Farm Transitions Toolkit Introduction

Welcome to the Farm Transitions toolkit! Farm Transitions means that the responsibility for a piece of agricultural land is changing hands. Maybe the ownership of the land will change. Maybe that ownership will move from one generation to the next in the same family. Maybe ownership will move from one family to a different one. Maybe ownership of the land will stay the same, but different people will be in charge of operating the farm and making the day-to-day decisions. The transition might happen quickly, or it might happen gradually over a period of months or years.

Whatever the case, this Farm Transitions toolkit offers information, advice, and help to plan those changes. It’s a complex project that takes effort and communication from family members and others, but planning for the farm transition just might be the most important thing you can do for your land. What’s it all about and how can this Toolkit help? We’ll start with the basic “5W+H” questions: Who, What, When, Where, Why, and How?

Who?

Who are you? Are you a:

* Retiring Farmer
* A farmer who isn’t ready to retire yet
* Spouse of a farmer
* Child or other heir of a farmer
* Non-farming owner of agricultural land
* Spouse of a non-farming landowner
* Child or heir of a non-farming landowner
* Legal or financial advisor to a farmer or landowner

All of these kinds of people have a stake in the process of transitioning a farm into new hands. Any one of these folks can be the champion, or the “spark” that starts the process.

What?

What should you do?

Farmers and farmland owners should create a plan for the passing of farm property into new hands, The plan should ensure that both the elder generation and the heirs are treated fairly; that the new farmers starting out on the land have a reasonable chance to make it financially; and that the land will be cared for in the way that your family wants it to be cared for.

When?

When should you make a plan?

It’s never too early to start educating yourself and family members about the options for farm transitions. Even if the family isn’t ready, yet, to put a formal plan in place – even if no one else wants to talk about it – anytime is a good time to start learning and laying some groundwork for future discussions. There is no time that’s too early, but there are times that are too late. Some of the profiles later in the toolkit are cautionary tales about what can happen if planning is delayed too long.

Where?

Of course, your plan will focus on your family’s farm property and wherever that happens to be located, but it’s useful to take a look at that property through the lens of farm transition planning. Where does that property lie in relationship to major urban areas, to recreational areas, to farm infrastructure and services (such as co-ops and elevators), and to human services (such as schools, grocery stores, and hospitals)? All of these things have an impact on the value of the property, how interested a younger generation may be in carrying on the farm operation, and what sort of programs you can access to help with financing the farm transition.

Why?

Why go through the stress and the difficult family conversations to try to put together a farm transition plan?

The more you can communicate with family members and with advisors (legal and financial), the more likely that the farm transition can be accomplished satisfactorily, without anyone being caught by surprise. Worthy goals like keeping the farm in the family, or keeping a lifetime of conservation practices intact when the farm changes hands, aren’t likely to happen by accident. They take some work, and they take some level of agreement from all of the parties with an interest in the property, and in almost all cases they take some legal documents.

How?

How should you get started on your Farm Transitions plan?

There’s not really a wrong place to start. Every family is different. Take a look at the flow chart on the next page, pick a question or an idea that seems like it would resonate with your family, and start from there. You don’t have to read this document straight through from start to finish. It’s set up so that you can start in various places and jump around.

Don’t know where to start?

If you’re feeling really overwhelmed and need to talk to a real person instead of reading fact sheets and looking at charts, there’s help available! See our list of organizations that offer one-on-one coaching and advice for farm transitions on page \_\_\_.