of Slow Money*

SILT is incorporated under the Revised Iowa Nonprofit Corporation Act and comprises two nonprofit entities: a 501(c)3 and a 501(c)2 in formation. The c3 focuses on education and public outreach. It operates using a nonprofit business model and works to secure grant funding, large donor contributions, and funds through events and appeals. The c2 entity will hold the titles to, and collect the income from, SILT owned farms. It will charge market-based rates for services, such as farm marketing, easement management, and provision of technical assistance to farmers and landowners. Both entities are governed by a single board of directors. As SILT grows, it will hire an executive director through its c3 entity to oversee daily operations of both the c3 and the c2.

### **The formation of SILT is timely:**

1. Awareness of industrial agriculture's impact on the nation's health and economy is at an all-time high with bestselling books by Michael Pollen and Frances Moore Lappe and movies like Fed up, Food Inc. and King Corn.
2. Increasing numbers of Iowa consumers actively seek healthy, locally grown food which in turn is spurring increased interest in farming as a small business venture that Iowa has not seen since before the 1980s demise of the family farm.
3. A month after the group's formation, SILT Board Member Bill Stowe made national news when as the CEO of the Des Moines Waterworks, he sued government entities in Des Moines' watershed for their failure to control dangerous nitrate levels. That one lawsuit has changed the entire conversation about water quality, much denied until then, across the state.
4. Mary Swander, SILT adviser and Iowa's poet laureate, has written a play called Map of My Kingdom, commissioned by the fastest growing farm group in Iowa, Practical Farmers of Iowa, that is in constant demand across the state. The one-woman performance illustrates the struggles of Iowa farmers today in deciding how to pass on their farms fairly to their children.
5. Iowans get it. In SILT's first 8 months, 30 landowners representing more than 2,000 acres of land have stepped forward to discuss land and easement donations. With more marketing and trained staff on board, many of these conversations and more will turn into food farms for the next generation.

"SILT is an innovator in using the land trust structure to conserve working landscapes in a way that works for farmers."

*Sallie Calhoun, owner  
Paicines Ranch, Slow Money  
investor*

SILT is seeking large donations for operating capital and its endowment as well as partnerships with for-profit ventures that will enable it to capture land as quickly as possible, to protect it in perpetuity and offer it to the next generation of healthy food farmers. Acquiring a critical mass of farms and easements will allow SILT's 501c2 to become self-sustaining and even profitable, helping to ensure the future of the entire organization.

One-half of our land is owned by people over 65, one-third by people over 75. Time is of the essence if we are to make the most of this opportunity.

## Organizational Overview

In December of 2014, twenty-five of the most well-respected leaders in sustainable agriculture, development and planning parked themselves in a hotel conference room for two days and hashed out the details of an organization that was two years in the making. The Sustainable Iowa Land Trust (SILT) then launched in January 2015 to permanently protect land to grow healthy food. SILT will not only preserve farmland, removing it from development pressure, it will require sustainable agricultural practices to grow food for human consumption in perpetuity, removing it from commodity pressure as well.

Whether SILT owns the land and offers long-term affordable leases or it enforces easements on land that remains privately held, it will reduce the price of farmland for healthy food farmers for generations to come, increase food security for all Iowans and improve soil and water quality throughout the region with good farming practices.

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“We invest in SILT because it is a critical player in ensuring that we keep people on diversified agricultural land, which is of utmost importance as we strive for healthy ecological systems in a rapidly changing demographic and economic environment.”

Esther Park,  
CEO Cienega Capital

## Services

SILT will work toward its mission to protect land to grow healthy food by owning and leasing SILT-owned land and by working with landowners to provide easements that preserve the land for sustainable food production.

### Land Ownership

On SILT-owned parcels, the organization will work with qualified farmers to establish long-term, inheritable leases. Leasing the land will enable farmers to minimize their business’s debt burden, while allowing them to build equity in the house, the outbuildings, and the farm business. This model is based on proven ground leases developed by Equity Trust.

### *Enforcing Easements*

On easements it holds, SILT will provide management and marketing services and work with interested landowners to lease their land to farmers committed to growing food sustainably. Here SILT is breaking new ground by anticipating the needs these landowners will have and acknowledging that such needs have market value in a fee-for-service relationship. This will help the group defray the ongoing costs of enforcing easements.

## Developing Networks

SILT will work with established farm groups and businesses to provide management and marketing services. Recognizing the challenges other nonprofits have faced matching farmers with farmland, it plans to collaborate to develop a web-based national clearinghouse for farmers looking for business opportunities to grow healthy food. SILT will connect these farmers to land owned by SILT or to landowners who have permanent ag easements to grow healthy food. SILT will also provide opportunities for investors and qualified farmers to connect and discuss opportunities to invest in land or equipment for a particular project.

## Education and Technical Assistance

SILT will primarily rely on other established nonprofits to provide technical assistance to beginning and experienced farmers and eventually bring some of those services in-house. Land trust farms will become hands-on, real-life educational centers for farmers to learn the latest techniques in sustainable food production from other farmers. All SILT farmers will be encouraged to engage their local community with regular educational events.

## Environment and Market

### Competitive Landscape

The Sustainable Iowa Land Trust (SILT) is the only conservation land trust in Iowa focusing on protecting agricultural land to grow healthy food.

### Other land trusts in Iowa:

- [Iowa Natural Heritage Foundation](#) focuses on natural, rather than the cultivated, landscape.
- [Bur Oak Land Trust](#)—has a geographic (Johnson County area) and a natural areas focus.
- [Whiterock Conservancy](#) – founded by the Garst family, offers trails, meeting facilities, and is performing sustainable farm research on an estimated 5,000 contiguous acres in Western Iowa but has shown no interest in expanding statewide.

## Local Foods Interest

As with other areas of the country, Iowa is experiencing increased interest in local foods, particularly by household and commercial consumers in its metro areas. Nationally, local food sales totaled \$6.1 billion in 2012, the latest [USDA data](#). Organic food sales have jumped [72 percent](#) according to the same agency, with Iowa making the Top 10 of states in number

“I seek Community Benefit ROI-- environmental, social, financial, governance and spiritual returns. I invest in SILT because it is a critical model of how farmland can be farmed and managed as sustainable community commons so that people in this country have a hope of eating healthy food.”

*Theodosia Hamilton  
Ferguson  
11-year member, Social  
Investment Forum  
Founding Member,  
Slow Money*

of organic farms. According to Iowa's Regional Food Systems Working Group, a statewide network of 15 local food coordinators, farmers reported sales of \$24 million in the 2012-2013 season. Local farmer's markets, restaurateurs, food markets, and schools favor local vendors when possible and patrons are asking for locally raised foods. The University of Northern Iowa started a "Buy Fresh, Buy Local" program in 1997, and now spends 29% of its food budget on locally raised foods. . (Source: Regional Food Systems Working Group (RFSWG) report, 2012-2013, Leopold Center) But SILT is looking beyond local food to a time when food farmers saturate the local market and risk running themselves out of business. SILT plans to partner with food hubs and other regional distribution networks to secure a diversified logistics chain in anticipation of the future needs of our farmers.

### **Farming in Iowa**

According to a recent Iowa State University survey, more than half of Iowa farmland is owned by people over 65, one-third by those over 75. In the next twenty-five years, a huge transfer of land wealth will occur. This fact is not lost on real estate interests that now sponsor "land expos" in Iowa. Although younger people are interested in farming, the high price of land makes this a prohibitive career option. Having the opportunity to lease—rather than purchase—the land necessary for farming will reduce the start-up costs and resulting debt burden associated with farmer. Long-term leases provide the security farmers need to invest in improving the soil and plant perennial crops such as fruit trees. This lowers the barriers to entry for those interested in pursuing food farming as a career while encouraging the best stewardship of the land.

Iowa is losing 25 acres per day to development, according to the American Farmland Trust. Protecting farmland close to population centers reduces food transportation costs and provides farmers with a more robust consumer and commercial market for their products. These neighborhood-friendly small-scale farms offer a diverse landscape that adds value to the homes around them.

### **Management**

SILT's is governed by a board of directors ([Appendix A](#)), all of whom are serving a one-year term. At the end of 2015, the founding board will assign terms of one, two, or three years to each founding board members. Beginning in 2016, a regular board term will last three years. Board members may serve up to two consecutive terms. The board is responsible for governance for both the c2 and the c3 entities.

SILT also regularly avails itself of an extensive advisory council (Appendix B) that represents almost every Iowa geographic region and aspect of Iowa life, politics and expertise including developers, farmers, leaders from both parties and environmentalists.

Currently, the day-to-day work of the corporation is conducted by the board president, Suzan Erem. SILT anticipates hiring a half-time executive director for the c3 entity in the middle of 2016 and a

half-time land management specialist for the c2 entity in August 2016. The board will directly supervise the executive director, who will then supervise the staff and contractors of both the c2 and the c3 entities.

### **Three-Year Goals**

- **Keep SILT in the public eye** so landowners likely to donate land or easements are aware of the organization. SILT will do this through developing relationships with the media, speaking engagements, and an electronic newsletter. SILT has a website and uses the social media channels of Facebook, Twitter, and YouTube.
- **Inspire confidence and trust** with landowners and farmers through accurate and timely responsiveness to inquiries, and building organizational infrastructure. SILT is already developing its policies and procedures to Land Trust Alliance accreditation level standards. It engages professional advisors to address its legal, marketing, and other organizational needs, and will hire staff as quickly as it is financially prudent.
- **Raise substantial funds, including an endowment**, to show landowners and other supporters that SILT has staying power.
- **Use our assets to build assets.** SILT intends to grow carefully. As the c2 entity grows, it will cover its overhead with land leases and provision of farm services.

## Appendix A: SILT Board of Directors

**Suzan Erem** – President, West Branch, professional writer, organizer, orchardist.

**Kate Mendenhall** – Vice President, Okoboji, former executive director of the Northeast Organic Farming Association-NY, beginning farmer

**Kathy Dice** – Treasurer, Wapello, co-owner of Red Fern Farm, nursery-woman and naturalist

**Kamyar Eshayan** – Secretary, Cedar Falls, director of the Center for Energy and the Environment at University of Northern Iowa, Blackhawk County Planning and Zoning commissioner

**Mollie Aronowitz**, Des Moines, Conservation land manager for People's Co., Iowa's largest land broker

**Paul Durrenberger**, West Branch, economic anthropologist, farmland owner.

**Melvyn Houser**, Council Bluffs, Pottawattamie County supervisor, president of the Iowa State Association of Counties, retired farmer

**Sheila Knoploh-Odole**, Des Moines, attorney with a Master's in Planning

**Dr. Steve Lamer**, Solon, D.O. and health expert

**Denise O'Brien**, Atlantic, farmer and founder of Women, Food and Agriculture Network, former president of the National Family Farm Coalition

**Cindy Reed**, Solon, RN and executive director of the Iowa Lion's Eye Bank

**Bill Stowe**, Des Moines, attorney and CEO of Des Moines Waterworks

**Wayne Volkl**, Cedar Rapids, soils expert, and former FDIC inspector and farmer



## APPENDIX B: SILT Advisers

- [Les Beck](#) – Cedar Rapids, head planner Linn County
- Laura Belin – Windsor Heights, philanthropist and political activist
- [Joe Bolkcom](#) – Iowa City, state senator
- Dorrance Brezina – Des Moines, developer
- [Penny Brown Huber](#) – Ames, local food entrepreneur and regional Resource Conservation and Development director
- [Claire Celsi](#) – West Des Moines, public relations professional
- [Ed Cox](#) – Centerville, attorney and ag law expert
- [Cornelia Flora](#) – Ames, rural sociologist, distinguished professor Iowa State University
- [Jan Flora](#) – Ames, rural sociologist
- [Kurt Friese](#) – Iowa City, chef, founder of Iowa’s Slow Food movement, publisher of Edible Iowa River Valley
- [LaVon Griffieon](#) – Grimes, founder of 1,000 Friends of Iowa
- [Jason Grimm](#) – Williamsburg, young farmer, local food activist
- [Bob Hartwig](#) – Des Moines, legal counsel Iowa Bankers Association
- [John Ikerd](#) – Fairfield, retired agricultural economist
- [Jeff Jensen](#) – Ft. Dodge, president Iowa Nutgrowers Association
- [Paul Johnson](#) – Decorah, former head of NRCS under Bill Clinton
- [Bobby Kaufmann](#) – Wilton, state representative (R)
- [Jeff Kaufmann](#) – Wilton, county supervisor and chair of IA Republican Party\*
- [Fred Kirschenmann](#) – Ames, former director, Leopold Center for Sustainable Agriculture, head of Stone Barns Foundation
- [Erv Klaas](#) – Ames, environmentalist, Soil and Water Conservation District commissioner
- [Lucie Laurian](#) – Iowa City, associate professor of planning, University of Iowa
- [Jean Lloyd Jones](#) – Iowa City, retired state senator, founder 50/50 in 2020
- Ray Meylor – Polk City, community garden activist, service veteran
- [Mary Ellen Miller](#) – Corydon, director 50/50 in 2020, Republican women leader
- [R.J. Moore](#) – Iowa City, retired county planner
- [David Osterberg](#) – Mt. Vernon, founder Iowa Policy Project, former legislator
- [Joe Pietruszynski](#) – Des Moines, developer, VP of Hubbell Realty
- Dick Schwab – Solon, former CFO of NCS-Pearson, philanthropist
- Harn Soper – Emmetsburg, founder Sustainable Farm Partners, organic corn/bean
- [Mary Swander](#) – Ames, poet laureate of Iowa
- [Francis Thicke](#) – Fairfield, owner Radiance Dairy, PhD in soil
- Michele Traver – Cedar Rapids, Thrivent Lutheran Financial advisor
- Tom Wahl – Wapello, nurseryman and co-owner Red Fern Farm
- Paul Willis – Thornton, owner Niman Ranch

\*Endorses no organizations in this role

Financials available upon request to [info@silt.org](mailto:info@silt.org).