# FARM DEVELOPMENT PLAN

Fill out the following information as completely and accurately as possible. This is an important part of the Agriculture Land application process. Ensure all forms are filled in prior to submission. Failure to complete a Farm Development Plan (FDP) within 60 days of the letter of acceptance of your application by the Agriculture Branch may result in cancellation of your application.

The *Project Proposal Form:* ***Land Dispositions*** (attached to this FDP) is deemed to be part of the Farm Development Plan submission and must be filled in and submitted to complete the FDP requirement. The Project Proposal Form is available as a fillable PDF form on the Yukon Environmental and Socioeconomic Assessment Board (YESAB) website www.yesab.ca.

**Contact:**

Agriculture Branch, Department of Energy, Mines and Resources
**Phone:** 867-667-5838 or toll free: 1-800-661-0408 (ask to be transferred)
**Fax:** 867-393-6222
**Email:** agriculturelandcoordinator@yukon.ca
**Website:** yukon.ca/en/farm-development-plan
**Mail:** PO Box 2703 (K-320A) Whitehorse, YT Y1A 2C6
**Location:** 300 Main Street, Suite 320, Elijah Smith Building, Whitehorse

**Personal information:** Collection of this information is authorized by *the Lands Act and the Territorial Lands (Yukon) Act* and subsection 15(c)(i) of the *Access to Information and Privacy Act* for the purpose of assessing the farm development plan and agriculture land application. For more information contact the Agricultural Development Officer at the Department of Energy, Mines and Resources, Agriculture Branch at 867-667-5838.

Yukon

# FARM DEVELOPMENT PLAN

| For government of yukon use only | | Is a water licence required for this farm? |
|---|---|---|
| Application number | Date of application | ☐ Yes ☐ No |

## Applicant information

| First name | Last name |
|---|---|
| Mailing address | |
| UNIT # (OPTIONAL) / STREET ADDRESS / CITY OR TOWN / PROVINCE OR TERRITORY / POSTAL CODE | |
| Work phone | Home phone |
| Cell phone | Email |

### Project plan overview

a. The questions described below are used to assess your proposal, feasibility, and whether it meets the financial requirements.
b. You will see each item listed in each section with its description. Additionally, there is a guide to the information expected to maximize the score.
c. The Project plan consists of 8 sections; each section is rated on a point scale; and the highest total score is 1360 points.
d. Applicants must ensure that the information they provide includes sufficient material to assess their capabilities in the areas indicated. Applications will be scored to reflect the quality of the information provided by the applicant.

### Project plan scoring

a. Agriculture Branch will assess and score sections 1 and 2.
b. An independent Accredited Farm Business Consultant will score sections 3-7 (the Farm Development Business Portion, FDBP).

### Disqualification

a. Project plans that score less than 700 points will need to be re-submitted with sufficient information to meet the passing score. If this information is not received in the time given, your application will be disqualified.
b. The FBDP is worth 970 points; projects that score less than 500 points will need to be re-submitted with sufficient information to meet the passing score. If this information is not received in the time given, your application will be disqualified.



Print Clear

## Section 1 - The applicant(s)

### A. Necessary skills and qualification — Total possible score: 50

Provide information on skills and qualifications relevant to the project: provide copies or proof of degrees, diplomas, and other related certification. Provide additional skills that are applicable to the project (e.g. certification or skills in accounting, marketing, computing etc.). Other valuable trade skills are mechanics, electrical, carpentry, equipment operation and welding where the use can be transferred to the project. Demonstrate how the skills and qualifications are related to your project. If there is more than one applicant each is scored and an average taken.

Detail expected to receive full scoring in this section:

- Applicant(s) has Degrees and /or Diplomas in a field in agriculture, large animal husbandry, crop production, land development and/or farming which relates directly to all major project activities.
- Applicant can provide certifications or related formal training confirmation of related skills

### B. Farming experience — Total possible score: 40

General Farming experience in the enterprises being proposed, including that gained on family run farms. If more than one applicant, each are scored separately and an average is taken for final score.

Detail expected to receive full scoring in this section:

- Applicant has over 10 years experience owning and/or managing an agriculture operation,
- Majority of experience relates directly to the proposed project.

### C. Yukon based farming experience — Total possible score: 60

Agricultural production in the Yukon has unique aspects relative to that in other areas, thus there is an advantage having experience gained specifically in the Yukon or similar northern Boreal regions. If some of the experience described in 1b) was Yukon-based, note that again here. [i.e. if experience described in 1b was Yukon based, applicants will receive points in both 1b) and c)].

Demonstrate how the agricultural experience you gained relates to your proposed project. If experience was gained outside of Yukon, but in a similar northern boreal region, explain how the region was similar. If more than one applicant, each are scored separately and an average is taken for final score.

Detail expected to receive full scoring in this section:

- Applicant has over 10 years experience owning and/or managing an agriculture operation in Yukon,
- Majority of experience gained relates directly to the proposed project.

### D. References — Total possible score: 100

Written letters providing information from third parties related to any agriculture efforts you have made in the past, especially in the enterprises you are planning to operate as a major part of your project plan. Provide a maximum of two references that demonstrate your production, sales or industry work or good will. Third party individuals can be customers, neighbours, farm workers, or those familiar with your business. Multiple applicants on the same application should each provide two references, the scores will then be averaged. Applicants who are Yukon Registered companies require the reference to name at least one Board member.

References need to provide contact information and indicate they are willing to be contacted by Agriculture Branch for verification. If more than two letters are submitted, only the first two received will be evaluated

**Note:** Reference letters from businesses or family relatives will be accepted but will receive a marginal or lower score. References from investors are not accepted.

References - Detail expected to receive full scoring in this section:

- Two written letters from unrelated companies or persons that have previously dealt with the applicant for over 2 years through production, sales or industry good will related to the proposed project. Both references demonstrate continuing commitment to the applicant’s current agriculture based business.

## Section 2 - Activities

### A. The site — Total possible score: 30

Provide a sketch-map with the approximate dimensions of buildings and relative locations of the following: Building sites, access, shelter belts, field plans/layout, fence lines, irrigation system/water sources etc. Your sketch-map is a site plan and must accurately reflect the layout of your infrastructure.

Detail expected to receive full scoring in this section:

- A site plan is provided and it accurately reflects plan details including a scale.

### B. Activities — Total possible score: 30

Describe the project activities and where they will take place on the site. This narrative is to provide a description and links into your site plan in 8a. Describe your intended farm operation and the layout of proposed developments. Activities listed must be permitted under the applicable Development Area Regulations as well as the YESAB Terms and Conditions for the project.

Detail expected to receive full scoring in this section:

- Description of intended farm operations and how the project will enable those operations. Alternative layouts/ developments provided that will ensure end goal is attainable.

### C. Land needs — Total possible score: 80

Your carefully considered project should show the fit between your project's land needs and the lot you have chosen. YG expects the proposal to include a justification for how the lot applied for contributes to your proposed project. If you already own agriculture land, explain how the land is currently being farmed and why expansion is needed.

Detail expected to receive full scoring in this section:

- An explanation how acquiring agriculture land will benefit the project. A description of how this particular lot or area is of benefit to the specific project.

**Farm Development Business Plan (FDBP) portion**

## Section 3 - The project

### A. The capital plan (description) — Total possible score: 80

Fully describe the Project, and what is to be accomplished in it. This should include an explanation of what the overall goal of the Project will be, and what the completed Project will look like. Accomplishment of the Project should be in line with the Personal and Business Goals as described in Section 4.

Detail expected to receive full scoring in this section:

- a written purpose and scope of the plan along with how the project will meet industry and community needs,
- related to personal and business goals,
- listed authorizations required and strategy to obtain,
- expected project time frame and specific progress target dates,
- additional development or value add projects to follow this project.

### B. Capital plan (components) — Total possible score: 100

This section allows for detail to be provided about each of the components, what they are, their cost and expected time frame for completion of each. This can be in words, or in table format, but must be in a manner that can be clearly understood by the reviewer. Costs, and timing of the costs must be consistent with the cash flow projections to be provided in Section 8. Valid estimates must be provided to support the costing used (3rd party preferably or component costing if labour is to be provided by the applicant or others at no cost) for all elements of the Project. A Gantt Chart will assist in illustrating the planned process. A Capital Projects Planned worksheet is available from Yukon Agriculture Branch for use if desired. Capital improvements must be inline with approved development work referred to in the 2020 Yukon Agriculture Policy (Cultivating our Future), Appendix B-4, pages 39-40.

Detail expected to receive full scoring in this section:

- detailed Project cost budget, supported by third party quotes/contracts,
- timing of capital required for project with estimated completion date,
- detailed description of "In Kind" contributions.

**C. Resources available to complete the plan** **Total possible score: 100**

Resources available are the sum of the factors that will contribute to success in completing the components of the Plan. If outside funding will be required, describe what will be available, from what source, and when. Verification of that funding will be required in Section 8. Other resources may be tangible and direct (eg. “I own a D7 Cat which I will use to do the land clearing.”), or they may be transactional and indirect (eg. “My brother in law is a journeyman carpenter, and has offered to help build my shop, as indicated in the attached letter.”). Tangible and direct assets (including cash resources). Applicants often are interested in accruing as much “sweat equity” as possible and project resources may include a large amount of the applicant’s direct work contribution to a project. If that is the case, explain the skills and experience of the individuals and expected labour contribution from them (applicant, family and friends, etc.), and cost if there is any.

Detail expected to receive full scoring in this section:

- Amount of cash available and the sources,
- Valuation of “in Kind” contributions,
- Sources of funding – self/bank/investor.

## Section 4 - Goals

**A. Personal goals** **Total possible score: 20**

Personal Goals explain what you want to accomplish personally, and it is expected that your Plan will lead you in that direction. Personal goals might include things such as having a farm lifestyle, being able to make a living from the farm, put children through college, or having the time to contribute to the community or volunteer. The quality of these goals won’t be scored, but you will receive points for including them. This is to give the evaluator an understanding of your project as a whole.

Detail expected to receive full scoring in this section:

- Each goal listed, importance outlined, and goals are related to the plan.

**B. Business goals and objectives** **Total possible score: 20**

Explain both your goals for the business (the general achievements you would like for your business) and individual objectives (the specific steps, or milestones you want to attain to achieve your business goals). In describing your business goals and objectives, use the SMART guide – make them Specific, Measurable, Actionable (something that can be done), Realistic and Time based.

Detail expected to receive full scoring in this section:

- 3 goals listed along with 5 objectives and SMART incorporated.

**C. SWOT** **Total possible score: 20**

A SWOT analysis looks at the Strengths, Weaknesses, Opportunities, and Threats present relative to the proponents of the business, and for the business itself. Strengths and Weakness most often are internal (for example, education and experience of the applicant (or lack of), financial and other resources available (or not available). Opportunities and Threats most often are external (such as demand for the product, competition, and weather risk). Identification of each allows the applicant to highlight things, or conditions that are in their favour that they might be able to leverage to their advantage, and things they need to work on, find solutions to, or mitigate to prevent failure.

Detail expected to receive full scoring in this section:

- Strengths/Weakness/Opportunities/Threats are all provided,
- Comments on how each Strength and Opportunity will improve the projects’ likelihood of success and how you will deal with the Weaknesses and Threats identified to ensure they are mitigated.

## Section 5 - Products/services

### A. Products/services — Total possible score: 50

Describe in layman's terms what the key products and/or services will be. Keep the description clear and simple. As well, provide production estimates (example – yield per acre, dozens of eggs per year, units of horse boarding, etc.). Support is required for the production estimates used. If presently in operation, or if involved in the production of these products, or in providing these services in the past, provide historical information related to these past operations. If there have been no past related operations, there should be industry research or information supporting the estimates used. Along with the description of the products and/or services, discuss the market need for what is being offered. If it is a new product or service, explain what it is, and why you think there will be demand for it. If the products or services presently exist, comment briefly on why you think more needs to be made available. Don't get into too much explanation of the market in this section as there will be opportunity to provide market research information in Section 6, Marketing.

Detail expected to receive full scoring in this section:

- List of current and key proposed products,
- Production projections for each existing and proposed product,
- Backed by historical actuals or qualified research,
- Market demand comments.

### B. Other sources of income — Total possible score: 20

If there are going to be non farm, or other sources of income, detail MUST be provided about what they are, along with expected amounts less appropriate expenses, if applicable, and expectations for this income going forward. If these sources of income have existed in the past, summary records from at least 3 years historical income information and/or income tax records must be included. If only minor amounts are expected (amounts equal to less than 10% of operational income) expected amounts and sources only need to be provided.

If there will be no other sources on income, in addition to income as described in Sections 8a. and 8b., provide a comment to state that, and then ensure that the projections produced do not include income from these sources. If the operating projections include income that would come from any of these sources, they must be discussed in this section.

Detail expected to receive full scoring in this section:

- Proven 3 year historical income from outside sources,
- Partial points for projected other income backed by confirmation letter/contract.

## Section 6 - Marketing

### A. Target customers — Total possible score: 40

Describe who you expect your primary and secondary customers will be. Where possible, this should be supported by market research, or reliable experience with the products or services being provided.

Detail expected to receive full scoring in this section:

- A detailed list of primary and secondary customers.

### B. Market capacity — Total possible score: 20

Explain the amount or volume of your products and/or services you think your target market will be able to absorb and expected changes to this market capacity over time. Relate this capacity to the volumes being produced in your proposal to demonstrate expected demand for your products and/or services. Support the estimates of market capacity with market research, or reliable experience with the products or services being provided.

Detail expected to receive full scoring in this section:

- Existing market capacity analysis with projected capacity/pricing changes and research/historical market relevance.

**C. Competition** **Total possible score: 20**

Using market research completed, describe who, or what the competition is. How do their products and/or services compare with those being proposed? Does the market have sufficient capacity for their products and/or services and yours? On what basis will you compete, if necessary, and why would customers choose your products and/or services over those being provided by your competition?

Detail expected to receive full scoring in this section:

- list of competitors/estimated market share,
- total market capacity vs competitors supply,
- Your value proposition (fill shortfall/better quality/pricing).

**D. Pricing** **Total possible score: 20**

Explain how your products and/or services will be priced, and the logic behind the pricing strategy. Compare your products and/or services to those of your competitors and their prices. Use the market research completed and/or your history to support the pricing strategy being used.

Detail expected to receive full scoring in this section:

- Pricing strategy – Price Targets, rationalized,
- Comparison to competitors.

**E. Distribution** **Total possible score: 10**

Describe how the product(s) will be distributed, or service(s) provided to customers. Will pricing vary depending on delivery options? Provide market research or history to illustrate the impact of various types of delivery or distribution, and impact on pricing.

Detail expected to receive full scoring in this section:

- Description of product specific requirements and how it will be met,
- Comments on distribution influence on pricing if any.

**F. Promotion** **Total possible score: 10**

Explain how the products and/or services will be promoted and the logic for the promotional plan? If delivery partners are being used, explain arrangements made, or anticipated. Provide market research or history to support the promotional strategy.

Detail expected to receive full scoring in this section:

- Promotion/Advertising/Marketing plan,
- Supporting comments/research on proposed Promotion strategy.

## Section 7 - Management

**A. Management** **Total possible score: 50**

Explain who the owners of the business will be, who will be on the management team, what will be the responsibilities of each, how each is qualified for their responsibilities, and additional training that will be required for each to fill their role. Provide information on outside professionals to be accessed (lawyers, accountants, consultants etc.)

Detail expected to receive full scoring in this section:

- Listing of ownership and management team,
- Responsibilities & related qualifications of management
- Skills inventory and training requirements of key personnel,
- List of outside professionals to be retained and their roles.

**B. Labour** **Total possible score: 50**

Identify the labour, or employee requirements, along with training that will be necessary. Comment on research done to gain the information to base assumptions on, or experience if presently employing labour.

Detail expected to receive full scoring in this section:

- Labour plan -number of employees, timing of hiring, costs associated,
- Training plan for new & current employees – skills required – training resources and the costs.

## Section 8 - Financials

### A. Financial backing — Total possible score: 40

Individuals or entities to be financially involved in the Project (in addition to the applicant(s)) must be identified, and their contribution, or backing described and supported by statements of commitment, and verification of the availability of what they are committing. If funds will be provided on an ongoing basis to supplement the cash flow of the applicant, the contribution must be fully described and ability to provide verified by tax returns and a brief annual or monthly cash flow. The amounts of the financial backing will then be shown in the cash flow projections completed. This backing is financial, not resources to be provided by others as per Section 3c above.

Detail expected to receive full scoring in this section:

- Identification of outside funding requirements,
- Proof of ability to fund/approval of funding sources. Not providing proper backing will disqualify your application.

### B. Assets and debts — Total possible score: 100

A statement of assets and debts for the applicant(s) is required as part of the analysis. The purpose is to show if the applicant has the resources (along with those to be provided by others as discussed in Sections 3c and 8a above), and the financial strength to complete the project as detailed in the Capital Plan. The statement should include specifics on resources owned that will be used in the Project, and details on all liabilities, including amounts presently owing and repayment terms. This information should then be summarized in a Balance Sheet. A Statement of Assets and Debts document is available from Yukon Agriculture Branch for use if desired. The financial strength of the applicant will be part of the score in this section.

Detail expected to receive full scoring in this section:

- Detailed existing assets and debts provided supported by third party docs (appraisals, third party valuations, Debt statements),
- Proforma Assets and Debts after project completion.

### C. Operating projections — Total possible score: 100

Annual operating projections are required for the planned operation, from the start of the project through to a typical year after the Capital Plan is completed. The projections should describe operations and show the expected units of production (acres, animals, #s, dozen, etc.), amount of sales and income from operations, as well as expenses related to production. The amounts and prices, and the expenses projected should be supported either by past records or by industry research.

Detail expected to receive full scoring in this section:

- Supplied annual production projections, units of production, revenues and expenses
- Projections should be supported by Status Quo (may be historical actuals or researched estimates),
- Time frame should include during project execution and once project is complete and production normalized to new capacity.

### D. Cash flow — Total possible score: 100

Cash flow summaries are required from the start of the project through to a typical year after the Capital Plan is completed. During the development phase covered in the Capital Plan, the cash flow summaries should be monthly. When the development phase is complete, the summaries can be quarterly or annual. The cash flow summaries should include all sources of cash (farm income, non farm income, borrowings, capital sales, etc.) and all uses of cash (expenses, payments, living costs, capital purchases, etc.) during the year of each summary. The amounts developed in other sections (for example income from farm sales, borrowings, capital purchases that are part of the Capital Plan) should be the amounts reported in those sections. Cash flow amounts projected not supported by past records or industry data in other sections should show that support in this section (for example living costs, payments on new loans, etc.). The purpose of the summaries is to show that there will be sufficient cash flow to meet the financial requirements for each time period. A Cash Flow document is available from Yukon Agriculture Branch for use if desired.

Detail expected to receive full scoring in this section:

- Monthly or quarterly cash flow projections provided for Project period and up to two years after complete,
- Confirmation that sufficient cash resources are available personal/operating line,
- Confirmation of sufficient cash with sensitivity.