

How Business Cooperatives Can Help Entrepreneurs Access Farmland

March 10th, 2025 from 2:00 to 3:00 pm

Are you a farmer looking to share farmland for your agricultural production? Join this webinar to hear about the work of Extension's Center for Cooperatives and Community Development to help make land access more affordable and accessible to more of our Wisconsin residents. Mia Ljung, Community Development Extension Educator, and Kelly Maynard, Cooperative Development Specialist, will share their progress in creating "A Guide to Farmland Co-op Development."







Facilitator: Sara Tedeschi

Community Development Educator Community Food Systems Program University of Wisconsin Madison – Division of Extension





Speaker: Mia Ljung

Community Development Educator in Outagamie & Winnebago counties Community Food Systems Program University of Wisconsin Madison - Division of Extension





Extension UNIVERSITY OF WISCONSIN-MADISON OUTAGAMIE COUNTY WINNEBAGO COUNTY





Speaker: Kelly Maynard

Cooperative Development Specialist Center for Cooperatives University of Wisconsin Madison - Division of Extension



Center for Cooperatives DIVISION OF EXTENSION UNIVERSITY OF WISCONSIN-MADISON

Use Menti to answer:

What makes you curious about using a cooperative business structure to access farmland?

Use the QR code or the Menti-link in the chat.



What we'll explore with you today

- Farmland access background and grounding
- The cooperative business structure
- Types of food and farm cooperatives
- Examples of farms that own / operate land cooperatively
- Resources!
- \rightarrow You will receive a copy of this presentation

LET'S GO			
ADVENTURE			

Central farmland issues in the US

- → Land availability
- → Housing
- → Financing
- → Proximity to markets
- \rightarrow Climate change
- → Racism; Structural Discrimination
- → Wealth gap
- → Infrastructure and housing
- → Policy (eg zoning)
- → Soil quality
- → Lease insecurity
- → Farm transition
- → Student loan debt
- → Land access costs with other costs like health care, labor, childcare...

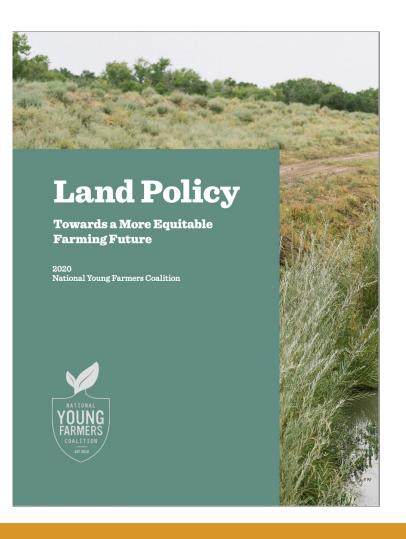
It's a winding road alright!



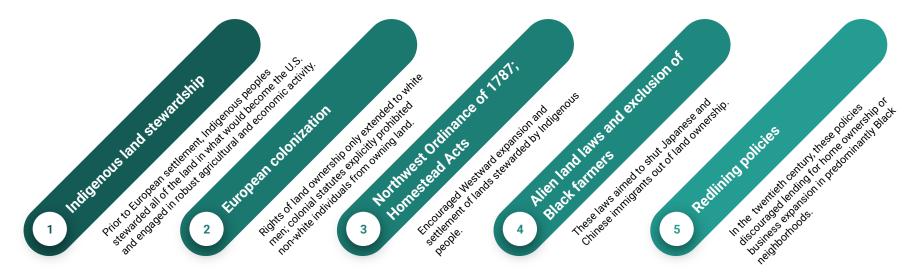
Looking back - moving forward

"Land is the foundation of nourishment, resiliency, and sovereignty. It is critical to the health and well-being of our environment, economy, and marginalized communities. The success of our climate action and our ability to grow nutritious food depend on it. Land is also deeply tied to the accumulation of wealth and political power, and its ownership is vastly unequal."

Source: <u>Land Policy: Towards a More Equitable Farming Future (</u>2020), National Young Farmers Coalition



Land access highlights in US history



"The legacy of using policy as a tool of dispossession continues today, shaping our food system and patterns of land ownership."

Sources:

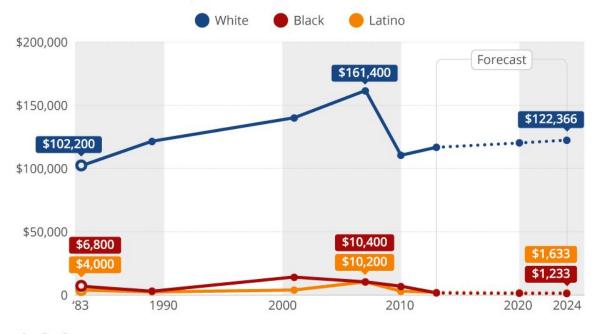
<u>Land Policy: Towards a More Equitable Farming Future (</u>2020), National Young Farmers Coalition <u>Celebrating Black History Month: The History of Black Cooperatives</u> (2023), Social Finance

The elephant in the room

What's farmland gotta do with the racial wealth gap?

Racial Wealth Inequality Is Rampant In The U.S.

Median household wealth by race/ethnicity in the United States (1983-2024)



(c) (i) (=) @StatistaCharts Source: Prosperity Now & Institute For Policy Studies



Farmland in WI

- High land conversion rate
- Limited farmland protection
- Estimated 40% of farmland will transition ownership in the next 15 years
- Farm numbers declining
- Land values increasing



Conversion of non-federal farmland to UHD and LDR land uses from 2001-2016. The threat to working farms and ranches is pervasive, often claiming the most productive, versatile, and resilient lands.

RELATIVE CONVERSION THREAT

HIGH

Wisconsin scored among the top states for the conversion of agricultural land to urban and highly developed (UHD) and lowdensity residential (LDR) uses.

RELATIVE POLICY RESPONSE

MEDIUM

Wisconsin scored in the middle of all states for policies and programs that protect agricultural land from development, promote farm viability, and facilitate the transfer of agricultural land.

HOW IS THIS STATE DOING?



Wisconsin is in an orange box because its conversion threat is higher than its policy response, relative to other states. Learn more at <u>www.farmland.org/</u> <u>farmsunderthreat</u>

Who is farming?

- Increase of beginning farmers/ranchers
- Increase of Black farmers in WI
- Average age: 58 in US | 57 in WI
- White farmers: in US 95% | in WI 99%
- Women: 36% of producers in US and WI

Sources: 2022 Census of Agriculture

<u>WIndicator: Wisconsin Farming: Insights From The 2022 Census Of Agriculture</u> (2024)



WINDICATORS WISCONSIN FARMING: INSIGHTS FROM THE 2022 CENSUS OF AGRICULTURE

VOLUME 7, ISSUE 1

APRIL 2024 By JEFF HADACHEK AND STEVEN DELLER

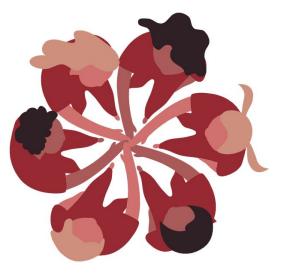
Every five years the United States Department of Agriculture (USDA) undertakes a detailed inventory of farming operations across the country. The most recent, the 2022 Census of Agriculture, aims to provide a detailed snapshot of the nation's farming economy, including information on farm demographics, production practices, land use, and economic trends. The intent of this issue of Windicator is to provide an overview of recent trends in Wisconsin farming using the Census of Agriculture. We pay particular attention to the changes since the last Census in 2017 to understand trends in key metrics for Wisconsin agriculture with some references to longer term trends (1997 to 2022).

NUMBER OF FARMS AND DAIRIES

The 2022 Census revealed the continuation of a longer-term trend of the decline in the number of Wisconsin farms. From 1997 to 2007 the number of Wisconsin farms was relatively stable with modest declines, but after 2007 the pattern of steady decline returned (Figure 1). In 2022 there were 58,521 farms in Wisconsin, a decline of 9.7%

Cooperative business structures can address :

- □ Affordability
- Shared risk
- Group support
- Non-family succession
- Equity building



What is a cooperative?

A cooperative is an ENTERPRISE that is owned and democratically controlled by the people who use its services.

- Member owned
- Member controlled
- Members benefit



In Wisconsin we have two statutes under which most cooperatives incorporate, Chapter 185 and Chapter 193.

When you say cooperative ...

- How are you cooperating?
- Who owns it and how is ownership established?
- What goods or services is the cooperative providing to its member-owners?
- Who makes decisions?
- What legal structure are you using?



Land Cooperative

• Who owns the co-op?

A group of farm businesses (new or already established)

• What does the co-op offer its owners?

Land on which to operate their farm businesses, possible sharing of other infrastructure and tools/equipment

• What does the co-op own?

The land (hopefully), and possibly other infrastructure or assets

• Who makes the decisions?

Either all of the member-owners, or an elected board

- Can it have non-member farm occupants? Potentially, likely on a rental basis
- Examples: structurally like a housing cooperative



Worker Cooperative Farm

• Who owns the co-op?

The primary group of people working the farm together who meet the equity and other membership requirements

• What does the co-op offer its owners?

Employment on the farm, and equity in the assets owned by the co-op

• What does the co-op own?

The singular farm business and any of its assets

• Who makes the decisions?

Either all of the member-owners, or an elected board

• Can it have non-member farm occupants?

Yes, for example more seasonal or part-time employees

• Examples: Humble Hands Harvest (IA), Rocky Steady Farm and Flowers(NY), New Roots Cooperative Farm (ME)



Other Cooperative Models

• Community/Consumer owned

Glen Valley Organic Farm Cooperative (BC) with two farm businesses leasing the land and operating

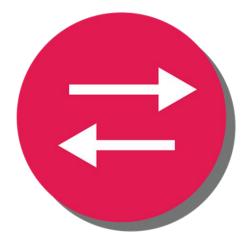
- Multistakeholder (multiple types of owners) Our Table Cooperative (farm workers, other farms, consumers)
- Real Estate Investment Cooperative

Farmers Land Investment Cooperative in Iowa



Considerations and Questions

- What do I want to do with the land? What are my goals?
- What do others I know want to do on the land? What are their goals?
- What interests and goals do we have in common?
- Will people commit to working together?
- What financial resources do we each have?
- Are we seeking land ownership? Business ownership?
- Do we need housing too?



References & Recommended Reading

- ★ Breakdown of 2022 Census (2024), National Young Farmers Coalition
- ★ <u>Celebrating Black History Month: The History of Black Cooperatives</u> (2023), Social Finance
- ★ <u>Cooperative farming & accessing farmland together</u> (2022), Land for Good
- ★ <u>Cooperative Farming: Frameworks for Farming Together</u> (2018), Greenhorns
- ★ Farms Under Threat Report & interactive maps (2022), American Farmland Trust
- ★ I want to buy land with other people. How do we do this? (2024), Farm Commons
- ★ Just Transitions to Managed Livestock Grazing (2023), Grassland 2.0
- ★ Land Policy: Towards a More Equitable Farming Future (2020), National Young Farmers Coalition
- ★ Practical Tools & Advice When Starting a Co-op w/ Kelly Maynard (2024) The Collaborative Farming Podcast
- ★ <u>Start a Co-op</u>, UW Center for Cooperatives
- ★ Toward Land Justice: Actions White Farmland Owners Can Take (2024), Land for Good
- ★ <u>WIndicator: Wisconsin Farming: Insights From The 2022 Census Of Agriculture</u> (2024), UW-Madison

Organizations & technical assistance

Farmland Access Hub

Land for Good

Agrarian Trust

Farm Management Program, UW-Madison Extension

UW Center for Cooperatives

Community Food Systems Program, UW-Madison

Alternative lending & Capital

Dirt Capital

Iroquoi Valley Farmland Reit

Proofing Station







Up Next in the 2025 FEED WEBINAR SERIES



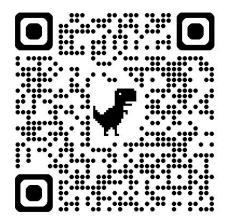
Developing Marketing Strategies for Sustainable Business Growth: The Case of Maple Producers





Food Safety in Wisconsin: Mobile and Transient Retail Food Establishment Licenses and Guidelines for Sampling

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