

Non-traditional farm transition planning and value transfer via mentoring and creative lease agreements

Our project team:

Cindy Hale and Jeff Hall



Sue and Amy Roper



**Susanne Hinrichs, Extension educator,
Agricultural Business Management Team**



Rachel Armstrong, CEO and Attorney



Julie Allen, program coordinator



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Housekeeping:

- We will be recording this and making it available after the field day
- please keep your microphones muted unless you are talking.
- Please keep your camera on if you can, seeing each other makes conversations better
- add your name, location, status (retiring farmer, aspiring farmer) to the chat

Service providers in the farm transition space, please add your name, organization and contact information in the chat, so folks can follow-up up with you.

We want the conversations today to be led by the farmers 😊

Questions? Put them in the chat

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What to expect today...

Overview of our project, from each of our project partners

Break out groups to discuss some key topics from our surveys & experience

- 1) Reconciling different values, perspectives & expectations of farmers
- 2) Legal tool: what might they be and preparing to use them
- 3) Equity: realities of addressing disenfranchisement and power disparities
- 4) Considerations before starting



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- Aging farmers want to retire, but not sell their land
- Young/aspiring farmers need access to land
- Young farmers could have access not just to land, but advanced production capacity, infrastructure and mentorship
- Retiring farmers don't want to see their farms degrade
- How to find each other?
- How to make these relationships work?
- How to make the economics work?



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What we have done -Year 1

- Learning about other's journeys: Survey of retiring and aspiring farmers
- 1st year of mentorship and value transfer experiment completed

Next Steps - Year 2

- Reflection, what have we learned, how have our perspectives changed?
- Planning for year 2, including developing a formal lease agreement
- Sharing our results, tools, what worked and what didn't



UNIVERSITY OF MINNESOTA
EXTENSION

We appreciate your input in this farmer-owner and beginner-farmer survey. This project is a SARE Sustainable Agriculture Research and Education project and the cooperators on the grant are listed below. We hope to understand the situations and needs of Minnesota farmers better, including those who have been managing farms for a long time and those who are beginners or young farmers. Our project's goals are to develop mechanisms for value transfer through a variety of pathways that provide young farmers access to land and use of established production capacity along with mentorship by the farm owner, while preserving the ability of retiring farmers to continue living on their farms. Thank you!

SARE grant ID: FRG052.24 "Non-traditional farm transition planning and value transfer via mentoring and creative lease agreements"

Cindy Hale and Jeff Hall, Clover Valley Farms
Sue and Amy Roper, Roper Farms
Susanne Hinrichs, U of M Extension, Extension Educator
Rachel Armstrong, Farm Commons, CEO and Attorney

Please select the option that best describes you:

- ☐ I am a farm owner looking to transition the farm management and operation to another person
- ☐ I am a beginner or young farmer looking for an opportunity to learn the management and operations of a farm



Value transfer & mentoring – year 1

Cindy Hale and Jeff Hall

Mentoring:

- Every Monday 10am-2pm, May – October
- Side by side introductions to fruit types & varieties, management practices, IPM, harvesting expectations, sale options, pricing and value-added products.



Value Transfer:

Cuttings & nursery stock (Elderberry, Juneberry, Currants) = \$318

Rhubarb, Honeyberry, Red & Black Currants, Apples - 16 varieties, Plums & Pears = \$6,495

Direct sales = \$938

Value-Added Sales = \$1,567



Value transfer & mentoring – year 1

Cindy Hale and Jeff Hall

Mentoring Challenges:

- Not enough time on farm
- Steep learning curve
- Identifying the right person for different tasks

Value Transfer Challenges:

- Inability to harvest when fruit was ready
- Crop failures (Juneberry, Elderberry)
- Understanding and planning for production timing and volumes
- Value-Added Sales: products, pricing, non-perishable vs. perishable (waste)
- Record keeping





Mentoring & Value transfer – year 1

Sue and Amy Roper

Mentoring:

- Generations 1, 2, 3 & 4
- Creating new enterprises for Roper Farms

Value Transfer:

- Cuttings & nursery stock, the future
- Access to mature production capacity
 - Direct sales
 - Value-Added Sales





Mentoring & Value transfer – year 1

Sue and Amy Roper

Mentee Challenges:

- Learning new rhythms of seasons and responsibilities
- Steep learning curve
- Identifying the right person for different tasks

Value Transfer Challenges:

- Availability to harvest in spur of the moments as needed.
- How to best use the raw agricultural product
- Understanding and planning for production timing and volumes
- Understanding what feels like work completion for the mentors.
- Record keeping in a system that works for everyone





Rachel Armstrong, ED and Attorney

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within an ecosystem of support

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Rachel Armstrong, ED and Attorney

Legally speaking...

- All kinds of creative arrangements are possible!
- The central challenge: figuring out what you want together.
- Sales agreements
- Lease agreements

Farm owner & Beginner farmer Survey Results



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Farmers looking for a management transition Survey 12/2024

Farm Owner Respondent Demographics

Age:

10% younger than 50 years.

19% between 50-60 years old

24% between 61-65 years old

29% between 66-70 years old

19% 71 years or older

SARE Grant: Farm Management Transition Survey: Farm Owner Section

Types of Agricultural Products produced by respondents



Most common products:
Vegetables (13%),
Fruits (19%),
Herbs (11%),
Fresh or frozen meat products (10%).

Other notable products: Grains,
agritourism, livestock, hay, eggs, and
value-added products.

SARE Grant: Farm Management Transition Survey: Farm Owner Section

Ways respondents market their farm products



Direct to consumer (24%)

Farmers markets (19%)

Wholesale (19%)

On-farm stands (19%)

- Other methods: Livestock auction, online platforms, food hubs, and off-farm retail stores.

SARE Grant: Farm Management Transition Survey: Farm Owner Section

Survey respondents size of farm



Majority of respondents said
their farm is small to medium
in acreage:

29% farm 1-10 acres.

19% farm 11-20 acres.

14% farm 21-50 acres.

Approaches tried for mentorship & succession



- Paid employees, interns, or beginner farmers (13%).
- Land leasing (18%).
- WWOOFing or volunteer programs (13%).
- Common challenges:
 - Prospective farmers not staying,
 - differing goals,
 - lack of resources.



Beginner Farmers looking for a farm opportunity Survey 12/2024

SARE Grant: Farm Management Transition Survey: Beginner Farmer Section



Beginner Farmers looking for a farm opportunity Survey 12/2024



Age range:

- The majority respondents between 26-40 years (71% combined).
- A notable percentage (10%) are over 50 years old.
- Family:
 - 27% are in a committed relationship with a co-farmer.
 - 24% have children under 18.

SARE Grant: Farm Management Transition Survey: Beginner Farmer Section



Beginner Farmers current location vs desired farming location



- 71% of respondents are not currently living where they ultimately want to farm.
- Most prefer to farm in Minnesota (57%) or Wisconsin (14%), with others open to the Midwest or specific states like Illinois and Michigan.

SARE Grant: Farm Management Transition Survey: Beginner Farmer Section



Considerations for beginner farmers on farm location



- Proximity to family (24%) and soil type (16%) are key factors influencing location decisions.
- Existing infrastructure and housing availability are also significant considerations.

SARE Grant: Farm Management Transition Survey: Beginner Farmer Section



Types of products beginner farmers are interested in producing



- The most often mentioned products are vegetables (20%), fruits (17%), and herbs (17%).
- A significant number are also interested in value-added products (14%) like jams, honey, or ready-to-eat foods.

SARE Grant: Farm Management Transition Survey: Beginner Farmer Section



Challenges for beginner farmers in accessing land and mentorship



- Key obstacles include financial constraints (17%) and finding farmers who can accommodate their needs (14%).
- Other barriers to land access involve land cost and lack of infrastructure (12% and 7%).

SARE Grant: Farm Management Transition Survey: Beginner Farmer Section



Types of mentorship and training beginner for which farmers are looking



Many have tried mentorship through paid or unpaid internships (25% and 14%, respectively), though challenges include differing goals and financial conflicts (19% and 17%).

Farm management courses and farmer training programs are often mentioned as helpful.

SARE Grant: Farm Management Transition Survey: Beginner Farmer Section



Income needs of farmer owners and beginner farmers during a transition

Farmer Owners

- 29% need to generate income to cover overhead costs.
- 24% want to generate income from the farm's sale down the road.

Beginner Farmers

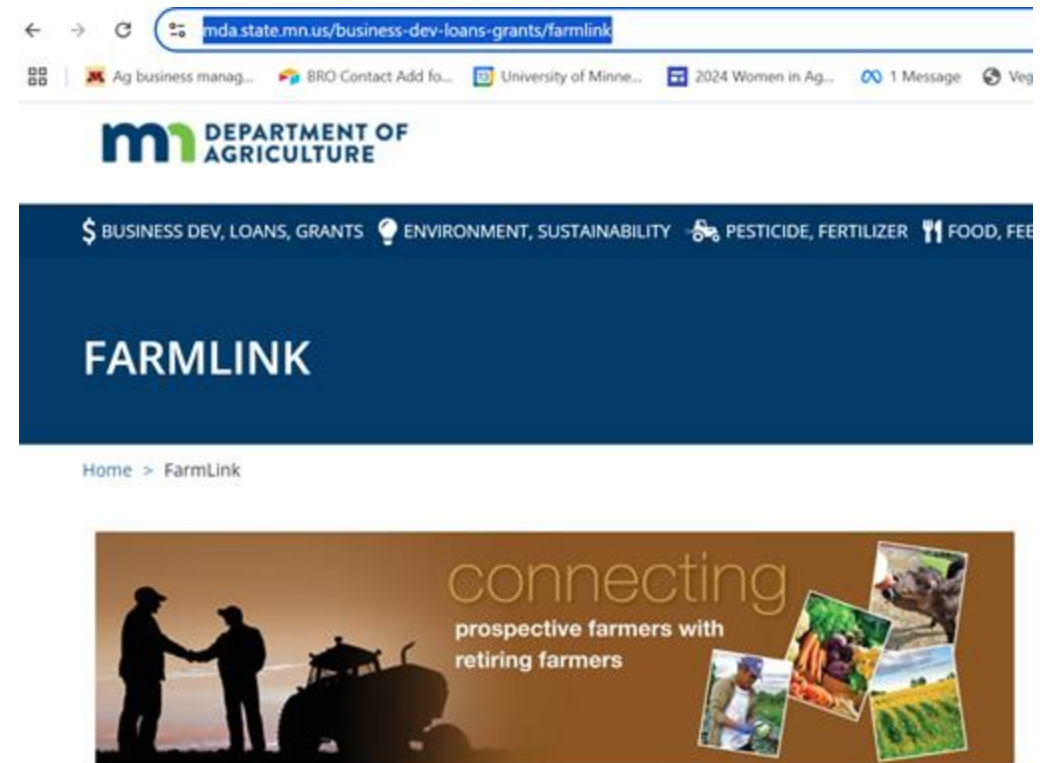
- Primary income from farming is needed by 19% of respondents, while 42% are looking for farming to provide supplementary income.

SARE Grant: Farm Management Transition Survey: Beginner Farmer Section



Ways in Minnesota for farm owners and beginner farmers to meet

- MN Dept of Ag Farmlink
- UMN Extension workshops & retreats
- Email list & matchmaking of Farmland Access Hub at Renewing the Countryside nonprofit



Educational topics farm owners say they want



Education Topics of Interest

- Farm transition, business succession, and estate planning (40%).
- Production topics (20%).
- Value-added products and direct marketing (6%).

-Lake Superior Chapter- Sustainable Farming Association

The LSSFA is a coalition of producers and consumers moving farm practices and food systems into a sustainable future.

We encompass NE Minnesota and NW Wisconsin.
We're a chapter of the SFA of MN, whose mission is to transform agriculture, one farm at a time.

www.sfa-mn.org



-Lake Superior Chapter- Sustainable Farming Association

WHAT WE DO:

- Lake Superior Harvest Festival
- Farmer-to-Farmer Field Days
- Social / Networking Events
- www.RootsandRecipes.org



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Questions?

Break out Groups...how they will work

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Break out Groups...reporting back to the whole group

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THANK YOU!

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