

# CENTER FOR RURAL AFFAIRS

## Land Link Project & Rural Enterprise Assistance Project

Walthill, Nebraska

*We are committed to building sustainable rural communities consistent with social and economic justice, stewardship of the natural environment, and broad distribution of wealth. We work to advance our vision of rural America through research, education, advocacy, organizing, and leadership development.*

Mission Statement

The Center for Rural Affairs was founded in 1973 in Walthill, Nebraska, a town of 800 residents, to provoke dialogue about social, economic, and environmental issues affecting rural America, especially the Midwest and Plains regions. Some of the issues it addresses are the loss of farms and residents, an aging population, the need for greater diversification of rural income, and greater access to information. Here in the northeast section of the state a staff of 24 carries out an integrated, complementary set of programs dedicated to improving rural communities and their residents. It is governed by a volunteer board of diverse constituencies representing agricultural, business, education and civic interests.

### Strengthening rural communities

The programs of the Center fall into two broad categories: *Stewardship and Technology*, which includes projects on Agriculture Policy, Beginning Farmer Assistance Agriculture, and Research and Technology; and *Rural Economic Opportunities*, which includes Family Farm Opportunities, Land Link, Nebraska Issues, and the Rural Enterprise Assistance Project (REAP).

Much of this work is national or regional in character and concentrates on rural communities and sustainable agriculture. Marty Strange, one of the Center's founders and current Program Director, explains that it is based on the philosophy that people need to take responsibility for their lives and their communities. One of the greatest challenges they face is widespread indifference and ignorance

nationwide about the characteristics and needs of rural areas. He adds that the major contributions of the Center fall into the following categories:

- Defining the relationship between social systems, technology and the environment focusing on agriculture and rural communities. They have worked "to develop appropriate technologies with farmers who want to become more environmentally responsible and who are socially motivated."



- Organizing those who believe in family farming and the environment to work for policies that have an influence on both these areas. In this regard they work directly with the leadership of other organizations.
- Analyzing a wide range of policies ranging from global warming to environmental health implications of farming.
- Developing and delivering strategic services.

The Center is funded through grants from foundations and other private sources, contributions, the sales of its publications and fee-for-service contracts. Its FY94 budget was a little over \$1 million.

### Land Link Project

Among the most recent and effective strategic services is the Land Link program. It addresses the need to create new opportunities to keep farmers on the land by matching young people who want to farm with older land owners who have the knowledge, management skills and resources to help them. This full service operation includes a range of farm management services, a licensed realty division and a computerized clearinghouse to help

put people in touch with each other. Its main contributions have been to help individuals reconnect with community, to build relationships between generations, and to increase the numbers farming sustainably. As a successful model it has influenced program replication in fifteen other states throughout the Midwest, as well as in California, Massachusetts, and Pennsylvania. It is also responsible for developing a curriculum on sustainable practices for community colleges that is now being used across the country.

Because the Land Link program has received a lot of free publicity from national television, major journals, and local and national newspapers, there has been no difficulty attracting young people. One of the services Land Link provides is to help young people decide whether farming is what they really want to do. Another is to help them with management practices particularly those who have been away from farming for awhile. On the other hand, engaging the interest of older farmers has been more challenging. Timing is key. Many do not think about the future of their farm until they are ready to sell. Others lack interest in the mentoring aspect.

Matching the long range goals of each party is important. The computerized database is one tool to identify possible matches. Hundreds of listings exist. Staff at the Center act as brokers between the landowner and the young farmer and can help negotiate an agreement that is agreeable to both. In some cases there is a 50/50 partnership; in others, a diversification of the farm; in some, immediate or phased-in sale of farms. Staff help train young people to become sustainable farmers and offer them financial guidance. One ongoing concern, however, is the reduced funding available for financing both within the public and private sectors. Lack of access to capital is helping to steer young people into sustainable farming as it requires fewer and lower inputs.

Numerous arrangements have been worked out. One such match, profiled in the Center's 1994-95 Annual Report, describes a young family that has participated in this program. Jim and Cheryl Bose and their two children took over a farm in Bloomfield, Nebraska when they wanted to build their cattle operation but did not have enough room on their family farm. Through Land Link they were able to connect with a land owner whose farm they now manage. They also stay in touch with

the Center for ongoing support and assistance.

This process is working well. According to its Annual Report, as of the end of 1994 the Center had successfully made 169 matches that collectively cover over 125,000 acres in just four years. In addition, the Center reports that more than 1,200 other farmers with an average age of 34 are interested in seeking a match.

### The Rural Enterprise Assistance Project (REAP)

In 1990, the Center began another exemplary program, the Rural Enterprise Assistance Project, a Grameen-bank type of micro-enterprise system, designed to increase and diversify rural income and to develop local businesses. It helps members of local business associations to secure loans and receive assistance with strategic planning, loans to get them started, and ongoing counseling to manage their businesses successfully. The Center provides all these services to community members to help them expand and diversify their income base.

This program builds on local entrepreneurial spirit and talent to keep locally generated dollars invested locally. Since its inception, REAP has lent roughly \$130,000 in loans averaging \$1,500 and experienced a default rate of under 2 percent. The businesses created range from bed and breakfasts, crafts, and accounting to desktop publishing, small mechanics, and catering. One participant, a life-long farm wife, is now head of the Shell Creek Small Business Association, which serves five rural communities. These associations are key to the success of this program.

One of the advantages of this program is that it encourages small communities to support business formation. REAP requires the formation of small business associations comprised of microbusinesses and local residents, which, in turn, raise money within their communities. They typically raise from \$1,000 to \$3,000. For every dollar raised, the Center matches as many as ten from its endowment, which is funded by private foundations and the Small Business Administration. Members of the associations approve the loans and more than one member may borrow at any given time. Through this process, associations have a commitment to the communities and the communities have a strong stake in the success of the projects.

Other states, among them Iowa, Kansas, Nevada and Pennsylvania, have replicated

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**Scope:** Statewide, multi-state, national  
**Inception Date:** 1973

**Participants:** Farmers, ranchers, educators, civic workers, other non-profit organizations, businesses, government agencies

**Project type:** Rural community development, sustainable agriculture, economic development

**Methods used:** Research, advocacy, organizing, training, leadership development, and education

**Lessons learned:** Importance of taking responsibility for rural communities. Need for partnerships with individuals and communities. Effectiveness of integrative approaches and inter-generational initiatives.

this program as a result of the annual training programs offered by the Center. REAP has established 22 associations in three states with over 180 active members representing 77 communities. Associations learn about the work of their counterparts through the *REAP Business Update* and periodic meetings. The Center also publishes a number of different newsletters and journals, staffs a hotline and has begun an electronic "conference" on the Internet. Among the publications are *The Center for Rural Affairs Newsletter*, *The Beginning Farmer Newsletter*, *Consortium News*. Many of these are free or available for a nominal fee.

### Leadership for the future

These two programs, in combination with the others, have helped individuals and groups take responsibility for their communities. They encourage participation, inclusiveness, diversification of businesses, local investment and capacity building over the long-term. They have

promoted sustainable farming practices and policies and preserved family farming. The Center for Rural Affairs has provided the leadership and vision to increase social, economic and environmental sustainability.

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## UPDATE

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### Land Link

Land Link's has made 40 new matches in the last two years and continues to inspire other states and countries to establish similar programs. It has also become more popular with retirees in Nebraska as they see their friends and neighbors well-served by the matches. Recently, Land Link developed an innovative environmental finance program that "takes the environmental audit one step further" by teaching farmers about water quality, soil erosion, environmental regulations, and risk assessment. As a result, a number of young farmers are adopting sustainable practices.

### REAP

REAP now includes 32 associations, 304 active members, and 102 communities. Since 1995 the volume of loans has nearly doubled. Taking its mission to the policy level, REAP has helped the Nebraska legislature draft two bills that encourage micro-enterprise development by providing funding for regional collaborative rural development projects. In 1996 REAP helped establish the Nebraska Enterprise Opportunity Network (NEON) to provide a forum for discussion and cooperation between like-minded organizations.

### Education

In 1995 the Center began a summer camp called "Entrepreneurs of the Future" to teach youths how to turn their ideas into business plans. About 65 youths have completed the camp and success stories abound. The Center intends to establish camps across the state. Another project, The School at the Center, was started to illustrate the idea that both schools and community can benefit through increased interaction. It has now been adopted in eighteen schools statewide. At one school students have renovated a county museum, not only documenting its collections but restoring the entire building. Through this process they gained marketable skills and a "sense of place" in their community.

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