

## **Sample Cropland Rental Agreement** **With Conservation Options**

**THIS DOCUMENT IS MEANT AS A SOURCE OF GENERAL INFORMATION ONLY AND SHOULD NOT BE CONSTRUED OR RELIED UPON AS LEGAL ADVICE. IT IS TO BE USED IN CONJUNCTION WITH, AND IS NOT INTENDED TO TAKE THE PLACE OF, THE ADVICE OF INDEPENDENT LEGAL COUNSEL.**

Landowners interested in leasing their land to farmers should remember that farming involves a variety of activities and uses. It is important to talk to farmers who want to use your land to gain an understanding of the activities and uses they're planning for your land.

Many farm land lease arrangements never progress beyond a conversation and a handshake. Such oral farm land lease arrangements are risky ... as problems can arise with legal enforceability and disputes over rights and obligations.

A written farm land lease agreement, executed by the landowner and farmer, is a best practice. Such is a contract that provides legally binding rights, obligations and remedies ... and brings certainty to the farm land lease arrangement.

Exhibit B provides the landowner the opportunity to select additional permitted uses and use restrictions which are greater than the regulatory minimums and which may provide additional protection to the natural resources of the landowner's property.

The Sample Cropland Rental Agreement will be available on the Door County Soil & Water Conservation Department website: <http://map.co.door.wi.us/swcd/>. The SWCD website will include the Agreement as both a pdf document which can be printed and completed by hand and a document for completion in Microsoft Word.



FARM LAND  
LEASE AGREEMENT

This agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_ by and between \_\_\_\_\_ ("Landowner") and \_\_\_\_\_ ("Farmer").

Whereas, Landowner owns and controls Parcel Identification Number(s) \_\_\_\_\_, situated at \_\_\_\_\_, Wisconsin ("Leased Land") and possesses the power and authority to grant certain rights and privileges with respect thereto, including those set forth in this agreement; and

Whereas, Farmer desires to lease land from Landowner for the purpose(s) of soil cultivation and crop production and \_\_\_\_\_; and

Whereas, Landowner agrees to lease to Farmer and Farmer agrees to lease from Landowner the Leased Land. The Leased Land is further described in *Exhibit A* (attached hereto and incorporated herein by reference as if set forth in full).

NOW, THEREFORE, in consideration of the covenants, terms, and conditions set forth herein, the parties agree and covenant as follows:

1. The term of this agreement shall be for a period of \_\_\_\_ ( ) years commencing on January 1, \_\_\_\_\_, and terminating on December 31, \_\_\_\_\_, unless sooner terminated in accordance with the terms of this agreement.

This agreement may be renewed for an additional \_\_\_\_ ( ) year period upon the prior mutual written consent of the parties. Any such renewal may, at Landowner's option, include an upward adjustment of rent.

2. Farmer shall pay Landowner the sum of \$ \_\_\_\_\_ per tillable acre in \_\_\_\_\_ respectively as and for rent. The tillable acreage is \_\_\_\_\_ acres, and therefore the total rent for is \$ \_\_\_\_\_. Payment shall be made in advance and on or before the 1st day of January each year of the agreement's term. Payment, in the form of a check or money order payable to the "Landowner", must be mailed or delivered to the Landowner at \_\_\_\_\_, \_\_\_\_\_, Wisconsin \_\_\_\_\_ on or before the due date. In the event payment is not made on or before the due date a late charge of \$ \_\_\_\_\_ shall be paid by Farmer to Landowner. In the event Farmer is delinquent for a period of thirty (30) days or more in paying to the Landowner any monies due and owing to the Landowner pursuant to this agreement, Landowner may, at Landowner option, terminate this agreement. Farmer shall pay Landowner a returned check fee of \$ \_\_\_\_\_ for each of Farmer's returned checks. Farmer shall pay to Landowner interest thereon at the rate of eighteen percent (18%) per annum from the date payment was due until full payment is made for any amount due and owing after termination of this agreement.
3. Landowner hereby grants Farmer the privilege of using the Leased Land for the purpose(s) of soil cultivation and crop production and \_\_\_\_\_ in accordance with the requirements set forth in *Exhibit B* (attached hereto and incorporated herein by reference as if set forth in full), and for no other purpose.

4. Farmer shall cultivate the soil and produce crops and \_\_\_\_\_ on the Leased Land in a conservation oriented, professional, and sound manner ... in accordance with any requirements imposed by the Door County Soil and Water Conservation Department, Wisconsin Department of Natural Resources, Wisconsin Department of Agriculture, and the United States Department of Agriculture ... and as specified in Paragraph 3. *supra*.
5. Application of manure (i.e., livestock excreta generated by Farmer's livestock operation or \_\_\_\_\_) to the Leased Land is permissible with prior notice to and written consent of the Landowner, *provided* such is done at the proper time, using proper management techniques, and in proper amounts ... in strict compliance with all applicable regulations (e.g., Ch. 23, Door Landowner Code; Ch.'s ATPC 50 & NR 151, Wis. Adm. Code; NRCS 590). Farmer is responsible for any property damage (e.g., including aquifer and well contamination) caused by manure application activities (e.g., transportation, storage, spreading, and seepage of manure). (See paragraph 30, Exhibit A and Exhibit B.)
6. Farmer has no right to exclusive possession of any portion of Landowner's property.
7. Landowner shall at all times have free access to and use of the Leased Land.
8. When Farmer no longer desires to continue farming or this agreement is terminated, Farmer agrees to plant cover crop (e.g. tall fescue) or leave cover crop (e.g. alfalfa) \_\_\_\_\_.
9. Any action of the Landowner which materially and substantially interferes with Farmer's ability to cultivate the soil and produce crops and \_\_\_\_\_ on the Leased Land shall serve as grounds for termination of this agreement by Farmer.
10. Farmer shall not do, permit or suffer any waste or damage to the Leased Land.
11. Farmer shall not use the Leased Land in a manner that would violate any federal, state, or local law, ordinance, rule, or regulation.
12. Farmer shall observe and comply with all federal, state, or local laws, ordinances, rules, or regulations applicable to the Leased Land which are now in effect or are hereafter promulgated.
13. Farmer shall observe and comply with all applicable federal, state, and local laws, ordinances, rules and regulations concerning the handling and disposal of hazardous materials.
14. Landowner may terminate this agreement if the Farmer fails to perform any covenant or obligation set forth in this agreement and Landowner provides ten (10) days written notice to Farmer of such failure and of Landowner's intention to terminate this agreement.
15. Landowner may terminate this agreement at any time if it is determined by the Landowner that the Leased Land is required for development or any other reason. In the event this agreement is terminated for purposes of Leased Land development or other reason Landowner shall: reimburse Farmer a pro rata share of rent paid; reimburse Farmer for any resulting damage to crops; and shall reimburse Farmer any resulting reasonable expenses.
16. Upon termination of this agreement, by lapse of time or otherwise, Farmer shall immediately surrender possession of the Leased Land to Landowner in good condition. In the event Farmer shall holdover, Landowner shall be entitled to payment from Farmer of a holdover fee of \$\_\_\_\_\_ per month. Any holdover by Farmer shall be construed to be a tenancy from month to month.

17. The waiver by a party of any breach or failure of the other party to perform any covenant or obligation contained in this agreement shall not constitute a waiver of any subsequent breach.
18. Nothing contained in this agreement shall be deemed or construed by the parties nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties.
19. The covenants, agreements and obligations contained in this agreement shall extend to, bind, and inure to the benefit of the parties and their representative, successors and assigns.
20. If any covenant, condition, provision, or term of this agreement is held to be invalid or unenforceable by a court of competent jurisdiction, the remaining covenants, conditions, provisions, and terms of this agreement shall not be affected thereby, but each covenant, condition, provision, or term of this agreement shall be valid and in force to the fullest extent permitted by law.
21. Farmer irrevocably submits her/him/itself to the original jurisdiction of the Circuit Court, County of Door, State of Wisconsin, or, if subject matter jurisdiction otherwise exists, the U.S. District Court, Eastern District of Wisconsin, with regard to any controversy arising out of, relating to, or in any way concerning this agreement.
22. This agreement shall be subject and subordinate to existing or future federal, state or local laws, codes, regulations, ordinances, rules and orders relative to the development, construction, operation, or maintenance of the Leased Land.
23. Farmer shall, in order to protect her/him/itself as well as the Landowner, at all times during the term of this agreement keep in force insurance policies issued by a company authorized to do business in Wisconsin and licensed by the Office of the Commissioner of Insurance as follows:
  - *Comprehensive General Liability*: One million dollars (\$1,000,000) combined single limit (i.e., up to one million dollars [\$1,000,000] per occurrence for bodily injury or property damage arising out of single loss, with no sub-limits). This coverage must be written on an "occurrence" basis and shall cover all risks incident to any activity of Farmer under this agreement.
  - *Motor Vehicle Liability (Including Uninsured Motorist Coverage and Uninsured Motorist Coverage)*: One hundred thousand dollars (\$100,000) each person, three hundred thousand dollars (\$300,000) each accident, and twenty five thousand dollars (\$25,000) property damage each accident.
  - *Workers Compensation*: If and as required by the State of Wisconsin.

Farmer shall furnish certificates of insurance to the Landowner evidencing the risks insured against and the limits of liability thereunder.

Landowner shall be named an additional insured or loss payee. Farmer shall furnish Landowner additional insured or loss payee endorsement(s).

Insurance policies must not contain pollution (or other) exclusions that will operate to preclude coverage for injuries or damages resulting from manure.

Farmer acknowledges that her/him/its indemnification liability to Landowner is not limited by the limits of any insurance coverage.

24. Farmer agrees to defend, indemnify and hold the Landowner completely harmless from and against any and all claims arising by or resulting from Farmers use of the Leased Land, or the acts or omissions of the Farmer, Farmer's officers, agents, employees, contractors, or licensees. This section shall survive expiration of this agreement.
25. Farmer shall not assign her/him/its rights or privileges under this agreement without the prior written consent of the Landowner.
26. Farmer shall not cause or permit any lien or encumbrance to attach to or be placed upon the Landowner's title or interest in the lease land.
27. Farmer shall not make any alterations, additions, or improvements to the Leased Land without the prior written consent of the Landowner.
28. Farmer shall not enroll the Leased Land in any federal, state, or local government program without the prior written consent of the Landowner.
29. This agreement constitutes the entire agreement between the parties with respect to the subject matter of this agreement. Any amendments, changes, or modifications of this agreement shall be effective only when made in writing and executed by the parties.
30. Exhibit A and Exhibit B are attached hereto and incorporated herein by reference as if set forth in full. The provisions of this Lease Agreement and Exhibit B shall be harmonized to give full force and effect to each wherever possible. In the event of an irreconcilable conflict, Exhibit B controls.

Accepted and agreed to this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Farmer)

Signature of (Farmer) witnessed this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Witness)

Accepted and agreed to this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Landowner)

Signature of (Landowner) witnessed this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Witness)



## **Exhibit B - Permitted Uses and Use Restrictions**

Select the practices that should be followed as a guideline to the operator for crop production purposes. If the option is not applicable to the agreement, check the box labeled N/A.

**Keep in mind that any practice that is selected in the checklist is an addition to all applicable regulations (e.g., Ch. 23, Door County Code, Ch.'s ATCP 50, NR 151 & NR 243, Wis. Adm. Code, NRCS 590) and does not eliminate any requirements of those regulations.**

Definitions of terminology utilized are available in the attached "Glossary" on page 9 & 10.)

### **1. NUTRIENT APPLICATION PRACTICES**

#### **a.) Acceptable Forms of Nutrients for Application (Check all that apply)**

- |                                       |                                                |
|---------------------------------------|------------------------------------------------|
| <input type="checkbox"/> Animal Waste | <input type="checkbox"/> Industrial Waste      |
| <input type="checkbox"/> Bio solids   | <input type="checkbox"/> Commercial Fertilizer |

### **2. ANIMAL WASTE PRACTICES**

#### **a.) Acceptable Forms of Animal Waste for Application (Check all that apply)**

- Liquid
- Solid (dry-bedded)
- None

#### **b.) Acceptable Times of Year for Animal Waste Application (Check all that apply)**

- |                                               |                                                                               |
|-----------------------------------------------|-------------------------------------------------------------------------------|
| <input type="checkbox"/> April – June         | <input type="checkbox"/> December – March                                     |
| <input type="checkbox"/> July – August        | <input type="checkbox"/> At no time when soils are frozen and/or snow covered |
| <input type="checkbox"/> September – November |                                                                               |

#### **c.) Animal Waste Application Rates per Application**

- 590 standards/NR 243 standards
- No more than 75% of the 590/243 allowable rate
- No more than 50% of the 590/243 allowable rate
- No More than 25% of the 590/243 allowable rate

#### **d.) Minimum Animal Waste Application Setbacks from Concentrated Flow Channels**

- 590 standards/NR 243 standards (See Glossary "Item 2-d")
- 40' setback
- 60' setback
- 80' setback

#### **e.) Minimum Animal Waste Application Setbacks from Direct Conduits to Groundwater**

- 590 standards/NR 243 standards (See Glossary "Item 2-e")
- 250' setback
- 500' setback

#### **f.) Animal Waste Incorporation Timing**

- |                                                         |                                                           |
|---------------------------------------------------------|-----------------------------------------------------------|
| <input type="checkbox"/> N/A                            | <input type="checkbox"/> Same calendar day as application |
| <input type="checkbox"/> Within 24 hours of application | <input type="checkbox"/> Within one hour of application   |

**g.) Animal Waste Application Prohibited if Precipitation by National Weather Service is Predicted Within**

- N/A
- 12 hours
- 24 hours
- 48 hours

**h.) Minimum Depth to Bedrock and/or Groundwater Water Table/Saturated Soils at Time of Animal Waste Application**

- N/A
- 24 inches
- 36 inches
- 48 inches
- 60 inches

**3. TILLAGE PRACTICES**

**a.) Minimum Tillage Buffer Prior to Animal Waste Application from outer edge of Concentrated Flow Channels**

- N/A
- 30' tillage buffer
- 40' tillage buffer
- 50' tillage buffer

**b.) Minimum Tillage Setback from outer edge of Concentrated Flow Channels**

(IF a tillage buffer is selected in 3.a., the tillage setback in 3.b. must be a lesser distance.)

- N/A
- 20' tillage setback
- 30' tillage setback
- 40' tillage setback

**c.) Minimum Tillage Buffer Prior to Animal Waste Application from Direct Conduits to Groundwater**

- N/A
- 40' tillage buffer
- 50' tillage buffer
- 60' tillage buffer

**d.) Minimum Tillage Setback from Direct Conduits to Groundwater**

(IF a tillage buffer is selected in 3.c. the tillage setback in 3.d. must be a lesser distance.)

- N/A
- 30' tillage setback
- 40' tillage setback
- 50' tillage setback

**e.) Minimum Tillage Setback from Field Edge of Roadside Ditches**

- N/A
- 5' tillage buffer
- 10' tillage buffer
- 15' tillage buffer

**4. OPERATIONS**

**a.) Field Work Time Prohibited; Heavy Equipment Operation**

- N/A
- Weekday (Mon–Fri) time restrictions: \_\_\_\_\_
- Weekend (Sat-Sun) time restrictions: \_\_\_\_\_
- Specific dates/times: \_\_\_\_\_

**b.) Field Work Time Prohibited; Animal Waste Application**

- N/A
- Weekday (Mon-Fri) time restrictions: \_\_\_\_\_
- Weekend (Sat-Sun) time restrictions: \_\_\_\_\_
- Specific dates/times: \_\_\_\_\_



## Glossary

**Animal Waste Incorporation** - The mixing of animal waste with the topsoil or residue or subsurface placement of nutrients with topsoil by such means as injector, disc, sweep, mold-board plow, chisel plow, or other tillage/infiltration methods. Nutrients shall not run off the field or drain to subsurface tiles during application.

**Biosolid** - The nutrient-rich organic materials resulting from the treatment of sewage sludge.

**AFO (Animal Feeding Operation)** – An agricultural operation where animals are kept and raised in confined situations. AFOs congregate animals, feed, manure and urine, dead animals, and production operations on a small land area. Feed is brought to the animals rather than the animals grazing or otherwise seeking feed in pastures, fields, or on rangeland.

**CAFO (Concentrated Animal Feeding Operation)** – A farm operation is defined as a concentrated animal feeding operation, or CAFO, if it meets the definition of an AFO (above) and also confines more than 1,000 animal units (1,000 animal units is equal to 2,500 swine; 100,000 broilers; 700 dairy cows; or 1,000 beef steers).

**Commercial Fertilizer** - A manufactured chemical mixture prepared for use as fertilizer as distinguished from such natural substances as farm manures.

**Concentrated Flow Channel** – A natural or constructed channel that has been shaped or graded and has established perennial vegetation for the stable conveyance of runoff. This definition may include non-vegetated channels caused by ephemeral erosion. These channels include perennial and intermittent streams, drainage ditches, and drainage ends identified on the NRCS soil survey and not already classified as Surface Water Quality Management Areas (SWQMAs). Concentrated flow channels are also identifiable as contiguous up-gradient deflections of contour lines on the USGS 1:24,000 scale topographic map. The path of flow to surface water or direct conduits to groundwater must be documented.

**Direct Conduit to Groundwater** - Wells, sinkholes, swallets (a sinkhole or rock hole that intercepts a stream, diverting all or a portion of it to the groundwater), fractured bedrock at the surface, mine shafts, non-metallic mines, tile inlets discharging to groundwater quarries, or depressional groundwater recharge areas over shallow fractured bedrock. For the purpose of nutrient management planning, these features will be identified on the NRCS soil survey and/or USGS 1:24,000 scale topographic map, or otherwise determined through on-site evaluation and documented in a conservation plan.

**Dry-bedded or solid animal waste** – Animal waste that does not flow under pressure, cannot be transported through a liquid pump and contains bedding.

**Grassed Waterway** - A broad, shallow, parabolic shaped channel designed to move surface water across farmland without causing soil erosion.

**Industrial Waste** – Typically byproduct wastewaters from food processing facilities. These wastes shall not have detrimental effects on soils, crops or groundwater, and shall have beneficial properties as a soil conditioner or fertilizer.

### **Item 2-d:**

**590 Standards** - No setback requirements for animal waste applications from concentrated flow channels. The standard strictly states that animal waste cannot be applied directly over a concentrated flow channel.

**NR 243 Standards** - Animal waste applications must be setback at a minimum of 25 feet during optimal spreading conditions with immediate nutrient incorporation. Animal waste applications that take place on frozen or snow covered ground can be restricted to the point of no application depending on field slope.

**Item 2-e:**

**590 Standards** – Animal waste applications must maintain a setback of 200 feet upslope of areas contributing runoff to direct conduits to groundwater unless the nutrients are incorporated into the soil within 72 hours of application.

**NR 243 Standards** – Animal waste applications must maintain a setback of 100 feet from direct conduits to groundwater. Animal waste applications that take place on frozen or snow covered ground can be restricted to the point of no application depending on field slope.

**Nutrient Management Plan** - A strategy for obtaining the maximum return from on and off-farm fertilizer resources in a manner that protects the quality of nearby water resources.

**NR 243** – Addresses design standards, accepted management practices and establishes permit requirements and the basis for issuing permits to CAFOs in regards to animal waste and other soil amendment storage, handling and discharge.

**NRCS 590 Standard** – Managing the amount, source, placement, form, and timing of the application of animal waste and other nutrients and soil amendments. This standard is the minimum required for all farmers in Wisconsin.

**RUSLE (Revised Universal Soil Loss Equation)** – An erosion prediction technology used to estimate rates of soil erosion caused by rainfall and associated overland flow.

**Sewage** The solid, semisolid or liquid untreated residue generated during the treatment of domestic sewage in a treatment facility or septic system.

**Sinkhole** - A cavity in the ground, especially in limestone bedrock, caused by water erosion and providing a route for surface water to disappear underground.

**T (Tolerable Soil Loss)** – The theoretical maximum rate of soil erosion, in tons per acre per year, allowable for particular soils and site conditions that will maintain soil productivity.

**Tillage Buffer Prior to Animal Waste Application** – An area of cropland where the soil is worked up prior to animal waste applications. Buffer zones slow animal waste runoff, and provide an area where runoff can permeate the soil. Examples of where tillage buffers are useful include direct conduits to groundwater and concentrated flow channels.

**Tillage Setback** – An area where tillage is prohibited in order to protect stream banks and other land features from erosion, and to prevent soil and nutrients from being transported off site.

**Top-dressing** – Applications of animal waste over a crop without incorporation.