Exploring Land Lease Agreements -Melissa Fery

Land leasing is a common occurrence in agriculture production, for both livestock grazing and growing crops. Our extension office regularly gets questions regarding the current rental rate for farm ground. While the financial aspect of leasing land is important, there is more to consider than just the cash involved in the agreement.

Lease agreements can be as simple as a handshake, but most often should include legal advice and a contract. Contracts are in the best interest of both parties and should be revised periodically to keep them current. A contract makes both the landowner and the farm operator give thought to the agreement and develop ways of communication and understanding. It also serves as a handy reference if details are forgotten or if a death occurs.

A few items that should be given consideration are who carries the insurance on property and/or the crop, and what improvements need to occur and who will have responsibility for them. Production issues such as how noxious weeds will be controlled, maintaining soil fertility or types of chemicals used on the property and ensuring the best farming methods and conservation practices utilized on the land should be addressed. The contract is a negotiation tool for the lease and gives protection to both the landowner and farm operator.

Since many farmers or soon-to-be farmers depend on leased land as part or all of their business, it is in their best interest and success to maintain long-term, positive relationships with landowners. Landowners may be dependent on the rental for income, keeping their land in farming methods and conservation practices utilized on the land should be addressed. The contract is a negotiation tool for the lease and gives protection to both the landowner and farm operator.

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The farm operators can go a long way in maintaining a positive relationship with the landowner. Making an effort for a little “face time” during the growing season to visit with the owner or implementing some other form of communication is good idea. This gives an opportunity to ask the landowner about any concerns and avoid annoyances that can get out of control. In addition to keeping in contact with the landowner, try to provide education about current agriculture practices and maintain the property appearance. Also keep in mind the next generation, those that will one day inherit the land, and encourage them to value local agriculture.

We all know that accidents happen. Mailboxes get smashed accidentally by trucks backing out of driveways; fencing can be wiped out by a farm implement operating a little too close. Operators who take responsibility and fix the damage quickly are valued by landowners.

Note that sometimes new situations arise that are outside of the scope of the current lease agreement—it is a smart idea to document the situation in writing, such as a letter summarizing the agreed upon action or decision.

All contracts or leases should include a termination date, so that both the landowner and operator have opportunity to review their needs. The condition of the field at the close of the lease agreement is another factor. Some local farmers agree to flail any remaining residue, while others replant...
Spring Update from the Small Farms Program

Wow! What a winter. We just finished a run of 23 events and classes from January through March. Here’s the update.

In early January, we hosted Tyler Jones from Afton Field Farm in Corvallis to talk to a crowd of over 90 people about his growing livestock business in the Willamette Valley. He also met individually with the Southern Oregon Poultry Group about state certification for poultry processing. Maud sat on a panel at the Farm to Cafeteria conference in January speaking on the issues and challenges of buying agricultural products from local farmers. The League of Women Farmers has met a couple of times this winter. We went to Blackberry Lane for a potluck and seed exchange, watched the documentary *King Corn* here at Extension and toured Whistling Duck Farm in the Applegate. The group is going through some restructuring, but one exciting tidbit is we have just received a grant from the Organic Farming Research Foundation to hold four field days this summer at four certified organic farms. The goal is to teach new and beginning women farmers about organic farming and certification. We’ll update you on that project as well as future activities of the League of Women Farmers.

We held a successful eight-week small farms business management class in Grants Pass called *Growing Farms* in January and February with 35 people taking the class and a waiting list of almost 10. See page six for a full description of what took place. We have applied for more grants to hold the course again next year. If you are a beginning farmer and need assistance in designing your farm and business plan now, please give us a call anytime.

We also hosted John Jeavons from Ecology Action in January for a full-day workshop on the economics of small-scale farming. Over 50 people attended the event. This was an exciting and successful workshop and provided many learning opportunities for participants.

Maud also facilitated and taught two four-week classes on labor and intern management for commercial growers. See page seven for more details on the course and how it went. For more information on labor and intern issues, please give us a call anytime.

Melissa held one of the most widely attended sessions at the OSU Small Farms Conference in Corvallis in February. The session focused on exploring alternative poultry feeds for small-scale farmers. The panel and discussion raised some very interesting issues and we plan on holding Part Two at next year’s conference. For those of you that have never attended, the Small Farms conference is a one-day event that focuses on all issues related to small farms from production to marketing. We recommend attending whenever possible.

We also facilitated an evening class with Rick Hilton on small-scale orcharding that was very well attended by over 40 small farmers. In addition, Melissa talked to a group of local food buyers and farmers at THRIVE’s Food Connection in March about the trends in agriculture for 2009 and the challenges and successes of buying from local farmers. Maud taught an evening class on pasture management in Grants Pass to an eager audience of some 20 small acreage landowners. We expect to hold a few more pasture classes this year.

Maud has been working closely with several organizations to design a beginning farmer incubator program for southern Oregon. The group is in the process of writing a grant to get the project funded and off the ground. The goal is to tie the farming program in with our *Growing Farms* course and train the next generation of farmers and set them off in the right direction in successful farming ventures. An exciting and important project!

We continue to work with partners and agencies to serve small farmers in the area. Phone calls and farm visits are up and growing here in the Small Farms program probably improved by the amount of media work we’ve been doing on behalf of OSU Extension.

We are taking a small break this spring to evaluate many of our programs and work and engage in some thorough planning for the summer and fall programming. Stay tuned for many interesting projects and programs to emerge in the coming months. In the meantime, take a look at our events calendar for classes we are holding this spring.

To close, as many of you have heard, Oregon State University Extension is facing potential budget cuts of 10-30%. We will not know how this affects the Small Farms Program for some time, but we will continue to serve small farmers in this region to the best of our ability. If you have any questions about the budget, please give us a call.

-Maud & Melissa
Members of the Village Farm in Ashland, organized by farmers Michael DiGiorgio and Chris Hardy, are working to make cooperative agriculture a reality. A lot of Community Supported Agriculture programs (CSAs) in Oregon and elsewhere produce and deliver food to consumers. Very few have successfully incorporated their members into the actual day-to-day work of farming. The Village Farm’s CSA model invites members to work the land in exchange for their weekly boxes of produce. After their first season of managing member/farmers, DiGiorgio and Hardy are acutely aware of the challenges of this model, and also heartened by the community support and success of the program.

DiGiorgio first farmed in Costa Rica where he worked at a small eco-tourist lodge/farm. From there, he worked on commercial farms in Maine and California and then explored urban farming in Berkeley. After a brief stint of farming on family land in Alabama, he moved to Ashland and worked at Eagle Mill Farm for a few seasons. His farming partner, Hardy, co-founded a local farmers’ market in Montana and grew market gardens for seven years. During the recent off-season, Hardy completed the OSU Small Farms Extension Growing Farms Business Management eight-week course, traveled to Corvallis to attend the 2009 OSU Extension Small Farms Conference and helped organize the John Jeavons visit to the Rogue Valley where he taught Bio-Intensive farming methodology to local farmers. Chris also helped organize the series and dialogues in Ashland called Our Food Future.

DiGiorgio and Hardy follow bio-intensive methods of farming inspired in part by John Jeavons. They both aspire to create minimal input agriculture systems including saving their own regionally adapted seed stock and making their own compost. Their combined experience in various agricultural projects of different scales enabled them to take the lead on a group initiative and help manifest many people’s ideas within the first season.

Last spring, a group of about twenty people including DiGiorgio and Hardy convened and came up with the idea of creating a community farm. The Village Farm website—thevillagefarm.org—articulates the vision, mission and guiding principles of the farm: “To connect people to each other and the land through cooperative farming and creative education...Our model is to feed ourselves (the shareholders/ co-op members); feed our community through the local markets, direct community exchanges and food banks; to allow the farmers the abundance of a paid living; to birth other creative local and agrarian/nature-based businesses; and to provide a living model of educational experiences in community building and living locally.” These broad-reaching, visionary goals typify many of the ideals of the sustainability movement in Ashland. DiGiorgio and Hardy have been able to bring much of this vision to fruition through hard work, leadership and a cadre of committed farm members.

The farm itself is situated in south Ashland on land that is adjacent to DiGiorgio’s rental house. Last year, Village Farm members and volunteers attended the two Ashland growers’ markets, opened a market stand outside their farm, and ran a twenty-five person CSA. Village Farm members had the option to make a monetary contribution and work three or six hours per week in exchange for weekly produce. In addition, people who visited the produce stand had the option to harvest some of their own food. Managing working CSA members, volunteers and u-pick consumers has its challenges. Hardy and DiGiorgio are passionate about the idea of connecting people directly with the source of their food. However, with 25 members working three or more hours a week, the farm partners ended up managing 60 hours of volunteer labor a week, which is no easy feat. They are looking forward to the second year in production with many returning members and volunteers who know the ropes and will be able to help direct newcomers. In addition to the usual challenges of growing food on new ground, Village Farm members faced water shortages in the middle of...
Residents of Josephine County continue to debate the growth of canola production in their county. On April 6th, the Jackson County Soil and Water Conservation District (JCSWCD) held a town hall meeting in Grants Pass to give citizens an opportunity to learn more about the issues and express their opinions on the subject. Part of the debate is fueled by the fact that the Josephine County Commissioners, in a two to one vote, allocated $85,000 in an economic development grant funds to the JCSWCD to develop canola as a bio-fuel crop in the county.

According to Randi Omley-Tatum from JCSWCD, the idea came about when the owners of Northwest Seedcrushers, Inc.—an oil seed processing and distribution company outside of Eugene—approached a number of agencies in Southern Oregon about growing bio-fuels crops on marginal agricultural land. Oil extracted from the seed crops can be used for industrial oils and biofuels and animal feed can be made from the excess meal. While other oilseed crops including flax, sunflower, camelina, and safflower can also be grown for biofuels, canola is the favored crop because of its higher yields. Northwest Seedcrushers has offered to work with landowners to develop oilseed crops on their un-tended acreage. The company either leases the fields and does all of the work, or comes up with a partnership arrangement in which the landowner does some of the fieldwork and receives a portion of the profits.

JCSWCD is also interested in supporting the production of oilseed crops for more local markets including a biodiesel company in Klamath County. OSU Agronomist Daryl Ehrensing who gave a presentation at the town hall in support of the project has been conducting research trials on oilseed crops in Corvallis for a number of years.

Opponents of the growth of canola production have a number of concerns about the project. The production of canola is restricted in many counties in Oregon including the entire Willamette valley. Farmers who want to grow canola in those counties must apply for a permit from the Oregon Department of Agriculture. The restriction results from concern that canola crosses with some other brassica seed crops, some of which are grown on a large commercial scale in counties north of us. Southern Oregon has a small but burgeoning seed movement, which has some local farmers concerned and upset.

Many people also worry about the potential for canola to become a rampant weed because seed heads shatter very easily and each contain thousands of individual seeds. In addition, people are concerned that much of the canola grown in this country is genetically modified. Finally, some farmers believe that canola is not an economically viable crop. Because canola has not historically been grown in Southern Oregon, crop yields and profit margins cited at the hearing ranged widely. In addition, the equipment needed to harvest commercial lots of oilseed crops are cost prohibitive. A number of people at the town hall meeting took issue with the fact that the county had spent $85,000 in economic development funds that they believe will not result in any lasting job creation.

Ehrensing spent a lot of his presentation debunking myths about canola. The canola to be planted in Josephine County, for example, would not be genetically modified. He also explained that while the production of canola in Josephine County is in an experiment, he believes that canola will be as profitable as ryegrass. While the issue of canola production in Southern Oregon is complicated and somewhat contentious, it is heartening to see vigorous community discussions about the future of land use and agriculture.

**Village Farm profile continued from page 3**

last summer. As a result, they have reduced their dependence on TID (Talent Irrigation District) water and are now relying primarily on a spring-fed pond on the property.

This year, DiGiorgio and Hardy have plans to expand on a number of fronts. They are tripling the total acreage of production by growing more at the south Ashland site as well as opening up a new one-acre field in Talent. They hope to increase CSA membership to 50 families.

Long-term goals include forming a land trust and adding research and educational components to their projects. DiGiorgio dreams of creating an Eco-Park that will demonstrate sustainable agriculture and community gardening to local residents and tourists. They both talk about forming an agricultural cooperative to help meet the needs of small farms in the Ashland area. Each of their ideas hearken back to the original vision statement: deepening the community’s ties to local agriculture, creating opportunities for education, developing local markets and providing farmers with a livelihood. It will be interesting to see what the next few years bring for the Village Farm, as they seek a more secure landholding and increased community involvement.
News & Resources

• **Friends of Family Farmers** is happy to announce the official launch of iFarm Oregon, a land and resource connection service with an online database for young and beginning farmers. As the average age of Oregon farmers reaches nearly 58 years, iFarm Oregon is intended to connect new farmers with experienced farmers and those preparing to exit agriculture. The online database, which can be found at www.ifarmoregon.org, allows the user to search for listings, which include: agricultural services, land for sale, land wanted, unique leasing arrangements, partnership options, mentoring and internship programs, educational opportunities and financial resources. If you would like to add a listing to the database, please contact us at ifarm@friendsoffamilyfarmers.org.

• **New Video Series Offers Advice for New Farmers** Cornell University is launching an innovative, online video series that will help agricultural entrepreneurs successfully launch new farms. The video series, titled, “Voices of Experience,” covers essential topics such as financing farm startup, marketing, profitability, and goal setting, to name just a few. The ‘voices of experience’ in the series are actual farmers who have successfully started their own farm business. Voices of Experience online videos are available at the Beginning Farmer Project Web site: www.nybeginningfarmers.org.

• **Website for Renewable Energy Movement** The Renewable Energy site offers an array of resources on environmentally friendly energy sources and conservation. The site is located at http://www.extension.purdue.edu/renewable-energy/. Web site visitors can learn about installing wind turbines and solar panels, ethanol production and cutting energy costs, among other topics. Developed by Purdue University, the site has pages devoted to wind and solar energy, biofuels, and corn ethanol co-products, as well as on-farm energy efficiency systems. There also are tools and spreadsheets that are used for analysis of various renewable energy systems, and links to other Web sites. [Indiana Ag Connection]

• **Blog For Pasture and Range Production Launched** A new Extension blog focused on pasture and range livestock production is up and running on the Internet. The South Dakota State University ‘South Dakota Pasture and Range Livestock Production’ (http://sdpastureandrangelivestockproduction.blogspot.com/) blog is now available.

• **USDA to Document Organic Growth** For the first time, the USDA is conducting a Census of all known producers of organic crops, livestock and livestock products, as a follow-up to the 2007 Census of Agriculture. The purpose is to document for policymakers, consumers and producers, the importance that organic production plays in the overall food supply and how it is meeting the growing demand. NASS will be asking producers to respond to a survey during the May-June 2009 timeframe, with results being available in December 2009. For more information regarding this important activity, contact Gene Danekas, USDA-NASS at 573-876-0950.

**Land lease continued from page 1**

the land to grass for permanent cover. Land rental rates are driven by supply and demand, location soil type and quality, irrigation water rights and equipment and adequate fencing amongst other factors. Recent average rental rates for irrigated crop land in the southern Willamette Valley were $110 to 190 per acre per year. Longer term leases for blueberries and nursery crops and land for organic production were paying more. Non-irrigated land for grass seed and other field crops brings a lower cost per acre. Pasture rental rates are often figured by the animal size or weight, condition of the pasture, including forage quality and quantity and the labor and equipment offered by each party. For more information about figuring pasture rental rates go to http://smallfarms.oregonstate.edu/additionallivestock-resources and review Pasture Rental Rate written by Shelby Filley, OSU Extension Service Regional Livestock and Forage Specialist.

A lease agreement should include details that are of importance to both the landowner and the farm operator. Giving through to the agreement up front and formalizing the partnership can benefit everyone involved.

Melissa Fery is the OSU Small Farms Extension Agent for Linn & Benton County.
Growing Farms: Farm Management Program

This winter and spring the OSU Extension Service Small Farms program held an eight-week course called “Growing Farms: Successful Whole Farm Management” in four regions: Southern Oregon, Northern Willamette Valley, Southern Willamette Valley and Central Oregon. The series was designed for beginning and practi
ced growers with approximately one to five years of experience who felt they needed a better understanding of specialty crop production and farm management. The curriculum developed for the course included the basics of designing a whole farm plan and explored a variety of risks particular
to the small-scale farmer.

The statewide Growing Farms team spent several months to establish educational goals and create the course of study for the eight workshops. This was both exciting and challenging. We began our broad outreach efforts for participants in November, wanting to contact all potential candidates. The response was fantastic, encouraging us to increase capacity by five more participants than the thirty originally anticipated.

Southern Oregon classes began on January 21 in Grants Pass and were co-facilitated by Melissa Mathewson and myself. The class attracted a diverse cross section of participants—folks with little farming experience to a few who had been working on farms for decades, but wanted to consider a shift; folks with no access to land to stewards owning over 100 acres. Our average age was 46, but the range of ages was diverse from 23 - 70 years old. 14 females and 21 males attended. The range of education completed was no less diverse—high school to several PhDs.

Our first class focused on strategic planning and included farmers Maud & Tom Powell from Wolf Gulch Farm who framed the endeavor of matching your vision, values and goals to your business plan. By sharing photographs and their farm history, they illustrated the importance of knowing your basic core beliefs when building a farm plan. This was a perfect filter to run most of the course topics through as we explored resource evaluation, renewable energy, water rights, small-scale equipment, organic standards, labor issues, farm safety, marketing, soil & water quality, pest & weed management—all topics that contain values based decisions. As well, we explored business topics like managing liability, operations & infrastructure planning, and farm finances. Bookkeeping, cash flow, business skills, business structures, spreadsheets, and lending & grant options are all very important tools to the new and continuing small farmer. Don Tipping of Seven Seeds Farm joined us on our last night, who, in his insightful presentation walked us right into spring and out of the classroom by reminding us that, "abundance flows in pluses, and then it is gone."

Also in our final workshop, the participants shared their farming intentions and goals, which many are still developing. A few will be offering Community Shared Agriculture programs for the first time this season, one will open a road side farm stand, a few will have their first seasons at farmers' markets, and many will continue their search for land.

We will continue to have contact with participants as we conduct follow up interviews with them over the next year. We have planned a field trip in June to visit two of the farms whose farmers we met in class. The participants parted with huge stacks of resource materials as well as a class contact list and a subscription to a listserv created for all the OSU Growing Farms participants to keep them connected as they take their new knowledge forward.

During our eight weeks, we shared a dinner each night serving as networking and community building time. Our guest presenters often joined us. Gabrielle and Chad from Mud Puddle Farm in Grants Pass catered the dinners and went to great lengths to procure locally grown ingredients. In addition, their catering business modeled a unique farm venture, which we all appreciated.

The participant evaluations were very thoughtful and complete. The forms told us some of what we already knew, "hearing from the passionate local farmers was the highlight of the class" and some of what we hoped, "great OSU staff - engaging and energizing", "very relevant and informative set of presenters and topics" and "the variety of speakers kept the classes interesting." Several participants suggested the class start a few weeks earlier and many commented on our amazing dinners. The classes were funded by a USDA-Risk Management Agency partnership grant. For more information about Growing Farms and when the next series will run, please contact Melissa, Trace or Maud at 776-7371.

—Tracy Harding
Calendar of Events

- **Wednesday, May 20th—Weed Management for the Small Acreage Landowner**
  Instructors: Maud Powell, OSU Extension Small Farms; Melissa Matthewson, OSU Extension Small Farms & Bob Budesa, Former BLM Weed Manager
  This evening class is designed to help landowners learn how to identify and manage weeds on their small acreages. Topics will include how to identify common weeds growing in this area, various ways to prevent weed invasion as well as the most effective control methods for different weeds.
  **TIME:** 5:30—8:30 PM
  **COST:** $10.00 (includes snacks and materials.) Pre-registration required, call 541-476-6613
  **LOCATION:** OSU Extension Auditorium, Josephine County

- **Thursday, June 4th—What Can I Do With My Small Farm?**
  Instructors: Maud Powell & Melissa Matthewson, OSU Extension Small Farms
  This evening introductory class is for people interested in starting a small farm in the Rogue Valley. Topics include setting goals for your farm, assessing your physical resources, types of possible crop or livestock enterprises, assessing family resources and skills as well as the economics of small farming. Special guest rancher Martha Straube will also talk about adding Dexter cows to your small farm.
  **TIME:** 6:00—9:00 PM
  **COST:** $10.00 (includes snacks and materials.) Pre-registration required, call 541-776-7371.
  **LOCATION:** OSU Extension Auditorium, Jackson County

- **Saturday, June 27th—The Facts about Alpaca Fiber and its Success in the Marketplace**
  The Suri Network Product Development Committee is offering a fiber seminar to address topics related to alpaca fiber production. How do pasture management and fiber preparation affect the success of your livestock business? How do breeding decisions influence your future fiber crop?
  **TIME:** 10:00—4:00 PM
  **COST:** $50.00 including lunch
  **LOCATION:** OSU Extension Auditorium, Jackson County
  **FOR MORE INFO:** Contact Christine at Suri Futures, Cave Junction OR at 541-415-2614, or call Marsha at the Suri Network office 970-586-5876, office@surinetwork.org.

Labor & Intern Classes Held

In January and February, the Small Farms program presented two four-week courses on labor management.

The first course entitled, “Managing Labor for Fewer Headaches and Increased Profits” focused on the main paid agricultural workforce in southern Oregon: Latino farm workers. The course provided an overview on all aspects of labor management beginning with regulations and record-keeping. Guest speakers from the Bureau of Labor and Industry and the Dept of Consumer and Business Affairs presented material on wage and hour law and Workman’s Compensation. Local CPA Leone Holden mystified payroll and bookkeeping procedures.

The course emphasized cultural understanding and communication. Mark Wheeler from Pacific Botanicals discussed his years of experience managing farm workers. A highlight for many participants was the Mexican fiesta dinner when an engaging panel of Latino agricultural workers and Unete representative Kathy Keeseke spoke about working conditions and simple tools for improving rapport with workers.

The final two classes in the course incorporated the latest information on personnel management techniques with low-cost, easy to implement suggestions for improving employee performance and retention. Ron Strochlic, the Executive Director of the California Center for Rural Studies, presented a study on retention and worker satisfaction citing respectful treatment as more important to most farm workers than wages. Terry Sullivan, owner of Upper Five Vineyard in Talent, complemented Ron’s presentation with stories of his success managing workers and illustrated how modest increases in piecework pay boosted employee retention and satisfaction and had no negative effect on his bottom-line.

The text we used in the course, *Ag Help Wanted*, was well-received by participants who delved into such topics as goal-setting and planning for...
expansion. The final guest speaker for the course was co-author of Ag Help Wanted, Howard Rosenberg, PhD. Howard led the participants through role plays depicting common pitfalls in personnel management. The group discussed alternative approaches to employee communication and training problems as well as strategies for handling particularly difficult management situations.

In February, the Small Farms program focused on managing the other common source of labor: on-farm interns. Recently, a farm in Lebanon, Oregon struggled with a wage and hour law complaint and as a result, subsequent back wages were awarded to a former intern. Understandably, this news concerned local producers who hire interns as a way of training the next generation of farmers and also benefit from this affordable source of labor. We invited one of the affected farmers, Elanor O’Brien from Persephone Farm, to speak to the class on her experiences. Elanor first presented material on her many years of managing interns and providing experiential learning opportunities for young people eager to farm. She presented a detailed account of the labor dispute and gave valuable information on how farmers can protect themselves against similar situations.

Representatives from the Bureau of Labor and Industry and the Dept of Consumer and Business Affairs illuminated the complex nuances of wage and hour law and their application to farmers who employ interns.

After gaining information and tools to minimize their legal exposure, farmers turned their attention to designing an engaging curriculum and effective methods of teaching people with different learning styles. Michael Moss of Siskiyou Crest Goat Dairy and Don Tipping of Seven Seeds Farm spoke frankly with participants about the challenges and responsibilities of mentoring young farmers.