



# Growing Forward 2

A federal-provincial-territorial initiative

## BC Farmland Lease Workbook

*Assisting landowners and land seekers in preparing a farm land lease agreement*

# Introduction

Access to farmland is often one of the most prohibitive barriers for a new farmer. Purchasing farmland represents a long-term commitment – much longer than three to five years it can take to get a farm business up and running. Often, even if a new farmer is willing to invest in real estate, they will find themselves priced out of the real estate market. Farmland real estate prices across British Columbia are rising due to competing residential, recreational and other commercial values, outpricing the value of agriculture uses.

A lease agreement is an alternative method farmers can use to access farmland and reduce the strain of real estate investment on a new farm start up. Lease agreements are also beneficial to landowners who wish to see their land in active agricultural production. Many landowners will enter into lease agreements with new farmers so that their land can be actively farmed while they pursue other activities (retirement, other careers, etc). Lease agreements are also a helpful tool for landowners to vet potential buyers for their ability to viably maintain the farmland for agricultural use into the future, prior to transferring ownership.

Lease agreements are the most formal type of land access agreements, giving exclusive possession and usage of a property (or portion of property) to a tenant in exchange for rent. Lease agreements can be registered on title, giving tenants greater legal recognition and security. There will be many clauses in a lease agreement that will define the responsibilities of a landowner and tenants. A lot thought and conversation is required to create a lease agreement specific to each landlord and tenant relationship.

This toolkit is designed to facilitate a preliminary discussion between a farmland seekers and farmland owners. It is not a legal document, but it is designed to prepare both parties to enter into a legal agreement. By working through the questions in this workbook, you will have a better understanding of your own demands, expectations and limitations. By completing this workbook, you will also save time for a legal expert or third party advisor who may be assisting you, which saves valuable dollars on legal and consulting fees.

To begin this process, please download and print this workbook and follow the steps below:

## Step 1:

Fill out your section (land seeker or land owner) of the workbook to the best of your abilities. You may not be able to answer all of the questions, but do the best you can. Not all questions will be relevant to all situations. Note: farmland seekers should prepare a business plan for their farming ventures prior to entering into lease negotiations.

## Step 2:

Arrange to meet with the other party (land owner or land seeker) and review your answers to the questions in the workbook together. Compare results and determine where expectations match and where they differ. Begin discussions on issues that may need to be negotiated or further explored.

## Step 3:

Bring your workbooks to a lawyer for further advice and then begin drafting a legal agreement. A completed workbook from both parties will assist a lawyer in drafting a good lease agreement and will save both parties on costly legal fees by being well prepared.

## Further References:

- Guide for Agriculture Lease Agreements in British Columbia. 2014 Edition. BC Ministry of Agriculture: [http://www.agf.gov.bc.ca/busmgmt/bus\\_arrange/lease\\_pdf/Lease\\_Guide\\_10-2014.pdf](http://www.agf.gov.bc.ca/busmgmt/bus_arrange/lease_pdf/Lease_Guide_10-2014.pdf)
- Land Access Guide. Edition 2.0. Young Agrarians: <http://youngagrarians.org/young-agrarians-bc-land-access-guide-lease-license-templates/>
- Linking Land and Farmers: <http://llaf.ca/>
- New Farm Start Up Guide. BC Ministry of Agriculture: <http://www.agf.gov.bc.ca/regional/NewFarm/NewFarm.htm>

## Acknowledgements

Parts of this workbook were adapted from FarmStart & Everdale Environmental Learning Centre's Accessing Land for Farming in Ontario: a guidebook for farm seekers and farmland owners.

# For Land Seekers

## Section 1: Basic Information

Name:				
Mailing address:				
Phone number:				
Email:				
Are you a Canadian citizen or permanent resident?			Yes	No
Business Name:				
Business structure:	sole proprietorship	partnership	corporation	not yet registered
Is your farm business:		new business	existing business	
If this is an existing business, how many years has it been operation?:				
If this is an existing business, What were last year's gross sales?:				

## Section 2: The Land

Do you require access to a well or waterline?	Yes	No	Unsure			
Do you require potable water?	Yes	No	Unsure			
Do you require documentation of past activities that took place in the leasehold?	Yes	No	Unsure			
Do you require records of pesticide, fertilizer, or chemical applications on the leasehold?	Yes	No	Unsure			
Do you require documentation of waste disposal, septic fields, sewage lagoons and contaminated sites on the leasehold?	Yes	No	Unsure			
Do you require the land to hold current organic certification?	Yes	No	Unsure			
Do you require the land hold any other current certifications?	Yes	No	Unsure			
Do you require soil samples from the leasehold?	Yes	No	Unsure			
Do you cell phone reception on the leasehold?	Yes	No	Unsure			
Do you require the following utility connections:						
Sewer lines	Yes	No	Unsure			
Natural gas lines	Yes	No	Unsure			
Electrical lines	Yes	No	Unsure			
Curbside waste pickup	Yes	No	Unsure			
Phone lines	Yes	No	Unsure			
High speed internet lines	Yes	No	Unsure			
Do you require fencing in the leasehold?	Yes	No	Unsure			
What type of fencing?						
Wood	Barbed wire	High-tensile wire	Woven wire	Electric	Other	Unsure
Describe the size and function of the areas that will need to be fenced:						
Do you require any security systems on the leasehold? If so, describe:						

### Section 3: Farm Activities

What types of activities will you be conducting on the leasehold?:				
Animal Boarding	Yes	No	Unsure	
Apiculture	Yes	No	Unsure	
Aquaculture	Yes	No	Unsure	
Accommodations	Yes	No	Unsure	
Agritourism	Yes	No	Unsure	
Biosolids application	Yes	No	Unsure	
Chemical fertilizer application	Yes	No	Unsure	
Christmas trees	Yes	No	Unsure	
Dairy	Yes	No	Unsure	
Fairs and Festivals	Yes	No	Unsure	
Floriculture	Yes	No	Unsure	
Food Processing	Yes	No	Unsure	
Food Service	Yes	No	Unsure	
Forest seedlings	Yes	No	Unsure	
Forage production	Yes	No	Unsure	
Fuel Storage	Yes	No	Unsure	
Fruit, vegetable and herb production	Yes	No	Unsure	
Grain production	Yes	No	Unsure	
Greenhouse production	Yes	No	Unsure	
Livestock raising – extensive	Yes	No	Unsure	
Livestock raising – intensive	Yes	No	Unsure	
Marijuana production (legal)	Yes	No	Unsure	
Pesticide application	Yes	No	Unsure	
Turf production	Yes	No	Unsure	
Wild harvesting (describe):	Yes	No	Unsure	
Other (describe):				
Other (describe):				
Other (describe):				
Do you require the ability to remove trees in the leasehold?				
Yes	No	Only in emergency circumstances		
Who should be responsible for management or removal or manure from the leasehold?				
Tenant	Landlord	Shared		
Who should be responsible for the management or removal of waste from the leasehold?				
Tenant	Landlord	Shared		
Do you require the ability to spread manure, fertilizers, pesticides, or other chemicals on the leasehold?		Yes	No	Unsure
Do you require notice for the landlord to apply manure, fertilizers, pesticides, or other chemicals on or adjacent to the leasehold?		Yes	No	Unsure
Do you require the ability to erect signage on the leasehold?		Yes	No	Unsure
Do you require the ability to pursue organic certification?		Yes	No	Unsure
Are there general production practices or stewardship standards you intend to follow? Please describe:				

## Section 4: Access

Are there buildings or equipment that you require access to? Please describe:				
Are there time periods your access to the leasehold absolutely cannot be restricted? Please describe:				
Are there time periods during which you would like to be able to restrict access to the leasehold by others? Please describe:				
Under what circumstances can normal access to the leasehold be restricted? How much notice is required?				
How much notice to you require for landlord to enter the site and inspect the land and premises?				
What do you consider a reasonable frequency of landlord inspection of the leasehold?				
Daily	Weekly	Monthly	Quarterly	Annually
Aside from yourself, who else might access the leasehold?				
Friends & family	Yes	No	Unsure	
Contractors and service providers	Yes	No	Unsure	
Volunteers	Yes	No	Unsure	
Interns and employees	Yes	No	Unsure	
Customers	Yes	No	Unsure	
General visitors	Yes	No	Unsure	
Paying guests (B&B rentals, tour groups, etc)	Yes	No	Unsure	

## Section 5: Accommodations

Do you require housing on the leasehold?	Yes	No	Unsure
Do you require the ability to use a trailer or tent as temporary accommodations on the leasehold?	Yes	No	Unsure
In the absence of existing washroom facilities on the site, how do you propose to establish washroom facilities?			
Do you require parking space for vehicles in addition to your own personal vehicle? Please describe:			

## Section 6: Time Frame

How long should the term of the lease be?:			
At the end of the lease, should the agreement:			
Automatically renew if no complaints brought forward by either party	Yes	No	Unsure
Provide an option for renewal	Yes	No	Unsure
Provide an option for purchase	Yes	No	Unsure
How could the lease be terminated prior to its expiry date?			
Breach of contract	Yes	No	Unsure
Sale of land	Yes	No	Unsure
Notice with compensation	Yes	No	Unsure
Notice without compensation	Yes	No	Unsure
Extenuating circumstances, such as:			
Do you require the lease to be registered on title to ensure the agreement survives the sale of the land to a new owner?	Yes	No	Unsure

## Section 7: Financial

What form of payment for the lease is expected?			
Cash	Crop share	Labour	Other:
When will be payment be made and at what intervals?:			
Who is responsible for payment of:			
Property taxes	Landlord	Tenant	Shared
Fees and licensing	Landlord	Tenant	Shared
Utilities	Landlord	Tenant	Shared
Capital improvements	Landlord	Tenant	Shared
Legal fees associated with the lease agreement	Landlord	Tenant	Shared
If Farm Status under BC assessment is earned or maintained by your activities on the leasehold, do you expect to receive financial compensation?	Yes	No	Unsure
Are you willing to purchase general liability insurance for the business and list the landlord as third party insured?	Yes	No	Unsure

## Section 8: Other

Do you require mentoring support from the landlord?	Yes	No	Unsure
Do you require labour or other services from the landlord? Please describe:			
What compensation are you willing to provide for the landlord's labour and other contributed services?			
Is there anything else you would like a potential landlord to be aware of that has not been covered in this workbook?			

# For Landowners

## Section 1: Basic Information

Name:		
Mailing address:		
Phone number:		
Email:		
Are you a Canadian citizen or permanent resident?	Yes	No
Are you married?	Yes	No
Are there additional owners listed on title for the property	Yes	No

## Section 2: The Land

Legal description of the property:					
Do you have aerial photos or maps of the property?	Yes	No	Attached		
Does the intended leasehold an entire property or a portion of a property?	Portion		Entire		
If the intended leasehold covers a portion of the property, could you attach a sketch or map of the area?	Yes	No	Attached		
Size of the intended leasehold:					
Zoning of the intended leasehold:					
Does the intended leasehold fall within the boundaries of the Agricultural Land Reserve?	Yes	No	Partially		
Does the intended leasehold fall within the boundaries of any of restricted areas or special management zones?	Yes	No	Partially		
If so, please describe:					
How many hectares/acres of the intended leasehold are in production?:					
Describe the current production:					
How many acres of the intended leasehold are forested?:					
What is the fenced area of the intended leasehold?:					
What type of fencing?					
Wood	Barbed Wire	High-tensile wire	Woven wire	Electric	Other
What is the state of the fencing?					
Poor	Fair	Good	Excellent		
Does the leasehold have access to a well or waterline?	Well	Waterline	None		
Does the well or waterline provide potable water?	Yes	No	Unsure		
Can you provide recent water testing results?	Yes	No	Attached		
Do you have any knowledge of historical activities that took place in the leasehold?	Yes	No	Attached		
Is the leasehold fallow? If so, for how long?	Yes	No	Duration:		



Do you have records of pesticide, fertilizer, or chemical applications on the leasehold?	Yes	No	Attached
Are there any active or closed waste disposal, septic fields, sewage lagoons and contaminated sites on the leasehold? If so, please attach a map	Yes	No	Attached
Does the land hold any current organic certification?	Yes	No	Attached
Does the land hold any other current certifications?	Yes	No	Attached
Are the results of soil sample testing from the leasehold available?	Yes	No	Attached
What proportion of the property has of south facing exposure?:			
Describe the topography of the leasehold:			
Describe the routes of access to the leasehold:			
Describe any security measures that have been taken to protect the leasehold from trespassing, theft or natural disasters:			
Describe the extent of any noxious weed presence in the leasehold:			
Describe the extent of seasonal flooding issues in the leasehold:			
Does the leasehold have cell phone reception?	Yes	No	
Does the leasehold have the follow utility connections available:			
Sewer lines	Yes	No	
Natural gas lines	Yes	No	
Electrical lines	Yes	No	
Curbside waste pickup	Yes	No	
Phone lines	Yes	No	
High speed internet lines	Yes	No	
Will the tenant be sharing the use of these utilities with any other user?	Yes	No	

### Section 3: Farm Activities

What types of activities will you be permitted on the leasehold?:			
Animal Boarding	Yes	No	Unsure
Apiculture	Yes	No	Unsure
Aquaculture	Yes	No	Unsure
Accommodations	Yes	No	Unsure
Agritourism	Yes	No	Unsure
Biosolids application	Yes	No	Unsure
Chemical fertilizer application	Yes	No	Unsure
Christmas trees	Yes	No	Unsure
Dairy	Yes	No	Unsure

Fairs and Festivals	Yes	No	Unsure
Floriculture	Yes	No	Unsure
Food Processing	Yes	No	Unsure
Food Service	Yes	No	Unsure
Forest seedlings	Yes	No	Unsure
Forage production	Yes	No	Unsure
Fuel Storage	Yes	No	Unsure
Fruit, vegetable and herb production	Yes	No	Unsure
Grain production	Yes	No	Unsure
Greenhouse production	Yes	No	Unsure
Livestock raising – extensive	Yes	No	Unsure
Livestock raising – intensive	Yes	No	Unsure
Marijuana production (legal)	Yes	No	Unsure
Pesticide application	Yes	No	Unsure
Turf production	Yes	No	Unsure
Wild harvesting (describe):	Yes	No	Unsure
Are there any other activities that would not be acceptable in the lease? Please describe?			
Will the tenant require permission to remove trees in the leasehold?			
Yes	No	Except in emergency circumstances	
Who should be responsible for management or removal of manure from the leasehold?			
Tenant	Landlord	Shared	
Who should be responsible for the management or removal of waste from the leasehold?			
Tenant	Landlord	Shared	
Do you require the ability to spread manure, fertilizers, pesticides, or other chemicals on the leasehold or adjacent lands?	Yes	No	Unsure
Do you require notice for the tenant to apply manure, fertilizers, pesticides, or other chemicals to the leasehold?	Yes	No	Unsure
Is the tenant permitted to erect signage on the leasehold?	Yes	No	Unsure
Is there an opportunity for the tenant to pursue organic certification?	Yes	No	Unsure
Are there general production practices or stewardship standards the tenant must follow? Please describe:			

## Section 4: Access

Are there buildings or equipment that the tenant will have exclusive access to? Please describe:
Are there buildings or equipment that the tenant will have shared access to? Please describe:

Are there areas of the leasehold that will be off limit to the tenant? Please describe:				
Are there time periods your access to the leasehold absolutely cannot be restricted? Please describe:				
Are there time periods during which you would like to be able to restrict access to the leasehold by the tenant and others? Please describe:				
Under what circumstances can normal access to the leasehold be restricted? How much notice is required?				
How much notice are you willing to provide prior to entering the leasehold to inspect the land and premises?				
What do you consider a reasonable frequency of landlord inspection of the leasehold?				
Daily	Weekly	Monthly	Quarterly	Annually
Aside from the tenant, who may access the leasehold?				
Friends & family	Yes	No	Unsure	
Contractors and services providers	Yes	No	Unsure	
Volunteers	Yes	No	Unsure	
Interns and employees	Yes	No	Unsure	
Customers	Yes	No	Unsure	
General visitors	Yes	No	Unsure	
Paying guests (B&B rentals, tour groups, etc)	Yes	No	Unsure	

## Section 5: Accommodations

Is there housing available to the tenant on the leasehold?	Yes	No	Unsure
Can the tenant use an RV, trailer or tent as temporary accommodations on the leasehold?	Yes	No	Unsure
Are there washroom facilities that the tenant will have access to?	Yes	No	Unsure
Are there designated areas for vehicle parking?	Yes	No	Unsure

## Section 6: Time Frame

How long should the term of the lease be?:			
At the end of the lease, should the agreement:			
Automatically renew if no complaints brought forward by either party	Yes	No	Unsure
Provide an option for renewal	Yes	No	Unsure
Provide an option for purchase	Yes	No	Unsure
How could the lease be terminated prior to its expiry date?			

Breach of contract	Yes	No	Unsure
Sale of land	Yes	No	Unsure
Notice with compensation	Yes	No	Unsure
Notice without compensation	Yes	No	Unsure
Extenuating circumstances, such as:			
Are you willing to register the lease on title to ensure the agreement survives the sale of the land to a new owner?	Yes	No	Unsure

## Section 7: Financial

What form of payment for the lease is expected?			
Cash	Crop share	Labour	Other:
When will be payment be made and at what intervals?:			
Who is responsible for payment of:			
Property taxes	Landlord	Tenant	Shared
Fees and licensing	Landlord	Tenant	Shared
Utilities	Landlord	Tenant	Shared
Capital improvements	Landlord	Tenant	Shared
Legal fees associated with the lease agreement	Landlord	Tenant	Shared
If Farm Status under BC assessment is earned or maintained by the activities on the leasehold, will the tenant receive financial compensation?	Yes	No	Unsure
Do you require your tenant to hold general liability insurance for their business and to list you as third party insured?	Yes	No	Unsure

## Section 8: Other

Will you be available to provide mentoring support to the tenant?	Yes	No	Unsure
Will you be available to provide labour or other services to the tenant? Please describe:			
What form of payment is expected for your labour and other contributed services?			
Is there anything else you would like a potential tenant to be aware of that has not been covered in this work book?			