

Preserving Your Land

Together with their tenants, these PFI farmland owners are making changes that encourage conservation and beginning farmers

Teresa Opheim

Fifty-four percent of the land in Iowa is farmed under landlord-tenant agreements, and given current trends, that percentage is sure to increase. As a result, absentee landowners are playing a key role in how Iowa's land is farmed and who is farming it.

With this article, PFI presents two members who are absentee farmland owners – Helen Gunderson and Soper Farms – committed to a future of profitable and diverse farms and healthy communities. Both are busy implementing their visions

them how to farm. They knew what they were doing, and they loved farming.”

Helen also is a farmland owner, and through the years she had put some of her

lease, which states that “it is the intent of the parties that at least 60 crop acres of this farm shall be farmed organically.” Last fall, Betsy starting moving one-third of the acres to organic by planting alfalfa and oats.

Helen particularly enjoys renting to a fellow woman. “When I was growing up, girls couldn’t take shop, they couldn’t be farmers themselves. To see a young woman in charge of my land is awesome.”

Increasingly, absentee landowners are choosing cash rent arrangements, but Helen bucked that trend and went with

a crop share agreement. With crop share, the crop and certain input costs are divided between the owner and operator. With cash rent, the operator makes a cash payment for the use of the property and pays all production costs and keeps the income.

“With Betsy being a young farmer and taking on risk, I thought that would be the best way to help. Plus the tax credit [with the Beginning Farmer Tax Credit Program] I received was much more significant if I used crop share.”

For the Beginning Farmer Tax Credit Program, agricultural landowners can earn

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Helen Gunderson



Betsy Dahl plants her fields

to help the next generation get started and to increase diversity on the landscape.

A Neat Match

Long-time PFI member Helen Gunderson began taking photos in Pocahontas County in 1989 for a project about her home territory, *The Road I Grew Up On*. As Helen was developing the project, she often saw Gary Dahl out working with some of the eight children he and wife Kathy have. “Sometimes his girls were out bailing with him,” Helen says. “Gary was teaching

land into the Conservation Reserve Program and made other habitat improvements. As she traveled the roads of corn and beans, though, she had often asked: Why can’t I have my land farmed sustainably?

Helen relies on farm income for her livelihood, and so she proceeded cautiously in making changes. Besides, she had longtime tenants whom she deeply respected. This year, however, she made a hard yet already satisfying choice to switch tenants and lease 220 acres (including 182 acres of tillable land) to one of the Dahl offspring, Betsy.

Helen and Betsy signed a five-year

Some Statistics and Questions

In 2007, 55 percent of the farmland in Iowa was owned by people over the age of 65, and a quarter (28 percent) of the land was owned by people over 75 years old. **How can we use the tremendous land turnover that will occur in the next decade to grow small and mid-sized farms?**

In 1982, leased farmland was equally divided between cash rent and crop share leases. By 2007, 77 percent of the leased land was leased using cash rent. **How can we increase the use of crop share leases to help lessen the risk for beginning farmers?**

About 48 percent of Iowa’s landowners do not operate any of the land they own. **How can we help landowners with no farm background understand the challenges of diversified farming and the need to help the new generation access land?**

-- Statistics from Duffy, Mike, *Farmland Ownership and Tenure in Iowa 2007* (ISU Extension Publication PM 1983, 2008) and the USDA, *Agricultural Economics and Land Ownership Survey*, 1999.

tax credit for leasing their land to beginning farmers. The tax credit is 5 percent of the rental income on cash rental agreements, and 15 percent of the value of the owner's share of the product on share agreements.

"This is a neat match here—I have a lot of respect for the Dahls. I have a good sense of their ability to think outside of the box. They've already transitioned 60 acres of their own to organic. This last year, Gary even paid for the family members plus their spouses to attend the PFI annual conference. There is a strong commitment to farming in that family. Plus it's not just a solo farmer, but children and in-laws interested in farming. [Like so many farm families, they could use more land to get the next generation started]. So many elements came together well here!"

Helen added, well satisfied: "Betsy wrote to me recently, 'Your land is such a treasure. The sunsets here are beautiful.'"

A Great Family Centerpiece

This past August, at Stout's Island Lodge in Wisconsin, more than 50 members spanning four generations of the Soper family traveled from Iowa, Indiana, California, and beyond to convene. They are all shareholders in Soper Family Farms and will be making decisions on the future of the farm corporation's 974 acres near Emmetsburg.

"The stockholder meeting really is equal parts family reunion and focus on the farms," according to Harn Soper, a semi-retired California businessman and President. Harn

grew up in Sioux City and Burlington, but spent the summers on the family farm. His father and aunts and uncles set up the farm corporation in 1955 as a way to support his grandmother. His father then managed the farms for 30 years.

Like many Iowa farming operations, Soper Farms used to be diversified and even supported a lamb slaughtering facility at one point. Today the land is used to grow corn and soybeans. "The land has been reduced to having no fencerows, no trees, or buildings with no room for nature," Harn says. "In early April our ground looked like a spent prize fighter, barren, exposed and exhausted, waiting for an injection of farm steroids (GMO seeds, nitrogen, Roundup) to make it through the next season."

Two years ago, Harn was elected President to manage the family side of the farm corporation. Soper Farms relies on Craig Brownlee of Brownlee Farm Management in Emmetsburg, so Harn's role could have been just writing checks and organizing the family reunion, um, stockholder's meeting. However, the family was interested in moving the farm toward sustainability, and Harn took on the task.

"The family told me to put a business plan together," Harn says. "So I've traveled around, visiting places like Blue Gate Farm [owned by PFI members Jill Beebout and Sean Skeeahan] and Hermansdorfer Farm in Bavaria, a 300-acre farm in Germany that supports 100 salaried people and includes pork production, a methane digester, restaurant, beer making facilities on site,



Harn Soper networks at the Runquist-Barnes PFI field day

and more. We signed up Joel Salatin, Jerry DeWitt from the Leopold Center and Sarah Carlson and Eric & Anne Franzenburg from PFI to attend this summer's business meeting to round out an outstanding panel to teach us about sustainable farming. It was electric!"

As a result, the family unanimously agreed to transition 400 acres of its holdings to organic production beginning this fall. Working with their farm manager, they found a father and three sons experienced in organics to work the land. The Sopers are exploring other options for the rest of the acres, including cover crops, year-round

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Details on One Landowner's Transition to Organic

... The Fehr family from West Bend, Iowa (20 minutes from Emmetsburg) will farm the ground and keep all the records necessary to pass organic certification for the 2012 crop year. During the first two transition years, the Fehrs will be paid for their services and Soper Farms Inc. (SFI) will absorb all the expenses and own 100% of the crops grown. Year 3, the Fehrs and SFI would shift to a 50/50 crop share similar to our current contracts with our conventional farming partners. The organic rotation model being proposed for Years 3 onward is organic corn, oats, alfalfa and clover.

The Numbers – Transitional Years 1 and 2 are expected to net \$83 per acre (corn/oats/clover) sold at conventional prices. This is compared to our current conventional GMO corn & beans practice

that would expect \$174.50 per acre.

Years 3 and 4 (two-year average) selling organic corn, oats and clover are expected to net \$287.00 per acre versus \$174.50 for conventional GMO corn & beans (\$112.50 higher). With this forecast, it will take approximately 3.3 years to catch up with the profits expected from conventional farming, at which point our profits are expected to be much higher.

The Markets – Contracts are available with companies producing organic livestock and corn chips. Brokers are in Minneapolis, Omaha and New York.

Observations – Forecasts are made using current commodity pricing. Organic corn prices are approximately double conventional GMO corn. This plan assumes conventional corn at 3.50/Bu and organic corn at 7/Bu. If GMO corn increases \$.50 to \$4/Bu and organic follows with a \$1 to \$8/Bu, organic profits increase twice as much as conventional GMO corn.

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Earl Hafner, Central IA

Uses cover for: Organic row-crop + cow/calf + hog production

The farm: 2,000 A organic row-crop + pasture + 250 cow/calf operation + hog manure from 7800-head/yr

1,000 acres are currently planted to a mix cereal rye and vetch

Species of choice: Winter rye, hairy vetch, winter wheat, buckwheat (summer)

Variety: Small grains and hairy vetch are grown and harvested on-farm

Reasons: FLEXIBILITY—can be planted as cover or harvested for grain or hay

Planting date: After soybean harvest incorporate lime + rock phosphate with a disk before broadcasting a mix of hairy vetch and cereal rye using an 8 ton spreader

Planting rate: 50lbs of seed/A

Kill method: Tillage is used to terminate the cover crops before



Cover crop of buckwheat on Earl Hafner's farm 09/12/09

planting

Excerpt: *Most farmers don't use cover crops because "they are ill informed about them. They are not willing to learn or be innovative enough to try new things live cover crops. They just go with the flow and do what has always worked".*

Kevin Green, SW IA

Uses cover for: Feedlot roughage

The farm: 2500 A Corn and Soybean + Beef feedlot

Species of choice: Winter triticale

Reasons: Hilly area, control soil erosion and water runoff, harvests 7 tons dry matter/A for cattle

Planting method: The local fertilizer company plants triticale with air-flow fertilizer spreader

Planting rate: 2bu/A

Kill method: Baling

Excerpt: *Advice after using turnips: "It was a wet spring and they did nothing to hold the soil. The cows never really acquired a taste for them either. The cows did eat them better after the bulbs were broken up and the anhydrous was put on. One advantage was you don't have to kill turnips like you do with triticale."*

Austin Nothwehr, SW IA

Uses cover for: Summer field repairs

The farm: 1000 A corn and soybeans + cow-calf operation + 250 head of ewes

Species of choice: Forage wheat and winter rye

Reasons: Protect vulnerable land and as a double crop

Planting date: Fall using a no-till drill

Planting rate: 100lbs/A

Kill method: Harvest hay and use glyphosate in the spring

Excerpt: *They planted cover crops on Labor Day after a summer terracing project 4 years ago. The following spring had heavy rainfall events (5 – 7 in.). Many neighboring terraces failed and some developed large holes. Cover cropped terraces held up and had very little erosion. They also harvested 75 big round bales from 20A. Soybeans planted after the hay cutting did very well.*

Wade Dooley, Central IA

Uses cover for: Following corn silage + grazing

The farm: 1200 A, 75% annual crops, 25% pasture + 120 head cow-calf operation

Species of choice: Winter rye, oats, tillage radish

Reasons: Grazing, place for cattle manure

Planting date: Mid-Sept following corn silage seed

Planting rate: ~56lbs/A rye; ~80lbs/A oats; ~10lbs/A tillage radish

Kill method: Mow close to the ground followed by tillage or chemical burndown

Excerpt: *When they plant their cereal, they try to get a seed bed without clods. Then they broadcast rye and follow with a drag which covers up the seed a little bit. They do not get the best germination but he says it is the cheapest method for them, and it seems to work well enough.*

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vegetables, and pasture-raised livestock. As the current transition progresses, they hope to bring local farmers experienced in these areas to the table for discussion and potentially for collaboration.

Harn stresses that further changes will only be made with family members' blessings. "We are a cohesive family and make decisions about the farm on consensus. The farm is a business," he says, "and the numbers we've run transitioning 400 acres to an organic corn, oats and clover rotation are impressive. Our expected return after 3 years should be \$112/acre higher than our current commercial corn & beans program."

For Harn himself, his stipend as President pales in comparison to his hours spent but becoming sustainable more than compensates. "I've never enjoyed a process more. The family

farm has been a great focus for us all," he says. "The farm is the centerpiece of our family reunions, I love going back to Emmetsburg and I love my family."

For more information, Soper Farms can be contacted via email through Harn at harnsoper@gmail.com.

Do you have other stories to tell about absentee landowners who are improving Iowa's sustainability? Please contact Teresa Opheim at teresa@practicalfarmers.org or (515)232-5661.

For more information on the Beginning Farmer Tax Credit Program, see: www.iada.state.ia.us/BFTC/index.html



The Soper family enjoys some tunes at their reunion