

Beneficial Grazing Lease Strategies for Landowners and Ranchers

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Introduction

- Family history of bay area ranching since 1890's
 - Multiple grazing scenarios
 - Public Lands
 - 5 conservation Easements
 - Watershed
 - Sensitive Species

Overview

- Grazing Leases Arrangements- What is the best and most sustainable?
- Goals of Landowner
- Goals of Rancher
- Finding the right arrangement- added services, local knowledge?

Long Term Goal

- Las Vegas
- Hotel/rent/house
- Rental Car/ Lease Car/ Purchase Car
- How many Landowners?
- How many Ranchers?
- Not to Long ago short term leases/ no responsibility/ environmental cost

Landowner Goals

Question Landowner of Goals

- Conservation Goals
 - Riparian Management
 - Invasive Species Management
 - Fuel Load reduction
 - Maintaining (hopefully increasing) habitat values of property or easement
- Compensation
 - Acre/AUM
 - ???

Ranchers Goals

- Sustainable
 - Environmental
 - Profitability
 - How do we as ranchers get there?
 - Commitment to a partnership
- Long Term Leases
 - Management of rangelands and disturbances for duration
 - Rangeland improvements and infrastructure investments

Ranchers Goals

- Identify issues-work with partner to remedy.
- Flexibility and adaptive management
- Key to success is a willing partner and longevity of the relationship

The Present Situation AKA "the big question"

- Lease example
 - Lease by the acre price
 - Ranch Infrastructure seriously dire
 - Could not manage the ranch properly over -utilization of rangeland around water
 - Potential profit approximately year 3-4 of lease with Drought 5-6
 - Lease terms 5 year with 5 year Extensions
 - Large monetary investment- goal of long term occupancy and management

The Present Situation AKA "the big question"

- Rancher will retain lease for 20+ years
- IF the lease was short term for example (yearly) a rancher would not have made the investment
- With Long term leases greater opportunity to find a management partner
- Short term leases- puts all responsibility & financial stress on landowner to ensure adequate infrastructure for management.
- Short term Leases – my opinion promote negligent grazing

The Present Situation AKA "the big question"

- All Lease contracts have "exit clauses" for landowners with ranchers that have come to an impasse
- If there are no issues and the rancher has been a good partner and he/she is willing then his lease should continue indefinitely
- I believe that leases should include successor clauses for the younger generation

RFP's should have Young Rancher bonus

Recommendation

- RFP solicit to long term partners
 - 10 years at least
- RFP to give preference points to qualified beginning farmers and ranchers
 - Model after States Certified Small Business
- Thanks