Exploring Land Link Options...and More: A conversation about options in Kansas

Kansas Rural Center Food and Farm Conference November 16, 2018 Wichita, Ks.

Purpose of session

- 1) To explore how we may facilitate connections between outgoing or retiring farmers and ranchers and farm/land seekers or entering farmers;
- 2) Provide YOU an opportunity for input & discussion
- 3) Provide an informal opportunity for "meet & greet among outgoing farmers/landowners and farm seekers

Current context for farm exit and entry

- Aging farmers (ave. age is 60; farmers > 65 fastest growing sector of farm demographic;
- Poor farm economy: 2018 farm income projected to drop to 12 yr low
- High land prices & high input and equipment costs
- Agriculture is high risk and lots of uncertainty
- Many farms do not have a family heir or successor

"Why would we encourage anyone to farm or ranch?"

Thankfully, there are still those who see farming/ranching as:

* the good life, and a necessary and noble profession which requires hard work but a good quality of life;

* And who see food production -- and the way we produce it-- as essential to stewardship of our natural resources, to community health and survival, quality of life, and even human survival.

* Passing a legacy on is more important than selling at highest market value

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Thinking outside the box...

will be necessary to meet the challenges of our farm and food future and to ensure next generation of farmers and ranchers.



Overview of Research Project: TRANSITIONING FARMS TO A NON-KIN SUCCESSOR

Transitioning farms and ranches from one family to the next: Improving farm transitions with better programs and services











Advisors





PIFF Purdue Initiative for Family Firms

PURPOSE OF FARM TRANSITIONS STUDY

To assess best practices from the 20+ year experience of 42 land link and linking programs to support farm transfers between non-related parties.

To examine models for fostering collaboration between experienced and beginning farmers through mentoring programs,

To share success stories of non-family transfers

The common thread

How do farm seekers gain a farming opportunity?

- Seekers Also known as:
 - Beginning farmers (but can be experienced)
 - Young farmers (or second career)
 - Aspiring farmers

How do farmers with no family successor build a relationship with a non-kin successor

And/or

How do Non-operator landowners find a farmer

Diversity of programs reviewed

- Listing classifieds
- Linking / facilitation / Community college case management
- Mentoring
- Ranching/grazing internships

- Dairy Internships
- programs
- State tax credit

Characteristics of programs reviewed

- Start year: median and range 2006 (1990-2017)
- Program duration: median & range 10 years (0 to 27 yrs
- 80% of programs are still active
- Half of programs serve one state
- 16% of prorams serve a multi-county region within a state
- 9% of programs are national

Characteristics of 29 programs reviewed

- 63% located within NGO or non-profit; 17% within an Extension program, 10% within a state department of ag;
- Programs served both beginners moving into commodity crop ag and non-commodity or specialty crop or smaller ag

Range of Services Provided

- LISTING: a managed list of available land from owners; may also list seekers
- LINKING: provides contact information to seekers and owners, pre-sorted or pre-screened; a step beyond listing;
- MATCHING: facilitates a specific transaction between seeker and owner

• MENTORING: a service that facilitates formal connections between learners (who may be farm or ranch seekers) and mentors who are farm or ranch owners. May only be a learning connection and not a transfer situation

- SUPPORT SERVICES: general services that build seeker or owner competencies to engage in farm or ranch acquisition or transfer; i.e. business, financial planning, legal, estate and succession transfer
- plus other educational or training services addressing production and management, marketing, conservation, labor
- TAX CREDITS; for landowners who lease/sell to beginning farmers (Available in limited number of states)

Helping people find each other

Simple classified style listings;

Participatory forum or event;

• List serve (managed or moderated)

Direct linking service to facilitate relationships High staff involvement

A case management
position
To support non-family
transfers
Model is Iowa State
University
Full-time, salaried,
perennial

OR

A position to support any type of farm transfer (kin or nonkin)

Low staff involvement

One-off conversation facilitation
Focus on goal-setting
On-line listing
programs

Financial incentive

- State tax credit Iowa, Minnesota, Nebraska are models
- Federal or state beginning farmer loan programs

Indirect educational interventions

- Education for farmer advisors
- Networks of CPA's, attorneys, rural loan officers, realtors, insurance
- Cross-train Extension and USDA personnel in nonfamily farm transfer

Mentoring

- Serving as a mentor helps a farmer transition to some mode of retirement
- Provides mentee education and skills training

SUMMARY OF FINDINGS:

* Finding each other is the biggest challenge
So linking programs (from simple online listings to full scale land link programs) offer opportunities.
Networking events can bring owners & seekers together;
Online discussion forms are also helpful

These do benefit from at least minimal staffing or oversight to manage info and to allow some kind of follow-up or tracking.

* Mentoring Programs are good for both seekers and farmers; programs vary in intention

Mentor role helps a farmer prepare for transitioning the operation by moving into an advisory role, as well as provides beginning farmer with valuable info and skill training and advice. (even without a formal transfer part of

the deal.)

Individual facilitation is helpful, but how much a program offers varies.

Consensus was that owners & seekers need a lot of assistance in all phases, but that this is time consuming, expensive, and not necessarily all that successful.

* Beginning farmer state tax credits attract a lot of participation and help beginners gain secure tenure (in IA, NE and now MN)

- * People are experimenting with alternative land ownership or access models.
- *That all farm transitions are complicated—but we learn from others' stories.

(1)

http://www.harvestpublicmedia.org/post/handing-reality-land-transfer-between-older-younger-farmers

(2)

https://indianapublicmedia.org/eartheats/love-farming/ audio here

https://indianapublicmedia.org/eartheats/growing-food-justice-south-bronx-farm/

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(3)
<a href="https://indianapublicmedia.org/eartheats/kira-santiago-talks-dave-bishop-future-farming/">https://indianapublicmedia.org/eartheats/kira-santiago-talks-dave-bishop-future-farming/</a>
(audio here: <a href="https://indianapublicmedia.org/eartheats/flowery-farm-transition-neighborhood-coffee-shop-nightlife/">https://indianapublicmedia.org/eartheats/kira-santiago-talks-dave-bishop-future-farming/</a>
[lowery-farm-transition-neighborhood-coffee-shop-nightlife/</a>
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(4) https://indianapublicmedia.org/eartheats/matchmakingfarmers-farmland/

Next Steps from the research project:

*Indiana University will publish a report in early 2019 and journal articles;

*Contact Mary Fund for draft version of the findings at mfund@kansasruralcenter.org

*Multiple Story Corps interviews and releases are being made available

NATIONAL LAND LINK PROGRAMS

The Land Connection: www.thelandconnection.org

International Farm Transition Network: www.farmtransition.org

Rodale Institute Farmer Connection: www.rodaleinstitute.org/farm/farmers-connect/

MOSES Land Link

www.mosesorganic.org/farming/land-link-up/

100 Beef Cow Advantage Program
Nebraska College of Technical Agriculture in Curtis

https://ncta.unl.edu/specialty-programs-ncta-curtis

KRC Next Steps

- * Exploring (with partners) holding a one day or more conference focusing on land access, land link etc.
- Develop simple online listing service
- Regional meet and greet sessions?
- Develop a Beginning Farmer/Rancher
 Program for USDA funding with partners for full service program

Policy:

*Ks. Beginning Farmer Loan Program Urge more legislative oversight and expansion

 Explore legislative support for Kansas beginning farmer tax credits



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