ALBERTA LAND ACCESS GUIDE

EDITION 1.0





Land Acknowledgment

This toolkit was produced by contributors living and working on Treaty 6, the traditional Indigenous lands and territories of the Cree, Blackfoot, Métis, Nakota Sioux, Iroquois, Dene, Ojibway/Saulteaux/Anishinaabe, Inuit, and Métis Peoples; Treaty 8, the traditional Indigenous lands and territories of the Tsek'ehne (Sekani), Dane-Zaa (Beaver), Slavey, Nehiyawak (Cree), Saulteau/Anishinaabe, Denesuline (Chipewyan), and Métis Peoples; and Treaty 2 territory, the traditional Indigenous lands and territories of Anishinaabe, Cree, Oji-Cree, Assiniboine, Dakota, and Dene Peoples, and the homeland of the Métis Nation.

Young Agrarians recognizes the unresolved Indigenous land title and rights in the diverse territories in what is today called Canada. As we live and work in the context of and in response to a colonial system of laws and policies, it is important to acknowledge the historical and ongoing impact of agriculture and land enclosure on Indigenous lands and food systems. In this context, we acknowledge our collective responsibility to position Indigenous Peoples and their experiences with coloniality, in a narrative of reconciliation that places ecology, land stewardship, and Indigenous land title and rights at the forefront. This is essential if we are to sustain the Earth's ecosystems in today's rapidly changing climate.

The Young Agrarians network emerged to support a new generation to care for and love the land. Many of the farmers in our network grow food and farm because of their environmental and social values; ecology is capturing people's imagination and re-connecting them to the food system and feeding their communities. The network works to facilitate knowledge sharing and community building to create the change we want to be. We envision a food system that regenerates water, soil, plants, and creatures in ways that benefit and work alongside Indigenous Peoples. Our deepest hope is that the future of our food systems is diverse, interconnected, resilient, embraces people of all walks of life and includes narratives and ways of knowing and caring for the land.

Contributors

This guide was created with the intention that, through the concepts and stories it explores, landholders and farmers will be able to envision future transitions for the land, and better understand the central nature of relationships to nurture future healthy food systems.

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The Alberta Land Access Guide Edition 1.0 was updated October, 2021. The Alberta Land Access Guide is Copyright © 2013 - 2022 by Young Agrarians. All rights reserved. We hope that you'll share it and reference it (just as long as you do not sell it). Please contact land@youngagrarians.org if you are interested in adapting the Alberta Land Access Guide.

Send us notes with suggestions on what the next edition should include and let us know if you spot any rogue errors.

Information in this guide does not constitute legal advice. It is highly recommended that the legal and tax implications of the potentially relevant organizational structures below are discussed with a lawyer and account/tax expert respective to the specifics of your situation.

Cover photo (Credit: Sara Dent Location: Tamara Ranch, Red Deer, AB)

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Welcome New & Young Farmers

Young Agrarians is a farmer-to-farmer resource network made up of new and young farmers growing food ecologically and regeneratively.

The network began through inspiration from U.S. young farmer movements including The Greenhorns and the National Young Farmers Coalition. In Canada, Young Agrarians is growing a new generation of farmers through education, networking, resource sharing, and programs.

Young Agrarians are young and new agriculturalists, rural, peri-urban and urban farmers, market gardeners, ranchers, rotational graziers, seed producers, food policy geeks, community groups, educational institutions, organizations, and anyone focused on ecologically and regeneratively rebuilding the agriculture of our country.

Nationally, Young Agrarians offers educational and networking events on and off farms. Contact us if you want to organize one on your farm! We share resources, jobs, training and land opportunities on our website, social media and through the Young Agrarians UMAP. Add your farm or future farm business project to the map!

In Alberta, Saskatchewan and Manitoba, YA offers an Apprenticeship Program, adapted from Quivira Coalition's New Agrarian Apprenticeship Program in the western United States. The apprenticeship puts aspiring farmers at the heart of regenerative farms and ranches across the Prairies.

In B.C., YA offers a Business Mentorship Network that pairs new farmers in start-up with experienced farm mentors. YA also delivers the B.C. Land Matching Program, supporting farmers to find land and develop stable land access agreements. NFU-Ontario has also adapted the Young Agrarians Land Access Guide for Ontario.

Learn more at <u>www.youngagrarians.org</u>



In 2015, new and young farmers in Alberta began coordinating grassroots Young Agrarians activities. This led to a partnership with Organic Alberta in 2015 to strengthen ecological and organic farming by providing educational support to new and young farmers.

Organic Alberta's mission is to represent, support and grow Alberta's entire organic industry. Established in 2005, Organic Alberta represents all 570 organic producers and processors in Alberta as well as 100+ businesses across the organic community. Organic Alberta is creating a strong, sustainable and united organic community in Alberta through advocacy, leadership and education. Learn more at www.organicalberta.org

Young Agrarians Alberta now operates programming through the **Agrarians** Foundation. A Canadian Charity, the mission of Agrarians Foundation is to educate the public by providing courses, seminars, workshops, and counseling agriculture, farming, processing, entrepreneurship, community economic development and environmental sustainability.

How This Guidebook Can Support You

The purpose of this guide is to support new and landless farmers to choose a path towards accessing land. In researching and writing this guide, the driving question has been: how have new farmers secured land? There are several different options to consider from leasing and purchasing to community farms and incubator plots – each with its own set of pros and cons.

This guide will lead you through a brainstorming and reflection process to help frame your needs and directions. It will outline the various choices for accessing land, provide useful tips for land assessment, a checklist for developing farmland access agreements with a landowner, and a sample lease template. All of the organizations, resources and links cited throughout this guide are listed for your reference in the resources section at the end.

FARMLAND SUCCESSION CONTEXT

The 2016 Statistics Canada Census of Agriculture reported that half of farmers are over the age of 55 and only 7% are under the age of 35. While there was a slight uptick in the number of new farmers under the age of 35 between 2011 and 2016, over the past 25 years the trend has been that we are losing young farmers at twice the rate that we are losing farmers overall.¹ Like the rest of Canada, Alberta is facing a crisis of generational renewal on farms.

In 2015, a survey of new and aspiring farmers across Canada found that 68% of respondents did not grow up on a farm. ² The survey found that new farmers were more likely to engage in direct marketing and ecological production practices. New farmers, perhaps like you, are motivated to farm and be part of solutions for climate change mitigation and environmental stewardship.

LAND ACCESS FOR NEW FARMERS

Respondents of the survey reported that the number one obstacle facing new farmers was affordability of land ownership. The value of land in Alberta increased 26.5% (in 2016 constant dollars) from 2011 to 2016.³ Housing and job markets look different than they did 20 years ago. These days, many of us work several different jobs with considerably less job security and a limited ability to plan for retirement. People are looking to farming as an avenue to change their lifestyle and an opportunity to work for oneself.

Farming is hard work and it takes significant planning, perseverance, and determination to be successful. However, the first step of buying land without existing capital, equity, family support, or a business partner to finance farm start-up is extremely challenging. That's why we put this guide together: to support you in your decision-making process to figure out what is viable for you to get on land and start a farm business.

¹ Canadian Food Studies, Vol 5 No 3 (2018) Special Issue: Building an integrative Food Policy for Canada

 $^{{\}small 2\quad \text{Canadian Food Studies, Vol 5 No 3 (2018) Special Issue: Building an integrative Food Policy for Canada}\\$

³ Statistics Canada, 2016 Census of Agriculture

Ready, set, go!

Whether you've got the land or you are still just dreaming, it is good to take a step back, look at the bigger picture and set yourself up for the journey. This section explores some of the steps that can prepare you for farming.

Farming requires ongoing education, planning, fortitude, and patience. No matter where you are at in your journey, whether you are just dipping your toes through an apprenticeship or looking out your window on your newly acquired piece of land, here are a few things you can do right now to get a step closer to your goals:

GET RESOURCEFUL: attend skill shares, workshops and practical trainings, begin informal or formal apprenticeships to learn basic carpentry, plumbing, machine repair, and welding. Join or create skill-share groups such as the <u>River Valley Free School:</u> <u>Edmonton's Skill Sharing Community.</u>

GET COMMUNITY: attend, volunteer, or join planning committees for conferences, workshops, and community events. Introduce yourself often and ask lots of questions, host <u>potlucks</u>, sit with people you do not know, stay in touch. Talk to people in your circles that have experience with farming.

GET STRONG & GET MOVING: begin a stretching routine, establish good posture, build core muscle strength, practice ergonomics in

your movements and proper lifting, start using small hand tools, grow the calluses on your hands.

GET THRIFTY: start a savings account, make payment plans and goals for paying off debt, make a budget and try to stick to it, scavenge and cache useful implements, practice thrift and repurposing, start or join lending-libraries, like the <u>Calgary Tool Library</u> and the <u>Edmonton Tool Library</u>.

GET ACQUAINTED WITH LAND: read about your local natural history and human history, observe patterns in nature and weather, look at contour maps to understand water flow over the landscape, start documenting and recording, plant seeds! Learn about communities that you might be interested in living near and find out what they have to offer as well as what you have to offer them.

GET READY TO WORK: help out on a farm nearby, learn from the previous generation, be an opportunistically friendly neighbor and helper in your community, apply yourself fully to the task at hand, do not flinch when it is hot and smelly, accustom yourself to service.

GET PATIENT: remember that this is a journey and unexpected things happen. There will be setbacks but there will also be amazing surprises along the way.¹

¹ Remixed from the Greenhorns Guidebook for Beginning Farmers

You + Farming = ?

Most farmers start on their path by learning from others, through volunteering on farms, working seasonal farm jobs, and pursuing farm education in formal and informal learning environments.

Internships and apprenticeships are great for getting more practical hands-on learning. Some farms have more structured educational programs established while on other farms you may be fully immersed in day-to-day activities and build your skills as you go. Apprenticeships can be paid or unpaid, and whatever route you pursue, getting an education in farming is key to understanding whether you want to start your own farm business and how you might want to run it.

There is so much learning that happens when you're fully immersed in a farming operation. Whether it is a good or bad experience, it will contribute to your learning and will inform how you choose to manage your farm in the future. Maybe you like yourtools organized a certain way, or like particular systems to feed animals, prefer to work markets or sell through a Community Supported Agriculture (CSA) model. Whatever the case, getting experience on other people's farms is key to knowing whether long-term farming is for you.

The land-seeking farmer should think hard about whether they have the necessary experience to pull off their endeavour. We say this because growing food is hard work, both physically and mentally – many farmers can relate to the challenges of working alone for periods of time in order to operate their farms and the regret of expensive mistakes. For the new entrant

to agriculture, an apprenticeship under an experienced farmer is an invaluable first step, and working as a hired farmhand can impart a sound grasp of the business of farming. Being connected to a farm can also provide valuable networks in the community that can be worth a lot in terms of saving time and creating future opportunities if you decide to start your own farming business in the future.

There are many different types of farming and, in turn, many ways to shape your commitment to the land. Building an agrarian lifestyle that is financially sustainable and creates a healthy balance between work and leisure is an evolving process, and requires solid planning. Often, farmers have a hybrid strategy of on and off-farm work, as well as seasonal highs and lows in production and income, which is important for assessing cash flow for the year. Farming requires you to develop contingency plans in case things don't go as planned, and it requires thinking well into the future for the longterm management of crops, soil health, business development and personal wellbeing.

FARM EXPERIENCES WILL HELP YOU FIND ANSWERS TO THE FOLLOWING QUESTIONS:

What do you want to farm? Are you an animal person, a grain person, a vegetable person, a cut-flower person? Do you like interacting with customers? Do you like selling? Is your focus feeding your local community, families, or selling at grocery stores or restaurants?

Do you like food-processing/value-added products? Do you have the discipline for dairy? The might for fieldwork? The

patience for regulatory labyrinths? The stamina for farmers markets?

Do you want to be the farmer, or do you want to have a farm-based or farm-inspired business? Some folks decide that they don't want to be farmers and instead start other businesses related to, inspired by, or directly for farming, like specialty tool companies, supply stores, marketing companies, etc.¹

PROGRAMS TO GET FARMING EXPERIENCE IN ALBERTA

YOUNG AGRARIANS APPRENTICESHIP

Young Agrarians and our network of exceptional mentor farmers offer advanced, apprenticeships hands-on in regenerative and organic agriculture across the Prairies. Our apprenticeships are a full immersion program that puts you into the heart of running a farm business, day in and day out. Our carefully selected familyoffarmmentorshavediverseexpertise and skill sets - their farm philosophies are guided by a holistic framework that recognize the connectedness of the land and people. Although farm activities will be different on each farm, the core activities will involve care of soil, pasture and livestock, farm direct marketing, and using sustainable practices for vegetable, cereal, and grain production. Find out youngagrarians.org/tools/ more at apprenticeships/

Check out the Young Agrarians online Resource UMAP (<u>maps.youngagrarians.</u> <u>org</u>) to see what other educational programs and organizations exist that volunteering, internships, and farm job opportunities. Farmers markets are also great places to connect with farmers who are doing the type of farming that interests you and to find out whether they take volunteers, have internship programs, or paid work.

can connect you to opportunities for

SOIL

Stewards of Irreplacable Land (SOIL) is a non-profit organization established in 1989 that "links Canadian farmers willing to take on and train apprentices with folks wanting to work and learn on an organic farm using sustainable practices."

WWOOF

WWOOF stands for Worldwide Opportunities on Organic Farms, where "in return for volunteer help, WWOOF hosts offer food, accommodation and opportunities to learn about organic lifestyles."

¹ Remixed from the Greenhorns Guidebook for Beginning Farmers

This section will guide you to reflect on how you want to shape your agrarian life.

Whether you've just been bit by the farm bug or have been farming for years and are now ready to take on a piece of land on your own, take some time to get into the nitty gritty of what your ideal farming scenario looks like. We encourage you to use the notes section on the next page to put down responses to the following questions:

What aspects of farming are you good at and what aspects do you find challenging?

Many, often unanticipated, skills go into running a successful farm. Figuring out what your skills are and where you have gaps will help you figure out what you need to run a viable operation. This doesn't mean you have to be good at everything, but it means you can hone in on the things that will move you towards your goals and figure out how to bring in the skills that you need. Maybe you can harvest salad greens like nobody's business, or maybe you are great at building structures or selling at the farmer's market.

What are your lifestyle dreams / hopes / needs outside of farming? Do you want to be a part-time or full-time farmer?

Farming, like many livelihoods, blends occupation with lifestyle – which on the one hand is what draws a lot of farmers into farming – and on the other hand, it means there's always more to be done. And that means being pressed to make

sacrifices. Think about what is important to you, and what you aren't ready to give up. For example: Do you need to attend your favourite cultural events in the summer months, or go take care of family in another part of the country? Are you a contractor that wants to farm and do your other paid work at the same time? Thinking about what and how you want to farm will enable you to make space for the other things that are important to you.

How much risk and financial insecurity can you take on?

Consider your tolerance for risk, financial insecurity, isolation and physical labour. There are ways to figure out how to work within your limits, but these are all things that you will likely have to navigate. Knowing where your limits lie will help you make better decisions for yourself - and stronger commitments when it comes to working with others. That may mean that you decide to take another year to save up, build more credit or take care of that crick in your back. For instance, clearing raw land in the far north may be cheaper than buying land in central Alberta, but how much marketing will you have to do to sell your product? Farming in an urban setting may be convenient for access to markets but growing your business may involve leasing multiple parcels that can result in a lot of landlord relationships to maintain. No farming situation is perfect, but thinking through your ideal scenario will help you weigh your options.



Think about what you're looking for in a farm and in a community.

Do you want to live rurally or near to the city? Do you want an area that has strong support for agriculture with farmers markets and businesses that are actively seeking and promoting their local food purchasing? Or, are you willing to trail blaze and contribute to building a local food culture in a more remote location?

Photo Credit: Kevin Kossowan Location: Lady's Hat Farm, Castor, AB

What You + Farming Equals in Numbers

Writing a business plan can seem like a daunting task, especially if you're new to managing a business (let alone a farming business) or if you're someone who isn't in the practice of writing things down. Nonetheless, it is an essential step for actualizing your farming vision and for clearly articulating your vision to others. You may also need a business plan to apply for a loan or funding or to demonstrate your commitment to a potential landlord; through this process you'll get a lot clearer on what it is that you want to achieve and how. Do seek out advice and mentorship as you solidify your business plan. It will evolve as you grow your farm so plan to revisit it annually or even seasonally. Starting a good framework will give you the space to iron out the kinks.

For step-by-step guides on how to write a business plan visit the Business Planning Tools section of the Young Agrarians website youngagrarians.org/tools/business

A business plan will help paint a picture of your ideal farming operation and what you require in terms of land, length of lease, and infrastructure (such as buildings, amount of pasture, amount of cultivated land, watering systems, etc.) to run your business.

Think about the following questions to help figure out your requirements for land:

- How much land will you need in your first year and do you want to increase your acreage in future years?
- How long will your crops take to produce?
- What kind of soil and terrain do you need for your crops or livestock?
- Do you want to be certified organic?

A business plan will highlight your financial situation. Planning for cash flow can make or break your farming business. Having a solid grasp on your finances is absolutely crucial before you consider applying for funding or financing, signing a lease, or talking to a realtor.

- How much income do you need to live on?
- How much can you expect to bring in from on and off-farm work?
- How much can you afford to spend on your business in the beginning?
- How much money do you need monthly to cover production expenses?
- How long will your money last before you have to find other work?
- Can you afford labour, or will you keep the scale of your operation manageable for you and/or your family?



- 2. Build the foundation to give your dream some legs: figure out the markets for what you want to sell, find out what other farmers are charging, talk to farmers about the feasibility of your plan, and talk to your prospective clients about what kind of
- 3. Think about what your farm would need to look like to accomplish these marketing goals: size of land, buildings, tools and staff.

volume they would buy at different prices.

- 4. Research, scout, document and put it on paper!
- 5. Enroll in the <u>Young Agrarians Business</u>
 <u>Bootcamp</u> to work with experts and peers to develop your business plan.

Photo Credit: Dana Penrice Location: Duban Farms Lethbridge, AB

Starting a Farm Business

There are many ways to set up your farm business depending on what's right for you. Below, we've identified options for legal and organizational structures. Key things to consider when deciding how to structure your farm business are:

- What type of management philosophy do you have?
- Do you prefer to work solo or manage with a team?
- How are your revenues managed?
- How are you taxed?
- What types of capital can you access?

This section provides an overview of various business structures relevant to farms and some of the most notable advantages and disadvantages of each. The information that follows is intended to assist you in understanding which business structure may be best suited for your future farm.

TYPES OF FARM BUSINESSES

There are numerous business and incorporation structures used by farm businesses, ranging from for-profit to not-for-profit. Discussed below are some of the business structures traditionally used in farming.

SOLE PROPRIETOR: A sole proprietorship farm business is owned by one individual, and there is no distinction between the owner and the business.

- PRO Start-up is comparatively easy to set up with less filing and paperwork requirements when compared to other business structures
- **PRO** No shared decision making or management with other partners

PRO Simpler tax filing

PRO Appropriate for low risk businesses or testing out a business idea

CON Sole proprietors are personally responsible for any business debts

CON Unlimited financial and legal liability, meaning that personal assets can be seized if the business cannot meet its financial obligations or is sued

PARTNERSHIP: A partnership is a business relationship that exists between persons that are carrying on a business in common with a viewed profit. In a partnership, all of the partners commonly share equally in the business management, capital and profits of the business, the losses and expenses of the business, as well as the legal liability of the business, unless otherwise expressed in a partnership agreement. Like a sole proprietorship, a partnership is not a separate legal entity from the partners, each partner may act as an agent of the partnership, and each partner is jointly liable (i.e. bears financial and legal responsibility) for the actions of the other partner(s). Whether or not a business entity constitutes a partnership normally depends on whether or not the business entity and the partner's behaviour exhibit some of the following characteristics:

- the sharing of profits and losses of the business;
- joint ownership of assets;
- the ability of each partner to contractually bind the other(s);
- the use of the term 'partner' and 'partnership' as self-descriptions;
- the use of a joint bank account or other accounts; and
- registration as a partnership

Ensuring an effective partnership has been created will often require obtaining legal advice and documenting the intentions of the business partners in a partnership agreement. While a partnership agreement is not required, it is highly recommended that a formal partnership agreement be used to lay out the rights and obligation of the partners. In the absence of an agreement, the Partnership Act, RSA 2000, c P-3 will govern and may deem the partners to share equally in the rights, duties, interests, and obligations of the enterprise.

- **PRO** Combining assets and sharing the capital cost of starting a farm business
- **PRO** More expertise and skills brought to the business
- **PRO** Relative ease of formation
- **PRO** Joint operation and management allowing sharing of responsibility and profits
- PRO Potentially useful for succession planning to facilitate the intergenerational transfer of a farm business
- PRO Potential tax deferral opportunities and income splitting between spouses, parents and children, siblings, or arm's length partners. Quite flexible from a tax perspective.
- **PRO** Opportunities for project specific scenarios
- **CON** Often partnerships will have unlimited liability which means partners may be equally liable for the actions of other partners.
- **CON** A partnership is not subject to preferential tax rates but is taxed at the individual tax rate and is taxed on the net income of the partnership

- **CON** Record keeping and professional fees are more onerous than with a sole proprietorship
- CON A partnership may be dissolved when a partner dies, retires, becomes insolvent or bankrupt, or if the duration of a partnership or the nature of the partnership's business adventure or undertaking are not carefully expressed in a partnership agreement.

CORPORATION: Setting up a corporation creates a distinct legal entity from its owners (referred to as shareholders) with limited liability for the owners. In some situations, incorporation may be more costly than a sole proprietorship and partnerships due to increased annual filing requirements and sometimes an increased need for accounting and legal advice, and potentially the need for public disclosure.

- **PRO** Tax advantages (from tax deferrals, lower tax rates, personal tax credits, and capital gains tax exemptions)
- PRO Limited legal and financial liability
- **PRO** Ability to raise capital by selling shares
- PRO Useful in succession planning because a corporation is a separate entity and it will remain in existence even if the shareholders of the corporation change
- **PRO** Flexibility in terms of assets owned and payment of shareholders
- PRO Tax liabilities for shareholders are limited to an individual's investment in the corporation and any guarantees provided by the shareholder (though in many closely held corporations the shareholders also act as directors and officers, which create additional

sources of personal liability for the directors and officers of corporations – these roles should be discussed with legal counsel prior to incorporation).

CON Corporations can have costly start-up expenses depending on the complexity of the corporate structure

CON More paperwork reporting

CON Annual filing requirements (i.e. annual returns, tax filing requirements by both corporation and individual shareholders, etc.)

CON Under a corporate structure the farmer is often no longer the direct owner of the farm business assets, and the farmer's personal and business financial affairs should be kept separate (though there are some arrangements that can be made to allow for direct ownership of farm assets to remain in the name of farmer-owned and farm corporation-owned owned assets).

All of the above may necessitate professional legal and accounting advice including with respect to organizing a corporation's share structure, ownership of assets, and the development of corporate bylaws and shareholder agreements.

COOPERATIVE: A cooperative is a business structure similar to that of a corporation in that its operations are most commonly run by directors, officers, and staff but has some differences in that ownership is made up of members holding a membership share or certificate and investment shareholders holding valid investment shares if the articles of the cooperative allow for the issuance of investment shares. Cooperatives are commonly used in a situation where there are a large number of members or potential members looking to use and benefit from

the cooperative's goods or services or to take advantage of pooling the collective resources of the members through a cooperative arrangement. Co-ops have a democratic, 'one person one vote' structure, where members collectively elect a board of directors to run the cooperative as well as vote on any other matters which fall within the member's voting powers pursuant to the cooperative's articles and bylaws. Co-ops can range in size from smaller localized and regional cooperatives such as livestock feeder cooperatives to larger provincial and national cooperatives.

PRO Democratic governance and structure, which allow for members to share ownership and control

PRO Reduced expenses and operational costs

PRO Reduced financial risk

PRO Limited liability

PRO Shared resources and marketing efforts

PRO Access to credit, financing, equipment, and production supplies

PRO Economies of scale

PRO A co-op also shares many of the same advantages as a corporation, noted above, including the ability to own assets; acquire debt; enter contracts; and benefit from preferential tax implications (including income tax reductions/deductions particular to co-operatives and agricultural co-operative corporations).

CON Strict regulations with respect to democratic control

CON Complex structure

CON Longer decision-making process

CON The possibility of discord among members.

CON The need for careful regulatory compliance with respect to filing, reporting, and record-keeping requirements.

For more information and advice on cooperatives in Alberta, contact the Alberta Community Cooperatives Association and review or obtain legal advice on the Cooperatives Act, SA 2001, c C-28.1.

REGISTERING YOUR BUSINESSES

To register your sole proprietorship, partnership, corporation or cooperative business in Alberta, file the required paperwork at any Government of Alberta registry office. Learn more at Service Alberta. www.alberta.ca/starting-business.aspx

LAND TRUSTS + AGRICULTURAL CONSERVATION EASEMENT

In response to the economic, social, and environmental concerns, today's farmers are developing innovative business models. We would be remiss not to include these as options for new farmers. These tend to fall under non-profits structures and in Alberta would be registered as either societies or non-profit companies. These entities can apply under the Canada Revenue Agency to receive charitable status.

- Land Trust
- Community Farm
- Incubator Farm
- Social Enterprise (Social enterprises have a social and/or environmental focus to the organization and can refer to either for-profits or not-for-profits.)

Agricultural land trusts and agricultural conservation easements can established to ensure agricultural land is held in trust for community benefit in perpetuity, such that only prescribed uses (i.e. agricultural uses) are permitted. Balancing individual (i.e. landowner) and community interests, agricultural land is purchased by or donated to a land trust which becomes responsible for ensuring its protection or use for prescribed purposes (eg. conservation, stewardship, economic development) pursuant to the Alberta Land Stewardship Act, SA 2009, c A-26.8 and the Public Lands Act, RSA 2000, c P-40. The land trust then leases the land to a tenant farmer under specific terms and conditions regarding land usage.

Alternatively to obtaining title to the land, an agricultural land trust may obtain an easement; that is, the legal right to a specific use of the land. An agricultural conservation easement can be donated by the landowner or purchased by the land trust, and the agricultural conservation easement agreement generally contains provisions for the protection of farmland by restricting land uses that are not compatible with agriculture and/or prescribing or restricting the use of certain farm or environmental practices.

With an agricultural easement agreement the land remains owned by the landowner, but the easement agreement is registered on the title to the subject property, meaning it applies to all future owners of the land. Both forms of agricultural land trust serve to increase the accessibility of farmland to new farm entrants while compensating the landowner and providing the assurance that the agricultural land will be protected in perpetuity.

Finding Land

YA UMAP LAND LISTINGS

The land listing section on the YA UMAP provides landowners with a space to list their land opportunity with relevant details such as land use history, water rights, and more. You can also list yourself as a Farmer Seeking Land so that landowners can find you, too. maps.youngagrarians.org/

YA LAND BLOG

Land seekers and landowners alike can connect with YA's extensive and growing online network through our land blog by submitting an article describing themselves and what they are seeking/their land opportunity along with photos to land@youngagrarians.org.

YA LAND MATCHING PROGRAM

YA delivers the B.C. Land Matching Program based on Quebec's successful ARTERRE program, offering hands-on, personalized services to match landowners and farmers and facilitate the negotiation of long-term, tenured land agreements. Our goal is to pilot this program to Alberta. Please contact alberta@youngagrarians. org for more information.

NEWSPAPERS

Landowners and farmers are often older, and tend to use print rather than online media. The classified section of publications like Alberta Farmer, Western Producer, Country Guide, etc. are a great place to find land for sale or rent. Community newspapers may list land available and the local paper will also give you a feel for the culture of a community. Posting your own wanted ads can be useful and could

accompany a short one-pager or email message outlining the key aspects that you are looking for and how to contact you.

ONLINE

Kijiji and online classifieds can be a starting place. FarmLink is an online platform that connect food growers with land in Canada. farmlink.net

BULLETIN BOARDS AT FARM SUPPLY STORES

Occasionally landowners will post flyers advertising that they are looking for a farmer on their land. You can also post that you are looking for land to farm in the area.

ORGANIZATIONS

Local food and farm focused organizations can be invaluable resources for knowing who is looking for land and who is looking to lease land in your area. Consult the Young Agrarians UMap to look up local organizations in your area. Some organizations also manage local email list-serves that can be useful for sending out your 'Land Wanted for Farming' ad. For example, Organic Alberta has an online classifieds section.

REAL ESTATE AGENTS

Some real estate agents may be knowledgeable about farmland rentals or sales. They may also know of new farmland purchasers who may be looking for a farmer. Call different agencies and ask. Expect to discuss an exclusive buyer's representation agreement with the agent or their brokerage including payment of any real estate fees or commissions.



Farmers often know which pieces of land are available for lease and can help you make the connections you need. It's good to get your name out in the farming community and establish trust. Your request may pass through the community through word of mouth.

KNOCKING ON DOORS

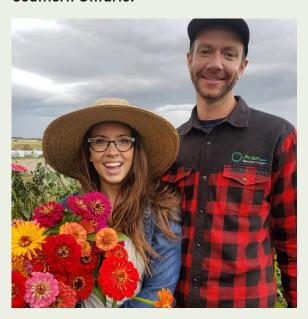
When you fall in love with an area, and notice that there are farms that you would like to find out more about, and their potential future succession – it can be worthwhile knocking on doors, and seeing if there is someone willing to talk to you. We've heard stories over the years of farmers moving to a new region, and creating relationships with landowners that have later led to the sale or lease of a property. If you see your dream spot out there, it can be ok to respectfully go and ask directly whether there is the possibility of future land availability.

Photo Credit: Sara Dent Location: 2015 YA Mixer, Red Deer , AB

Prairie Gold Meats & Meadow Farm Floral

FORSHEE, ALBERTA

Blake Hall grew up in the City of Red Deer, Alberta and got into farming through the CRAFT Apprenticeship program in Southern Ontario.



Having caught a bug for grazing, pasture management and soil health, Blake volunteered on holistically-managed grazing farms in the U.S. and Canada to build his skill set. Wanting to start his own business, Blake created a herd-share program to develop a direct-to-consumer business model.

Blake spent some time as a "nomadic herdsman of the 21st century", owning nothing more than the cattle and using his social capital to access land here and there. Tired of short-term, hand-shake deals, Blake started looking for secure land tenure. He eventually connected with Tom and Margaret Towers who were ready to retire but wanted to maintain the grassland and not see it go into commodity into

commodity grain production. Blake and his wife Ang moved onto the 400-acre ranch just outside of Red Deer and brought their land and business management skills. They hired Kelly Sidoryk, a Holistic Management Certified Educator, to lead a visioning process with all parties to talk about where they saw the ranch in the next 5-10 years.

Ang eventually caught the farming bug too and started Meadow Farm Floral. Each enterprise had a separate Farm Service Agreement, which outlined terms of their five-year rolling lease. They also had a Scope of Work Agreement because Blake was providing ranch management services.

After 6 years on the ranch, Blake and Ang wanted to prioritize more stable land access through a 25 year lease. When that didn't pan out, Blake and Ang fell into a new opportunity. Initially, ownership was not in the cards. They had accepted the fact that their business was viable with land rental rates in Central Alberta but never would be profitable with a mortgaged land payment. In their early years, they had approached banks to buy property but didn't qualify without off farm jobs.

In 2019, a farm came up for sale through a friend. Having built up Prairie Pasture Gold Meats over 10 years and Meadow Farm Floral over 2, they had proven business records and the bank looked at them differently. Blake and Ang are now on 40 acres of their own land and are renting pasture in the area.

Land Assessment Attributes

Up to now, this document has been helping you to clarify your ideal vision for the farm of your dreams. This next section will provide you with a process to assess if a specific piece of land will help you meet your particular goals. While, for some, taking over an existing farm site is an option, you may also be thinking about converting a piece of land with no history of agriculture and little or no existing infrastructure. As you're studying listings and researching potential sites, here are some things to consider.

There are thousands of attributes to think about when looking for land, and it is easy to get overwhelmed. The 11 categories described below can be a good way to consider the most important land attributes.

It is helpful to assess the most significant attributes of the land that you can't change against ones that are more changeable. In the figure to the right, the 11 attribute categories of climate, geography, water, access, structures, fencing, flora, fauna, business, technology and soil are arranged in order from things that are slower and more difficult to influence at the top, to attributes that are faster and easier to change at the bottom.

A SWOT Analysis of these attributes is a great way to assess land for its suitability to meet your goals. While considering the various strengths, weaknesses, opportunities and threats (SWOT) of one or more properties, it is important to remember that no property will ever be perfect. There are, however, certain land attributes that are more important to get right than others.

Farming is all about compromise. While looking for, and eventually managing your land it can help to remember this phrase: "Grant me the serenity to accept the things I cannot change, the courage to change the things I can and the wisdom to know the difference".

LAND ASSESSMENT ORDER OF OPERATIONS

Climate	CHANGE IS SLOW & HARD
Geography	
Water	
Access	
Structures	
Fences	
Flora	
Fauna	
Business	
Technology	
Soil	CHANGE IS FAST & EASY

ATTRIBUTES TO ASSESS

CLIMATE

Wind, sun exposure: Constant wind can dry out soils and make annual vegetables a challenge, and lack of sun can be a stressor to plants. These challenges can be overcome by changing the crops you grow but it will take some creativity.

GEOGRAPHY

Location of the farm: How close is the farm to your markets, to supply stores, to available labour? Make sure to factor driving time into your decision-making – and anticipate more driving and transportation during the initial establishment.

Land Orientation: While southerly exposure is a huge advantage for vegetable farmers, it can be a liability for ranchers because pasture can dry out. It's a consideration for all farmers.

History of the land: Have all the existing structures and fences been built within the legal property boundaries? Has the land been farmed before and were there any past practices that might impact the soil health? (For example: old cars parked in the greenhouse or fill dumped on the land) If the landowners do not know, ask the neighbours. If the neighbours are not sure, contact the local municipal government's land use department to find out what history they have on file for the property. If you're able to use an old manure pile for your soil it is important to find out the feed and medications given to livestock, especially if you plan to be certified organic.

Restrictions / Restricted uses: Does the landlord have conditions that limit your options on the land? Examples could be aesthetic in nature, such as no stockpiling tarps or no compost piles above a certain size. Questions to ask your municipal office include: Are there any rights-of-way or easements registered to the property? Are there any environmental or municipal reserves adjacent to the property? What zoning regulations exist that may inhibit the building of future structures?

WATER

Water for livestock or for irrigation: Ensure there is adequate water supply before considering the land. What is the source of water and where are the access points? Check with landlords to see if they have ever experienced shortages. If so, explore other options for accessing water, like getting hooked up to city water, improving the well at the site, creating dugouts or hauling water from a community well. It is not advisable to farm where there is the potential for water shortage. Water quality can also be a concern in certain regions. Discuss this with the landlords and considering a water quality test to make sure you have water that fits your needs.

Potable water for washing produce: If there is no potable water, there are options for treating water. Ultraviolet light systems are getting more affordable. This is not an insurmountable problem, but it should be priced out before proceeding.

ACCESS

Access / Parking: Is the road, and/or gate wide enough for a tractor to get through? Is there enough parking for a farm stand and for volunteers? Are on-farm workshops or farm tours part of your business plan? Ask the landowner how they feel about traffic on the land.

Security and privacy: Do you have the ability to secure your equipment and can you control unwanted traffic on the land? What are the neighbours like? Have they been exposed to agriculture before and are they likely to complain? Some landlords and/or neighbours can have issues with the increased traffic, and it's an important point to talk through.

STRUCTURES

Housing / Residence: Is there housing for you on the land, or affordable housing nearby? If you can't live on or near the farm, raising livestock will be a lot more challenging.

Outbuildings: Do you require an area for storing and securing farm equipment? If there are no outbuildings, will you have the ability to build on the land? How do the landowners feel about paying for the materials for you to build a permanent structure on their land?

Feed storage facilities: For livestock, this is essential and can be an expensive piece of infrastructure. How much feed would you need to store? If you are feeding hay, will there be wildlife pressure from deer or elk?

Product storage facilities, coolers, freezers: The potential for refrigeration and post-harvest storage of farm products

adds value and makes harvest easier. Insulated rooms can be cheaply turned into coolers using an air conditioner and a coolBot system.

Greenhouses: Greenhouses are invaluable for season extension and starting seedlings. If there are no greenhouses, and you are leasing the land, consider how the greenhouse could be installed and removed later if need be.

FENCING

If there is no fencing, ask if the landowners will pay for the cost if you supply the labour. If not, seriously consider getting fencing that you can take with you if you leave, like panels or electric fencing, so you can still hold on to your infrastructure investment. Are there corrals for handling livestock and what condition are they in? Would they work to have a vet come out to treat an animal?

FLORA

Vegetation: The presence of noxious weeds can be a serious deterrent. Consider what native species are growing, what species grow easily and with little maintenance/inputs.

FAUNA

Consider what wildlife is present and what potential interactions with your intended farming operations might be - e.g. gardens, grain crops, hay storage, hunting, enjoyment, safety, pollination, etc. How would any livestock/deadstock affect wildlife, biodiversity, native species, neighbours etc.

BUSINESS

Your ideal farm business lies at the intersection point between your skills, passions, bioregional advantage, and the needs of your community.

Length of lease: How long are the landowners willing to lease their land? Year-to-year is often the standard for new farmers, but this arrangement holds a level of risk as a lot of time and money is invested in getting the land in shape for production. Five years is the typical length of time for a farmer to realize a meaningful return on investment. Feel out the willingness of the landowner to give you a longer lease.

TECHNOLOGY

Power supply: Access to power is invaluable for electric fencing, for heating and venting greenhouses, cold frames, and for heat lamps for chicks, goslings and ducklings.

Equipment: Does the farm come with machinery that you can use? Is it in working order, or are the landlords willing to have it repaired?

Cell Phone Reception: Can you operate your farm while being out of cell phone range? For example, if you are selling to chefs, they may be returning calls at various times during the day.

SOIL

Soil and topography: Certain soil types are not conducive for growing vegetables. Very sandy soils or very heavy clays are less desirable. Areas with steep slopes are prone to erosion depending on farming

practices. Low lying areas might have drainage issues.

RESOURCES

Find resources that provide more details on these attributes at the end of this guide.

LAND ASSESSMENT TEMPLATE

Once you complete a SWOT Analysis for one property you will have a high level summary that fits onto a single page so that it can be easily compared to other properties to facilitate your decision in choosing the best property for your specific goals. On the page over is an example of a land assessment. You can find a blank template for your use in Appendix A.

Peas on Earth

Eric and Ruby Chen have always had a passion for growing food. Farming "runs in reached out to

passion for growing food. Farming "runs in the family," with experience passed down generations originating from Laos.



"We've always liked growing things and raising animals," Eric explains. They started out small, growing vegetables part-time on Eric's parents' property just north of Edmonton, selling to local markets. After 16 years, it was time to fully immerse themselves and become full-time farmers.

In 2003, they began to look for land to call their own. They were after two main things. First, they wanted land north of Edmonton as their children attended school in the city. Second, they were looking for good soil to grow their crops. Eric and Ruby didn't use the internet or a realtor to find their land. They wanted to get to know their land as close as possible so they drove around rural areas looking for land for sale that met their needs. Within no time they found land northeast of St. Albert where they farm today.

ST. ALBERT, ALBERTA

To finance their purchase of the land, they reached out to three primary resources:

- A Next Generation Loan from the AFSC (Agriculture Financial Services Corporation). This required a solid business plan and proof of experience, which they had thanks to 16 years of farming on their parents' land.
- A loan from their parents (their investors).
- Personal savings, built up from their part-time farming sales.

The purchase definitely came with challenges. Building the greenhouses was a painstaking process that took a lot of time, money, and different skill-based resources. Other considerations included the acquisition of equipment for the field their washing/packing stations, vehicles to transport produce, and the special insulation required for their food storage. Luckily for them, they were able to offset some costs by purchasing used farming equipment from their mentors, James and Jenny of Sundog Organic Farm, and Denis and Ruth of Vriend's Organic Garden. The land itself was not previously farmed organically, so it took them about 3 years to transform the land to a place where they could grow organic vegetables.

Part of the land has been sold off, some of it is rented, and the remaining 25 acres they use for growing mixed organic vegetables sold through local markets and the like. For the past few years, Eric and Ruby have also been on the lookout for another piece of land in the area to expand.

STRENGTHS

- C | Good microclimate, wind shelter, growing zone, frost free days, weather
- **G** | Good topography, slope orientation, view, frost drainage, subsoils
- W | Rain, creek, spring, well, irrigation, ponds, tanks, automatic livestock drinkers, gravity water
- A | Pavement, extensive farm tracks, animal laneways, yard design, good parking
- **ST** | Storage buildings, power, utilities, dwellings, heated shop, barns, well maintained
- FE | Suitable fencing, well built and maintained
- FL | Existing genetics, good diversity, good historical yields
- FA | Existing genetics, existing predator/pest protection, good diversity
- **B** | Complementary to exisitng business model, direct marketing existing farm products
- T | Good existing equipment, sharing capital expenses with existing farmers
- **S** | Excellent soil, on-farm composting program, existing livestock for manure for gardens/cops

HARMFUL TO ACHIEVING YOUR IDEAL FARM VISION

- C | Microclimate, wind protection, growing zone, frost free days, rain shadow
- **G** | Steep land, bad orientation, boggy, solonetzic subsoil, contaminated subsoil
- W | Salty groundwater, no catchment, poor quality and quantity, not suitable for livestock
- A No property security, no space to turn equipment around, no/poor existing farm tracks
- **ST** | No or poor storage, or livestock structures need repair immediately, no dwelling
- **FE** | Poor fencing, need repair immediately, no corrals/handling facilities
- **FL** | Poor existing genetics, crop disease/pests, noxious plants, no yield history
- FA | No existing genetics, overstocked, poor existing predator/pest protection
- **B** | Incompatible business models with existing farmers, land is not certified organic
- T | No equipment and capital, no cell service, no internet
- **S** | Poor soil health, erosion, compaction, bare soil, pesticide residues, rocky soil

OPPORTUNITIES

- C | Grazing neighbour's weather damaged crops, better adapting business to climate
- **G** | Easy Land Use Bylaw, helpful neighbours, active community, flexible land lord
- **W** | Easy access to water rights to creek, seasonal runoff to be captured in dam/dugout
- A | Highway frontage for market booth, farmers are open to workshops/on-farm markets
- ST | Repurposing existing structures, renting neighbour's structures, good local trades
- FE | Cost sharing fences with neighbour, repurposing existing fencing, grants for fencing
- **FL** | Heritage seed suppliers, increase pasture diversity, local food/crop wastes
- **FA** Custom grazing neighbour's livestock, integrating new complimentary livestock species
- **B** | Existing customers, no competitors, potential to expand, local mentors
- T | Renting neighbour's equipment, local rental shop, local farm store, grants
- **S** | Free compost/manure from community/ neighbour

THREATS

- C | Hail, chinooks, tornado, frost, smog, fire, drought, storms, noise, dust, pesticide drift
- **G** | Strict Land Use Bylaw, difficult neighbours, isolated community
- W | Flood plain, drought, expensive water rights, spring drying up
- A High local theft, snow drifting, road bans/ restrictions, long distance to pavement
- **ST** | No local trades, restrictive building regulations, expensive local materials, fires
- **FE** | No predator/pest protection fencing, poor fences on neighbour's land
- FL | Local crop pests/disease spreading, cross pollination, local GMO crops
- FA | Predators very active in the area, pests and disease spreading, local feed lot
- **B** | Competitors, distance to market, no customer base, saturated market, regulations
- T | Power/utility supply won't allow future expansion, no local farm stores
- **S** | Future salinization problems from irrigation, pesticide runoff from neighbour

WEAKNESS

Freshpal Farms





Farming wasn't always in the books for Jianyi Dong, co-owner and operator of Freshpal Farms in Olds, AB. With a background in geology from China, he hoped to continue his career when he arrived in Canada in late 2014. Unfortunately, in 2014 oil prices collapsed and with that, the abundance of jobs in geology. Jianyi had to make a life-changing decision: leave the country he loved or make a drastic change in his career.

After much research, he saw the potential of farming. With no experience in vegetable growing, he moved to Manitoba to learn the ins and outs of vegetable farming in a passive solar greenhouse, a popular farming technique used in China. The best part: he could use these greenhouses to grow vegetables 12-months of the year and save utility costs with solar heating.

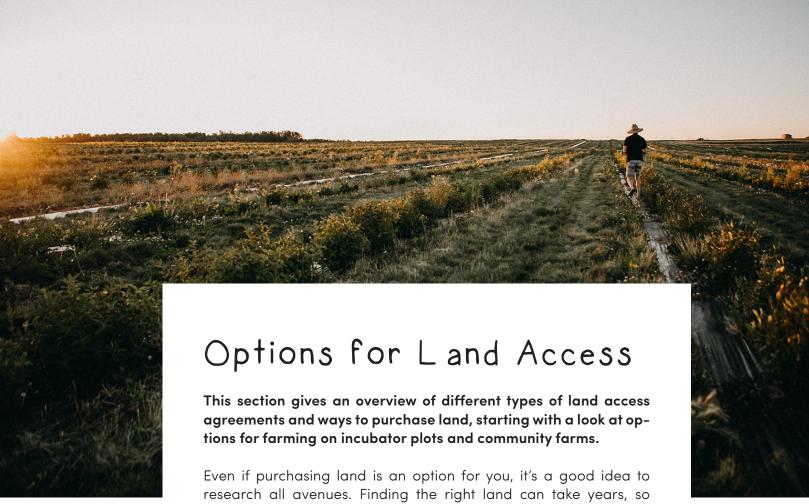
Then came another obstacle: a lack of funding. After talking to the bank, he realized that he needed to meet one of two requirements to acquire a loan: a steady income or a solid business plan with a proven track record. As a new farmer and a new Canadian, Jianyi yet again needed a new plan.

Fortunately for Jianyi, he was able to reach out to a colleague. Jianyi brought him to Manitoba to show him the potential of bringing this concept of a passive solar greenhouse to Alberta. Convinced by the profitability of this type of vegetable farm, they formed a partnership and began the hunt for land.

Jianyi needed the land to meet 3 criteria: access to a good source of water, surrounded by trees to protect the greenhouse and within 100km of Calgary, where he would sell his veggies.

Jianyi dug through the pages of realtor. ca, driving to 20 or so properties before coming across one that met his criteria in Olds, AB. This process took roughly two months, with the biggest challenge being his budget with no access to additional funding.

Today, Jianyi co-owns the land with his business partner who lives in China. He operates the farm with his wife and sells his vegetables online to Calgarians through a system similar to a CSA. His hard work has paid off: the vegetables are thriving, there's a large demand for his fresh, local vegetables and Jianyi is currently building his second greenhouse.



Even if purchasing land is an option for you, it's a good idea to research all avenues. Finding the right land can take years, so leasing, licensing or working out a memorandum of understanding could be an option while you take time to really search for the ideal spot. Keep your mind wide open during your land search process. Patience can really pay off!

A NOTE ON LAND TENURE

The term "tenure" comes from the Latin word tenere, which means "to hold". Tenure arrangements include land title documents in the case of ownership, and lease agreements in the case of leasing. They can be short or long term; they can be shared and come with a variety of different conditions that are the key documents for clearly outlining the conditions of tenure. Many of the rights we commonly associate with land ownership can be achieved or approximated without actually owning land. Leasing, licensing, renting and crop sharing are several of the types of tenure that will be discussed in this document. There is no doubt that creative arrangements will continue to be developed to contend with the high prices of land.

Photo Credit: Sara Jewell Location: Rosy Farm, Alcomdale, AB

LEASING OR RENTING LAND THROUGH:

Land Access Agreements

One way land can be accessed for farming is by way of land access agreements.

A land access agreement may convey an interest in land or may create contractual rights to use land. These differences are more fully discussed in what follows.

Accessing land through an agreement can take many forms. The simplest form of a land access agreement might involve a smallparcelwithnoservicesorinfrastructure. A more complex arrangement might involve a farmer using an existing farming operation with buildings, equipment and a client base. Agreements can be made with private individuals or public landowners. Again, a business plan and some vision about what kind of farming operation is feasible for your lifestyle, budget and skills will provide a good foundation to figure out what type of agreement you need. On the plus side of pursuing this route (versus purchasing land), you aren't tied down to a mortgage, and often you won't need to bear the full costs of maintaining and even setting up a farm. In some cases you may be leasing acreage on well-established farm sites and can take advantage of existing infrastructure. The downside, you may have less flexibility and security to optimize your farm operation in the ways that you want.

Money spent on infrastructure will pay itself back over time so having tenure on a piece of land that enables that return on investment is important for financial viability.

This section provides an overview of various land access agreements. The information that follows is intended to assist you in understanding which agreements

may be best suited for your particular situation.

Again, nothing in this Guide constitutes legal advice. It is highly recommended that any land access agreement be reviewed by a lawyer, and that an accountant or tax expert is consulted with respect to any tax or other financial implications.

OVERVIEW OF FARMLAND ACCESS AGREEMENTS

WHAT IS A CONTRACT?

Land access agreements, including leases, licences, and memorandums of understanding, are contracts. A contract conveys legally enforceable contractual rights. In some cases, as described below, property rights may also be conveyed pursuant to an agreement (i.e., in the case of a land lease).

A contract is a legally binding agreement with specific terms between two or more persons or entities in which there is a promise to do something in return for a valuable benefit (described as consideration). In order for a contract to be legally valid, it must be an offer coupled with an acceptance; include an exchange of considerations, where something of value must come from each party (e.g. one person pays rent in exchange for using someone's property); include subject matter that is not illegal; and involve parties that are competent to create a contract (e.g. an adult or other legal entity like a co-operative) and who have a mutual intention to be legally bound.

Contracts also need to be drafted properly in order to be legally enforceable with contractual terms that are sufficiently certain (not vague or ambiguous). It is highly recommended that any contract or agreement governing land access by a farmer be reviewed by a lawyer.

WHAT IS A LEASE?

A lease is a type of interest in land and gives a person all or a portion of the occupation and usage rights of a landowner to a piece of land (or portion of land) for a determined period of time in exchange for rent paid to the landowner. The tenant may have exclusive possession of the land under the lease meaning that the landowner gives up the right to enter onto the leased land or its buildings and must be granted permission. However it is more common for leases to include a clause whereby the land owner has the right to enter the premise to inspect the condition of the premises or to remedy a default on behalf of the tenant. The tenant has the responsibility of maintaining the land according to the terms in the lease. The property owner retains the right to dispose of the land (i.e. transfer ownership, sell, or otherwise give up).

There are two main categories of commercial leases: gross leases and net leases. Under a gross lease, the tenant pays a fixed amount of rent; whereas under a net lease, the tenant pays a minimum amount of rent plus certain expenses related to the property (such as taxes, insurance, maintenance and management, etc.).

REGISTERING A NOTICE OF LEASE ON TITLE

It is advisable for a tenant to perform a search on the title when considering leasing agricultural land to ensure that the person presenting as the lessor is the actual owner of the land and the lease signatory. A title search may be done through the Government of Alberta Land Titles Office.

Lease agreements are an interest in land, which can be drafted to allow a landlord or tenant to register notice of the interest in the lease through a caveat on title to the property. If the lease interest is for more than 3 years, a leasehold title can be obtained for the Tenant. Registering a caveat for a lease or issuing a leasehold title establishes priority, gives notice to the public of the leasehold interest, and ensures eligibility for provincial assurance funds under the Land Titles System, and is done through the Government of Alberta Land Titles Office. It may also provide to the public the names of the parties to the lease, as well as a description of the leased premises, the term of the lease, any exclusive rights granted to the tenant, and whether there exists the option to renew.

Registered leases "run with the land" meaning that when the land is sold, the lease is conveyed as part of the sale of the property. The purchaser (new owner) is then obligated to perform all covenants made by the Seller (original Landlord) and is entitled to benefit from all covenants made by the tenant, which run with the land under the lease.

In the absence of registration, a purchaser of the land could take ownership of the property without any obligation to honour the terms of the lease. The general rule is that the priority of an interest in land is determined by the order in which it is registered, meaning that the first right registered will have priority over any subsequent registered right. Note that under Alberta law, except for certain short-term leases where there is actual occupation by the tenant, an unregistered lease may not have priority against a subsequently registered interest by a third party. It is advisable for a tenant to register the lease or notice of lease on title in order to protect its leasehold interest.

Short-Term Agreement

A short-term agreement is typically for one year, but could be for two or three years. A short-term agreement (often in the form of a licence or memorandum of understanding) offers both landlord and tenant flexibility. These agreements can be a "trial period" for you and your landlord, allowing an opportunity to test out your skills and move on with few consequences. The drawback is that it's difficult to make longer-term investments and decisions in this situation.

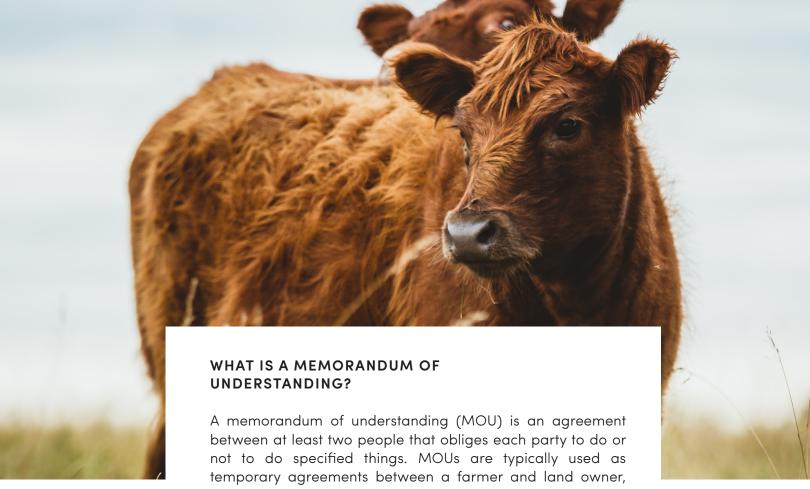
Long-term Agreement

A long-term agreement exceeds 3 years. Typically, long-term agreements have a term of 5-10 years. Legally, there is no maximum term for long-term lease agreements, though even some of the longest term leases are limited to 99 years.

Long-term leases provide more security to the farmer, allowing them to make a plan for the future and possibly build equity in a property. Farmers are more likely to invest in improving the soil, undertake conservation measures, or build structures if they will see a return on their investment and stewardship. Longer agreements can be more complex, but there are advantages for both parties.

WHAT IS A LICENSE?

Unlike a lease, a license is not an interest in land, but gives a person permission to do something on or with someone else's property, usually for when a very specific use of the land is desired. For example, a grazing licence where the leasing farmer can graze their livestock on the land, but doesn't have permission for other activities such as growing vegetables or servicing farm equipment. Another example is a cultivation permit from the Government of Alberta which can grant the right to farm Crown land in Alberta. Other examples might be if the agreement is for a short-term period (e.g. three years) for the purpose of ensuring that land is temporarily kept in production, or where it represents a trial period between a farmer and landowner prior to entering into a more binding agreement, such as a lease.



or where the future ownership of the land is uncertain. For example, a MOU may be drafted when agreeing to the process for entering into a long-term agreement (e.g. outlining the obligations and responsibilities of parties in setting up a lease).

Other examples might be if the agreement represents a trial period between a farmer and Land Owner prior to entering into a more binding agreement, such as a lease. This type of land access agreement might also be appropriate for urban farming in residential front yards. Licences are also suitable for scenarios where a MOU is appropriate and may be more legally robust.

A MOU is generally less detailed than a lease or licence and is not intended to be legally binding. However, if it meets the criteria for a contract (see above), it can be legally binding under contract law.

In a contractual licence or MOU, the Land Owner cannot terminate the agreement at will if the terms of the agreement are followed. A non-contractual licence or MOU (referred to as a bare or gratuitous) can be revoked at will.

For either a licence or a MOU to be considered a contract (i.e. an agreement that is legally binding), it must meet the conditions outlined above.

SUMMARY OF LAND ACCESS AGREEMENTS

	LEASE	LICENSE	MOU
Description	Gives a person all of the use and occupation rights of a landowner to a property or portion of property for a determined period of time in exchange for rent. The landowner retains the right to dispose of the land. When the lease is over, the land reverts to the landowner.	Gives a person permission to do something on or with someone else's property. Can be legally binding if written as a contract.	Is an agreement between at least two persons that obliges each party to do or not to do specified things. Is not generally intended to be legally binding but can be if written as a contract.
Register with Land Title Office	Yes – by caveat if 3 years or by leasehold title if over 3 years	No	No
Exclusive Possession of Land Granted	Yes	No	No
Mortgage on the agreement (collateral for debt)	Yes (lease should stipulate if a mortgage is allowed and under what terms)	No	No
Multiple Agreements on One Property*	Depends on the lease agreement.	Yes	Yes
Length	Any length of time	Any length of time	Any length of time
Sub-Agreement Possible	Yes	Yes	Yes
Action for Recovery of Loss	If either party breaches the terms of the lease, the other party may bring a claim for damages and other remedies, which can sometimes include specific performance of the contract.	If the licensor breaks the terms of the licence, the licensee can only recover monetary damages.	If a party breaks the terms of the MOU, there can only be recovery for monetary damages.
Suggested Scenarios for Use	Full farming operation looking for an agreement that can provide the most security and tenure.	Only a specific use of the land is desired (e.g. Grazing licence and cultivation permits).	Temporary agreement to outline the process for entering into a long-term agreement.
		Short-term agreement which doesn't require the complexity of a lease.	Land is secured and there is no concern in regards to tenure.

Source: Adapted from A Guide to Farmland Access Agreements

Leasing Options & Clauses

CASH LEASE

In a cash lease, the farmer pays the land owner an agreed upon sum of cash each year. It could be a set yearly amount, or it could be a graduated sum where the farmer pays a smaller amount during which he or she is building capital in the business and grows to a larger sum once the business is established.

CROP/LIVESTOCK SHARE

In a crop sharing arrangement, the rent is a percentage of the crop. This is a good way to share risk (and benefits) between farmer and land owner. A crop share lease can be a good option for beginning farmers who do not have a lot of startup capital. Arrangements can vary. As an example, in some arrangements the production costs and profits are both split between the farmer and the land owner. Typically in crop shares, the farmer and land owner split their share of the crop on a 1/3 or 1/2 interest. Another example of a crop share arrangement allows for a share based on specific quarter sections. Calf or cow leases can also be entered into where the farmer would pay the landlord a portion of the calves in exchange for the supply of farmland, pursuant to their calf/ cow sharing arrangement. Farmers and land owners should obtain accounting and legal advice to ensure that the parties are sharing in the inputs and yields in proportion to their arrangement, as well as to make sure that their arrangement meets the Canada Revenue Agency (CRA) requirements for a crop share regarding GST, the nature of the supply of farmland, the consideration paid for the supply, and to ensure that crops are zero-rated. Advice can also be obtained to help farmers and land owners obtain appropriate crop insurance and apply for grants.

ROLLING LEASE (AUTO RENEWAL)

With a rolling lease, the lease is automatically renewed each year for the full term of the lease. For example, a rolling five-year lease will renew annually for another five years. This can benefit the farmer in terms of security in knowing that they have the next five years to continue farming on the land, and the incentive of a longer period in which to benefit from investments made to improve the land. The term of the lease can be negotiated, while a longer term may be advantageous to the farmer, most rolling leases are 1 year terms so expect to start there. Rolling lease agreements should include sub-clauses that make it clear to parties under what conditions they can choose not to renew, such as how much notice is required, whether both parties must consent or whether the decision can be made by one party.

RIGHT OF FIRST REFUSAL

A "right of first refusal" clause in an agreement gives the farmer the option to buy or lease the land if the land owner decides to sell or lease the land. It secures the right to buy the land at the seller's asking price before it goes on the market. The farmer does not have any negotiating power if the asking price is too high or if

they are not financially ready when the property goes up for sale. A right of first refusal does not create an obligation on the tenant to purchase. If the tenant declines to purchase at the asking price and the land owner receives and wants to accept an offer lower than the original asking price presented to the Tenant, the Land owner must bring that offer to the tenant and once again give them the option to purchase at the lower price.

For all three types of agreements outlined, it is possible for a land owner to enter into multiple agreements for one parcel of land or a single agreement for part of a parcel of land. For example, a land owner might have an agreement with a farmer to allow for grazing on one part of the land, and an additional agreement with another farmer to grow vegetables on another part of the land over the same period.

For multiple leases, specifically, there are limitations on the length of time before it is considered to be a subdivision and must go through an approval process. This however is dependent on the wording of the lease agreement. See Appendix C: "A Guide to Farmland Access Agreements" for further details on subdivisions.

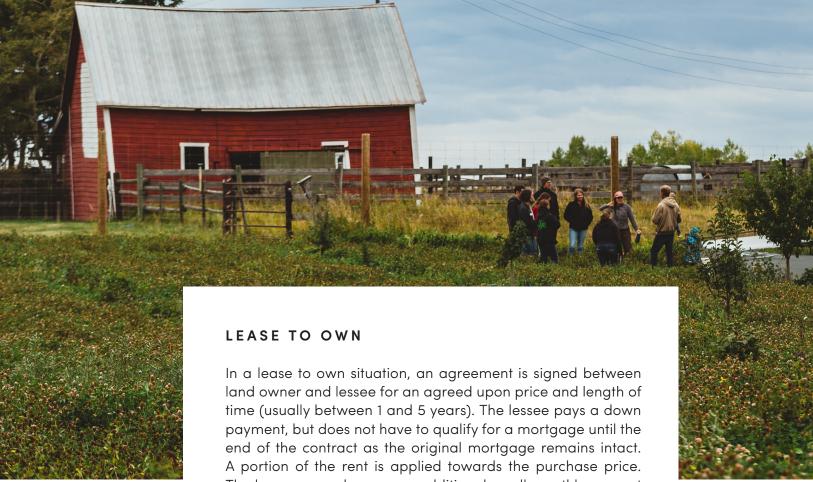
LEASE WITH OPTION AGREEMENTS

An option agreement means that a lease contains clauses that detail options that can be triggered by specific events/ circumstances. In a lease with option to buy, both parties agree that after a specified amount of time, the tenant has the option

to purchase the land. These options should include a purchase price, or a formula for arriving at the purchase price if the Tenant chooses to exercise the option. Note that an option agreement does not create a legally binding condition - the tenant could decide not to purchase.

In certain circumstances, for example when farmland is up for sale but has no immediate buyers, and the seller is not in a hurry to sell, an option agreement may be advisable. This arrangement can also provide the opportunity for the farmer to get to know the land and circumstances before jumping into a purchasing situation. Creative arrangements can be made where the annual rent gets applied or allocated to the purchase price when the option is exercised (sometimes referred to as rent to own).

Other possible option agreements could focus on housing or storage for crops and farming equipment. For instance, if a land owner has a secondary suite that is currently occupied by tenants, a farmer leasing land may want to include an option agreement in the lease that when the existing residential lease expires, or the tenants terminate the residential lease, the farmer has the option to absorb the residential lease.



The lessee may also pay an additional small monthly amount into a down payment fund. This fund builds over the life of the contract to add to the down payment. At the end of the term, if there is any cost remaining in the purchase price, the lessee obtains mortgage financing and pays the seller out.

Lease to own creates a contractual obligation on the part of the tenant to purchase the land and on the part of the Land owner to sell at the end of the contract term. The current land owner cannot change or terminate the contract during the term. The lessee may sell the property at any time during the term and pay the seller out, or sell the contract to recoup the down payment.

> Photo Credit: Kevin Kossowan Location: Redtail Farm, Castor, AB

STORIES FROM THE LAND - JENNA & BRETT HAUCK

Lazy T Farm

e second year, they brought in

HALKIRK, ALBERTA



Brett and Jenna live and farm on Lazy T Farm, which was homesteaded in 1904 by Jenna's great great grandfather. The farm has since been transitioned through the females in the family, and currently the fourth and fifth generation are farming on Lazy T.

Jenna's parents, Tony and Clara, did not inherit the farm. They began renting some of the land and buying a few of Clara's parents' cows. They helped with the farming in exchange for use of farm equipment, and eventually purchased the land and all the cattle. The purchase of the home quarter included a lifelong right to live on the property, and that, combined with Clara's parents holding the mortgage, gave them peace of mind that the farm was safely held within the family, and with people who shared the love of the land.

The first year Brett and Jenna farmed on Lazy T together, they were paid a wage by

the farm. The second year, they brought in their own enterprises but were still helping Jenna's parents and were paid wages.

As the farm is incorporated, Brett and Jenna could buy into the corporation using their herd as an asset to trade for shares; or remain independent by keeping their enterprises separate. In any case, Jenna's parents' retirement will be supplemented with Brett and Jenna's rental payments or rent-to-own payments for the land.

Jenna's parents introduced new management styles when they joined the farm, and Brett and Jenna are no different. Jenna's parents "leave room for us to change and grow." Farm meetings have become a MUST, and are treated as a business meeting with recorded minutes. They all work with succession planners, attend holistic management courses and other trainings together, and have a conscious relationship outside of work and the farm.

There is a lot of uncertainty in starting farm enterprises and working through farm transition. What keeps them 'sticking around' is their involvement with the Prairie Farm Project - a partnership of Central Albertan young farmers 'producing good food and having a good time doing it.' The community of young, like-minded farmers keeps them passionate about what they are doing, holds them to their values, and keeps them accountable.

Reviewing the Terms of Your Agreement

Good communication is critical for making any land access arrangement work. Take some time to learn about the elements of effective communication and put them into practice as you develop your relationship with your prospective landlords. Don't assume that the other party knows what you are thinking – until things are written down there is always room for differences in interpretation.

While land access agreements can be a verbal handshake, this is not recommended. Memory is a mutable thing, and when a farmer has invested their sweat and money into a piece of land, having unclear expectations and boundaries can be tragic. Written agreements are more likely to be legally enforceable, and the process of sitting down together to write an agreement is a useful exercise in building the landlord/tenant relationship. See Appendix C for an extensive checklist of questions you should ask when meeting with a prospective landlord and negotiating a farm land access agreement.

When discussing the terms of your agreement, it is useful to walk your landlord through all aspects of your plans for the land. Try to put yourself in the position of running through as many possible scenarios as you can. A year-to-year agreement is often the standard for new farmers, but holds a level of risk as a lot of time and money is invested in getting the land in shape for production. Five years

is the typical length of time for a farmer to realize a return on investment.

SELLING YOUR FARM BUSINESS

As you are building your farm business on land that you do not own, make sure there are provisions in your land access agreement that would enable you to sell your business – consider the work that you put in to developing a network of customers and distribution channels, determining what grows best on the farm, and building the health of your soil. These are all assets that have value that can be transitioned over to the next farmer to run with (saving them a lot of time and capital).

For example, consider the scenario where you have been farming on a piece of land for a few years and are feeling ready to take on a larger parcel. If you are bringing on farm apprentices, it's possible they would be interested and a good fit to take over running the operation that you've worked to establish. It's good to have an exit clause in your agreement that would enable you to have the potential to recoup some of your expenses through selling your farming business, while also giving the landlords the opportunity to screen the potential new candidates.

Farming in an Urban Context

Urban farming has been growing in cities and more densely populated areas worldwide for hundreds of years and brings on its own set of benefits and challenges. Diverse models for urban farming operations are emerging and vary widely in terms of scale, organizational and business models, and overall mandates.

In Alberta, land access arrangements in urban settings can include:

- Residential yards
- Unused or underused urban spaces (e.g. parking lots and rooftops)
- Public parks
- Institutional land (hospital and school grounds)
- Remediated brownfields (e.g. industrial areas)
- Agricultural zoned land

Benefits of growing food in the city include the strong community ties that come with being embedded in the social fabric of a more densely populated place. As an urban farmer, you get to connect with neighbours and build community while also living in an urban setting. Many urban farms come together through collaboration with developers, community organizations, the food service industry and local governments. Urban farming also provides the educational value of being able to connect the links between the city and rural areas – helping people to connect with the larger food system.

Farming in urban areas presents some unique challenges, including limitations in tenure, water access, livestock, and for many the added logistics of juggling multiple sites. Other challenges come about in part because cities just aren't (yet) set up to handle the various ways that urban farming is taking shape. Challenges that urban farmers have encountered include trying to navigate by-laws and regulations related to zoning, business licensing, built structures, noise limits, and public health.

Despite the challenges, urban growers and producers are finding innovative ways to farm in the city from growing in movable raised beds, to leasing land in exchange for a harvest share, to partnering with municipalities to grow on City-owned land.

For more insight and to learn how local governments in Alberta are developing ways to support urban arming, read:

Edmonton's Food and Urban Agriculture
Strategy

CalgaryEATS! Food Action Plan

Strathcona County Urban Agriculture
Strategy

Dirt Boys Urban Farm

CALGARY, ALBERTA



In 2019 Micheal Gavin purchased Dirt Boys Urban Farm, an established business in Calgary that grows food in back yards and private lots. Produce is sold to farmers' markets through a harvest box program and to YYC Growers, a member-owned farmer cooperative.

Michael brought his experience vegetable farming in B.C., and was ready to take on the business. He wasn't set on farming in an urban context when the opportunity came to him through his network, but prices outside the city were a barrier to accessing land. Urban farming offered benefits such as being close to markets and people, many of whom wanted to volunteer or attend an urban farm tour. The land he farms was also affordable. In Micheal's experience, most homeowners offer their yard in exchange for a vegetable share or by donation, because they value what he is doing and want to be a part of it.

Micheal's urban farm comprises eight backyards and one private lot that is a spiritual centre; the locations are geographically close to cut down on travel time. He provides a lease agreement that he created to help manage relationships with each homeowner. The agreement stipulates how the space will be used, timelines, responsibilities of each party, payment for water and rehabilitation of the space if the lease is not renewed. The spiritual centre provides space for Micheal to farm in exchange for landscaping work, which is outlined in their lease agreement.

For Micheal, building and maintaining the relationship through proactive communication and managina expectations is essential. When he explores a new location, he takes the time to ensure the homeowner understands what an urban farm will look like in their space. He physically maps out the growing space, provides photos and videos and invites them to his other farms. He also talks about how he manages the farm, that he will be in and out of the yard, and asks if it's ok to have staff or volunteers on their property.

Micheal's advice to those considering urban farming is to get involved with people doing similar things and start small on one or two plots, and not make it a full time job in your first year. This will help you get a better understanding of the moving pieces: farming, packaging, managing relationships, marketing and learning the business of what works and what doesn't. He's excited to see more farmers in urban areas!

Purchasing Land

The benefits to purchasing land are that you have ownership and can therefore design the farm the way you want it (while navigating building/zoning regulations). You have control over what happens on your property, and don't have to worry about your land tenure. When you're old and gray, you have some assurance of being able to sell your land in order to retire – or transition your land to the next generation of farmers.

At first glance, purchasing and owning land may seem like the most preferable situation for a farmer. However, this is not necessarily the case. Buying land for the purpose of agriculture does not always offer the best return on investment due to the cost of real estate and profit margins of a farm businesses, especially for new farmers.

Some new farmers find themselves so far in debt after purchasing land that they have to stop farming and find off-farm jobs just to afford their mortgage payments. Many new farmers who start out by purchasing land end up being unable to properly invest in infrastructure for their farms because all of their capital is tied up in their mortgage.

If you decide land ownership is right for you, you'll need to ensure you are prepared financially and emotionally for the commitment that purchasing land involves. The business planning process covered in the previous section will be instrumental in ensuring that your business model will support the expense of land ownership.

MEETING WITH A LENDER

Don't Forget Your Business Plan

Your business plan will outline how much money you will have available for the down payment and for on-going costs such as monthly mortgage payments, yearly property maintenance utilities, irrigation, and property taxes.

Before you meet with a lender you will need:

- A net worth statement;
- A recent pay stub or written employer verification letter if you, or if you and your spouse, have off-farm employment;
- A complete and accurate business plan;
- A cash flow projection;
- Income tax returns from you, or you and your spouse for the past three years;
- A good credit rating (an important reason to be sure you make regular payments on debts and credit cards!)

EQUITY

What is a equity?

Equity is the term used for describing your financial stake in a property or business – it represents the assets you have that could be leveraged for a loan (which the bank would be able to draw on to offset money owed). Banks will calculate your net worth based on equity and this will be a deciding factor for them when offering you a loan.

STRATEGIES FOR BUILDING YOUR EQUITY:

1. Enlist help from a co-signer

If you have a family member or good friend who qualifies as a mortgage holder for your prospective farm, you can ask them to co-sign for you at the bank. However, if you genuinely are in the situation where you don't have enough reliable income to pay the mortgage, this is likely not the best option as it implicates the co-signer as financially responsible for the property (and therefore the monthly mortgage payments).

2. Financing from the seller (also referred to as a vendor take back mortgage)

In some situations, especially if you have a prior relationship to the property owner, or if they have a strong interest in having their farm in production from a person or family member like you, they may be willing to help you finance the purchase of their property. This can be a rare find because most retiring farmers are selling their farm in order to have money to live on. However, it is an option to pursue, especially if you are just a bit short for a mortgage.

The seller can offer what the bank calls a "second mortgage" to cover your shortfall, provided your lender consents to the secondary financing from the seller. Legal documents are required to cover this circumstance and both the Seller and your lender will want to ensure their respective interests are being protected and that an agreement is reached on which lender's financing will be subordinate to the other lender's interest.

3. Build your net worth by starting small

If you can't find a property that works for your business plan, you may consider starting with a smaller, less expensive property. A creative option might be to buy a small house and lease an adjacent property. While you farm, you can build your net worth and eventually qualify for a bigger mortgage. This might mean you have to stop farming for a while, focus on making money and then re-apply for a bigger mortgage when your finances look better on paper.

Fork in The Rowed

LETHBRIDGE, ALBERTA



Jodi and Moira didn't want to start farming when they did. They had a five year plan to get into market gardening but things sped up when a piece of land became available that they had their eye on. It had really good soil, the right kind of zoning and was close to potential customers.

To come up with a down payment, Jodi used every penny she had and her father contributed a portion. Moira refinanced her house. Through Farm Credit Canada (FCC), they secured a land and equipment loan with the help of Jodi's father who guaranteed it. He farmed nearby. Jodi and Moira also accessed equipment loans through the provincial government.

With 17 acres of land, they felt they needed to increase their skills and participated in the Alberta Farm Fresh School. This also helped them build their network of support. They also decided to transition the land to

organic right away and found a community of mentors.

In the first season, they launched their CSA while both working off farm. Jodi focused on production and managing the farm while Moira started marketing through Farmer's Markets in Lethbridge and Calgary. To help access markets, Moira worked part-time for a BC Fruit Company and also sold their products alongside their vegetables. After 2 years of CSA, they switched to a voucher system when customers could pick up their veggies at the market.

They currently have a growing market in Calgary and have been continually tweaking their production and marketing for that urban audience. Eventually, they bought the fruit business which helped them pay for a truck and a cooler.

They recommend not to specialize but find complimentary business opportunities. They also say to learn what the communities needs are, where the shortfalls may be, and find opportunities to partner up with others to fill those gaps for your clientbase. For example, they work closely with YYC Growers to supply fruit which helps make what the grow and sell from their farm more viable.

Farming is their passion. Purchasing the land and a fruit business brought risk and stress but they have more land than they need and room to grow.

ACCESSING LAND THROUGH:

Community Farms & Land Sharing

COMMUNITY FARMS

Community farms are considered shared farming on shared land. They are often social enterprises that focus on food production in conjunction with various other activities. They may be operated by institutions, societies, land trusts or cooperatives.

Community farms are generally made up of complementary businesses that contribute to a whole vision of sustainable living off the land with a housing component. It is not uncommon for residents on community farms to live there from birth to death. The community farm model is becoming more widespread with the rising price of land and the increasing interest in sustainable food production among younger people.

PRO Sharing costs, supporting one another with pooled labour and conserving land for the long term are some of the many benefits.

CON There is much to consider: legal structures, financing, zoning variances for multiple dwellings and navigating the social landscape.

Establishing a new community farm requires lots of paperwork before the ground gets broken. It is a big task that requires commitment. Many who venture into community farming don't get past the planning stages because they are unable to navigate the requirements and limitations of building a site that supports

a more complex live-work community. However, when farmers can stick together through the policy and legal framing, the results can be truly inspiring!

INCUBATOR FARMS

While this model has yet to make an appearance in Alberta, it has been a successful approach in other jurisdictions.

An incubator farm is a supported farm site, usually run by a non-profit society or a collaboration of organizations and municipalities, dedicated to helping new farmers hone their skills. While models vary, generally incubator plots offer secure tenure for 1–5 years on land. A main goal of incubator farms is to graduate farmers to their own farms with the skills they need to succeed.

Incubator sites are attractive because they often require very little investment from the farmer and start-up costs can be minimal depending on the arrangement. There can also be mentorship, business development resources and marketing help available. All of this infrastructure, as well as a team model of community support, can be very valuable for a new grower to test out starting a farm business, and in some cases make all the difference in getting a new business established. They can be worthwhile for the networks they enable farmers to access and the potential to pursue group purchasing opportunities.

The Northern Table

EDMONTON, ALBERTA



YA Mixers have done it again!!

While Melanie was working her magic in the kitchen of the YA Winter Mixer in Alix, Alberta, Tom was busy socializing with the wonderful Phil and Heather Seutter of Bretona Farm Co. It quickly became clear that their dream of being on land could be realized. Heather and Phil invited these city slickers (Melanie's words) to their farm to plant a small field of culinary herbs for Melanie's business, The Northern Table.

There was no formal agreement to their land use arrangement. Though not having formal agreements or contracts can sometimes create trouble, Melanie shares why it worked out for the period of time they shared a common land base.

Heather and Phil extended such a level of trust, homecoming, and generosity that Melanie said she was 'incapable of taking without giving back.' They began their own micro trade economy, trading recipe development and photos for CSA shares; tea and salt for garlic; time, labour, and even shared some childcare. To thank them for the land use and the wisdom they so freely shared, Melanie went on to create Bretona Farm's beautiful new website.

When asked what was required of everyone to make it work so well, Melanie said the keystone was that everyone in the partnership practiced being honest forthcoming about everything that was good, everything that was uncomfortable, and everything that was required. Emotions were not suppressed or given the opportunity to culminate into something toxic. They all shared deeply aligned beliefs surrounding farming and food culture. That, and everyone involved are people who love to give - they were all generous with their time, hands, and skills. When mistakes were made, processes and checklists were put into place to avoid repetition.

It was a symbiosis of farming partners that felt more akin to family than a business exchange.

When the time was right, Mel & Tom moved on to a new piece of land where they now live but they keep in touch with the Seutters whom they now consider great mentors and friends.

Photo Credit: Sara Jewell Location: Bretona Farm, Edmonton, AB



Accessing land for farming can be a long and complex process, and made more challenging by rising land prices and development pressures on agriculturally viable lands. New and collaborative models and leasing arrangements offer opportunities for new and young farmers to begin their farm businesses without the high costs of buying land or the necessity of moving away from markets (or friends and family) to cheaper land. While incubator and community farms have created the potential for a variety of start-up options, they all have their own set of challenges and advantages. Creating the space for self-reflection and thorough business planning will help in the process of choosing the best site for you for a farming operation.

We hope the information in this Land Access Guide will provide a valuable framework for thinking through start-up, whether you are a new farmer with some seasons under your belt or are dreaming of getting into farming. Undoubtedly, there are models that haven't been covered here that will emerge as new and creative young people find their way into agriculture!

Talk to us! We want to know about where you are at in your process of becoming a farmer and getting on land. Tell your story and inspire other new potential farmers! Get involved: write a blog post, start a YA hub, host an event and help us build community! It's going to take all of us to rebuild our local food systems into vibrant, healthy and abundant food systems for all! Yeah Farmers!

email: <u>alberta@youngagrarians.org</u> www.youngagrarians.org

Resources

OTHER LAND ACCESS GUIDES AND RESOURCES FOR NEW FARMERS:

ATTRA. Finding Land to Farm.

<u>Drake University. The Landowner's Guide</u> to Sustainable Farm Leasing

FarmStart & Everdale Environmental Learning Centre. Accessing Land for Farming In Ontario: A guidebook for farm seekers and farmland owners.

Friends of Family Farmers. Fields For Food: Ways to Bring Unused Farmland into Production for the Benefit of Landholders and Beginning Farmers.

Greenhorns. Land. Liberty. Sunshine. Stamina. A mini compendium of resources for beginning farmers on the topic of finding sustainable land tenure.

<u>Greenhorns. Guidebook for Beginning</u> Farmers.

<u>Just Food Ottawa. Looking for Land:</u>
<u>Characteristics that Comprise a Viable</u>
Farmstead.

<u>Land for Good. Farmland Leasing for Private Landowners: A Short Guide.</u>

<u>Land for Good. A Landowner's Guide to Leasing Land for Farming.</u>

<u>Linking Land and Farmers (LLAF). Land</u> Access Resources in B.C.

Leasing Land by Joel Salatin

<u>University of Vermont. Farmland Tenure and Leasing.</u>

New England Small Farm Institute. Access to Land.

<u>Cornell University. Finding a Farm to Buy or Lease.</u>

ASSESSING LAND

CLIMATE:

Solar Patterns

<u>Windfinder</u>

Alberta Agroclimatic Data

Canadian Climate Stats

Alberta Agroclimatic Data

Canadian Climate Stats

Alberta Agroclimatic Data

<u>Plant Hardiness Zones</u>

Analogue Climates

GEOGRAPHY:

Free Google Earth Pro Download

Free Contour Map Generator

Land Use Bylaw: Web search "(Your County) Land Use Bylaw"

<u>Demographics Report</u>

WATER:

Alberta Water Wells Information Database

<u>Free Water Testing from Alberta Health</u> Services

INFRASTRUCTURE:

Building Inspection Template



SOIL:

Alberta Soil Information Viewer

COMMUNITY FARMS ACROSS CANADA

<u>FarmFolk CityFolk. Community Farms</u> <u>Program.</u>

CO-OPERATIVES

Alberta Community and Co-operative Association

<u>Canadian Organic Grower. Incubator</u> Farms.

URBAN FARMS

Vancouver Urban Farming Society. Understanding our Practices from Seed to Scrap. 2013.

<u>EcoDesign Resource Society. Urban Farming Guidebook for Local Governments.</u> 2013.

ADDITIONAL RESOURCES

<u>FarmLINK MatchMaker Tool – Connecting</u> <u>farmers to our future.</u>

<u>Landshare: Connecting growers to people</u> with land to share.

<u>Multiple Listing Service of the Canadian</u> <u>Real Estate Association.</u>

Slow Food International. Our Philosophy.

<u>Tufts University. New Entry Farming Project.</u>

<u>University of Minnesota Extension Service</u> <u>Guide to Writing Contracts, Leases and Agreements.</u>

> Photo Credit: Kevin Kossowan Location: Lazy T Farm, Halkirk, AB

APPENDIX A - LAND ASSESSMENT SWOT ANALYSIS TEMPLATE

WEAKNESS

HELPFUL TO ACHIEVING YOUR
IDEAL FARM VISION

STRENGTHS

HARMFUL TO ACHIEVING YOUR IDEAL FARM VISION

A O D	CLIMATE:	CLIMATE:
	GEOGRAPHY:	GEOGRAPHY:
	WATER:	WATER:
	ACCESS:	ACCESS:
	STRUCTURES:	STRUCTURES:
	FENCES:	FENCES:
	FLORA:	FLORA:
	FAUNA:	FAUNA:
	BUSINESS:	BUSINESS:
NTE	TECHNOLOGY:	TECHNOLOGY:
	SOIL:	SOIL:
10		
URS	OPPORTUNITIES	THREATS
HBOUR	OPPORTUNITIES CLIMATE:	THREATS CLIMATE:
GHBOUR		
THE NEIGHBOUR EGION	CLIMATE:	CLIMATE:
OF THE NEIGHBOUR	CLIMATE: GEOGRAPHY:	CLIMATE: GEOGRAPHY:
UTES OF THE NEIGHBOUR	CLIMATE: GEOGRAPHY: WATER:	CLIMATE: GEOGRAPHY: WATER:
TRIBUTES OF THE NEIGHBOUR AND/OR BIOREGION	CLIMATE: GEOGRAPHY: WATER: ACCESS:	CLIMATE: GEOGRAPHY: WATER: ACCESS:
TRIBUTES OF THE NEIGHBOUR AND/OR BIOREGION	CLIMATE: GEOGRAPHY: WATER: ACCESS: STRUCTURES:	CLIMATE: GEOGRAPHY: WATER: ACCESS: STRUCTURES:
TRIBUTES OF THE NEIGHBOUR AND/OR BIOREGION	CLIMATE: GEOGRAPHY: WATER: ACCESS: STRUCTURES: FENCES:	CLIMATE: GEOGRAPHY: WATER: ACCESS: STRUCTURES: FENCES:
TRIBUTES OF THE NEIGHBOUR AND/OR BIOREGION	CLIMATE: GEOGRAPHY: WATER: ACCESS: STRUCTURES: FENCES: FLORA:	CLIMATE: GEOGRAPHY: WATER: ACCESS: STRUCTURES: FENCES: FLORA:
FUTURE ATTRIBUTES OF THE NEIGHBOUR	CLIMATE: GEOGRAPHY: WATER: ACCESS: STRUCTURES: FENCES: FLORA: FAUNA:	CLIMATE: GEOGRAPHY: WATER: ACCESS: STRUCTURES: FENCES: FLORA: FAUNA:

APPENDIX B - POLICY AND LEGISLATION FOR FARMERS

This overview is meant to cover key provincial policies and legislation relevant to farmers and agricultural land. The following four sections provide an overview as well as resources for continued reading. The Alberta Queen's Printer which manages and maintains the most current provincial legislation and regulations as well as links to the Alberta Gazette, government publications, as well as a number of related Government of Alberta websites. The non-exhaustive list of legislation below may be found at www.ap.alberta.ca or <a href="htt

PROVINCIAL LEGISLATIONS	Environmental Protection and Enhancement Act, RSA 2000, c E-12
Alberta Land Stewardship Act, SA 2009, c A-26.8	Farm Credit Stability Act, RSA 2000, c F-6, and its regulations
Agricultural and Recreational Land Ownership Act, RSA 2000, c A-9, and its regulations	Farm Implement Act, RSA 2000, c F-7, and its regulations
Agricultural Operation Practices Act, RSA 2000, c A-7, and its regulations	Feeder Associations Guarantee Act, SA 2009, c F-11.1, and its regulations
Agricultural Pests Act, RSA 2000, c A-8, and its regulations	Fisheries (Alberta) Act, RSA 2000, c F-16, and its regulations
Agricultural Service Board Act, RSA 2000, c A-10, and its regulations	Fur Farms Act, RSA 2000, c F-30, and its regulations
Agricultural Societies Act, RSA 2000, c A-11, and its regulations	Insurance Act, RSA 2000, c I-3, and its regulations
Agriculture Financial Services Act, RSA 2000, c A-12, and its regulations	Irrigation Districts Act, RSA 2000, c I-11, and its regulations
Business Corporations Act, RSA 2000, c B-9, and its regulations	Land Titles Act, RSA 2000, c L-4, and its regulations
Civil Enforcement Act, RSA 2000, c C-15, and its regulations	Law of Property Act, RSA 2000, c L-7, and its regulations
Cooperatives Act, SA 2001, c C-28.1, and its regulations	Livestock and Livestock Products Act, RSA 2000, c L-18, and its regulations
Crop Payments Act, RSA 2000, c C-33, and its regulations	Livestock Identification and Commerce Act, SA 2006, c L-16.2, and its regulations
Dairy Industry Act, RSA 2000, c D-2, and its regulations	Livestock Industry Diversification Act, RSA 2000, c L-17, and its regulations
Employment Standards Code, RSA 2000, c E-9, and its regulations	Marketing of Agricultural Products Act, RSA 2000, c M-4, and its regulations

of Agricultural Canadian Agricultural Loans Act, R.S.C., Marketing Products Amendment Act, 2017, SA 2017, c 5, and its 1985, c. 25 (3rd Supp.) regulations Canadian Dairy Comission Act, R.S.C., 1985, Meat Inspection Act, RSA 2000, c M-9, and c. C-15 its regulations The Department of Agricultre and Agri-Occupational Health and Safety Act, SA Food Canada Act, R.S.C., 1985, c. A-9 2017, c O-2.1, and its regulations Occupiers' Liability Act, RSA 2000, c O-4, Experimental Farm Stations Act, R.S.C., and its regulations 1985, c. F-4 Personal Property Security Act, RSA 2000, c The Farm Credit Canada Act, S.C. 1993, c. P-7, and its regulations Provincial Parks Act, RSA 2000, c P-35, and its regulations The Farm Debt Mediation Act, S.C. 1997, c. Public Lands Act, RSA 2000, c P-40, and its regulations Farm Income Protection Act, S.C. 1991, c. 22 Sale of Goods Act, RSA 2000, c S-2, and its Farm Products Agencies Act, R.S.C., 1985, c. regulations F-4 Societies Act, RSA 2000, c S-14, and its The Prarie Farm Rehabilitation Act, R.S.C., regulations 1985, c. P-17 Soil Conservation Act, RSA 2000, c S-15, CANADIAN FOOD INSPECTION AGENCY and its regulations The Canadian Food Inspection Agency Water Act, RSA 2000, c W-3, and its is responsible for administering and regulations enforcement of the following Acts: Agriculture and Agri-Food Administrative Supporting Alberta's Local Food Sector, SA Monetary Penalties Act, S.C. 1995, c. 40 2018 c S-23.3 Canadian Food Inspection Agency Act, S.C. Weed Control Act, SA 2008, c W-5.1, and its 1997, c. 6 regulations Feeds Act, R.S.C., 1985, c. F-9 Workers' Compensation Act, RSA 2000, c W-15, and its regulations Fertilizers Act, R.S.C., 1985, c. F-10 FEDERAL LEGISLATION Food and Drugs Act, R.S.C., 1985, c. F-27 Agricultural Programs Marketing Act, Health of Animals Act, SC 1990, c 21 R.S.C., 1985, c. A-6 Marketing of Agricultural Products Act, RSA Plant Breeders' Rights Act, SC 1990, c 20 2000, c M-4 Plant Protection Act, SC 1990, c 22 Animal Pedigree Act, R.S.C., 1985, c. 8 (4th Safe Food for Canadians Act, SC 2012, c 24 Supp.)

Canada Grain Act, R.S.C., 1985, c. G-10

Seeds Act, RSC 1985, c S-8

APPENDIX C - WORKING THROUGH YOUR AGREEMENT

Adapted excerpt from FarmStart Ontario's Accessing Land for Farming in Ontario: A guidebook for farm seekers and farmland owners. Published by FarmStart and Everdale, lead author: Pat Learmonth (2011).

To start, the farm seeker and the farmland owner should meet in an informal setting and ensure that their general goals and ideas are a good fit. Then, each of you may want to work through these questions (Sections A through J) separately. When you meet again, you will be ready to see how your more specific ideas fit together and iron out any differences in expectations. It is unlikely that all the questions will be relevant to your situation, so just use them as a guideline.

This guidebook encourages you not to be restricted by standard lease agreement forms, and to draft an agreement that best suits your particular situation. A lawyer can then look over what you've written and include additional legal requirements. However, if it is helpful for you to look over some standard lease forms, you'll find a sample short-term lease in the Appendix D.

Consult your tax advisor!

Be aware that some farmland owners may suffer negative financial impacts if they change the use of their land by renting it out. While this is not the norm, it is critical that farmland owners consult their financial advisors to ensure they are not unknowingly jeopardizing their status under capital gains tax or Canada Pension Plan rules (for example) before entering into a rental agreement. Be aware that there is a requirement to remit and submit an annual reporting to the Canada Revenue Agency

SECTION A: BASIC INFORMATION

- 1. Name and address of registered owner of the land.
- 2. Is the owner a citizen or permanent resident? If not, the renter may have to withhold 25% of any cash rent for the Canada Revenue Agency.
- 3. Name of the spouse of the owner. The spouse may have to sign any agreement that affects the use or enjoyment of the owner's personal residence on the farm.
- 4. Is the owner a GST registrant? If yes, GST will be charged on cash rents. Is the tenant a GST registrant?
- 5. Name and address of renter(s).

- 6. Is the renter a citizen or permanent resident? If not, the renter may not be able to obtain an interest in controlled land within Alberta.
- 7. Identify the legal description of the land referred to in the agreement.
- 8. Sketch of plot if less than the whole property owned by the owner at the location above, with as much detail as possible.

SECTION B: TIMEFRAME FOR AGREEMENT

1. How long is this agreement intended to last? Think about months and seasons, as opposed to simply years. It may be advantageous to have the term of the lease run on the crop year as opposed to a typical calendar year.

- 2. If this period ends and the renter has been unable to take off a crop, will he or she be able to return to do so? For how long? Will the owner require the use of the property to prepare for the following season as of a certain date?
- 3. When will the renter and owner sit down to talk about extending the agreement for a further period and/or modifying it? Think about how soon this would have to be done in order for the renter to plan effectively for the next crop year or plant a fall cover crop.
- 4. How can the agreement be terminated before its agreed expiry date? By whom? On what notice? What if the renter has a crop in the ground, or has already prepared the ground for the next crop?
- 5. Will the renter have the right to sublet to another farmer? Note: It is usually recommended that this not be allowed without the permission of the owner, and with the specific agreement that the owner can arbitrarily withhold permission.
- 6. If the land is sold, do the parties intend that the renter will continue to have the right to farm there? If so, this can decrease the value of the land at sale.
- 7. If the renter dies, is it intended that the right to farm there will continue i.e. be passed on to an heir?
- 8. If the landowner dies, is it intended that the agreement continues or comes to an end?

SECTION C: TERMS OF ACCESS

In many cases today, the renter is accessing property where the owner actually lives. The renter also may need to access the property on a continuous and intensive basis (compared to taking off the hay twice a year). This creates a need for realistic discussion about what the implications will be for the day-to-day interactions between the parties. This subject has the potential to become a real irritant if not thoroughly canvassed in the beginning and recorded on paper.

- 1. Precisely what areas of the property will the renter have the right (or not have the right) to freely access (e.g. laneways, buildings, crop areas)?
- 2. What areas are private areas of the owner?
- 3. What restrictions (if any) will be placed on the hours or days the renter will be allowed to access the rented areas? Think about late-night loading of livestock, early morning harvesting, religious preferences, etc.
- 4. In exceptional circumstances, what notice will be given by the owner that normal access must be restricted? What types of things might be exceptional circumstances?
- 5. Who may the renter bring on to the land and for what purposes? Interns, employees, volunteers, friends... Will there be restrictions on how many people will be brought on the land at any one time?
- 6. Will the renter be permitted to send people on to the land without him or her being in attendance as well? If so, how will those people know what the terms of access are?

- 7. Will people unknown to the owner be required to introduce themselves before entering? If the owner lives on the property, it can be disconcerting to have unlimited access by unknown persons.
- 8. If members of the public are to be invited by the renter (e.g. for a farm tour) is notice to the owner required? How much notice?

SECTION D: SPECIFIC ACTIVITIES

- 1. What is the understanding between the parties as to business activities of the renter? (e.g. vegetables, livestock, field crops, processing)
- 2. Are there any activities that are not acceptable to the owner? (e.g. stocking rates, fuel storage, spreading biosolids, use of chemicals or pesticides)
- 3. Who is responsible for manure removal and management?
- 4. If the renter is going to undertake an activity that could affect the owner's enjoyment of his property, what sort of notice or agreement will be required? (e.g. spreading manure)
- 5. Does the renter require assurance that the land is suitable for his purposes? Proof of current organic certification? Who will pay for this? Does the land qualify for certification? How soon? Will the landowner support the renter in obtaining certification? Is the land subject to flooding? Are soil tests available?
- 6. Will the renter require specific permission to erect farm signage?
- 7. Are there any general production practices or stewardship standards that the owner requires the renter to follow? How

- will this be monitored and enforced? This is an important topic, but is easily overlooked. The value of land for farming is in the soil. If the soil is in good condition when the rental starts, it is to the advantage of the renter. If it is improved over the course of the rental it is to the advantage of the owner. However, if the soil is depleted by removal of crops and no nutrients are returned, the owner's asset will be less valuable at the end of the rental period.
- 8. Does the landowner have any certification, regulatory or contractual constraints that the renter should be aware of? For example, if the land is certified organic, the renter should understand what this means so that his actions do not jeopardize certification.
- 9. What "housekeeping" standards will be adhered to? (e.g. tidy appearance of rented areas) In this respect, once again, it should be remembered that the owner might live on the property and take pride in it. At the same time, normal farming activities cannot be restricted.

SECTION E: USE OF FACILITIES AND INFRASTRUCTURE

- 1. Will the renter have exclusive use of any buildings or structures on the property? For what purposes? Who is responsible for maintenance and repairs?
- 2. Will the renter share use of any buildings or structures with the owner? For what purposes and how much space? Who is responsible for maintenance and repairs?
- 3. Is there a source of water available to the renter? Is it adequate for the needs of both the renter and the owner in a drought? Is there a backup plan? Who is responsible for any repair costs?

- 4. Are there septic or washroom facilities available to the renter? Who is responsible for maintenance?
- 5. Is fencing in place that is required by the renter for his or her business? If so, who is responsible for maintenance?
- 6. Does the renter plan to (and have the right to) build any non-moveable infrastructure? If so, are there arrangements for compensation when the agreement ends?
- 7. Is the renter entitled to the use of electricity? On what terms and how will this be monitored?
- 8. If there are fuel tanks on the property, will the renter have the right to use them? On what terms and how will this be monitored?
- 9. Will the renter have the use of any equipment belonging to the owner? How will this be valued?
- 10. Will the owner have the right to enter and inspect the rented land and buildings?

SECTION F: OTHER BENEFITS TO RENTER

- 1. Will the owner perform any services for the renter? How will these be valued? (e.g. if the owner is a farmer, he or she might agree to spread manure or do tillage)
- 2. If the owner is a farmer, will he or she provide formal mentoring to the renter? How will this be valued?
- 3. Is the property certified to any standard that benefits the renter? (e.g. organic certification) How will this be valued?
- 4. Will the owner be providing a right of first refusal to the renter if the property is to be sold?

- 5. Will the renter be given an option to buy the property at a certain time and price?
- 6. Will the owner be prepared to have the agreement survive a sale to a new purchaser? If so, this could decrease the value of the property.

SECTION G: INSURANCE, TAX-ES AND LEGAL FEES

- 1. Who is responsible for carrying insurance? For what purposes? What about liability for personal injury to the renter or others he/she invites on the land? Consult your insurance company as well.
- 2. Who is paying the property taxes?
- 3. How will any jointly agreed legal fees be divided and paid?

SECTION H: HOUSING

1. Is there housing available on the property for the renter? If so, it is strongly recommended that a separate lease be prepared for this purpose. There are a number of important legal differences between an agreement to rent land and an agreement to rent a house or apartment. Consult a lawyer for more information. Consider what the implications will be if the rental of the land is terminated and the rental of housing is subject to different rules about termination.

SECTION I: FINANCIAL ARRANGEMENTS

The financial arrangements between the renter and the owner can take many forms. The important question is whether each party believes that s/he has received fair "value" for what s/he has given in the relationship. If either party feels that the agreement is not fair, it will not last. In some cases, cash may not change hands, as the parties have agreed that other forms of payment are more appropriate for their circumstances. In any contractual relationship, some form of value (called "consideration") must flow in each direction.

- 1. How will use of the land be valued?
- 2. In addition to use of the land itself, what is the owner offering to the renter? Is non-cash value flowing from the renter back to the owner? (e.g. traffic that may also benefit the owner's woodworking/craft/other business on site, the owner's feeling of supporting something good and important, etc.)
- 3. Is more value flowing in one direction than the other? What is left "owing"?
- 4. How will this be "evened up"? Through a cash payment? Are there other creative solutions?
- 5. Is a variable payment suited to your situation?
- 6. When will the agreed upon compensation be payable? Think about the annual cash flow of the renter will the money be available at the time the payment is due?
- 7. What do the parties agree will happen if the cash rent is not paid on time? Not paid at all?
- 8. What will happen if unforeseen circumstances beyond the control of the parties make the rented area un-farmable or unproductive?

- 9. Will the renter perform any services for the owner? How will this be valued?
- 10. Will the renter supply the owner with any product of his farm enterprise for consumption? How will it be valued?
- 11. If the owner and/or renter has farm status in Alberta thought should be given to making sure the agreement will not impact their respective status and benefits of having farm status. What is the value that this represents?
- 12. Will the renter actively improve the soil or pay for improvements to fences or structures? Will this impact the rental payment in any given year?
- 13. Anything else you can think of?

SECTION J: ENFORCEMENT

- 1. If one party does not do what s/he has agreed, what rights should the other have? Financial compensation? The right to force the other to comply? (i.e. to do something like permit access or perform work). What if the reason is something beyond that person's control? Explore fully and record your thoughts on this topic. This is the time it can be discussed calmly and logically, making decisions easier down the road if things go wrong.
- 2. If the parties are unable to resolve differences down the road, what will happen? Sometimes, a provision for arbitration is inserted in leases.



As you review sample leases, make sure that you thoroughly examine all of the clauses and figure out what will be necessary for your specific farming operation/leasing arrangement. Each land sharing relationship will be unique and thus require a unique agreement. It is necessary to customize these templates for your situation, in order to ensure the agreement contains all of the necessary provisions to protect both you and the landowner. The more investment you need to make and the longer you will be on the land, the more important your written agreement becomes.

side-bar to support you to understand the clauses and how to work

with the template.

We strongly recommend that you have your lease reviewed by a lawyer to make sure that it is clearly written, legally sound, and provides adequate protection for all parties. There are two reasons for this: one, it ensures that the meaning of your agreement doesn't leave room for misinterpretation and misunderstandings in the future; and two, it will stand up in a disagreement, especially in the worst case scenario that a conflict arises that can't be solved and you need to go to a court of law. Consult the Law Society of Alberta's website on 'Finding a Lawyer'.

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