

John Bloom, Krusen Grass Farm
A Land Foundation Facilitated Farm Transition

Jean Yeager: At this time, we're talking with John Bloom about the farm transition at the Krusen Grass Farm in Wisconsin. John, thank you for speaking with us.

John Bloom: You're welcome. I think the idea was to have a sense of the story around the transition on that particular farm, both how that was for the farmer, the role of the land trust — Yggdrasil Agricultural Land Foundation — the role that we played, and the support for the farmer as he was making the transition out of farming. Well, not totally out of farming. Still consulting, but the day-to-day work of dairy is— it's pretty tough work, so...

Jean Yeager: Right.

John Bloom: ...so the farm itself was gifted to Yggdrasil in the year 2000.

Jean Yeager: How how large a farm? Describe it a little.

John Bloom: 285 acres or so.

Jean Yeager: Okay.

John Bloom: About 120 cows. A full-scale dairy farm producing for Organic Valley. So just imagine sort of a full production dairy farm, grass-fed, grass-grazed. And that was a very important feature of the farm. Biodynamically managed, although not necessarily, you know, certified by Demeter.

And time came when that was a physical challenge and, needed to make a transition. So we had a lease with the farmer, it was close to conclusion, and at the same time, he said I need to pull back from farming, which was, of course, very painful for him 'cause he's a devoted farmer —

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brilliant, brilliant farmer — and had really actually built up the quality of the farm over time.

And eventually, because we did not find a succession farmer or succeeding farmer very, very quickly — which is a very hard thing to do — he ended up having to sell off the cattle for meat, and all the rest. But there we had a full production dairy farm, turnkey project, with the milking shed, everything ready to go, very fertile soil, grass, no animals, but loafing shed, three years' supply of hay, and equipment. It was like really a turnkey project, ready to step in. And you would think, "Oh, piece of cake. Somebody would definitely want to take that on."

We also wanted to be able to support the farmer to continue both to consult, also to help us find the next farmer because, you know, it's really hard just to let a farm go to somebody else if you've really built that up. So we wanted him to have a hand — he and his wife, actually — to have a hand in succession planning.

And yet, there were financial needs. So, as a land foundation, we were able to buy the equipment. Some of it was sold off at auction, but we were able to buy the major equipment, and three-year supply of hay, so that, again, somebody coming in, we could sell that back to them. But at least the farmer wasn't carrying that and had the value of the hay back. We then started a national search. We worked with a consultant who is a farm business planner who could evaluate applicants, went through interview processes—

Jean Yeager: How many applicants did you get?

John Bloom: Let's see. I would say there were five or six applicants. We ended up going through two rounds— you know, really trying to qualify:

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thorough interview process, evaluating farm business plans, financial viability, knowledge base. I mean, there's everything. We really had to look at that and as I said, we worked with an outside party 'cause it's really helpful to have an objective view. And I will have to say that Yggdrasil at that point, was an all-volunteer organization, so we contracted for some of those services, but we don't have a full-time administrator, otherwise, that can handle that.

Anyway, through that search, we have now — and additional lands, because we actually had more applicants than we need — we now have a young farmer coming in who will work. Altfrid Krusenbaum will be sort of a consultant / advisor. He is working on financing building the herd.

Because we're a land foundation, we can handle cash flow over time, in a way. So there will be a lease, but then the buyback of the hay can happen over time, buyback of the equipment can happen over time. So it makes it such that the farmer can get on the land and start farming and be able to get into the Organic Valley dairy stream pretty quickly without a ton of capital up front.

And that, to us, was really important 'cause we know, first of all, to ask a farmer to capitalize the land and their business all at once is, basically is, a recipe for failure. So they clearly did not have to capitalize the land. We knew they were gonna have to capitalize the business. Building herd takes time. It's actually one calf at a time in many ways.

So, that has now allowed the next farmer. The lease is almost done. It's a triple-net lease, same — basically the same kind of arrangement that we had — with the prior farmer. It's fairly, I would say, friendly. It's not — because we're a non-for-profit, leasing to a profitable entity — you know, we can't create private benefit, so it is in the ballpark of market, but

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definitely on the lower side of that. Again, able to make the hay available at discount prices, et cetera. So—

Jean Yeager: I— is there a community element that's also at work in the way in which that's structured locally?

John Bloom: There is a community element in the sense that— first of all, it's a farming community. And there are numerous other farms around. And the history has been of a lot of independence, and not necessarily a lot of collaboration.

And we have now — because we are now more of the landholder of multiple pieces — we are actually encouraging the farmers who have some of the other land to begin talking to it, so there is the beginnings of what we're calling the East Troy Food and Land Association.

Jean Yeager: Wow.

John Bloom: So building kind of an association of folks who are there. The idea is really to think through how we rebuild the regional economy as a land-based economy. And that is a role that an agricultural land trust can play that no one individual necessarily can play 'cause, a) we're holding the land and making it available. But also, we're more of a — I wouldn't say a 'neutral party' 'cause we have an interest in how the land is managed and all. But, we're not competing for business. We're not doing program on the land. We're not saying who's a good farmer or a bad farmer. We just wanna know that there are successful farmers and that they're talking to each other. And we can actually foster that, so—

Jean Yeager: It sounds like the planning and the whole office search for the farmer and whatnot, this whole kind of process, how long was that? That sounds like a very important part.

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John Bloom: It's a hugely important part. So there were a couple of pieces to that. One is developing what I would call a description of the project to get it out and listed. But then, there was a subset of the board of trustees who were on the search committee: defining a kind of profile, the kind of person that we were looking for, the parameters, what we would accept, what we wouldn't accept. And then, working with the outside consultant to actually receive the applications, vet the business plans and then, present candidates that we could interview toward the farms so they could see what the circumstances were.

Jean Yeager: Right.

John Bloom: Yeah.

Jean Yeager: And does the land trust board, then — once you've hired this individual, once you've turned over the operation — then do you withdraw? Or do you still—

John Bloom: When you say 'hired' so we would not—

Jean Yeager: Well, you contracted or leased.

John Bloom: Yeah, so we would have leased the farm. So Yggdrasil is not in the business of doing farming. So once we have the lease relationship, there's always constant reporting, and we wanna make sure everything's okay. And we also work with in that case, Geneva Lakes Conservancy, which is an easement holder for the land. So they're doing annual monitoring as well.

There is a land management plan. There's a lease. So there's a lot in place that is building accountability into that. I mean, I suppose if there were challenges with lease payments or otherwise, we'd be in

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conversation. But we really are not involved in actually any of the farm activities or the business activities, you know, unless we thought something really strange was going on.

Jean Yeager: And just how long is the lease?

John Bloom: The maximum lease you can have in Wisconsin is 15 years.

Jean Yeager: 15 years.

John Bloom: Yeah. The additional piece that we— the way the law was originally written in Wisconsin is that it could be a maximum of 15 years with no implication of renewal, which is tough for a farmer, and it's tough for a farmer who wants to go finance a business or otherwise, you know, for such a short-term lease. And that's very peculiar to Wisconsin.

We have found a way to write language that says we certainly would reconsider the lease at the end of the 15 years. In other words, implying that we're — it's not, it cannot automatically renew — but it doesn't mean you can't not renew it.

Jean Yeager: Not renew it, right, right.

John Bloom: Right. So that's helpful, and certainly the intention is that it's a longer-term relationship, 'cause we really— farmers need a long arc.

Jean Yeager: Maybe for some of the people who are listening to this, the idea of working with an agricultural land trust or land trust at all would be a new type of thing for them. Would there be anything that you would say about how would one go about looking around in their area for that, and what— how would those relationships be structured in some way?

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John Bloom: Yeah. I mean—

Jean Yeager: You're— In this story, you came and looked for the farmer, but if you had another story where the farmer was looking for the future—

John Bloom: Sure, which we, you know, that's a story that's happening in kind of a constant basis. I mean, land trusts are quite various in their nature and the kind of work that they do. So, agricultural land trust work is a fairly small subset of the larger land trust work.

Most land trusts are devoted to what I would say, the preservation of land, open space, and they're also pretty much committed to managing the use of the land, but not necessarily the ownership. 'Use' being, so that would be a conservation easement that says it has to be for open space. It can't be built on. It can't be developed.

So there's — along with the agricultural land trust — is what I would call the subset of land trust that are interested in wise use of land. Agricultural is like working lands, but that also includes the hunters and the skimobile people, and, you know, anyone who has an imagined use of the land. So, again, we're a subset of that. The challenge in the agricultural land trust world is what we call affirmative clauses in the easements, what say, "We want this land to be farmed, used for agriculture and organic standards, or biodynamic standards, or sustainable standards or whatever. It should be maintained."

Most land trusts don't know how to monitor those kinds of easements. They know the borders have not been encroached. They know where the buildings haven't been put up 'cause they can tell that by, you know, satellite photographs. But a satellite photograph's not gonna tell you what

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the farming methodology is.

Jean Yeager: Right.

John Bloom: So Yggdrasil's unique in the sense that we're willing to take a stand on the kind of agriculture we want to see, from our mission, we want to see happening on the land. So sustainable practices — ideally biodynamic, even more ideally certified biodynamic or Demeter-certified, organic-certified, wonderful. But our job is to protect and steward the land and build fertility. How else do you do that except by ensuring the methodology and the use of the land is healthy?

Jean Yeager: And it's putting something in the ground with regards to the ethos.

John Bloom: Exactly. Exactly. And generally, we think of the community from that perspective of, if the fertility of that soil's being built, then fertility actually tends to build in the rest of the environment as well. In the same way that if you were just to take the opposite picture, if you're putting toxins in the soil, that leeches into the ground water, the ground water goes everywhere. How do you set any boundaries around that?

So we really see both the farms that are operating that way as somewhat homeopathic, in a way. But also become exemplars of what fertility looks like. And it often shows up in drought times, because there are healthy farms, and everybody's looking and saying, "What are they doing over there that, you know, we're not doing?"

Jean Yeager: Thank you, John. Thank you for your time.

John Bloom: You're welcome.