



Understanding Farmland Easement Agreements

Farmland Easement Agreements offer farmers and other farm owners a tangible way to protect their land for farming, for future generations. Farm families can partner with land trusts, like the Ontario Farmland Trust, to establish easement agreements that ensure their farmland will never be converted to urban development or some other non-agricultural use in the future.

A Farmland Easement Agreement (FEA):

Is a permanent, lasting agreement. FEAs are the strongest tool available to private land owners who want to protect their land in the long-term. FEAs are private, legal contracts that are negotiated between willing property owners and a qualified easement-holding organization, and then registered on property title. FEAs are forever agreements that ‘run with the land’ in perpetuity and apply to all current and future owners of the farm.

Ensures land use dedicated to agriculture. FEAs contain provisions that provide for the protection of farmland by limiting, or restricting, land uses that are not compatible with agriculture, like housing subdivisions and aggregate pits. Any land use restrictions in a FEA are developed cooperatively between the farm owner and the easement-holding organization to ensure that a shared vision for long-term protection of the land is clearly articulated.

Applies to all or part of a property. FEAs can be used to protect an entire farm property or only a limited area of a property. They can also be adapted to protect forests and wetlands in perpetuity, in addition to agricultural areas.

Does not affect land ownership or your farm business. FEAs give farm owners the ability to protect their land without giving up ownership of their property. Farm owners continue to have the right to sell their land or pass it on to the next generation. FEAs also do not put restrictions on normal farm practices and are designed to support a wide range of farm types and agricultural uses.

Is developed in partnership with a qualified easement-holding organization. Farm families have the choice of entering into FEAs with the Province, a municipality, a conservation authority, or a registered land trust, like the Ontario Farmland Trust, to protect their land. Many private landowners are motivated to work with land trusts, which are separate from government and can have a stronger mandate for the permanent protection of farmland.

Introduces a long-term relationship between farm owner and easement holder. FEAs introduces a perpetual relationship between the farm owner and the easement-holding organization. The easement holder has a responsibility to meet with the current and future owners, usually once per year, to verify that the easement conditions continue to be honoured. If the agreement is deliberately breached by a future owner, the easement holder is obligated to take legal action to uphold the FEA and defend the protected farmland.



Is enabled by provincial legislation. FEAs in Ontario are enabled through the Conservation Land Act. This Act is independent and separate from the Conservation Authorities Act, and the two should not be confused. The Conservation Land Act was created specifically to support landowners who desire to work with eligible easement-holding organizations to protect their land with easement agreements, including easements “for the conservation, preservation or protection of the land for agricultural purposes.”

Is independent of land use planning and policy designations. FEAs do not require planning approvals from government and can be pursued independently by farm owners and easement-holding organizations. If a protected easement farm is ever designated for a non-agricultural use in municipal or provincial plans, the non-agricultural use remains prohibited because of the permanent FEA on title.

Is not easily amended. Once a FEA is registered on title it is difficult to modify. Changes may be possible by mutual agreement of the farm owner and the easement-holding organization. Any amendment, however, must demonstrate enhanced protection of the land and requires approval of the Ontario Minister of Natural Resources and Forestry.

Has certain tax benefits and financial considerations. FEAs can impact property value. An appraisal is conducted as part of the easement process to measure any potential reduction in market value that may be caused by the FEA. If there is negative impact, farm owners are compensated, in part, with a charitable tax receipt from the easement holder for the difference in value. Additional benefits such as capital gains tax reduction may also apply. It is important that landowners engage a farm accountant to help them maximize financial benefits from FEAs as part of their farm business, succession, and estate planning.

Is unique and different in each situation. Every farm property is unique. Every farm business, fiscal, and family situation is different. For these reasons, no one FEA is identical, with each agreement tailored to the land protection interests and needs of each farm owner. Farm owners should seek the support of professional farm advisors (e.g. accountants, lawyers, financial planners) throughout the easement process to understand how FEAs best fit into their broader business, farm succession, and tax planning.

Takes time. It can take a year or more to complete a FEA. It is important for farm owners to plan in advance and leave a generous amount of time for consulting with their advisors, and negotiating the easement process with the easement-holding organization. Timing may also be dependent on fundraising by the easement-holding organization to cover project costs.

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