One Iowa county has decided that protecting the natural resources on their county-owned farm and showcasing it as an example of good land stewardship outweighs the financial benefits of taking top dollar per acre from a potential renter.

Allamakee County has owned their farm for well over a Century. It sits about two miles north of Waukon, the county’s seat and largest community, along busy Highway 9.

Following the 2014 crop year, the county’s three-year lease to a local farmer ended. Unhappy with the condition of the farm, the Board of Supervisors decided to make some changes.

A major issue the Board faced in the past was holding renters accountable for not following the conservation plan and other lease requirements. “Last year I went out there to look over the farm, and the terrace intakes were all gone and that is just total neglect,” said Board Member Dennis Koenig, also a farmer.

“It’s really hard for the county to go after a taxpayer who is leasing that ground,” said Koenig. “We have been reluctant to make an example out of anyone, even if they did violate the contract.”

Board Chairman Larry Schellhammer said it had been the group’s goal to word the lease in a way that avoided needing to take the renter to court if they violated the lease contract.

The Board decided that rewording the contract, along with adding some stipulations, would help hold a renter more accountable. Prior to advertising the new farm lease, the Board reviewed the lease and conservation plan at the local USDA Service Center in Waukon with Sara Berges, farm lease project coordinator with the Allamakee Soil and Water Conservation District. She suggested several options for establishing a better and closer working relationship with the renter, and ways to hold the operator more accountable.

**Requiring a Deposit**

Berges and the Board agreed that requiring a deposit upfront, similar to a home rental, would be a good way to hold a renter more accountable for maintaining the conservation practices on the farm and following other contract requirements. “We felt this was a novel way to express that we are serious about them following through on everything, or they wouldn't get their deposit back,” said Koenig.

Since the Board’s lease expectations were somewhat unique, they invited the six bidders in for a meeting to discuss their expectations and to answer questions. Schellhammer said the highest bidder pulled out and the second highest bidder was a no-show. In all, three bidders attended the meeting, which included Berges to help answer conservation-related questions.

Although the Board didn’t eliminate the no-show bidders from contention, it did send a message. “We explained to the three farmers who attended about our decision to require a deposit and what our expectations were,” he said. “They understood we meant business, and frankly we were impressed with some of their proposals.”
Accepting a Lower Bid
In the end, the three-member Board of Supervisors voted, in a 2-1 decision, to accept a bid $100 less per acre. The new renter, Dave Einck, will be entrusted with following a newly scripted conservation plan and other requirements through a three-year lease to farm 186 acres.

Accepting thousands of dollars less annually for rent on the county farm didn’t go unnoticed from some community members, and the Board recognized their decision would be controversial to some.

“It took a lot of courage for the Board of Supervisors to stand up and do what they did,” said Einck. “They knew they would get backlash from some people for accepting a lower bid.”

Some area farmers suggested the Board’s decision to accept less rent would hurt their chances of getting high rent for their cropland. Koenig said landowners even approached the county attorney about the legality of the Board accepting a lower bid.

Schellhammer said they were prepared for the worst at a Board of Supervisors meeting to announce the winning bid. “When we explained the process of our decision and why we voted the way we did, people who were there to comment didn’t say much,” he said.

“We could have taken a higher bid and not caught hell from anybody,” said Koenig, “but with commodity prices the way they’re dropping, we may have needed to renegotiate the three-year contract before it was up.”

A Realistic Bid
After meeting with his agronomist and seed dealer, Einck said the Board was requiring management practices similar to what he is already doing. “To be honest, the farm was in awful condition,” he said. “There was no herbicide used last year, so weeds were terrible this year. I had to spray beans three times, and the volunteer corn was out of control.”

“It will be a work in progress. Hopefully next year will be better,” said Einck. “I don’t think the weeds will be as bad as they were this year, but I knew going in the first year was going to be rough.”

Einck’s farm is only about a mile from the county farm, and he actually rented the farm for a six-year stint in the 1990s. “It’s a very nice farm that lays nice with good soil, so when I had the opportunity to rent it again, I thought ‘why not?’”

District Conservationist LuAnn Rolling, with USDA’s Natural Resources Conservation Service, says Einck has a reputation as a good land steward. “Dave has terraces on his farm, buffer strips, he farms on the contour, and practices reduced tillage with some no-till,” she said. “He’s been doing a good job for many years.”

Schellhammer said the Board’s goal was to get the farm back in good condition, and he feels that will happen with Einck. “Good farmland still gets top dollar,” he said, “but if you let it get beat up and beat up, the value goes down. We feel the value of that cropland will increase with the right farmer cropping it.”

For more information about conservation planning, practices and programs for your farm, visit your local USDA Service Center, or go online to www.ia.nrcs.usda.gov.