

My name is John McCann and I co own North Branch Vineyards with Representative Kate McCann.

North Branch Vineyards is an international award winning small winery based in Montpelier VT and we have been producing grape wines grown in Vermont over the past 16 years. Currently, we cultivate 3200 grape vines including 7 varieties on our 13.7 acre farm in Middlesex, VT, which was planted in 2018. .

In past years, we purchased grapes while our vineyard matured and we produced roughly 6000 to 10000 bottles annually. In 2023, two natural disasters hit our Middlesex vineyard. We did not produce any wine from our Middlesex vineyard in 2023 because we lost 80% of our vines to the May 18th freeze and the remaining 20% to the excessive rain in July and August. We expected a full crop in 2023 since the vines were fully mature and if we had no natural disasters, we would have picked 40,000 lbs. of grapes and produced roughly \$317,000 in value added wine.

The natural disasters set us back at least two years in revenue and we were forced to seek financial assistance. Unfortunately, the Federal government did not provide any assistance. We were awarded grants provided by BEGAP, NOFA-VT and The Vermont Community Foundation. The grants were extremely needed, but were not enough to cover our losses. Like many businesses in Vermont, North Branch Vineyards needs to be resilient to extreme weather and have additional revenue streams.

The vineyard is located in a rural residential district which is not permitted to have a commercial business. We would like to build an event barn on the farm and host weddings and concerts to generate additional revenue so we would not have to ask for financial assistance when another disaster strikes. Under H.128, the event barn would become an Accessory on Farm Business and would not be considered a commercial business.

A report to the Vermont Legislature Prepared by the Natural Resources Board dated January 15, 2023, states that Vermont is a small state defined by its rural character, but its population and land management practices are changing.

The report goes on to say that agricultural businesses – including accessory on-farm businesses – help farms diversify to continue to be economically viable. UVM states, “Vermont farms are increasingly opening their doors to the public. This agritourism connects people with where their food comes from and grows appreciation for the working landscape. This increases economic opportunity for farm businesses in rural areas where farmers can direct-market their own agricultural products — and those from neighboring farms — to consumers. These business relationships are both common and necessary to sustain working farms.”

Based on the survey results from municipalities and farmers, the state agencies identified key objectives for discussion and input from stakeholders as follows:

- Appropriate land uses that support on-farm businesses, preserve farmland, and increase farm viability.
- Update, modernize and support agriculture and farming for the next generation.

The report also states that activities with an explicit connection to farming and agricultural literacy should be encouraged, including specifying whether restaurants and/or wedding venues constitute accessory on-farm businesses, and/or establish appropriate limitations.

Lastly, I would like to talk about residents in close proximity to the farm. In 2023, we purchased our 13.7 acres from our landlord and are in the process of conserving the land through VT Land Trust. Recently, we went through a preliminary review board with the Town of Middlesex. I have spoken to several residents about the project and their concerns are about noise, lighting and traffic. All of the concerns would be addressed at the municipal level.

I have a short 2 minute video I would like to share showing the importance of events associated with our business.

Thank you for allowing me to tell you our story and ask you to pass H.128 removing regulatory barriers for working lands businesses.