

FARMSTAY

Diversifying Your Farm Business Through Agritourism: A How-to Manual for Establishing a Farmstay in Minnesota

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INTRODUCTION

About Farmstays and This Manual

In the simplest terms, a farmstay is lodging available to paying guests on a working farm. Beyond this, a farmstay can take many forms. A farm family may convert a room in their farmhouse to accommodate overnight guests, repurpose an outbuilding into a sleeping cabin, or build a new structure specifically for guests. A managed forest, too, can be working land, and in this manual we refer to guest accommodations on such land as foreststays.

Starting a farmstay need not be a monumental undertaking. Most of the farmstays in operation in Minnesota began on a small scale. Some have remained that way, while others have expanded as their owners have gained the knowledge, interest, and resources to manage larger operations.

In this publication, we will:

- *explore the farmstay concept,*
- *highlight diverse examples of farmstays and foreststays in Minnesota,*
- *outline what one needs to consider before going down this road, and*
- *provide some guidance on how to establish and run such an enterprise.*

This manual is not meant to be comprehensive, but rather a first stop for those considering a farmstay in Minnesota. Since we won't cover everything you'll need to know in this guide, we will refer you to other publications, organizations, and agencies that can aid in the various aspects of developing a farmstay.

Tourism and the Opportunities for Farmstays

Tourism is one of Minnesota's key sectors, comparable to agriculture in its economic contribution to the state. According to Explore Minnesota (the state's tourism department), Minnesota had 39 million person-visits¹ between June 2007 and May 2008 and generated \$11.2 billion in leisure and hospitality gross sales in 2008. These numbers demonstrate the significant impact tourism has on the state and highlight the opportunities available to entrepreneurs who may wish to accommodate eager travelers.

While the Mall of America and waterparks will continue to be important components of the state's tourism sector, a growing number of people are seeking vacation alternatives. According to The International Ecotourism Society (TIES), about 17 million US travelers consider environmental factors when patronizing businesses and about half prefer trips with small-scale accommodations operated by locals.² In a study by National Geographic Traveler and the Travel Industry Association of America, 55.1 million US travelers are classified as "geo-tourists," travelers who are interested in nature, culture, and heritage tourism.³

Farmstays are well-suited to meet the needs of travelers looking for unique and genuine experiences. They offer people a way to reconnect with their agrarian roots—or to form new roots. While research has not been conducted in Minnesota on travelers' interest in farmstays, the success of existing farmstays, as well as natural food co-ops, farmers' markets, and "buy-local" campaigns indicate that the opportunity is there. Many people are hungry to establish a relationship with the land on which their food is grown and with the farmers who grow it.

Some countries see farmstays as vital to their economic and cultural vitality. In Italy, the government codified the term 'agriturismo' into law in 1985 to enable small farmers to host visitors on their land. Other countries have programs dedicated to supporting and

developing farmstays, such as the French 'Bienvenue à la Ferme' program, a network of 5,200 guest farms throughout the country. For Minnesota farm families, a farmstay can help diversify farm income as well as provide a means for farmers to share their love of the land and farming with others.

Definition:

"A Minnesota farmstay is a paid, overnight, guest accommodation on a working farm or on managed forestland where the farm family is actively engaged in the working of the land."

Creative farmers offer a variety of Minnesota farmstays—from an attractively repurposed and refinished brooder house (yes, a shed originally used to raise baby chicks) in Montevideo, to a wilderness yurt on the Gunflint Trail, to a well-appointed suite in a farmhouse in Montrose.

¹ A person-visit represents one person staying in one accommodation for one or more nights, or on a day trip away from home.

² Chafe, Z. and Honey, M. Center on Ecotourism and Sustainable Development (CESD) and The International Ecotourism Society (TIES) CESD/TIES Working Paper No. 104, Revised April 2005

³ Travel Industry Association of America (TIA) and National Geographic (2002) (www.tia.org/pubs/GeotourismPhaseFinal.PDF)

Is Operating a Farmstay for Me?

Creating a farmstay requires that you ask and honestly evaluate many questions: Do I have the personality for this? Does my local zoning ordinance allow this sort of thing? How will I attract visitors? How much time can I devote to accommodating guests? How much money do I need to clear to make it worth the investment? How can I maintain my family's privacy?

Several dimensions need to be considered when contemplating starting a farmstay. They include personal, regulatory, and business feasibility:

- Personal feasibility refers to whether you and your family have the skills and temperament to deal with regular guests on your farm. It also includes your relationships with neighbors and how they might react to having new people on your farm.
- Regulatory feasibility refers to the rules and regulations that you will need to learn about and comply with if you want to start a farmstay.
- Business feasibility refers to the economic and operational aspects of a farmstay. Is it likely to generate positive revenues, and ultimately, add to the profitability of your farm?

This Farmstay Manual will address each of these aspects and go into considerable detail on some of them. Keep in mind, however, that starting a farmstay need not be a monumental undertaking. With relatively few hurdles, you can start a simple operation and build incrementally from there.

Beyond reading this manual, one of the best things you can do if you want to learn more about starting and operating a farmstay is to visit other farmstays.⁴ A night in a couple different types of farmstays will give you an opportunity to observe how others approach their business. Owners, if given advanced notice of your interest, will likely be willing to share their experiences as operators and discuss issues that they have encountered.

Also, keep your eyes out for special workshops that might be helpful. MISA hosts a listserv where events of this kind are announced and Explore Minnesota has a bi-weekly newsletter called EMT Express that provides information to the tourism industry.

⁴ Visit www.farmstayus.com, www.greenroutes.org, or the Minnesota Bed and Breakfast Association www.minnesotabedandbreakfasts.org (search by amenity and check working farm) to find farmstays.