

Whole Farm Planning

Land Acquisition and Tenure

Objectives:

- Explore the range of options under ownership and non-ownership tenure for new farmers.
- Evaluate options to determine the best fit for an individual scenario.
- Understand the relationship between tenure options and sustaining agriculture.

Questions to Answer:

- How do you acquire good farmland?
- What zoning regulations will you be faced with?
- What kinds of professionals should you consider to help you purchase or lease land?
- If you own land as farm or forest, do you and your family wish to keep it?
- If transferring farmland is a goal, how will you be able to do so?
- Are there federal, state, or local taxes, or other expenses related to land acquisition, ownership, and transfer that should concern you?
- What kinds of leasing arrangements exist?
- Who is involved in these arrangements?
- Are landlord-tenant relationships feasible for you?
- What other alternatives are there to farmland ownership?
- What land improvements may need to be made?

Overview of Assignments:

- Undergo an introduction to Farm Link.
- Create a statement that describes land tenure needs.
- List pros and cons of each ownership and non-ownership option.
- Visit with county planning department.
- Research land improvement incentives.

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Option 1: Farm Succession for Transitioning Farmers

~Designed for farmers who have access to an established farm that will undergo a transition within the next 20 years and whose whole farm plan does not include leasing~

Objectives:

- Gain a broader understanding of farm succession issues.
- Examine elements and stages of succession planning.
- Explore what makes a successful farm transfer.
- Explore the role of entrants in farm succession.

Questions to Answer:

- What do farm families need to consider when transferring the farm?
- Compare and contrast transferring to a family member versus a transfer to a non-family member.
- How do different entrant stages/tenure arrangements affect the long-term and succession goals of the farm?
- What are challenges and opportunities raised when discussing succession planning 5-15 years before the current operator retires or stops farming?
- Discuss some advantages and disadvantages to the successor leaving the farm for a period of time before taking over.
- If you are leasing or renting, what should you know and understand about your landlord's estate/succession plan and why?
- How can you make your environmental/conservation goals known and followed in a succession plan?

Overview of Assignments:

- Develop a farm entrant "career pathway plan: steps from education to internship, early jobs, share or lease agreement to purchase.
- Talk to family members about their succession plans or experiences.
- Complete "Planning the Future of Your Farm" Workbook.

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Option 2: Leasing

~Designed for farmers whose primary source of land will come from leasing~

Objectives:

- Gain an understanding of the importance of leasing.
- Determine the reasons for using farm leases.
- Understand and differentiate between different types of leases.
- Evaluate advantages and disadvantages of different types of leases.
- Interpret and explain key questions related to leasing decisions.
- Learn the importance of good communication between tenants and landowners.
- Understand different approaches to maintaining strong communication lines.
- Learn how to use negotiation skills between tenant and landlord when developing lease agreements and relationships.

Questions to Answer:

- Why is a written lease agreement important to both parties?
- What basic information is necessary for developing an effective farm lease?
- What factors are important to the farmer/tenant and the landowner in the lease agreement?
- What are the benefits of share leases for tenants and landowners? Why are share leases not more commonly used?
- What are some alternative lease agreements that may provide additional options for both landlords and tenants?

Overview of Assignments:

- Identify key components of a lease agreement.
- Develop a list of techniques that could be used to improve the communication between landlord and tenant.
- Develop a checklist for evaluating a leasing relationship.

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Option 3: Hybrid

~Designed for farmers whose whole farm plan contains both transitioning an established farm and leasing and/or buying land~

Objectives:

- Explore the ways in which leasing, buying, and farm succession methods can be used together.
- Examine elements and stages of succession planning.
- Explore what makes a successful farm transfer, including purchasing.
- Evaluate advantages and disadvantages of different types of leases.
- Understand different approaches to maintaining strong communication lines between tenants and landowners.
- Learn how to use negotiation skills between tenant and landlord and between buyer and seller when developing lease and sale agreements and relationships.

Questions to Answer:

- What percentage of the farming operation will be leased or purchased?
- What percentage, if any, of the farming operation will be derived from a farm transfer?
- What do farm families need to consider when transferring the farm?
- Compare and contrast transferring to a family member versus a transfer to a non-family member.
- If you are leasing or renting, what should you know and understand about your landlord's estate/succession plan and why?
- What basic information is necessary for developing an effective farm lease?
- What are some alternative lease agreements that may provide additional options for both landlords and tenants?

Overview of Assignments:

- Develop a farm entrant "career pathway" plan-steps from education to internship, early jobs, share or lease agreement to purchase.
- Complete "Planning the Future of Your Farm" Workbook.
- Develop a list of techniques that could be used to improve the communication between landlord and tenant.