# Agricultural Development and Farmland Enhancement Plan



Yates County Agricultural and Farmland Protection Board

2004

Shepstone Management Company
Cornell Cooperative Extension of Yates County
Yates County Department of Planning
Yates County Soil & Water Conservation District

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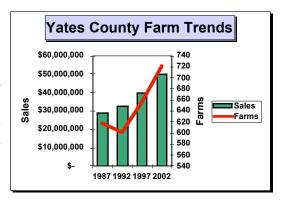
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## **Agriculture's Top 10 Contributions to Yates County**

Farming is the centerpiece of Yates County. It represents economic opportunity and pays large cultural, environmental and social dividends. Consider the following:

#### 1.1 Farming is big business to Yates County and growing.

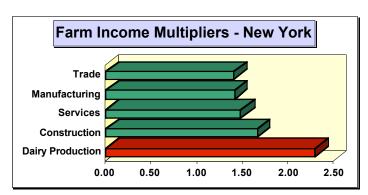
Farming in Yates County involved some 722 business locations, both large and small, that generated sales of \$50,373,000 million in 2002. These numbers were up from 659 farms and \$40,259,000 in sales 5 years earlier. average value of land, buildings and equipment used in each of these businesses was \$357,884 for a total investment in the Yates County economy of \$258,392,248.



#### Farming provides year-round business for other Yates County enterprises.

Agriculture is much more than farming. Many nonagricultural businesses supply the needs of farmers. These include processors, vehicle and equipment dealers and other enterprises. Yates County farmers, for example, maintained 482 balers, some 2,537 tractors and numerous other pieces of farm equipment in 2002. They purchased \$1,256,000 of utility services, \$1,774,000 of petroleum products, \$5,050,000 in supplies, repairs and maintenance, \$5,050,000 of hired farm labor, \$6,246,000 of feed and \$17,573,000 of other products and services from Yates County and regional enterprises, many of which would not be considered farm supply businesses. They also paid \$3,209,000 in real property taxes.

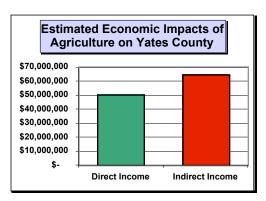
#### Income from agriculture goes further than other sectors in helping the economy.



Agriculture produces much higher economic multipliers than any other sector of the economy. multipliers indicate how many times a dollar of sales recirculates in the local economy for feed. supplies and labor. Cornell University reported in 1996 that dairy production, for example,

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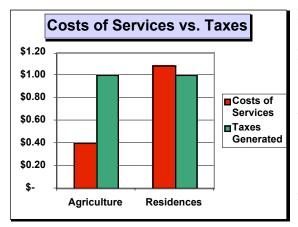
enjoyed a 2.29 income multiplier compared to 1.66 for construction, 1.48 for services (which includes tourism), 1.41 for manufacturing and 1.40 for retail and wholesale trade. Applying these multipliers indicates agriculture represents a total contribution to the economy of over \$115,000,000, not including forestry, wine or agricultural tourism enterprises, many of which take place on farms and all of which are part of agriculture.



#### 1.4 Agricultural opportunities can actually increase with growth of an area.

While development can, obviously, create conflicts for farmers, the leading agricultural county in New York is Suffolk County. It is home to 1.3 million people and one of the most highly developed suburban environments in the nation, suggesting not only that farming and urbanization can coexist, but also that the local demand for agricultural products increases with the latter and raises the value of farming as an economic enterprise. Yates County is growing faster than the rest of the State (7.9% between 1990 and 2000, compared to 5.5% statewide). Farming will, therefore, become ever more important to the County as it continues to develop and grow in population. This is particularly true for fruit and vegetable growing operations that depend so much upon direct marketing.

#### 1.5 Farms lower the demands for community services and help keep taxes low.



Farms are tax winners despite preferential assessments afforded by the Agricultural District Law. A 1995 study of nearby Tompkins County found "agricultural .. uses should be recognized as beneficial because they do not demand a large amount of services other benefits such and provide employment." The data, in fact, indicate agriculture typically produces \$1.00 in tax revenue for every 15¢ to 40¢ of town and school expenditures it generates.

Residential development, by contrast, typically costs \$1.09 to \$1.56 per \$1.00 of taxes gathered. Similar analyses in Schoharie County for 1998 indicated agriculture produced \$1.09 to \$2.06 in tax revenue for every \$1.00 of municipal and school costs created. These results are consistent with those of many other similar studies done throughout the Northeast. There are, clearly, other tax winners, including commercial development,

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industrial development and second homes, but agricultural offers the additional open space benefits that are so critical to both quality of place and tourism.

#### 1.6 Farms create rural character and attract tourism.

Farms contribute to Yates County's rural character and protect open spaces essential to the quality of life for both permanent and seasonal residents. Any number of surveys of rural residents and second-home dwellers indicate the primary reasons people live in such areas have to do with their appreciation of the natural resources and open spaces offered, but the anecdotal evidence is perhaps even stronger and local tourism brochures provide examples. They include references not only to the County's "wine, water and wilderness" but also to its "Finger Lakes Countrysides."

These facets are directly created by working farm landscapes. They help support some 17 bed and breakfast operations throughout the County, 5 camps, 9 motels and 10 vacation rentals. There is, indeed, a direct relationship between farming and the attractiveness of Yates County as a place to both live and visit.

#### 1.7 Successful farming limits suburban sprawl.

Successful farming discourages expensive suburban sprawl, steering development toward hamlets and villages with existing services. A recent update of the famous "Costs of Sprawl" report suggests that these more compact forms of development require infrastructure investments of only 75% to 95% of those in sprawl situations. The differences are attributable to the high costs of servicing development spread out along highways. The deficits must be made up by all taxpayers. Sprawl is, of course, a response to the availability of less expensive land away from centers but a strong agriculture supports higher land values in these outlying areas that lower the incentives to move out of town.

#### 1.8 Farms and forests preserve natural environments.

Farms and forests provide working self-sustaining landscapes that preserve and enhance environmental quality. Forest land, which is a part of nearly every farm, "may reduce sediment, nutrient and other pollutant loadings by as much as 85% by minimizing soil erosion and filtering watershed runoff" according to a Watershed Agricultural Council publication. A recent study of land use and water quality along 100 Wisconsin streams also found that "watersheds with more than 20% of land in urban use had very poor biological diversity." This is particularly important to Yates County, with its frontage on three of the Finger Lakes, as environmental requirements tighten.

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#### 1.9 Farms and forests support wildlife, sport hunting and other recreational land uses.

Farms support wildlife such as deer, turkeys and small-game and thereby sustain hunting as a source of tourism to the area. The 1998 Yates County white-tail deer harvest was some 4,377 deer. The 1996 National Survey of Fishing, Hunting, and Wildlife-Associated Recreation estimated that \$322,919,067 in retail sales and \$575,535,000 in total economic output was generated for New York State from deer hunting (an economic multiplier of 1.78 Statewide). This represented \$1,399 in retail spending and \$2,494 in total economic output for each deer harvested, potentially yielding a \$6,123,000 deer hunting economy for Yates County before considering multiplier effects. Bird watching and other forms of hunting (e.g. bear), fishing and outdoor recreation and ecotourism are also supported by farming.

#### 1.10 Farmland is an invaluable resource for future generations.

Farmland is a valuable future resource for the County in providing a healthy and plentiful local supply of food products and generating <u>new</u> sources of farm income. Many new residents of the County and visitors to the wine trails and lakes, are seeking locally grown fresh fruits, vegetables and flowers, both organic and non-organic. County farmers are already capitalizing on these opportunities via farm markets such as the Windmill Farm and Craft Market, which attracts 8,000 to 10,000 visitors per week. Likewise, the County's base of both small and mid-sized farms provides a foundation for exploring new dairy and nondairy added-value ventures and niche markets.

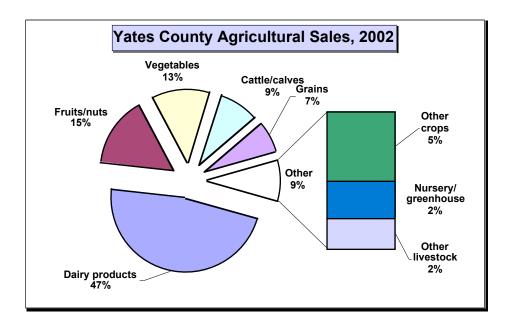
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## 2.0 Agricultural Inventory

The following represents an overview and inventory of the agricultural industry sector of the Yates County, New York economy.

#### 2.1 The Economics of Yates County Agriculture

Some 115,113 acres of Yates County was farmed in 2002, up from 104,790 acres in 1997. About 22,300 acres or 19% of this land was wooded, in addition to 88,600 acres of other forested land, indicating 93% of Yates County was in farm or forest use. There were 455 farms generating sales of at least \$10,000. Altogether, Yates County farms produced some \$50,373,000 in sales in 2002, of which \$29,333,000 or 58% was livestock-related, indicating a fairly balanced agricultural economy. These various products accounted directly for 1,341 full or part-time jobs (including 487 owner-operators primarily occupied with farming). This is the agricultural economic base of Yates County. It is extraordinarily diverse with strong grain, dairy, vegetable, wine and other livestock sectors composed of both small and large size farms. Table 2.4 and the chart following provide further data.



<sup>1</sup> Source: USDA Forest Service 1993 Northeastern Forest Industry Analysis.

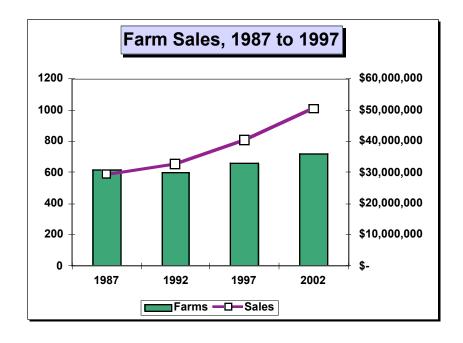
Source: 2002 U.S. Census of Agriculture. New York State Agricultural Statistics Service numbers often differ. This is attributable to more frequent data analysis. Nevertheless, Census numbers are more complete overall and, therefore, more suitable for planning purposes. Also, 2002 Agricultural Cenus data is much more complete than 1997. Totals may not agree due to rounding, however, and because multiple products are often produced from the same farm, numbers of farms overlap and cannot be directly totaled.

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#### Market Value of Yates County Agricultural Products, 2002

Agricultural Products	2002 Cash <u>Receipts</u>	% of <u>Category</u>	% of <u>Total</u>	No. of <u>Farms</u>
Dairy products	\$23,918,000	81.54%	47.48%	210
Cattle/calves	\$4,421,000	15.07%	8.78%	291
Other livestock	\$994,000	3.39%	1.97%	185
Livestock Sub-total	\$29,333,000	100.00%	58.23%	375
Fruits/nuts	\$7,716,000	36.67%	15.32%	197
Vegetables	\$6,367,000	30.26%	12.64%	79
Grains	\$3,440,000	16.35%	6.83%	225
Nursery/greenhouse	\$1,225,000	5.82%	2.43%	50
Other crops	\$2,292,000	10.89%	4.55%	229
Crops Sub-total	\$21,040,000	100.00%	41.77%	527
Total Agricultural =	\$50,373,000	100.00%	100.00%	722

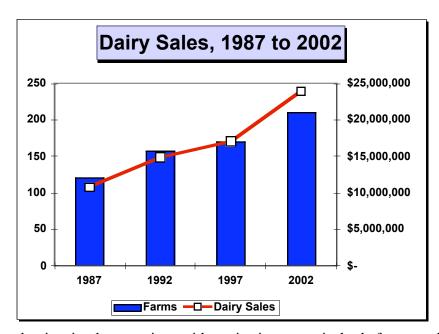
Charts that follow depict additional agricultural products sales patterns. The 2002 Census uses somewhat different criteria than the USDA applied in 1987 through 1997, but long term trends are, nonetheless, readily apparent.



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Sales of agricultural product increased by 72% between 1987 and 2002.<sup>3</sup> Dairy sales gained 123% over this period. Vegetable sales grew by 65%. Fruit sales gained only 10%, but sales of agricultural products by "vertically integrated operations through their own processing and marketing operations" are excluded from all estimates of market value of products sold. Therefore, wine sales are not included in this figure - only the fruit itself.

Both dairy farms and sales have steadily increased. However, while there has been major consolidation in nearly all segments of the agricultural sector and price fluctuations have had a large impact in driving out less efficient producers nationwide, the average Yates County farm (dairy or other) decreased in size from 184 acres in 1987 to 159 acres in 2002 as the full-time farms (where the owner's principal occupation was farming) increased from 374 to 487. This trend toward a larger number of smaller farms, with expanding milk production, is attributable to the in-migration of large numbers of the Mennonite or "plain" community into the County. Well over 90% of dairies are now owned by the plain community, accounting for the simultaneous shrinking of farm sizes and growth in production. The average number of cows per farm has increased only slightly, from 40 in 1987 to 47 in 2002, while milk cow numbers have grown from 5,953 to 10,406, a 75% gain for the period.

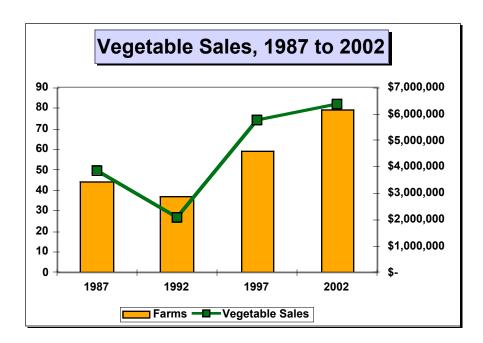


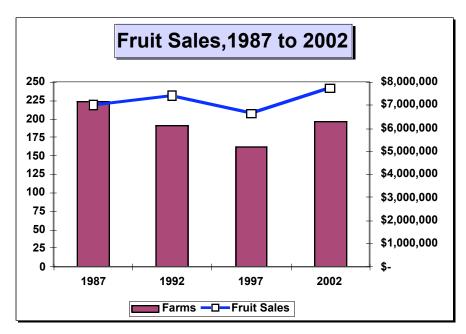
Vegetable production is also growing, with major increases in both farms and sales since

The 2002 Census used a different standard than the one applied through 1997. Incomplete Census mailing lists were sampled for missing names in study areas. Data was then weighted for undercounting. Therefore, the 1987 and 2002 figures are not directly comparable, although long-term trends are discernable. The 2002 Census also includes adjusted 1997 data. Farm sales for 1997 were estimated at \$46,985,000 using the new criteria. The 2002 figure of \$50,373,000 represented a 7% increase in this case, but the heavy use of imputation methods and other evidence suggests the adjusted 1997 figure is unreliable. It was decided, for this reason, to use the actual Census data for all years without regard to adjustments in methodology.

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1992. It can further expand given nearby Corning and Rochester, regional farm markets and the Finger Lakes Produce Auction. Acreage has varied, dropping from 6,050 acres in 1987 to 2,273 acres in 1992 and settling at 3,519 acres in 2002. Vegetables include beans, cabbage, peas, onions, pumpkins, sweet corn and tomatoes.





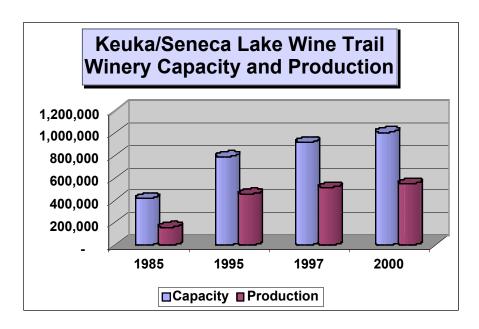
Fruit production grew by 10% from 1987 to 2002 (not including wine sales). Land used for grapes fell from 6,237 acres to 4,920 acres in 1997, a 21% loss. However, grape acreage

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jumped to 5,387 acres in 2002. Dramatic shifts took place in the regional grape industry over this period. Demand for grapes used in bulk wine production fell as the Taylor Wine operation in Hammondsport ceased. Juice grapes also became a commodity subject to wide price fluctuations. The demands for traditional varieties of grapes (e.g. Catawba and Delaware) declined and many old vineyards growing these varieties were abandoned.

The New York State Farm Winery Act stimulated a rebirth of the wine industry and new vineyards were established to grow additional French hybrid and vinifera varieties to complement native selections suited to estate wine production. Many of these vineyards and wineries were just hitting their stride in 1997 and there have been major gains since then that are reflected in increased 2002 sales. Yates County, with its frontage on three of the Finger Lakes, has the most farm wineries of any county in New York, 15+ at last count.

The 2000 Winery Survey by the New York State Agricultural Statistics Service and New York Wine and Grape Foundation indicates that Keuka Lake and Seneca Lake Wine Trail wineries increased capacity from 417,000 gallons in 1985 to 1,006,000 gallons in 2000, a 141% increase. Actual production grew from 160,000 gallons (38% of capacity) to 709,000 gallons (70% of capacity), an incredible 343% gain over the 15 year period. If Yates County represents half, a reasonable assumption, this is worth \$10,000,000+ of sales at \$30/gallon. Continued development of better wines has engendered further growth since 2000, with several new wineries. The main challenge is securing grapes to meet demand.



There are major multiplier effects connected with farm sales. Farmers typically purchase most of their goods and services from within a 20-25 mile range of the farm, while their

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product is marketed outside the region. This export of product and import of dollars puts them on the high side of multiplier scales according to a Cornell University study.<sup>4</sup>

That Cornell research, conducted for 1991 and since generally confirmed by numerous U.S. Department of Commerce Bureau of Economic Analysis regional input-output reports comducted for counties throughout the State, indicates the following range of multipliers, by sector of the New York State economy, for both total income and full-time equivalent jobs:

# **Economic Multipliers for Agriculture and Other Economic Sectors, New York State, 1991**

	<b>Total Income</b>	<b>Employment</b>
<b>Production Agriculture Industries</b>		
Dairy	2.29	1.52
Crops	2.28	1.51
Nursery and wood products	1.78	1.39
Poultry and livestock	1.64	1.37
Agricultural Manufacturing Industries		
Dairy processing	2.61	3.53
Grain processing	2.16	2.58
Fruits and vegetables processing	1.67	2.09
Meat processing	1.65	1.99
Other Economic Sectors		
Construction	1.66	1.57
Services	1.48	1.39
Manufacturing (non-food)	1.41	1.62
Retail and wholesale trade	1.40	1.30
Finance, insurance and real estate	1.19	1.54

These economic multiplier effects provide a reasonable measure of the combined impact of the agricultural sector. They suggest, based on a rather conservative analysis, that the agriculture, forestry (see below) and winery industries generate over \$100,000,000 for the Yates County economy in total.

Cornell University Department of Agricultural, Resource and Managerial Economics, <u>Policy Issues in Rural Land Use</u>, December, 1996, "Economic Multipliers and the New York State Economy."

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# **Total Economic Impacts of Yates County's Agriculture, Forestry and Wine Industries**

Industry	<b>Estimated Sales</b>	Multiplier	<b>Total Impact</b>
Dairy	\$23,918,000	2.29	\$54,772,220
Other Livestock	\$5,415,000	1.64	\$8,880,600
Crops	\$21,040,000	2.28	\$47,971,200
Forestry	\$1,645,000	1.78	\$2,928,100
Wine	\$10,000,000	1.67	\$16,700,000
Totals	\$62,018,000	2.12	\$131,252,120

Agriculture accounts for as many as 2,030 jobs, not including lumber and wood products (discussed below) or wineries that add a minimum of another 170 or so jobs. These are found not only on farms, but also at accountant offices, feed mills, farm stores, automobile and truck dealers, truckers, veterinarians and the like.<sup>5</sup>

#### 2.2 The Forestry Sector

Trees are a crop. Their value is often underrated because the crop rotation period is long and the economic returns not nearly as frequent as is the case with other crops or agricultural enterprises. Some 110,900 acres or 51% of Yates County is considered timberland. Sawtimber represents 38,400 acres with the remainder consisting of seedlings, saplings and pole timber.<sup>6</sup>

A total of 82% of the timberland is owned by farmers or private individuals. It is a valuable income-producing asset for these landowners. Private corporations own another 5,200 acres of woodland. The State also own 14,400 acres of forested land.

The following is a breakdown of private woodland by forest type:

The 2002 Ag Census indicated there were 854 hired employees and 487 operators principally employed in farming. Multiplying these 1,341 jobs by the average employment multiplier of 1.515 for dairy/crop production yields 2,032 jobs. The Census Bureau's "County Business Patterns" report indicates that wineries directly employ between 43 and 98 persons in Yates County. Assuming a similar employment multiplier yields 65 to 150 jobs (say 100) in this sector. There is another 30 to 63 persons directly employed in logging and wood products manufacturing, suggesting 45 to 90 (say 70) in total. Altogether, therefore, agriculture accounts for a minimum of 2,200 jobs - 1,450 directly created and 750 indirectly created.

The source of all forestry data, unless otherwise indicated, is the USDA Forest Service, Northeastern Station, "Northeastern Forest Inventory and Analysis Project," 1993. Unfortunately, although this is the only official source of the data available, it is based on sampling of a mere 25 plots and is often prone to error as a result.

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#### Yates County Private Timberland by Forest Type, 1993

Forest Type	<u>Acreage</u>
White-red pine	5,300 acres
Spruce-fir	3,100 acres
Elm-ash-cottonwood	4,300 acres
Oak-pine	5,200 acres
Oak-hickory	28,900 acres
Maple-beech-birch	45,500 acres
Non-typed	<u>4,300 acres</u>

Total Timberland 96,500 acres

These largely hardwood forests produce high quality timber and spectacular fall foliages that attract tourism throughout the Northeast. Significantly, some 50,300 acres or 45% of Yate's timberland is considered by the Forest Service to be either fully stocked or overstocked. Altogether, the County's sawtimber represents an estimated 309,300,000 board feet of sawtimber and is growing by 11,800,000 net board feet per year.<sup>7</sup> Annual removals of this sawtimber have averaged only 4,700,000 board feet (an average cutting rate of only 1.5%, meaning that the stock is steadily growing :8

The Forest Service data indicates cutting rates within the County are twice New York State's 0.8% average and well above those of neighboring Pennsylvania (1.0%) and the New England region (1.3%).9 Rates for most species are sustainable, with the exception of high-quality Oak (particularly Red Oak). Indeed, the ratio of annual growth to removals as well as other evidence, indicates a continually maturing forest within the County. Generally, both hardwoods and softwoods are not being harvested to the extent they could or should be. This is not good for wildlife management, the long-term vitality of woodlands or the forest industry. Too many large trees crowd out the understory vital to regeneration and to the animal populations for cover and as food. More timbering using best management practices would create a healthier forest for the long-term.

There are, nevertheless, serious concerns with the harvesting patterns that have been taking place throughout much of the hardwood-rich Northeast. The trend has been to "high-grade"

<sup>7</sup> Sawtimber refers to the net volume of saw logs in trees.

Average annual removals refers to the net growing stock harvested, killed in logging operations, cleared or reclassified from forest to non-forest land.

<sup>9</sup> Source: "Cutting Activity in New York's Forests," USDA Forest Service, Northeastern Forest Experiment Station, Radnor, PA.

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forests to remove the better quality trees while leaving behind the less-valuable stock. This is what is happening with the Oak. It is a result of the general lack of demand in the region for low-grade logs and species. There is a threat that local forests will be taken over by these species or simply prevented from regenerating if markets are not identified for them as well.

Hardwood lumber production Statewide is up 50% since 1990. Hardwood lumber is also a niche business from a world-wide perspective. It is not much affected by imports, plus little cutting of hardwoods is allowed on Federal lands, giving eastern producers some opportunities. Yates County is a source and the contributions of the industry to the County economy, if not up to potential, are significant. The 4,700,000 board feet of timber removed each year, assuming an average value of approximately \$350 per thousand board feet (typical for the mix of species and grades in the area), represents annual sales of as much as \$1,645,000.

The economic multiplier for wood products, as indicated earlier, is 1.78 and this suggests these estimated sales generates a total annual economic impact for Yates County of \$2,028,000. <u>County Business Patterns</u> data from the Census Bureau, indicates that the County had 14 wood products manufacturers, including 11 non-employers with a combined receipts of \$538,000. These are the single-proprietor and portable sawmill operations (many Mennonite owned) that exist throughout Yates County.

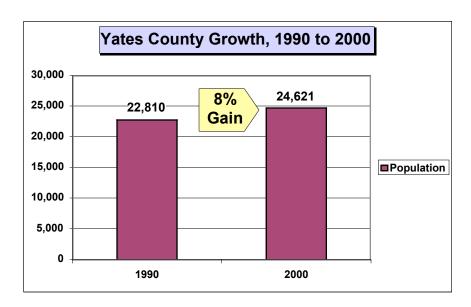
Moreover, below average cutting rates for certain species within the County suggest there is additional harvest potential. The County's hardwood stock also primarily consists of lighter-colored woods, which have been more in demand in recent years. It represents a self-replenishing resource if managed correctly. Farm and woodlot owners in the County can, if they want to do so, generate income from it and this, in turn, benefits the tourism industry by helping to maintain the County's appealing character.

Much like the remainder of the agricultural sector, Yates County's forest industry would benefit by the development of secondary processing and value-added industries that would utilize locally produced wood. Craft-related enterprises (e.g. wooden lawn furniture) that would mesh with the County's tourism industry are a distinct possibility and several have been created already by the Mennonite community. Other niches could include specialty products for marketing to nearby metropolitan areas (e.g., furniture, novelties, storage buildings). The County offers tax incentives (five years of no real property taxes on improvements with slow phase-in thereafter) that can be used to help attract such new secondary processors of agricultural and forestry products but with the smaller operators the best incentive may be in the form of marketing assistance.

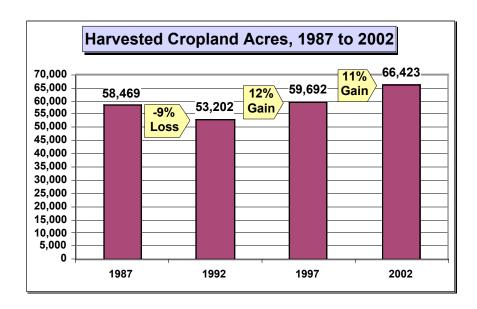
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#### 2.3 Land Development Trends

Yates County offers a high quality of place that attracts new residents. It is gaining farm families also. This has resulted in above average population growth for New York. The County population grew by 8% between 1990 and 2000, compared to 5% for the State.



Notwithstanding these rates, the U.S. population grew by 13%. Therefore, Yate's growth is far from rapid and has had relatively little impact on agriculture. Indeed, the amount of harvested cropland in the County grew by 25% between 1992 and 2002.



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The growth of agriculture could, nonetheless, be affected by continued population growth if the community does not remain supportive of agriculture. The experience in some towns with calls for restrictions on large farms illustrates the importance of continued community education. It likewise documents the importance of the protections afforded against unreasonable restrictions on sound agricultural practices within New York State Agricultural Districts. Maintaining of Agricultural Districts that include all viable farmland is critical to the support of agriculture in this growing County. Growth of both farming and other forms of development can both be accommodated, but the movement of new residents from less agricultural areas into the County raises the prospect of increased conflicts among land uses without these measures being taken.

The growth influences on the County can be assessed from Census migration data for the period 1995-2000. It indicates that the major sources of in-migration of population to Yates County during that period were as follows:

YATES COUNTY, NEW YORK POPULATION MIGRATION, 1995 to 2000					
County/Region/State	IN	OUT	NET		
Ontario County, New York	899	737	162		
Monroe County, New York	438	346	92		
Onondaga County, New York	122	42	80		
Cayuga County, New York	79	25	54		
Other New York	1,411	2,276	-865		
Lancaster County, Pennsylvania	128	0	128		
Union County, Pennsylvania	81	0	81		
New Jersey	75	17	58		
Other Regions and States 872 783 89					
Total Population Migration	4,105	4,226	-121		

The above table indicates there has been some net growth from the Rochester, Geneva and Syracuse directions in recent years but that it has been far more than offset by population outflows to other parts of New York. Pennsylvania contributed some population but nearly all of it came from the two areas with large plain communities. Therefore, one can reasonably conclude that as much of Yates County's growth is derived from the movement of new farm families into the region as any other source. Moreover, the migration numbers suggest all of the 1990-2000 growth took place in the first half of the decade, given the net out-migration of population for 1995-2000.

Overall, it does not appear, on closer examination, that Yates County is currently threatened by suburban or exurban sprawl in any major way. There is, nevertheless,

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increased consumption of land for non-agricultural purposes (as noted in some recent land use studies of Upstate New York). The number of housing units increased by 435 in the 1990's, with 70 of those being new second homes. Each new house creates a potential conflict and, if constructed on good agricultural soils, potentially limits future expansion of agriculture as an industry. Significantly, certain major agricultural towns are growing at faster paces. These include Jersusalem (20% gain), Barrington (17%), Potter (13%) and Benton (11%). Barrington, unfortunately, is one of the areas that conflicts have arisen and this probably no coincidence

While these trends have not, to date, impinged upon the ability of the agriculture industry to grow, given the major increases in harvested cropland, maintenance of Agricultural Districts will be ever more important in managing the potential conflicts. The County Agricultural and Farmland Protection Board has done a good job with this, most of the County now being included in its single Agricultural District. Details with respect to that District may be found in a separate report prepared at the time it was last renewed in 2002.

Approach	Jurisdiction	Description	Analysis
Leased Development Rights (LDR)  Tax Abatements	Town of Perinton, Monroe County, New York	The Town has exercised its authority under § 247 of the NYS General Municipal Law to acquire conservation easements on farmland and other open spaces, paying for those easements with preferential tax treatment. Landowners apply for the program and the decision to accept or reject the application is made on the basis of benefit to the Town. These applications are reviewed by a Conservation Board and are subject to a public hearing. The owners are also required to principally and actively use the property for "bona fide agricultural production" for the term of the easement. Easements can be cancelled through a similar application but penalties apply. The proportion of pre-easement property value remaining subject to taxation varies depending on the length of the easement, ranging from 40% for 5 year easements (the minimum length accepted) to 10% for agreements of 15 years or more.	This program has existed since the 1970's. A total of 81 farming easements (62% of all open space acquired under the program) were in effect as of 2000 with some 3,034 acres of farmland protected. This represented 13.% of the Town land area. Perinton, however, is self-described as a suburban Rochester community desiring to preserve remaining open spaces. It is, at over 46,000 persons, larger than many rural counties. The key to the success of this program (rated "fabulous" by the assessor's office) is that it lowers the assessed value well below agricultural value and renders agricultural assessment meaningless. There have been very few cancellations by farmers. This means that it should work just as well in areas where there is a small differential in agricultural and development value. It is also politically appealing due to the flexibility offered to both farmer and municipality. The difficulty with it, of course, is in paying for the lost taxes in communities where there is not a large non-farm base to carry the load. This might be addressed with State assistance or by applying the program across a wider geography.

Approach	Jurisdiction	Description	Analysis
Agriculture Protection Zoning	Shrewsbury Township, York County, Pennsylvania	The Township has used its general authority under the Pennsylvania Municipalities Planning Code to "preserve prime agriculture and farmland" by creating an agricultural zoning district that limits development on prime agricultural soils. Dwelling numbers are limited on the basis of a sliding scale that allows reasonable amounts of development on smaller tracts of land (1 units for 0-5 acres) but restricts larger parcels to agricultural densities (no more than 7 units for 120-150 acres). There is also a prohibition against subdividing farm parcels into new lots of less than 50 acres each. Similar zoning districts are found in various areas of Pennsylvania (mostly in the Lancaster-York area but also in less pressured areas such as Crawford and Lycoming Counties). Large buffers, maximum building lot sizes, agricultural nuisance notices, design review guidelines, deed restrictions on remaining land and provisions allowing B&B's, farm stands and other ag-related businesses are also common in these districts.	The Township's agricultural zoning district was created in 1976. It covered 12,442 acres or two-thirds of the Township in 1994. Shrewsbury had a population of 5,947 persons in 2000, a density of over 200 persons per square mile. This is a community that is, therefore, urban in some respects but it has many prime farmlands and may have struck a balance between the two. The district was challenged but upheld by the State's highest court in a 1985 case that validated the large lot sizes and low densities on the basis of "extraordinary justification" related to the high quality of the farmland within the district. The ordinance is supported, however, by Pennsylvania's extensive PDR program, which tends to insulate the regulations from farmer challenges. It was enacted, nonetheless, before that program was created. An analysis of development patterns before and after the district's creation (up to 1981) suggested it reduced the rate of development within the district by two-thirds and increased it outside fourfold.

Approach	Jurisdiction	Description	Analysis
Development	Town of Eden, Erie County, New York	The Town of Eden adopted Transfer of Development Rights provisions in 1977 as part of its Zoning Law. They remain in the Town Code in 2002 and allow transfers of residential density into three districts where more intense development is allowed, from three other conservation and agricultural districts where agriculture uses predominate. A combination of conservation easements and optional density permits are used to effectuate the transactions. The provisions are written in a fairly straightforward simple manner and require developers to secure optional density permits at the time they apply for subdivision approval. The application must include a conservation easement that gets recorded by the Town before granting the density permit and final plat approval. The law spells out densities that may be transferred (e.g. one development right per acre of eligble land in the APO District and two per acre in the A District). Overuse use of cross-referencing makes it difficult to assess the extent of developer incentives.	The Town had, as of 2000, processed one transfer involving 31 acres of farmland - not much success, but more than many towns with TDR provisions. Nationwide there are some 50+ jurisdictions with TDR provisions in place and only 56% have protected any farmland. An estimated 67,707 acres have been protected through such programs but two-thirds of that has been in Montgomery County, Maryland. Only 15 programs have protected more than 100 acres. Eden's program has appealing simplicity and the densities that are allowed to be transferred are twice what a developer can achieve by simply subdividing the farmland (e.g. one house per two acres in the APO District and four per acre in the A District). Yet, the program has received little use in a Town with a vibrant farm sector and over 8,000 persons population. The difference may be in the size of the landowner incentives. Successful programs have allowed landowners to develop at only 20-25% of the density available for sale under TDR and have greatly lowered density at the outset. TDR also requires both demand and supply side that don't exist in every instance, particularly in areas not experiencing development pressure.

Approach	Jurisdiction	Description	Analysis
Forest Land Tax Reductions (RPTL § 480-a)	New York State	New York State has a program in effect now to give preferential tax treatment to forest land. The 480-a program reduces the assessed value of woodland by 80%. It requires a 10 year commitment renewed annually along with a forest management plan. Woodlot owners in the program must thin and/or harvest based on the plan written by a certified forester and approved by the NYS Department of Environmental Conservation. A six percent (6%) stumpage fee is paid to the town when a harvest takes place. There is a large rollback penalty for conversion or if the management plan is not followed. Overall, this program requires a major long term commitment (30+ years) to benefit from the tax savings. It can provide many farmers with added tax benefits from forest land, however. It is, therefore, a farmland protection tool to the extent it improves farm income and lowers the economic rent required from the farmland. NYS-DEC has proposed legislation to improve this program by shifting some its costs and streamlining it.	Approximately 10% of New York State's forestland is held by farmers (nearly 1.5 million acres) and this represents roughly 20% of all farmland. There are some 1,500 enrolled 480-a parcels Statewide that encompass about 500,000 acres or 2-3% of all State forestland. Very little farmland appears to be enrolled. The program hasn't worked well because municipalties have had to absorb all the costs and, therefore, have resisted it. Small landowners have been scared of it because of its stringent rules and the length of the committment involved. The DEC proposed klegislation would correct many of these problems by; 1) reimbursing counties, schools and municipalities for much of their tax loss, 2) allowing some more flexibility in the 50 acre minimum, and 3) somewhat liberalizing the penalties. However, the legislation would not deal with principal landowner objections having to do with the rolling 10-year committment required. This is also essential if the the program is to appeal to smaller landowners such as farmers.

Approach	Jurisdiction	Description	Analysis
Purchase of Development Rights (PDR)	The Commonwealth of Pennsylvania	The Pennsylvania Agricultural Conservation Easement Purchase Program was created in 1988 to enable county governments to purchase development rights from owners of quality farmland. Counties in the program appoint agricultural land preservation boards oversee purchases. Easements must be a minimum of 50 acres in size unless adjacent to existing preserved farmland or used for the production of unique crops. At least half the tract must either be harvested cropland, pasture or grazing land and it must contain specified amounts of good farming soils. Farms are also rated on the use of conservation practices and best management practices of nutrient management and likelihood of conversion. Other factors can include proximity of farm to sewer/water lines, extent of non-agricultural uses nearby, amount and type of agricultural use in the vicinity and the amount of other preserved farmland inclose proximity. Farmers may choose to receive the proceeds from easement sales in a lump sum payment or in installments. The program has been funded with a combination bond funds, Federal dollars (small) and a dedicated 1% cigarette tax.	Pennsylvania's PDR program has been the most successful in the nation and has worked in areas of the Commonwealth which have not experienced development pressure by allowing farmers to capture farm equity for agricultural development and transfers to younger generations. Since 1989, Pennsylvania has protected more than 1,750 farms, totaling more than 212,000 acres, spending some \$425,000,000 to acquire easements in 48 out of 67 counties. Some 176 of the farms were in counties that actually lost population from 1990 to 2000. Less than half were in counties facing development pressure. Susquehanna County borders upstate New York and grew by 4.6% - very comparable to the study area. Fifteen easements on 3,625 acres of farmland have been acquired there at an average of \$650/acre, indicating Pennsylvania's program works well in areas without development pressure. A weakness of the program may be that it has too much money to work with. A number of marginal farms have been acquired only to later go out of business. A number of poorly run operations that deserved to go out of business have been continued by using the program as a crutch. These farms are left to compete with good managers and arguably make it more difficult for them to succeed.

Approach	Jurisdiction	Description	Analysis
Conservation Reserve Program (CRP) Wetland Reserve Program (WRP)	U.S. Department of Agriculture (USDA)	These three programs are designed to take certain farmland out of production but serve to protect it for future use. More importantly, they function as limited LDR/PDR programs for operating farms, turning unproductive farmland into cash and recovering farm equity for reinvestment. Under the CRP program farmers receive annual rental payments to stop growing crops on erodible or environmentally sensitive acreage and plant protective covers of grass or trees. Cost-share payments are also available to establish permanent areas of grass, legumes, trees, windbreaks, or plants that improve water quality and support wildlife. Under the WRP program, the USDA purchases easements from farmers who agree to restore and protect wetlands. Related programs help farmers improve, or restore wetlands through 10-year rental agreements to protect important nesting, breeding, and feeding areas for migratory waterfowl. It is quite commnon for the CRP and WRP programs to be used in tandem with other PDR programs as a source of funding in a package of assistance to farmers who are selling off their development rights. This has been done in the West of Hudson and Delaware watersheds of the New York City water supply system, for example, to make City PDR funds go further.	The CRP and WRP programs have been moderately used in New York State. There were 59,000 acres enrolled in the CRP program in 2001 and 16,000 acres in the WRP program, a total of 75,000 acres. This is a decline from 1997 when 85,000 acres were enrolled by some 1,762 farmers. The current total represents about 1.5% of all cropland in the State. This compares to 2% for Pennsylvania, 3% in Maryland and 7% in Iowa. The amount of use varies from county to county, the primary factor appearing to be motivation of Soil & Water Conservation District officials to enroll participants. Although relatively small, Yates County is one of the leaders in New York in promoting this program, largely due to the aggressive approach of its District. It is also a program particularly well-suited to the small farm operations that Yates County is gaining in such large numbers. They tend to be more diversified farms where maximization of income from every acre is important. The overall impact of the programs is, however, limited. This is attributable to the high demand and the high value associated with Yates County farmland as compared to other areas where land is leaving agriculture and of lower value. They are effective complementary tools in conjunction with other programs but unlikelyto preserve much farmland in their own right.

Approach	Jurisdiction	Description	Analysis
Farm Property School Tax Credit	New York State	New York taxpayers whose federal gross income from farming equals at least two-thirds of excess federal gross income are allowed a credit against income tax equal to the school property taxes they paid on certain agricultural property. The tax credit is limited to 100% of the school taxes paid on a base acreage of qualified agricultural property plus 50% of the school taxes paid on land exceeding the base acreage. The current base acreage is 250 acres; and includes farm buildings. Qualified agricultural property is land used for agricultural production. If agricultural property is converted to a non-qualified use, no credit is allowed that year and recapture is triggered for the previous two taxable years. Excess federal gross income is federal gross income from all sources for the taxable year in excess of \$30,000. If the adjusted gross income of the taxpayer less principal paid on farm indebtedness exceeds \$100,000 the credit is phased out and completely lost at \$150,000. The school tax credit has been expanded to farmers who pay school taxes under a contract to buy farmland.	This has been a remarkably effective program and has no known equal among the States. It provides major benefits to all farmers who are able to pay their taxes. More importantly, it does not penalize municipalities because the reimbursement is through State taxes. It makes New York State very appealing from the standpoint of farm taxes. A comparison of two 60-cow dairies in adjoining Wayne County, PA Pennsylvania and Sullivan County, NY, indicated a \$7,500 advantage in net property taxes paid by the New York farmer, despite property tax rates being much higher in New York State. Homeowner tax benefits under the STAR program contribute to this advantage and comparable programs for homeowners exist in other states (including PA) but the major factor is the School Tax Credit. Capitalized, the \$7,500 per year is a \$80,000 to \$120,000 value, approximately \$400 to \$600 per acre for a typical dairy farm of this size. This is close to PDR value in areas not experiencing development pressure. Therefore, the Farm Property School Tax Credit (combined with STAR) is a very effective farm preservation tool. The fact it is a reimbursement program also tends to steer the help to viable farm operations, although the \$150,000 income limit discriminates against the most successful farmers.

Approach	Jurisdiction	Description	Analysis
Economic Development Initiative	Watershed Agricultural Council (WAC)	Part of New York City's agreement with the towns in its watershed area to protect the water supply preovided for the creation and funding of a unique entity known as the Watershed Agricultural Council. WAC was given several responsibilities and among them were the coordination of "Whole Farm Planning" and an economic development intiative to put the watershed's farmers on a firmer economic foundation. The Whole Farm Plans were designed to qualify area farmers for City financial assistance with nutrient management and conservation improvements that also served to upgrade the farm operations and enhance their prospects for long-term survival. The economic development program used seed money from the City to secure additional grant funds and technical assistance from USDA and Cornell for the purpose of establishing a restaurant supported agriculture program with the City's best eating places. Interested farmers were organized and trained in the growing of specialty crops, including fingerling potatoes. Markets were developed and the Catskill Family Farms cooperative was formed. Several dairy farms diversified into specialty crops and some eventually converted entirely to these new ventures. The cooperative is now largely on its own, supported by its membership. It continues to serve restaurants (through a distributor) and is now involved in Consumer Supported Agriculture (CSA) ventures.	This has been a successful program for a number of farmers. There are now 15 farmers involved who are producing 200,000 pounds of fingerling potatoes and numerous other specialty agricultural products. The project has gone through several changes and faced many start-up issues. Distribution and management proved to be very difficult. Ultimately, Catskill Family Farms opted to take somewhat lower prices (still well above commodity price levels) in return for the services of a distributor. This is a common pattern, however. It is unlikely a distributor could have been attracted without the Cooperative having first demonstrated that there was a market to serve. Likewise, the Cooperative would not have been formed or the new product ventures attempted without the organizational skills and seed money of WAC. The transition period to stability was several years in the making but the Cooperative has, ultimately, achieved its objectives of keeping farmers in business and improving their incomes. These should also be the goals of farmland preservation. The WAC experience is being replicated with smaller projects in various counties where agricultural economic development programs have been created. The Catskill program demonstrates that larger scale success is possible but a combination of adequate seed money, technical assistance, enthusiasm and management is essential. These are far easier to provide on a Statewide or regional basis than as county programs.

Approach	Jurisdiction	Description	Analysis
Deregulation of Agricultural Processing (Farm Winery Act)	New York State	The New York State Farm Winery Act, passed in 1976, allowed, for the first time, the establishment of wineries making up to 50,000 gallons per year with tasting rooms and retail sales on-site seven days a week, a privilege not accorded to commercial wineries within the State. Wineries had been required to sell 95% of their wines through distributors. So as to encourage the wine industry in the state, the Act provided that farm wineries could use only New York grapes they grew themselves or purchased from other New York State vineyards. The maximum annual production was expanded to 150,000 gallons in1990. The Act also specified that no more than 15% of the grapes used for a regional label wine can come from another New York State wine region. Farm wineries are, today, still strictly regulated in New York State but the Farm Winery Act makes it economically feasible to establish small wineries selling directly to the public, opening up an agricultural niche within the wine-making regions of the State. Several other states are now emulating New York's example with farm winery laws of their own that create opportunities for vineyard owners to construct wineries or wineries to be established that buy grapes from local vineyard owners.	The Farm Winery Act has been a great success story by any measure, including farmland preservation.  Before the Act, New York had only 21 wineries, but 37 more opened within the next 10 years. Some 102 of New York's 160 wineries have opened since 1985, including 61 during the 1990's and 11 more in 2001 alone. Wineries now operate in 32, or a majority, of New York's counties, with concentrations in such low growth areas as the Finger Lakes and Lake Erie region. Farm wineries, most in the range of 10,000 to 30,000 gallons per year of production, account for 80% of all wineries in the State. Farm wineries produced 1,600,000 gallons of wine in 2000, a threefold increase in 15 years. They only account for about 4% of New York's total wine production but helped to produce a 65% increase in the total due to the attention they drew to the State's wines. The 1,100,000 gallon gain in farm winery wine production since 1985 is equivalent to approximately 31,500 tons or 8,750 acres of grapes. Old vineyards have been recyled for use in growing new varieties and addiditional acreage has also been brought into production. The economic impact from both wine sales and tourism generated from the wine trails is, at an estimated \$30/gallon or \$13.50 per visitor, some \$33,000,000 to \$36,000,000 minimum and probably much higher. The Farm Winery Act demonstrates the potential for smaller agricultural producers released from restrictive regulations on processing.

Approach	Jurisdiction	Description	Analysis
Economic Development Initiative (Ag Industry Tax Abatement Program)	Sullivan County, New York Schuyler County, New York	The County of Sullivan Industrial Development Agency has enacted a targeted tax abatement program specific to agricultural industries. Their program was created in iresponse to a Sullivan County Economic Development Strategy recommendation to make "targeted efforts to produce job growth through business expansion."  Many of the County's employers were agricultural enterprises and considering expansion. Agriculture enterprises were also acknowledged to generate very high economic multipliers and be "the single most important segment of the County economy after tourism." The program is a targeted tax incentive designed to complement the County's Agricultural Revolving Loan Fund (described below). It allows the County to offer unique packages of benefits to agricultural enterprises and makes it the place to be if one is in those businesses. The abatement schedule is quite generous and allows for 5 years of no taxes on the improvements made, phasing in at 10% per year thereafter. Schuyler County adopted a similar program to help its wineries and Steuben County's Agricultural and Farmland Protection Plan recommends it. Other counties have comparable programs or have offered similar benefits to processors in negotiations to recruit them as industries. These include Broome, Fulton, Greene, St. Lawrence and Yates Counties.	There have been a number of successes with these programs in attracting and keeping those agricultural processors and support industries that ensure a critical mass of agricultural activity within an area. The Sullivan County IDA has used its program twice since adoption in 1998 - once by a feed manufacturer and another time by a farm equipment dealer. Both were located in towns lacking eligibility under Section 485-b of the Real Property Tax Law (which abates 50% of taxes in the first year and phases in at 5% per year). The machinery dealer made a \$100,000 expansion. The feed company invested \$1,000,000 in modernization of its mill. Each supplier had but one effective competitor. Maintaining that competition was essential to keeping the costs of supplies to local farmers competitive. Greene County was able to attract a large Canadian floral processor using its program (although the deal died following property acquisition for unrelated reasons). Yates County and some others have designed their programs around value-added manufacturing. It recently provided tax abatements to Glenora Wine Cellars with a major expansion project, for instance. That particular project was not treated as value-added because it was primarily a lodging project but IDA officials indicate a winery itself would qualify as value-added, thus giving Yates County a distinct advantage in promoting winery development with associated farmland preservation benefits.

Approach	Jurisdiction	Description	Analysis
Economic Development Initiative (Ag Industry Revolving Loan Program)	Sullivan County, New York	Sullivan County has used the HUD Community Development Block Grant program to establish an Agricultural Revolving Loan Program. The fund is to agricultural industries, including both farms and processors as well as support enterprises. A \$600,000 grant was secured to establish the revolving loan fund. The terms are 4% interest with 7-10 years to amortize the loans. There is a requirement that at least one new job be generated for each \$25,000 in funds loaned out.	This program is now almost three years old. Two loans have been made - one in the amount of \$360,000 for an egg-breaking operation and another loan of \$100,000 to an egg-layer poultry operation recovering from a fire and needing to update equipment. The egg-breaker created 50 new jobs, is making all payments and looking to further expand. The egg-laying operation loan is new but supports a long-standing poultry business in the County. The program is modestly sucessful but suffers from HUD paperwork and documentation requirements. Also, the terms haven't been especially attractive in the current low-interest private market. Agricultural enterprises also have difficulty meeting job targets even though their indirect (multiplied) economic benefits are large. Still another program is that farm assets make difficult collateral because they tend to be special purpose and unusable for otherc enterprises. A poultry house is, in fact, probably a liability to anyone other than the farmer himself. This type of program is only likely to make a major impact on farmland preservation if linked to other financing as a source of second-position matching funds. The investment of time and resources in making it available may not be justified considering the limited market for the assistance.  Also, stand-alone programs of this type tend to support unworthy applicants from a credit standpoint, distorting the marketplace, or provide resources already available from private lenders.

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## 4.0 Agricultural Goals

Measurable goals form the foundation of any economic development strategy. They provided, in this instance, a basis from which to construct the more detailed Action Plan found in Section 5.0. They also offer criteria for evaluating future implementation of the recommendations set out in this Plan. Three techniques were used to develop agricultural goals and objectives for Yates County. These included; a) meetings with the Yates County Agriculture and Farmland Protection Board, b) an Agricultural Development and Farmland Protection Forum held in January, 2003, and c) three surveys of agricultural producers, agribusinesses and non-farm residents conducted during the summer of 2002. Survey forms and summaries may be found in the Appendices.

Some of the most important findings from the Forum and the surveys are summarized below, followed by measurable agricultural goals and objectives derived from this input and that of the Agriculture and Farmland Protection Board.

#### 4.1 Agricultural Development and Farmland Protection Forum

The Yates County Agriculture and Farmland Protection Board held a forum for agricultural producers, agribusinesses and other representatives of the industry, to discuss some of the most important issues surrounding the future of agriculture in Yates County. Agricultural contributions to the County's economy were reviewed, along with some of the results of the surveys discussed above and in Section 4.2 below. The wide array of special tax benefits available to farmers and agri-businesses located in New York State were outlined in detail.

There was also a discussion of some of the particular methods used in other areas and states to serve special farm populations such as the plain communities. A representative of the New York State Department of Agriculture and Markets gave a presentation regarding the methods of preserving farmland and rights to farm. Agricultural economic development opportunities were analyzed by an agricultural development specialist from another area of New York State.

The Forum was concluded with an extended large group discussion of Yates County agricultural strengths, weaknesses, opportunities and threats. This exercise was designed to help identify reasons why the County has been able to attract so many new farmers. More importantly, it focused on ways to build upon those assets to continue to grow the agricultural economic sector. The results of these discussions (which are not intended to be all inclusive) follow:

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#### STRENGTHS OF YATES COUNTY AGRICULTURE

- Yates County's numerous wineries attract agricultural tourism, preserve farmland, provide grape growing opportunities for many farmers and offer excellent potential for further growth.
- The County grows a tremendous amount and variety of fruit that not only supports the wine industry, but also offers direct retail and U-pick marketing opportunities complementary to other agricultural endeavors.
- Yates County dairies are growing in number, exhibit a great deal of strength and, because of their small nature, are suited to certain niche marketing opportunities such as farmstead cheese production.
- Organic farming has reached a critical mass in Yates County, with several different types of farms and a local organic grain mill involved, and the potential to open up new markets and grow considerably more organic business.
- The County exhibits great scenic beauty that derives from its working farm landscapes and serves as an asset for both agricultural tourism and farmland protection.
- Yates County soils and topography support an extremely diverse agricultural industry and present opportunities to continually pursue new opportunities.
- The County's access to three of the Finger Lakes creates an especially strong branding imagery for marketing purposes, as well as unusually large acreages suitable for grape production.
- Yates County's farms, lakes and woodlands support large wildlife populations and strong sport hunting and fishing industries.
- The County possesses a large block of middle-class economic independents that offers a core group of potential entrepreneurs for investing in new agricultural endeavors.
- Yates County's growing season is advantageous for many crops suited to Northeast markets.
- The large and growing "plain community" of Mennonites and similar faiths has helped to maintain agricultural services, establish certain niche marketing distribution systems and grow agriculture as an industry for the County.

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#### WEAKNESSES OF YATES COUNTY AGRICULTURE

- Yates County has only one, relatively limited, farmers market (not including the Windmill Market, Finger Lakes Produce Auction and private farm stands).
- The County lacks a large and stable water supply (other than the three lakes) to support processing industries, irrigation and growth of other heavy water-using businesses.
- The supply of hotels and restaurants to support the further growth of the County's tourism industry is limited at present.
- Tourist farms are difficult to find within Yates County.
- The area lacks substantial dairy and vegetable processing capacity.
- There is also an inadequate number of grape processors in the region to sustain juice grape industry (especially since the loss of the Dundee operation).
- The marketing expertise required to sell products outside the County does not exist among the majority of Yates farmers.
- There are significant numbers of lakeside and village residents who have a limited understanding of agriculture as an industry and fear larger farms and modern methods of raising animals and crops.
- The Finger Lakes restrict east-west highway access to the County for larger agricultural processing industries and north-south access is limited to two-lane roads passing through small towns such as Bath and Watkins Glen.
- Yates County is fairly removed from the largest metro markets (e.g. New York City) where the best opportunities exist for direct marketing.
- The County's wildlife also constitutes a nuisance to many farmers, with extensive crop damage and management challenges.

#### OPPORTUNITIES FOR YATES COUNTY AGRICULTURE

• Yates County's burgeoning tourism industry should be able to support additional hotels that will, in turn, accommodate more growth in the wine industry, particularly if some incentives are created to spur their development.

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- Increases in trained personnel among technical assistance agencies (including Cornell Cooperative Extension and the Yates County Soil and Water Conservation District) would benefit the entire agricultural sector by assisting producers in pursuing agricultural entrepreneurial opportunities.
- A "Pride of Yates County" quality assurance program could help to improve the marketability of Yates County agricultural products and add value for greater farm profits.
- Value-added dairy processing (e.g. farmstead cheeses, organic milk) are very compatible with Yates County's small farm culture and could complement the wine trails.
- A program of Industrial Development Agency financing and tax incentives could serve to develop additional wineries, other agricultural processing operations and new hotels linked to wine trails in the manner of the Glenora project.
- The vacant Northland Juice (formerly Seneca Foods) facility in Dundee could be a valuable asset for attracting new food processors to the area.
- A livestock exchange to assist in marketing meat animals and collecting cull cows would enjoy a growing supply-side market within the County and increase choices and economic returns for farmers.
- Further expansion of the tourism season offers one of the best opportunities to grow sales of wines and other direct marketed farm products without significantly increasing overhead expenses.
- An updated agri-tourism brochure for distribution across the State and elsewhere would help to upgrade the appeal of the area and recognition of the County as a "terrior" for not only wine but other farm attractions that already exist. It should be designed around driving tours in the same vein as wine trails.
- Yates County enjoys a reputation as an area with a strong work ethic that can be marketed to agribusinesses from outside the County.
- The presence of the region's wine trails, lakes and other attractions offer an opportunity to sell additional farm products through artistic and culturally based marketing designed to appeal to metro area consumers.
- Marketing of the region's natural features offers similar opportunities to sell more

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farm products and increase agricultural tourism.

- The Finger Lakes Produce Auction could potentially be expanded in scope to accommodate small lot sales, opening up additional direct marketing opportunities for vegetable growers.
- A "farm and vineyard of distinction" program advertised through links to hotels and restaurants outside the County, combined with the County's proximity to tourism markets such as Buffalo, Rochester and Canada, could increase opportunities for wineries and other direct marketers of farm products.

#### THREATS TO YATES COUNTY AGRICULTURE

- Declining markets for grapes not going to farm wineries could lead to loss of some of the better farmland.
- Farm manure pits, as perceived threats to watersheds, could present potential conflict points with other area residents unless proper management techniques are employed and funding is secured to pay for solutions.
- Widely differing approaches to local zoning and poorly written land use regulations could make Yates County unfriendly to agricultural enterprises.
- Lack of cooperation in the farm community could lead to the agricultural industry losing an effective voice in debates over issues affecting it.
- Failure to manage growth and control sprawl could lead to loss of valuable farmland and increased farm and residential conflicts regarding farming practices.
- Misinformed animal rights advocates also threaten to interfere with standard farm practices and create obstacles to larger farm operations.
- The County's many small dairies are especially threatened by declining margins in that industry and the increasing pressure to achieve economies of scale.
- Funding to pursue major new agricultural initiatives at the farm and County levels is lacking.
- Overtaxation and over-regulation are especially harmful to small farmers hoping to grow in size and maintain competitiveness in the industry.

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- New York State's budget squeeze, combined with already high tax rates in many areas, threaten to make upstate more inhospitable to new business.
- Lack of agricultural awareness among front line hospitality workers could make it difficult to promote new agricultural tourism ventures and encourage new farm enterprises near residential communities and tourism attractions.
- Wage competition from large employers could make it difficult to attract new workers for agricultural enterprises.
- Lack of participation by the agricultural community in local government could put farm interests at a disadvantage in dealing with land use conflicts and other vital agriculture interests.

#### 4.2 Surveys of Agricultural Producers, Agribusinesses and Non-farm Residents

Three surveys were conducted to collect data and opinions on Yates County's agricultural industry. One was sent to all known agricultural producers in the County (approximately 650 in total) and 187 responses were received for a return rate of approximately 29%). An agribusiness survey mailed to some 150+ enterprises also generated 74 responses, for a return rate of about 50%. Finally, 500 surveys were sent to a random list of non-farm residents to gain some insights into their perceptions produced 241 responses for a 48% response.

The excellent responses to all three surveys are attributable to a four-step process used by the County to remind those receiving such surveys to return them. All three survey forms and summaries of the returns may be found in the Appendices to this Plan. Some of the key findings are summarized below.

#### AGRICULTURAL PRODUCER SURVEY

- A relatively large number of producers (20%) direct market at least some of their farm products. Some 23% of respondents desired help with direct marketing.
- Some 21% of producers were unaware of the New York State school tax credit program and only 60% received a refund of such taxes for 2001.
- Only 8% of farmers had actually experienced farm neighbor problems, despite the high profile hog farm issues in the news locally.
- Seventy percent of producers expected to be farming 10 years or more and 95%

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expected to eventually transfer their properties to others for continued farming.

- Increased farm profitability was a major factor in keeping their land in agriculture for 61% of respondents. Issues of importance included right to farm laws, limiting increases in non-school property taxes, reducing workmen's compensation costs, New York State school tax reforms already made, capital gains and estate tax reform and agricultural land costs.
- Some 43% of producers expected to purchase new equipment over the next five years and 30% each expected to construct new or renovate existing structures.
- A large number of producers (85) had used the Finer Lakes Produce auction. Some 46 producers sold up to 20% of their product through the auction.
- Among the initiatives taken in other counties to support agriculture that producers thought were important to Yates County (in order of priority) were the following:
  - 1) Zoning ordinances that protect agriculture
  - 2) Additional right-to-farm protections
  - 3) More reasonable environmental regulations
  - 4) Help in negotiating lower utility rates
  - 5) Help in negotiating better pricing
  - 6) Agricultural education within public schools
  - 7) Help in identifying/developing new markets
  - 8) Pesticide management training
  - 9) Tax-abatements for new agribusinesses ventures
  - 10) Technical help/training in best conservation management
  - 11) Increased local marketing of farm products
  - 12) More flexible rules for School Tax Refund

#### AGRICULTURAL BUSINESS SURVEY

- Agribusinesses surveyed employed 328 persons in Yates County on a full-time basis and another 373 persons part-time.
- Some 42% of respondents had been operating for 20 or more years, with 54% indicating farm customers were extremely important to their businesses and 53% expecting to increase the size of their businesses over the next five years.
- · Among the Yates County farming trends observed by agribusinesses were; larger

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numbers of smaller farm operations, movement of farms into the County, changes to new types of farms, more specialty and direct market operations and more diversification.

- Seventy-four percent of agribusinesses said their customers had increased over the last five years and 57% stated that profits had increased, with 76% expecting profit gains in the next 5 years.
- Primary issues of importance to strengthening agriculture identified by agribusinesses included limiting increases in non-school property taxes, capital gains and estate tax reform, reducing health insurance costs, right to farm laws, reducing workmen's compensation costs and reducing property/liability insurance costs.
- Among the initiatives taken in other counties to support agriculture that agribusiness owners thought were important to Yates County (in order of priority) were the following:
  - 1) Zoning ordinances that protect agriculture
  - 2) Additional right-to-farm protections
  - 3) Increased local marketing of farm products
  - 4) Help in negotiating lower utility rates
  - 5) Help in identifying/developing new markets
  - 6) Technical help/training in best conservation management practices
  - 7) More reasonable environmental regulations
  - 8) Help with direct marketing to consumers
  - 9) More flexible rules for School Tax Refund, etc.
  - 10) Tax-abatements for new agribusinesses ventures
  - 11) Help in negotiating better pricing
  - 12) Technical help/training in nutrient management

#### NON-FARM RESIDENT SURVEY

- Some 73% of residents surveyed indicated they lived within 1/4 mile of a farm. Most (152 of 240 respondents) came from somewhere outside Yates County. Those from another rural area of NYS accounted for 43%, former residents of an urban area of the State represented 33% and those from other states accounted for 24%.
- Almost 92% of those answering the question stated that their farm neighbor was a good neighbor.

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- Thirteen percent indicated they had not visited a farm in more than 10 years.
- Some 65% of respondents underestimated the size of the agricultural economy.
- Some 84% said Yates County should take steps to help preserve farmland and 76% stated that agribusiness should be encouraged to expand.
- Respondents frequented fruit and vegetable stands (88%), farm open houses (18%), U-Pick fruit or vegetable operations, custom-cut meat processors (39%), stores featuring local dairy products (46%) and Stores featuring other local farm products (73%).
- Factors respondents said would most cause them to spend more on food included (in order of priority) superior taste, convenience, leaner meat with less fat, production locally (Yates County and environs), humane treatment of animals and superior nutrition.
- Despite good feelings toward their farm neighbors, 31% of residents stated they had experienced odor problems from nearby farms.
- Ninety-three percent of residents stated that farming enhanced the scenic beauty of Yates County, 77% thought loans and grants to farm enterprises were important, 68% thought tax breaks for farmers were important, 78% thought farming was good for the environment and 63% perceived food prices as being relatively low.
- Fifty-eight percent of residents said they'd like to visit a farm from time to time.
- General comments and ideas suggested by residents for helping agriculture included the following:
  - 1) Lowering farm taxes
  - 2) Assisting farmers financially
  - 3) Restricting intensive livestock operations
  - 4) Improving farm pricing
  - 5) Promoting farm values
  - 6) Preserving farmland
  - 7) Restricting residential growth
  - 8) Leaving farmers alone
  - 9) Encouraging buy local programs
  - 10) Promoting environmental protection
  - 11) Improving marketing

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12) Promoting more agricultural tourism

#### 4.3 Yates County Goals for Agricultural Development and Farmland Protection

Using the input from the Yates County Agriculture and Farmland Protection Board, the Agricultural Development and Farmland Protection Forum and the three surveys, the following agricultural goals have been developed for Yates County:

- 4.3.1 Continue, if possible, to increase the total market value of Yates County agricultural products sold annually in current dollars by 1.5% per year (the average increase for the period 1997 to 2002).
- 4.3.2 Increase total net cash returns from Yates County agricultural sales (after deducting production expenses) by 1% per year in current dollars (as opposed to an average decrease of 0.8% annually for 1992 through 1997).
- 4.3.3 Maintain a minimum of 50,000 acres of prime harvested cropland in Yates County, while encouraging the conversion of lower value cropland to grazing use, which can produce higher profits if done intensively.
- 4.3.4 Secure the adoption of local right to farm legislation in all towns within Yates County.
- 4.3.5 Secure agricultural zoning protections in all communities with zoning laws in effect.
- 4.3.6 Continue to increase the numbers of vineyards, wineries and acres of vinifera grown in the County, growing wine production by a minimum of 3% per year (as compared to approximately 3.5% Statewide on an annual basis since 1985). Also, maintain juice and fresh grape production levels where profitable and best suited to soil conditions.
- 4.3.7 Increase wine trail visitation and other agricultural tourism visits by 3% per year.
- 4.3.8 Attract additional agribusinesses to Yates County, particularly food processors, while maintaining the core businesses that now exist.
- 4.3.9 Increase the number of organic producers and total organic output of Yates County farms as a niche marketing opportunity.
- 4.3.10 Increase the share of agricultural products direct marketed to consumers and others (now 20% or more based on producer survey) by one-half over the next 10 years.

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- 4.3.11 Increase the labor supply available to farm enterprises and the number of younger persons choosing agriculture as a career in Yates County, particularly among the Mennonite community that is already motivated in this direction, by promoting agricultural entrepreneurial opportunities and supporting them with technical assistance.
- 4.3.12 Develop new shipping point markets on the order of the Finger Lakes Produce Auction for other products and increase the volume of throughput at the Auction.
- 4.3.13 Reduce taxes on farmers by encouraging higher levels of use of existing programs and other measures to control the costs of government and lower impacts on farmers.
- 4.3.14 Reduce the impacts of government regulation on small farmers by encouraging market driven solutions to agricultural profitability challenges.
- 4.3.15 Increase the availability of marketing expertise to all farmers.

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# 5.0 Action Plan

Yates County's agricultural sector is extraordinarily diverse. This is its predominant strength. Farming will remain healthy as an industry if it continues to adapt and diversify. New markets, new products, new ways of doing business and new partnerships are constantly needed. The mission of the Agricultural and Farmland Protection Board should be to ensure the presence of conditions that allow Yates County's extraordinarily diverse agricultural economy to continue to grow and prosper. Accordingly, the Agricultural and Farmland Protection Board should make implementation of the recommendations that follow its primary mission over the next 3-10 years:

#### 5.1 Agricultural Business Planning Initiative

RECOMMENDATION: Make business planning technical expertise available to existing farmers wanting to diversify or expand as well as new farmers wanting to locate in Yates County. This technical assistance could be provided through existing agricultural business consultants operating in the region or by employment of an individual with these skills on the staff of Cornell Cooperative Extension of Yates County or the Industrial Development Agency of Yates County. A Rural Business Enterprise Grant should be secured toward this end.

Farmers and other agricultural business entities often lack the technical expertise to apply for private and public financing. Many have not previously engaged in the kind of business planning that is necessary in packaging applications for financial assistance from either governmental or traditional lending sources. There is limited technical assistance now available through Cornell Cooperative Extension (CCE), the Yates County Soil & Water Conservation District (S&WCD). Both agencies have assisted farmers with applications for NYS Department of Agriculture and Markets grants and financial help in implementing nutrient management plans. There are also private business consultants already operating in the region who provide some of this same assistance to interested farmer clients.

The Agricultural and Farmland Protection Board should broaden the availability of this business planning assistance. Smaller farmers, Mennonite farms, new wineries and agricultural support businesses are examples of the enterprises that should be targeted for business planning assistance. There are at least three means of accomplishing this; 1) offering mini-grants to interested entrepreneurs for employment of private business consultants, 2) adding staff capabilities at CCE, S&WCD or the Industrial Development Agency to provide such assistance, and 3) hiring an Agricultural Economic Development Specialist for Yates County, whose responsibilities would include this function.

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The first of these options would be easiest to fund at the outset and provide a model for testing the concept without the risk of making a new hire. A logical source of funding is the Rural Business Enterprise Grant (RBEG) program offered by the USDA Rural Development agency. An application to establish such a mini-grant program should be made with USDA as soon as possible. If the application is approved, these mini-grants could be made available in the near future for farmers and others to secure business planning assistance from qualified consultants of their choice. Providing for such choice is another advantage of this approach.

**Implementation Period:** 2004-2005

**Responsible Parties:** 1) Agricultural and Farmland Protection Board

2) Cornell Cooperative Extension of Yates County

3) Yates County Industrial Development Agency (IDA)

#### 5.2 Niche Marketing Training Initiative

RECOMMENDATION: Provide workable models of new niche agricultural business enterprises to Yates County's relatively large population of young individuals already motivated to engage in farming. Yates County's Mennonite farm culture is ideal for cultivating new niche agricultural ventures. Feasible models need to be developed to pursue niche opportunities in pastured poultry, dairy goats, fresh grape production and many other enterprises geared toward small farm operations that can be started with a minimum of capital.

Yates County has a tremendous opportunity to grow agriculture as an industry by addressing the interests of the many young Mennonite farm family members who are already motivated to farm by their culture. These individuals need to be provided with viable examples of ventures they can pursue profitably to stay in Yates County.

There are numerous such examples of niche products that can be produced on both small and large farms. Pastured poultry, dairy and meat goats and fresh grapes are all possibilities. On-farm dairy processing of artisanal cheeses and yogurts is a viable option for small to medium sized dairies. Organic dairying has distinct possibilities and is already being pursued. Agricultural tourism also offers potential. Other farmers can specialize in raising newborn calves and heifers, growing forages, custom harvesting and similar ventures. Corn silage and total mixed ration (TMR) sales to smaller farmers offer profit potential for larger operations. Quality hay, frozen embryos, export cattle and high-protein milk are still additional opportunities for diversification and specialization.

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Successful models and niche marketing training are essential to the development of these opportunities. This is particularly true for smaller farmers who need higher profit margins to survive at their reduced scales of operation. Niches also have to be changed from time to time. Many small farmers have to reinvent their operations every 8-10 years. Those who do, survive and prosper - those that don't, are soon gone. The role of the Agricultural and Farmland Protection Board, through its cooperating agencies, should be to provide some of expertise needed to pursue the possibilities. This should be accomplished with research, development of model business plans and direct technical assistance.

Cornell Cooperative Extension can supply the educational support required. However, much of the expertise needs to be provided in the context of an advocacy, rather than strictly educational, role. Therefore, others may also need to be involved. Assistance in transitioning from one type of business enterprise to another will often require hands-on assistance as well as business planning education. Help in developing and managing projects from start to finish will be demanded. This needs to done using a holistic approach that meets the self-sufficiency and income needs of farm families, keeps those families together and on the farm, rather than working off farm. It is also critical that niche farm operators appreciate the demands of consumers for food safety and high quality products. Education in these areas needs to be part of any niche marketing training program.

**Implementation Period:** 2004-2010

**Responsible Parties:** 1) Agricultural and Farmland Protection Board

- 2) Cornell Cooperative Extension of Yates County
- 3) Yates County Soil & Water Conservation District
- 4) Finger Lakes Resource Conservation and Development (RC&D) District

#### 5.3 Yates County Culinary Promotion

RECOMMENDATION: Establish a local version of the Finger Lakes Culinary Bounty program linked to that initiative and building upon it to promote Yates County's diverse array of farm products. This should be accomplished using a local magazine or website with a theme that allows the packaged promotion of multiple products. "Yates County...Breadbasket of the Finger Lakes," is one possibility. Promotional efforts should be targeted at high-end consumers and tourists already attracted to the lakes and wine trails.

Yates County is unique in the number of lakes it fronts, the number of wineries it

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possesses, its extensive organic industry and the diversity of farm products it grows. The County needs to exploit these competitive advantages with some self-promotion. This needs to be done in the context of regional programs that already exist (e.g. Finger Lakes Culinary Bounty, multi-county tourism promotion programs and the Bountiful Harvest brochure) but with an emphasis on Yates County's unique offerings.

A local quarterly magazine or website building on the Fingers Lakes Culinary Bounty Program and fully complimenting it (as opposed to competing with it) should be the vehicle for accomplishing this. Such a magazine or website should include promotion of food ideas, food quality and food availability. It should promote the availability of every kind of good food available in Yates County, from pancake mixes to vegetables to wine to meats to milk products. It should promote both small and large farm images, woodcraft enterprises, farm stores and wineries with high quality photography, stories and information on awards. It should promote quality products. It should make readers or users familiar with individual farms, telling their stories. It should explain farm practices, blending the old with the new and modern farm technology. It should, however, avoid too much quaint sentimentality and instead give readers and users a better understanding of where good foods come from (Yates County), how they're produced and what makes Yates County special.

Such a magazine or website could be initially launched as part of the County tourism promotion program and later spun off to a separate organization of either a public or nonprofit private nature in the model of the wine trails. It need not be extravagant at the outset but must include high quality photography and good storytelling to create the desired images. A partnership for this purpose among various groups could, perhaps, be established by initially developing a website with links from and to other organizations including local wine trails. Cornell Cooperative Extension has the capabilities to produce such a website but will need contributions from others.

The website should be direct at high-end consumers and tourists from the lake areas, Rochester, Corning and similar communities. An appropriate example of a theme is "Yates County... Breadbasket for the Finger Lakes." It is important to target to visitors and highend consumers to create out-of-County markets that avoid accelerating new development and competition for land within the County.

**Implementation Period:** 2004-2005

**Responsible Parties:** 1) Agricultural and Farmland Protection Board

2) Cornell Cooperative Extension of Yates County

3) Yates County Chamber of Commerce

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#### 5.4 Strategic Alliances Initiative

**RECOMMENDATION:** Arrange for pooling of purchases, cooperative endeavors and other strategic alliances to reduce costs of doing business for commodity agricultural enterprises. Commodity agricultural businesses can only compete successfully in what are mostly becoming national and global markets by consistently reducing costs. Small and medium sized farm operations must align themselves in strategic alliances to achieve economies of scale and realize the cost reductions that will keep them competitive. Technical assistance with the assembly of such alliances is a critical task for the Board.

Strategic alliances between small and large farmers and grain and dairy farmers need to be furthered as a means of reducing costs and staying competitive in commodity agriculture businesses. Grain farmers need to be encouraged to grow crops for dairy farms as part of their rotation program. Intra-County sales of grain and other commodities need to be encouraged with the establishment of a local "forage finder" program and the promotion of commodity sheds. Informal cooperatives or pooled purchase programs should be initiated to negotiate better pricing at both the input and output side.

Such alliances should also be employed as a vehicle for identifying new markets and product lines. There may also be opportunities to expand upon the Finger Lakes Produce Auction or develop similar shipping point market that would facilitate access to urban markets. Commodity agricultural enterprises especially need help in addressing labor supply issues, costs of insurance and costs of utilities, all of which would benefit from group negotiation.

Forward contracting and other risk management tools, although they have traditionally had limited impacts on Yates County farmers, will clearly be a part of the future. Strategic alliances of farm operators prepared to use these tools will provide the best opportunities to secure education and maximize the benefits regarding them. There is a concurrent and related need to encourage alliances among farmers, educational/research institutions, agribusinesses and County government.

The Agricultural and Farmland Protection Board can promote these various strategic alliances simply by bringing the parties together through conferences and seminars. Its cooperating agencies need to take a more proactive posture in assembling such alliances, however. Education, alone, will not bring the parties together in the critical second step of organizing into alliances. This needs to addressed with direct technical assistance. One way to accomplish this is to provide more extensive business planning assistance to strategically allied farmers, followed up by assistance in packaging financing requests for

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farm improvements and other new investments.

**Implementation Period:** 2004-2010

**Responsible Parties:** 1) Agricultural and Farmland Protection Board

2) Cornell Cooperative Extension of Yates County

3) Yates County Farm Bureau

#### 5.5 Yates County Organic Initiative

**RECOMMENDATION:** Promote and expand the organic agricultural industry in Yates County as a niche economic sector. Yates already has a large number of organic producers, including hay and grain producers who can support diary and other organic producers with certified organic inputs. Having this critical mass of organic producers gives Yates County a major competitive advantage over other regions hoping to exploit this niche opportunity. While competitors will eventually find their way to this higher margin sector, it provides a unique advantage for Yates to build upon and attract buyers.

Organic agricultural production is already a niche industry for Yates County. It has many organic producers already growing hay, grain and other products for sale to buyers outside the region. It also possesses an organic feed mill. The potential to increase the size of this sector, therefore, given the core businesses already present, is great. This should be encouraged with specific attention as a means of building recognition for Yates County, giving the County a marketable competitive advantage in attracting additional farmers and increasing profit margins for existing farmers.

The organic industry can be grown further using a combination of marketing and financial incentives. Promotion of Yates County as an organic production area should be focused on both organic products and the value of the area as an organic production area. It should help sell Yates County organic products to consumers and Yates County itself as the place to be if a farmer wants to grow such products. It should emphasize the critical mass of organic producers already present, the markets available as a result and the high quality that production in Yates County ensures.

Financial incentives and technical assistance should include priority attention to organic producers as these programs are extended to agricultural enterprises. Such priorities should, of course, not exclude other farmers from the opportunities but, nonetheless, give special attention to organic production as a niche enterprise for Yates County, in much the same manner as wineries are a niche for the Finger Lakes as a whole. The value of organic

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production is, for this purpose, in their niche economic aspect.

**Implementation Period:** 2005-2010

**Responsible Parties:** 1) Agricultural and Farmland Protection Board

- 2) Cornell Cooperative Extension of Yates County
- 3) Yates County Soil & Water Conservation District
- 4) Yates County IDA

#### 5.6 Finger Lakes Wine Marketing Initiative

**RECOMMENDATION:** Bring together local wineries, the Wine Alliance, the Wine and Grape Foundation and wine trail organizations in a Finger Lakes wine marketing program. It should be linked to the new Finger Lakes Magazine and promote the Finger Lakes as a wine "terroir." It should offer marketing training to wineries. It should promote expansion of vineyard acreages, new varieties, more vinifera, conversion of vineyards from juice grapes to wine grapes and promote specific food and wine pairings. It should include incentives and technical help in these endeavors.

"Terroir" is a French term. It is used to describe a territory or region by a combination of geography, attitudes, culture and history. It goes beyond the concept of "appellation" as used in the wine industry to encompass a broader sense of what an area is all about. The New York Wine and Grape Foundation has done an exemplary job of promoting New York State wines and the growth of the industry. The Federal government also recognizes appellations for the State, the Finger Lakes and some of the individual Finger Lakes. However, continuing efforts are needed to specifically promote the Finger Lakes as a wine "terroir." No new organization is demanded. Rather, this can be done (and already is being done to a large extent) as a cooperative effort among existing parties. They key is to keep putting more emphasis on the region as the marketing niche.

The Finger Lakes Wine Country promotion program, which encompasses Chemung, Schuyler, Steuben and Yates Counties, is an excellent start. It gives relatively little attention to Yates County, however, with the exception of a Windmill mention and simple listing of wineries. A number of agricultural attractions (e.g. the Produce Auction) are left out and opportunities are missed to promote unique aspects of the region and its wines. The brochure also inadequately captures the attractive qualities of Yates County's panoramic working landscapes and the farm culture that supports them. It does little to explain the themes that serve to create a Finger Lakes terroir, focusing instead on collections of individual attractions. It is excellent effort in so far as it goes, linking the four counties

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together and packaging many of the tourism resources, but much more is needed to explain what is different about Finger Lakes wines - what makes them special.

A coordinated effort on the part of wineries, the Wine Alliance, the Wine and Grape Foundation, trail groups and tourism promotion entities is needed to market the Finger Lakes as a wine region. Marketing training using the Australian model needs to be repeated regularly. Technical assistance is needed with specific types of marketing. Virginia and Washington wine region marketing aspects need to be emulated. Expansion of vineyard acreages and planting of new varieties (particularly vinifera) should be promoted. Incentives for using the Finger Lakes appellation and technical help in marketing need to be created. Conversion of acreages from juice grapes to wine grapes should be encouraged where possible although there are a number of factors to consider in making such a shift. Specific food and wine pairings need to be identified and promoted.

This initiative is underway but continued technical support is needed to realize the full benefits of such a program. Cornell Cooperative Extension's wine and grape specialist can and should perform this service at the behest of the Agricultural and Farmland Protection Board, working with similar groups in adjoining counties. Technical assistance and support should also be sought from the publisher of the new Finger Lakes Magazine, with whom a continuing relationship should be established.

**Implementation Period:** 2004-2006

**Responsible Parties:** 1) Agricultural and Farmland Protection Board

2) Cornell Cooperative Extension Wine & Grape Specialist

3) Regional Wine Trails

#### 5.7 Labor Development and Management Training Initiative.

**RECOMMENDATION:** Establish a continuing program to develop farm labor and train farm managers. Professional development for occupations such as vineyard manager and dairy manager should be a major focus of Cornell Cooperative Extension. Students who can grow into higher level agricultural careers need to be encouraged using agricultural awareness programs at the school and community level, Penn Yan's Ag Leadership program being an excellent example. Increase support by School Boards is essential and will need to solicited.

Perhaps the most critical challenge in maintaining a vibrant agricultural economy is producing a next generation of farmers, farm workers and farm managers, to take over the

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operation of the industry. Fortunately, Yates County has many motivated farm youth in the Mennonite community, but preparing these and other future farmers and farm workers with the skills needed to prosper in agriculture is still essential.

Among the needs is agricultural education in schools. There should be increased efforts to introduce and maintain agricultural vocational training in BOCES and local high schools. A program of seminars and courses should be developed, particularly in the areas of agricultural diversification and specialization with emphasis on the high-tech nature of agriculture today and the many applications of science that it involves. The "Agri-Core" curriculum programs used in Cortland, Ontario and Cayuga Counties are excellent models.

Internet use among younger generation farmers to further trade, create feeding programs, monitor pricing and keep abreast of the latest technology must be promoted. Progressive farmers are using this tool to a great degree. The County Agricultural and Farmland Protection Board needs to promote its use in every way possible to keep Yates farmers abreast of the available technology. Seminars, demonstrations and hands-on training are all needed. Those farmers who integrate Internet technology (and GPS use) into their management systems will offer the best potential to grow and attract labor as well as investors.

Labor management skills among farm owners also need improving. Farmers have found it extraordinarily difficult to attract and retain farm workers with the economy at full employment. The work is sometimes unappealing, the hours can be long and benefits have typically not been available. Most farmers have had little experience or training as labor managers. As their farms have grown in size, dealing with farm workers has, therefore been a challenge.

Much training is needed, with regard to managing labor, devising attractive benefit packages, offering better working conditions and identifying alternative sources. Where such sources are used (e.g., migrant labor), several other issues must also be addressed, including language skills, general education and housing. The cultural divide can be troublesome if farmers are not properly equipped to meet the needs of their workers. Just knowing how to legally access this labor source is a subject on which many farmers need training. Those Yates farmers who have taken the time to learn labor management skills and have invested in their workforce have had little difficulty keeping good help. The Board should use the Pro-Dairy program and other resources to help spread this attitude among all farmers.

There is a simultaneous need for more generous immigration regulations with regard to migrant labor employed by the agricultural sector. A more open market in legal immigration will help to reduce illegal immigration, meet farm labor needs and reduce costs paid out in

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referral fees to migrant labor agents, benefitting both employees and employers. The Agricultural and Farmland Protection Board needs to be supportive of Farm Bureau in lobbying for such policies.

Specific programs are also needed to develop occupations such as vineyard managers and dairy herd managers. A farm labor data base is also needed with links to the Mennonite community. High school links to multiple colleges with college credit for certain agricultural courses should be created to reward those students choosing agriculture as a career. The Penn Yan program in this regard should be emulated.

**Implementation Period:** 2004-2010

**Responsible Parties:** 1) Agricultural and Farmland Protection Board

2) Cornell Cooperative Extension

3) Yates County School Districts

4) Yates County Workforce Development Office

5) Farm Bureau

#### 5.8 Farm and Farmland Protection Initiative.

**RECOMMENDATION:** Right to farm laws should be encouraged for all Yates County towns. Members of the Agricultural and Farmland Protection Board should meet with local officials of each town on an individual basis over the next two years to explain the benefits of agriculture and advocate the adoption of a Right-to-Farm law.

Right-to-Farm laws are intended to complement the New York State Agricultural District Law and provide a means for resolving farm-neighbor conflicts. They do so by protecting the rights of farmers using sound agricultural practices to continue those practices and to grow and expand within the community. They establish a policy which recognizes agriculture as a priority land use and puts the burden of proof that a farm practice constitutes a nuisance squarely upon those who would oppose such practices.

A model Right-to-Farm Law is attached as Appendix 2. It establishes specific criteria broadly defining the nature of sound agricultural practices and make it extraordinary difficult for such practices to be declared nuisances. The real strength of such laws, however, is that they create a mechanism to discuss problems, educate the parties and resolve conflicts on a local level by balancing the needs and requirements of all parties. They also set forth a statement of town policy which, it is hoped, will carry over to other aspects of local government.

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Right-to-farm protections are not intended to create rights exclusive to agriculture at the expense of other community members. Rather, their purpose is exactly the opposite - to avoid farm neighbors unreasonably interfering with the employment of sound agricultural practices. The suggested provisions would ensure all interests are considered but on a foundation principle that agriculture has a right to exist and is a desired use that should not be prevented from employing sound management practices. They establish a mechanism to address the relevant issues in a practical way that balances interests while allowing agriculture to move forward.

Protecting farms and farmland is more than dealing with conflicts among neighbors. It is also about effectively addressing agricultural interests in land use regulations and using other tools to protect critical farmland for agricultural use. Towns with subdivision, site plan review or zoning laws need to consider special provisions that establish buffers adjoining active farms, limit density in agricultural areas, restrict the location of incompatible uses within agricultural districts and ensure that farmers can pursue secondary processing and ancillary businesses on the farm. Examples of such provisions are found as Appendix 4 of this Plan. Towns without these land use regulations should consider using them for the purpose of protecting farms and farmland, incorporating similar provisions in their new local laws or ordinances.

Other tools that could help in meeting Goal 4.3.3 (which calls for maintaining no less than 50,000 acres of prime harvestable cropland in the County) are identified in Section 3.0 of this Plan. Among them is the Purchase of Development Rights (PDR), which is a program that Yates County should consider for some of its land areas with excellent grape-growing potential if and when they are threatened by lakeside development. Other prime agricultural areas for vegetable production or other high-value crops should also be considered. The County Agricultural and Farmland Protection Board should identify prospective properties that might fit into these categories and consider making application for State PDR funds for these purposes if the threat of development is real and the land of sufficient value to produce a competitive application. The Board should partner with the Finger Lakes Conservancy in developing a program, if one is warranted.

**Implementation Period:** 2004-2006

**Responsible Parties:** 1) Agricultural and Farmland Protection Board

2) Cornell Cooperative Extension of Yates County

3) Yates County Planning Board/Department

4) Yates County Farm Bureau

# APPENDIX 1 Lowering Farm Taxes

#### **Agricultural Development and Farmland Enhancement Plan**

# **Lowering Farm Taxes**

by G. J. Skoda

Farmers typically identify taxes as one of the most significant factors affecting the future of their farming operations. They are affected by three major categories of taxes: the real estate/school tax; income tax; and estate tax.

This article addresses the real estate tax, which is typically three or four different taxes (Town, Village, County and School). These taxes are levied on the value of real property and are determined by local taxing jurisdictions. Their impacts on farmers and other landowners, however, are also affected by various exemption and tax benefit programs.

Real estate tax breaks for farmers began in the early 1970's with the New York State (NYS) Agricultural Districts law. The most significant gain for farmers took place in 1997 with the Farmers School Tax Refund Program. There are three distinct categories of breaks; tax refunds/credits, tax exemptions and reduced assessments; and each is dealt with separately below:

#### I - Tax Refunds and Credits

There are three (3) programs that can result in tax refunds for farmers. Applications for these as well, as all refunds and credits, are made through the preparation of a NYS income tax return.

#### A. Farm Property School Tax Credit (Form IT-217)

A very important tax relief program was included in the 1996 New York State Budget Bill and was modified in 1997 and 1998. As a result of those modifications, New York taxpayers whose federal gross income from farming equals at least two-thirds of excess federal gross income for the 1999 and future tax years, will be allowed a credit against personal income tax, or corporation franchise tax, equal to the school property taxes they paid on certain agricultural property. Gross income from farming includes gross farm income from Schedule F, gross farm rents (Form 4835) and gains from livestock (Form 4797). It also includes gross income from farming under a partnership, S corporation, estate or trust.

The tax credit is limited to 100% of the school taxes paid on a base acreage of qualified agricultural property plus 50% of the school taxes paid on land exceeding the base acreage. The current base acreage is 250 acres; and includes farm buildings. The credit is claimed against NYS personal income tax, corporate franchise tax, S corporation tax liabilities or LLC income tax liabilities. Refunds can be claimed or carried over.

Qualified agricultural property is land, located in New York State, that is used for agricultural production. The credit is not allowed for a farm lessee, as the operator must be the owner of the leased land. Lessors of farm land, however, may or may not qualify depending upon their qualifications as farm taxpayers. If agricultural property is converted to a non-qualified use, no credit is allowed that year and recapture is triggered for the previous two taxable years.

Recent legislation resulted in some changes in definitions that made more farmers eligible for the school property tax credit. Effective for the 1998 and future tax years, NYS taxpayers whose federal gross income from farming equals at least two-thirds of excess federal gross income are allowed to receive the School property tax credit. Previously, the credit was only available to those farmer households who made two-thirds of their total income from the farm operation and this disqualified many households with extra off-farm income. Excess federal gross income is federal gross income from all sources for the taxable year in excess of a special \$30,000 subtraction. The special \$30,000 subtraction can be earned income (wages, salaries, tips and items of gross income included in computation of net earnings from self employment), pension payments (Social Security), interest and dividends.

#### **Agricultural Development and Farmland Enhancement Plan**

For 1998 and thereafter, the federal gross income of a corporation may, likewise, be reduced by up to \$30,000. Many retired farmers who rent their land can qualify after the \$30,000 substraction. A special ruling, for this section of law, also now includes gross income from the production of honey, maple syrup and cider, and from the sale of wine from a licensed farm winery, in the term "federal gross income from farming."

If the modified NYS adjusted gross income of the taxpayer exceeds \$100,000 the credit is phased out and completely lost at \$150,000. Modified NYS adjusted gross income is the NYS gross income for the taxable year reduced by the principal paid on farm indebtedness during the tax year. Farm indebtedness is the debt incurred or refinanced that is secured by farm property, where the proceeds of the debt is used for expenditures incurred in the business of farming.

Effective for taxable years after January 1, 1999, the farmer's school tax credit has been expanded to farmers who pay school taxes under a contract to buy agricultural land. This means an eligible farmer, who is the actual property taxpayer on a contract for deed, can now claim the credit against NYS corporate franchise (income) tax and personal income tax.

#### B. New York State Investment Credit (NYIC Form IT-212)

New York State offers an investment tax credit for new business related capital expenses. The credit for farmers is 4% of the purchase price of qualified real estate, equipment, livestock and other tangible business property acquired, constructed, reconstructed or erected during the tax year. For corporations, the rate is 5% on the first \$350,000,000 of qualified base and 4% on any excess.

Qualified real estate includes single purpose livestock structures (most barns); storages (silo's, manure and grain); fences and roadways; but not land or multi purpose buildings (garages, shops). This type of property must have a depreciation life of 5 or more years.

Qualified 3-year depreciation class property can also be used for the credit if kept in use for 3 years and will earn the full credit (over-the-road tractors, certain breeding livestock). Pick-up trucks do not qualify; heavy trucks do qualify. The credit can be used to offset NYS Income Tax in the year earned or can be carried forward for 10 years. There is no carryback, however. If property on which NYIC was taken is disposed of or removed from qualified use before its useful life or holding period ends, the credit is prorated and recaptured. However, there is a 12 year limit.

New businesses can receive a refund of unused NYIC. The election to claim a refund of unused NYIC can be made only once in one of the first four years. Therefore, tax management can be very important. A business is considered new during its first four years in New York State. The business cannot be of similar operation and ownership to a previously operated business for the refund.

Businesses that qualify for NYIC can also receive an employment incentive tax credit if they increase employees by more than 1% during the year. The credit is 1.5% of the investment credit base if the employment increase is less than 2%. It is 2% if the increase is between 2 and 3% and 2.5% if the increase is 3% or more for each of the two years following the taxable year in which NYIC was allowed. Effective January 1, 1998 this credit was expanded from corporations to sole proprietorships, partnerships and S-corporations. The credits are available in the years following the qualified increase in investment and expansion of employee numbers.

#### C. Real Property Tax Credit (Form IT-214)

Few farm or nonfarm real estate owners will qualify for this benefit because owners of real property valued in excess of \$85,000 are excluded. Nevertheless, there are some very small agricultural operations that could take advantage of it. The requirements for 2002 tax year are as follows.

- 1) The household gross income limit is \$18,000.
- 2) The maximum adjusted rent is an average of \$450 a month. The taxpayer must occupy the same residence for 6 months or more to claim rent paid to qualify for the credit. Credit for renters is computed the same as for owners.

#### **Agricultural Development and Farmland Enhancement Plan**

3) The real property tax credit is the lesser of the maximum credit determined from the table following or 50% of excess real property taxes. Taxpayers age 65 and older who elect to include the exempt amount of real property taxes will receive no more than 25% of excess real property taxes. Excess real property taxes are computed by multiplying household gross income times the applicable rate from the table following and deducting the answer from real property taxes. This tax credit is reduced by any other personal income tax credit to which the taxpayer is entitled.

#### Partial Table for Computing Real Property Tax Credit, 2002

Household		Credit Allowed	
<b>Gross Income</b>	Applicable Rate	<u>Under 65</u>	65 & over
\$0 - 3,000	0.035	\$75-71	\$375-341
3,001 - 5,000	0.040	69-67	324-307
5,001 - 7,000	0.045	65-63	290-273
7,001 - 9,000	0.050	61-59	256-239
9,001 -11,000	0.055	57-55	222-205
11,001 -14,000	0.060	53-49	188-154
14,001 -18,000	0.065	47-41	137 - 86

# **II - Real Estate Tax Exemptions**

The following categories of Real Estate Tax Exemptions (explained below) are in place for farmers:

- New York State School Tax Relief (STAR)
- New Farm Buildings
- Commercial, Business or Industrial Property
- Reconstruction or Rehabilitation of Historic Barn
- New Orchards and Vineyards
- Complete Exemptions on Certain Structures

#### A. New York State School Tax Relief ("STAR Program" - Form RP 425)

This program provides a partial exemption from school property taxes for owner-occupied primary residences. Senior citizen property owners must be 65 years of age or older, and their income on their latest available federal or state income tax return cannot exceed \$62,100 adjusted gross income reduced by any distributions from an IRA or individual retirement annuity. The "enhanced" STAR senior citizen program amends the original phased-in tax benefits to provide seniors an immediate \$50,000 exemption off the full value of their property. The eligible senior citizen must apply with the local assessor for the "enhanced" STAR exemption by March 1 in most towns. This is the "taxable status date" but deadlines vary so most taxpayers should apply earlier.

Age requirements were amended in 1999. Previously, to qualify for the enhanced exemption all owners had to have satisfied the age requirement excepting the spouse of a 65 year old owner. Age is determined on December 31. However, for the 2000-2001 school year, only one of the owners must be 65 years old for residential property owned by siblings. Also, in the case of a property owned by a husband and wife, one of whom is at least 65, the exemption will not be rescinded solely on the death of the older spouse if the other is at least 62 years old.

The "basic" STAR program is available to all primary residence homeowners and farmers regardless of age, starting with school year 1999-2000. An assessment exemption has been phased in from \$10,000 to \$30,000 for the school year 2001-02. An owner, to be eligible, must own and live in a one, two or three-family residence, mobile home, condominium, cooperative apartment or farm house. The exemption for persons with the disabilities and limited

#### **Agricultural Development and Farmland Enhancement Plan**

incomes will be deducted from assessed value before applying the STAR exemption.

#### **STAR Property Tax Exemption Table**

Eligible Senior CitizenHomeowners \$50,000\*

All Primary Residence Homeowners \$30,000\*

#### B. New Farm Buildings (Form RP 483)

For newly constructed or reconstructed agricultural structures, New York's Real Property Tax Law (Section 483) allows a 10-year property tax exemption. Application for the exemption must be made within one year after the completion of such construction. The agricultural structures and buildings are exempt from any increase in the property's assessed value resulting from the improvement.

Once granted, the exemption continues automatically for ten years. The exemption terminates before the ten-year period if (1) the building or structure ceases to be used for farming operations, or (2) the building or structure or land is converted to a non-agricultural or non-horticultural use.

Eligibility is determined by the assessor or board of assessors with whom the application is filed. If denied, the applicant has the right to an administrative review by the Board of Assessment Review. The following requirements must be met.

- The structure or building must be essential to the operation of lands actively devoted to agricultural or horticultural use.
- 2) The structure or building must be actually used and occupied to carry out the agricultural or horticultural operations.
- 3) The farmland must be actually used in bona fide agricultural or horticultural production carried on for profit.
- 4) The farmland must be not less than 5 acres in area.
- 5) An application for exemption must be filed within one year of completion of construction.

A structure, building or any portion qualifies for the exemption when it is used directly and exclusively either: (1) in the raising and production for sale of agricultural or horticultural commodities, or necessary for their storage for sale at a future time; or (2) to provide housing for regular and essential employees and their immediate families who are primarily employed in connection with the operation of lands actively devoted to agricultural and horticultural use.

A structure, building or any portion cannot qualify if it is used for: (1) the processing of agricultural and horticultural commodities; (2) the retail merchandising of such commodities; (3) the storage of commodities for personal consumption by the application; or (4) the residence of the applicant or his immediate family. The word "agricultural" means the art or science of cultivating the ground, the raising and harvesting of crops and the feeding, breeding and management of livestock, poultry, or horses. The traditional meaning of the word "horticultural" is the cultivation of a garden or orchard, the science and art of growing fruits, vegetables, and flowers or ornamental plants from seed, cutting, or rootstock.

A farm commodity is processed whenever something is done to the commodity to prepare it for market, as distinguished from raising or producing it. For example, a building on a dairy farm in which cows are fed and

<sup>\*</sup> Adjusted for loca equalization rates

#### **Agricultural Development and Farmland Enhancement Plan**

milked would qualify as used directly and exclusively in the raising and production for sale of milk. However, buildings used for processing milk -- in which the milk is pasteurized or put into containers that are ultimately sold to the consumer -- would not qualify nor would a winery. The slaughtering of cattle is processing, as is the cleaning, sorting and packaging of fruits and vegetables. When the processing carried on in a building is only incidental to the main use of the building or the building is used for processing only on a limited basis, the building may be eligible for the exemption.

Any agricultural structure or portion that is used for the retail sale of an agricultural or horticultural product cannot qualify. A roadside stand or any store or building in which agricultural products are sold to the public is not eligible for the exemption.

If only a portion of a building meets the requirements of the statute, then only that portion is eligible for the exemption. If a single building or structure combines both a farm use and a non farm use but the activities are so commingled that the portions devoted to each use cannot be separated, the building would not qualify since the law requires that the building or portion be exclusively used for agricultural purposes. However, when the "non farm use" carried on in a building is only incidental to the main use of the building or the building is used for "non farm use" only on a limited basis, then the building may qualify for the exemption.

Some counties have developed a special IDA tax break for added-value industrial or farm processing and marketing buildings excepted by this program. In most taxing jurisdictions these buildings would qualify for RP 485-b - Exemption for Commercial, Business or Industrial Real Estate (see below).

#### C. Exemption for Commercial, Business or Industrial Real Property (Form 485-b)

Farm processing and marketing buildings that do not qualify for the 10 year exemption on Form RP 483 qualify for the 485-b program unless the town or school district has opted out of this program (most remain eligible).

The building receives an exemption for 10 years under this program. The first year 50% of the increase in assessed value attributable to the improvement is exempted from taxation. The exemption then decreases 5% in each of the next nine years. The improvement, therefore does not become fully taxable until the 11th year.

The 485-b program covers all taxes except pertaining to fire districts. Improvements must exceed \$10,000 unless a higher minimum has been set by local law. The exemption continues as long as eligibility requirements continue to be satisfied.

The Town of Italy is not presently 485-b eligible according to the New York State Office of Real Property Tax Services.

It must also be noted that the Yates County Industrial Development Agency offers a tax abatement program to qualified industries that can include food processing and other agri-businesses. This program gives a 100% abatement for the first five years and then reduces the abatement by 10% per year until all improvements involved fully taxed in the sixteenth year. This is much better than the 485-b program for those businesses that are eligible. It requires a major investment to justify the legal and other fees involved in obtaining this particular benefit but with the real property tax abatements also come sales and mortgage tax abatements in most instances.

#### D. Reconstruction or Rehabilitation of Historic Barns (Form RP 483-b)

A barn must have been at least partially completed prior to 1936 and originally designed and used for storing farm equipment, agricultural products, or for housing livestock to qualify as a historic barn for this exemption. The increase in assessed value due to reconstruction or rehabilitation is totally exempt in the first year and the exemption is phased-out over the next succeeding nine years by 10% per year.

A major limiting factor of this program is that the county, city, town and villages must adopt local laws to permit the exemption. School districts must also authorize the exemption by resolution.

#### **Agricultural Development and Farmland Enhancement Plan**

#### E. New Orchards and Vineyards (Form RP 305-c)

This law further exempts new orchards and vineyards from taxation. It applies on top of Agricultural Assessment benefits (see later discussion).

Newly planted or replanted orchards or vineyards received 100% exemption in the first four years following planting. A maximum of 20% of the total orchard or vineyard acreage may be eligible in any given year. Diaster areas get special treatment.

#### F. Complete Exemptions on Certain Structures

#### 1) Silo's, Grain Storages, Bulk Tanks and Manure Facilities (Form RP483-a)

Adopted by New York State in 1996, this law exempts farm silos, farm feed grain storage bins, commodity sheds, bulk milk tanks and coolers (bulk heads), and manure storage and handling facilities from all taxation, special ad valorem levies and special assessments. There is no requirement that the structures be in current use by a farmer.

#### 2) Temporary Greenhouses (Form RP 483-c)

Adopted in 1998, this law exempts temporary greenhouses used for agricultural production from full real property taxation, special ad valorem levies and special assessments. Once the exemption has been granted, the exemption continues provided the eligibility requirements continue to be satisfied. It is not necessary to reapply for the exemption after the initial year in order for the exemption to continue.

To qualify, the temporary greenhouse must be specialized agricultural equipment having a framework covered with demountable polyethylene or polypropylene material or materials of a polyethylene or polypropylene nature. The equipment must be specifically designed and constructed and used for agricultural production. The temporary greenhouse may include, but is not limited to, the use of heating devices, water and electrical utilities and embedded supporting poles. Greenhouse cattle barns and storages also appear to qualify. A number of assessors have agreed to this interpretation.

# III - Reduced Assessments on Farm and Forestry Land

#### A. Agricultural Value Assessment on Farmland (Form RP 305)

One of the provisions of the New York State Agricultural District Law allows owners of eligible land to file for Agricultural Value Assessment on their property. This establishes the taxable value of the land based on its soil quality and agricultural value rather than market value or other locally determined criteria.

The following criteria must be met to be eligible for an Agricultural Value Assessment.

- 1) The land must be in a state certified Agricultural District or be placed under Individual Agricultural Commitment.
- 2) The land must have been farmed for the last two years.
- 3) A minimum of 7 acres must be involved a (higher gross applies if less land is involved).
- 4) The farmer must make at least \$10,000 in gross sales from crops or animals produced on the land or \$50,000 in gross sales on acreage under 7 acres.

#### **Agricultural Development and Farmland Enhancement Plan**

- 5) Renters must have a 5 year lease agreement and be renting to a farmer who makes \$10,000 from his total operation.
- 6) Crops may include field crops, vegetables, fruits, and horticultural specialties such as nursery stock, flowers, ornamentals and Christmas trees, and maple sap.
- 7) Livestock and livestock products may include cattle, sheep, hogs, goats, horses, poultry, ratites, farmed deer, farmed buffalo, fur bearing animals, milk, eggs, fur, and honey.
- 8) Aquaculture products (added in 1992) may include fish, fish products, water plants, and shellfish.
- 9) Commercial horse boarding was made eligible in 1994. This category, however, requires local legislative approval. Most counties have provided such approval. Thoroughbred horse breeder payments qualify as "gross sales value."
- 10) Fifty (50) acres of woodland can be included.
- 11) Support land including ponds qualify.
- 12) This program does not include buildings.
- 13) Federal Conservation Reserve Program land is eligible and payments qualify as income.

Agricultural (Ag) Value Assessment must be applied for each year by the taxable status date (March 1). The initial application is somewhat involved. A farmer must obtain copies of tax parcel maps from either the Real Property Tax Office or from the local Town Clerk to begin the process of filing for Ag Value Assessment. An appointment with the Soil and Water Conservation District Office to have a Soil Group Worksheet completed is the next step. This is a listing of the various soil types on your property along with the acreage of each. Since the Ag Value Assessment is based on the relative productivity of soils, this is critical information. An RP 305 Form must be completed along with the Soil Group Worksheet and returned to the Town Assessor. These forms are available through the local assessor or Cornell Cooperative Extension.

Provided there are no additions or deletions in property, an RP 305-r Form should be filed for subsequent years. This is a short form that reports any changes in the status of your land or farming operation.

There are certain penalty payments incurred when land is converted to non-agriculture use. The penalty is charged to the converter of the land and is assessed only to that portion of the parcel taken out of production. The seller and converter may not necessarily be the same person and the act of selling does not automatically constitute a conversion. The current penalty is five (5) times the amount of taxes saved during the last year of participation, plus a six percent interest charge compounded annually for each year during the last five years that the land received an ag value assessment.

#### B. Woodlots over 50 Acres (Form 480-a)

This program reduces the assessed value of woodland by 80%. It requires a 10 year commitment renewed annually along with a management plan that requires forestry management.

Woodlot owners in the program must thin and/or harvest based on the plan written by a certified forester and approved by the Department of Environmental Conservation. A six percent (6%) stumpage fee is paid to the town when a harvest takes place. There is a rollback penalty for conversion or if the management plan is not followed. Overall, this program requires a substantial long term commitment (30+ years) to benefit from the tax savings. More information about these program, forms and updates are available from:

- Your town or county assessor
- Your county Department of Real Property Tax Services
- Cornell Cooperative Extension in your county

#### **Agricultural Development and Farmland Enhancement Plan**

 New York State Offices of Real Property Services 16 Sheridan Avenue, Albany, NY 12210 www.orps.state.ny.us

This summary explanation of tax benefits related to farming has been prepared by Gerald J. Skoda, an Agricultural Consultant with an extensive background in farm taxation and farm income tax preparation. It was edited by Thomas J. Shepstone, AICP of Shepstone Management Company, an agricultural, environmental, planning and transportation consulting firm that provides service thoughout New York, Pennsylvania and the Northeast. Also included are excerpts from New York State Office of Real Property Services publications.

Gerald J. Skoda 364 Cypert Road Woodbourne, NY 12788 845-434-4373 FAX - 845-434-5227 GSKODA@hvc.rr.com

Shepstone Management Company 100 Fourth Street Honesdale, PA 18431 570-251-0550 FAX 570-251-9551 smc@ezaccess.net www.shepstone.net

# APPENDIX 2 Model Right to Farm Law

#### **Agricultural Development and Farmland Enhancement Plan**

# Model Farm Viability and Neighbor Relation Policy

Be it	enacted by the Town Board of the Town of as follows:		
Section 1. Legislative Intent and Purpose			
econo that it	Town Board recognizes farming is an essential enterprise and an important industry which enhances the omic base, natural environment and quality of life in the Town of The Town Board further declares t shall be the policy of this Town to encourage agriculture and foster understanding by all residents of the sary day to day operations involved in farming so as to encourage cooperation with those practices.		
It is the general purpose and intent of this law to maintain and preserve the rural traditions and character of the Town, to permit the continuation of agricultural practices, to protect the existence and operation of farms, to encourage the initiation and expansion of farms and agri-businesses, and to promote new ways to resolve disputes concerning agricultural practices and farm operations. In order to maintain a viable farming economy in the Town of, it is necessary to limit the circumstances under which farming may be deemed to be nuisance and to allow agricultural practices inherent to and necessary for the business of farming to proceed and be undertaken free or unreasonable and unwarranted interference or restriction.			
Section	on 2. Definitions		
1.	"Farmland" shall mean land used in agricultural production, as defined in subdivision four of section 301 of Article 25AA of the State Agriculture and Markets Law.		
2.	"Farmer" shall mean any person, organization, entity, association, partnership, limited liability company, or corporation engaged in the business of agriculture, whether for profit or otherwise, including the cultivation of land, the raising of crops, or the raising of livestock.		
3.	"Agricultural products" shall mean those products as defined in section 301(2) of Article 25AA of the State Agriculture and Markets Law, including but not limited to:		
	a. Field crops, including corn, wheat, rye, barley, hay, potatoes and dry beans.		
	b. Fruits, including apples, peaches, grapes, cherries and berries.		
	c. Vegetables, including tomatoes, snap beans, cabbage, carrots, beets and onions.		

f. Maple sap and sugar products.

d.

e.

g Christmas trees derived from a managed Christmas tree operation whether dug for transplanting or cut from the stump.

Horticultural specialties, including nursery stock, ornamental shrubs, ornamental trees and flowers.

Livestock and livestock products, including cattle, sheep, hogs, goats, horses, poultry, llamas, ratites,

such as ostriches, emus, rheas and kiwis, farmed deer, farmed buffalo, fur bearing animals, milk and

- h. Aquaculture products, including fish, fish products, water plants and shellfish.
- i. Short rotation woody crops raised for bioenergy.

milk products, eggs, furs, and poultry products.

 Production and sale of woodland products, including but not limited to logs, lumber, posts and firewood.

#### **Agricultural Development and Farmland Enhancement Plan**

- 4. "Agricultural practices" shall mean those practices necessary for the on-farm production, preparation and marketing of agricultural commodities. Examples of such practices include, but are not limited to, operation of farm equipment, proper use of agricultural chemicals and other crop production methods, and construction and use of farm structures.
- 5. "Farm operation" shall be defined in section 301 (11) in the State Agriculture and Markets Law.

#### Section 3. Right-to-Farm Declaration

Farmers, as well as those employed, retained, or otherwise authorized to act on behalf of farmers, may lawfully engage in agricultural practices within this Town at all times and all such locations as are reasonably necessary to conduct the business of agriculture. For any agricultural practice, in determining the reasonableness of the time, place, and methodology of such practice, due weight and consideration shall be given to both traditional customs and procedures in the farming industry as well as to advances resulting from increased knowledge, research and improved technologies.

Agricultural practices conducted on farmland shall not be found to be a public or private nuisance if such agricultural practices are:

- 1. Reasonable and necessary to the particular farm or farm operation,
- 2. Conducted in a manner which is not negligent or reckless,
- 3. Conducted in conformity with generally accepted and sound agricultural practices,
- 4. Conducted in conformity with all local state, and federal laws and regulations,
- 5. Conducted in a manner which does not constitute a threat to public health and safety or cause injury to health or safety of any person, and
- 6 .Conducted in a manner which does not reasonably obstruct the free passage or use of navigable waters or public roadways.

Nothing in this local law shall be construed to prohibit an aggrieved party from recovering from damages for bodily injury or wrongful death due to a failure to follow sound agricultural practice, as outlined in this section.

#### Section 4. Notification of Real Estate Buyers

In order to promote harmony between farmers and their neighbors, the Town requires land holders and/or their agents and assigns to comply with Section 310 of Article 25-AA of the State Agriculture and Markets Law and provide notice to prospective purchasers and occupants as follows: "It is the policy of this state and this community to conserve, protect and encourage the development and improvement of agricultural land for the production of food, and other products and also for its natural and ecological value. This notice is to inform prospective residents that the property they are about to acquire lies partially or wholly within an agricultural district and that farming activities occur within the district. Such farming activities may include, but not be limited to, activities that cause noise, dust and odors." This notice shall be provided to prospective purchase of property within an agricultural district or on property with boundaries within 500 feet of a farm operation located in an agricultural district.

A copy of this notice shall included by the seller or seller's agent as an addendum to the purchase and sale contract at the time an offer to purchase is made.

#### **Agricultural Development and Farmland Enhancement Plan**

#### **Section 5. Resolution of Disputes**

- 1. Should any controversy arise regarding any inconveniences or discomfort occasioned by agricultural operations which cannot be settled by direct negotiation between the parties involved, either party may submit the controversy to a dispute resolution committee as set forth below in an attempt to resolve the matter prior to the filing of any court action and prior to a request for a determination by the Commission or Agriculture and Markets about whether the practice in question is sound pursuant to Section 308 of Article 25AA of the State Agriculture and Markets Law.
- 2. Any controversy between the parties shall be submitted to the committee within thirty (30) days of the last date of occurrence of the particular activity giving rise to the controversy or the date the party became aware of the occurrence.
- 3. The committee shall be composed of three (3) members from the Town selected by the Town Board, as the need arises, including one representative from the farm community, one person from Town government and one person mutually agreed upon by both parties involved in the dispute.
- 4. The effectiveness of the committee as a forum for the resolution of disputes is dependent upon full discussion and complete presentation of all pertinent facts concerning the dispute in order to eliminate any misunderstandings. The parties are encouraged to cooperate in the exchange of pertinent information concerning the controversy.
- 5. The controversy shall be presented to the committee by written request of one of the parties within the time limits specified. Therefore after, the committee may investigate the facts of the controversy but must, within twenty-five (25) days, hold a meeting at a mutually agreed place and time to consider the merits of the matter and within five (5) days of the meeting render a written decision to the parties. At the time of the meeting, both parties shall have an opportunity to present what each consider to be pertinent facts. No party bringing a complaint to the committee for settlement or resolution may be represented by counsel unless the opposing party is also represented by counsel. The time limits provided in this subsection for action by the committee may be extended upon the written stipulation of all parties in the dispute.
- 6. Any reasonable costs associated with the function of the committee process shall be borne by the participants.

#### Section 6. Severability Clause

If any part of this local law is for any reason held to be unconstitutional or invalid, such decision shall not effect the remainder of this Local Law. The Town hereby declares that it would have passed this local law and each section and subsection thereof, irrespective of the fact that any one or more of these sections, subsections, sentences, clauses or phrases may be declared unconstitutional or invalid.

#### Section 7. Precedence

This Local Law and its provisions are in addition to all other applicable laws, rules and regulations.

#### **Section 8. Effective Date**

This Local Law shall be effective immediately upon filing with the New York Secretary of State.

# **APPENDIX 3**

# Agricultural Surveys and Responses

# Agricultural Development and Farmland Enhancement Plan

# **Survey Summary**

**Cover Letter** 

**Agricultural Producer Survey** 

**Agribusiness Survey** 

Non-farm Resident Survey

# Agricultural and Farmland Protection Board 110 Court Street, Penn Yan, NY 14527

July 15, 2002

We need your help in creating an Agricultural and Farmland Protection Plan for Yates

**County.** In about one week you will be receiving a survey formulated and distributed as part of a planning effort currently being undertaken by Yates County, coordinated by the County Agricultural and Farmland Protection Board. Assisting are Cornell Cooperative Extension of Yates County, the Yates County Soil & Water Conservation District, the County Planning Department and the County Real Property Tax Service. The program is funded by the County and by the New York State Department of Agriculture and Markets. Our plan will be completed in early 2003.

We feel it is important to gauge the opinions of both agricultural producers and agribusiness owners in preparing this plan. Your responses will help us to better understand the needs of the industry. They will also be used to evaluate the types of economic incentives that could be offered to farmers and agri-businesses. The information will also aid in examining the potential for farmland and open space protection programs. (Surveys designed specifically for fnon-farm residents have also been conducted in recent weeks.)

Yates County has a very diverse, economically-important and expanding agricultural industry which we must protect and enhance. At the same time, there are of course many challenges facing agriculture. There is also a heightened awareness of the relationships between farm uses and other land uses. We cannot save farmland unless we first make farming more profitable and appealing. It is for these reasons that we need to develop a comprehensive strategy that will serve as the foundation for our agricultural and farmland policies and programs in Yates County. Your reply will be invaluable to us.

Thank you for your cooperation!

Sincerely,

Larry Lewis and Peter Landre, Co-Chairmen Yates County Agricultural & Farmland Protection Board

Please DO NOT complete this survey if you are simply a landowner renting farmland to a farmer. All information is STRICTLY CONFIDENTIAL (see cover letter) and will only be used in a total form. 1) Jerusalem Please tell us, by town, where your Barrington Potter Benton Middlesex farm is principally located within Starkey Yates County? Milo Italy Torrey How many total acres of land do you farm within Yates County? Acres How much of the farmland that you rent or use belongs to other landowners? Acres How much of the land you own is simply idle (not used for buildings, crops, pasture or as an active woodlot)? Acres How many total acres of land, if any, do you farm outside of the County? Acres How many acres of the land you farm (own or rent) is within an Ag District? Acres Have you relocated your farm from elsewhere to Yates County? Yes No Please tell us the type and the size of your farm enterprise(s) by acres and/or animals: **CROP ACREAGE IN 2001** NUMBER OF ANIMALS IN 2001 Tree fruits Dairy Goats Grapes Dairy cows Vegetables Christmas trees Dairy heifers Dairy Sheep Calves Grain corn Maple trees Meat Goats Silage corn Timberland Beef cattle Hogs Sheep Poultry Hay Bee colonies Other field crops Rabbits Herbs, flowers & perennials Fish Horses/ponies Small fruits (other than grapes) Deer or exotic species Nursery/greenhouse Sheep for Meat & Wool Other crops: Other animals: How do you sell what you produce? (CHECK ALL THAT APPLY) 4) Sell to a cooperative or dairy/food processor Sell through auction or to broker, dealer or other third party Sell directly to consumers (farm stand, U-pick, mail order, Consumer Supported Agriculture) Sell directly to other businesses or organizations for use in their operations Do you operate a roadside stand? Yes No If so, is it a seasonal operation? Yes No Do you need additional help with direct marketing? Yes No If you answered yes to the last question, please check the appropriate category(ies) below: Product distribution Developing product lines Identifying and evaluating markets Promotional campaign/advertising Internet site development Business planning and related help

5)	What percentage of your household What percentage of y income comes from your farm operations? from retail sales or otl					
		75%	0-259		]50-75%	<b></b>
		100%	25-50		]	
6)	Is any land you farm under	the Agricultural Assess	sment Progi	am?	Yes	No
′	Are you aware of New York				Yes	No
	Have you taken advantage				Yes	No
		mmodity sheds are tax-exempt under State Law?			Yes	No
	Are you aware of the tax credit for the rehabilitation of Historic Barns?			Yes	No	
	Are you aware of the school tax credit New York offers farmers?			rs?	Yes	No
	Do you qualify for the school tax credit New York offers farmers?			ers?	Yes	No
	Did you get a refund of school taxes as a farmer last year?				Yes	No
	Will you get a refund of sch	nool taxes as a farmer t	his year?		Yes	No
7)	Do you sell or lease hunting	g/fishing rights to any	of your pro	perty?	Yes	No
·	Do you lease any of your p	roperty for other recre	ational activ	vities?	Yes	No
	Do you lease property for o	ell towers, mining/qua	rrying, utili	ities, etc.?	Yes	No
8)	Have you had neighbor pro		farming op	peration?	Yes	No
	If yes, what was the nature	of the complaint?	lf h.a.			المارا
	Manura application cor	nnlaint	ii yes, nov	w was the con	npiaint reso	ivea:
	Manure application cor	-	Comm	mamiaa		
			Compromise Mediation			
	Drainage issue					
	Dumping/littering issue Other odor complaint  Litigation Voluntary change		in farm practices			
	Noise complaint				plainer out of area	
	Slow-moving vehicle co	mnlaint			laint after explanation	
	Chemical use or other is			esolved	ann anci c	Apidilation
9)	How much do regulations			If you retire		
	(environmental and other)	expect to be farmi	ng:	to do with	your farm/	ianu?
	impact on your business?	Locathan 5 va	are.	Sall to	other farme	APC.
	Very negatively	Less than 5 ye 5 to 10 years	al S			for farming
	Slightly negatively	10 to 20 years	c		non-farmer	
	Not at all or positive	More than 20			er to family	•
	That at all of positive	More than 20	years		non-farm ι	ise
11)	Which one of the following	would most help vou t	o keep vou	r land in agric	culture?	
'	Ability to sell or lease d	• /	• /		ed farm pro	ofitability
		quity tied up in the land	•	micreas	ca iaini pit	intaoint y
	Availability of someone			Lower	property ta	xes
	, ,			<u> </u>	,	

12) Please rate the importance of each of the follo	owing to the future of farming in Yates County.
•	y Important Somewhat Important Not Important
State school tax reforms made	
Limiting increases in other property taxes	
Environmental regulation reform	
Labor regulation reform	
Income tax cuts	
Capital gains & estate tax reform	
Right to farm laws	
Agriculture district maintenance/expansion	
Purchase of development rights programs	
Direct marketing of products to consumers	
Development of new products and markets	
Consumer "buy local" education	
Youth agricultural education Farm neighbor education	
Estate planning education	
Utility cost reductions	
Reducing property/liability insurance costs	
Reducing workmen's compensation costs	
Reducing health insurance costs	
Financing availability	
Agricultural land cost	
Access to support businesses	
Availability of skilled labor	
Government support payments	
Disaster relief payments	
Conservation cost share programs	
13) How long have you 0-10 years	How long did you 0-10 years
been farming at your 10-20 Years	farm outside Yates 10-20 Years
present location? 20+ years	County (if at all)? 20+ years
14) Are you a full or Full-time	15) What proportion of your work time
part-time farmer? Less than 40 hrs/wk	is devoted to your farming operation?
Do you have income Yes	0-20% 40-60% 80-100%
from off the farm?	20-40% 60-80%
Ironi on the farm:	20-40%00-80%
16) Is anyone else in the family Yes	17) What share of your family/spouse's time
involved in farm operations? No	is devoted to the farming operation?
Does your spouse have Yes	0-20% 40-60% 80-100%
/ <b>!</b>	
income from off farm? No	20-40% 60-80%
18) Is your farm/business a member of a marketing	ng cooperative? Yes No
Do you participate in any buying groups or a	• • — —
Is there a need for additional buying cooperat	
Is there a need for additional selling cooperation	
· ·	<b>├──</b>
If you are in a cooperative now, does it perfor	m well? Yes No

19)	Please indicate the approximate percentag supplies and services used in your operation purchased from enterprises located within	on that you 0-25% 50-75%
20)	, ————————————————————————————————————	yes, please rate our experience:  Poor Good Fair Excellent
21)	represents your gross \$10 sales for a typical year? \$25	\$\text{ss than \$10,000} \\ 000 \cdot \\$249,999 \\ 000 \cdot \\$49,999 \\ 000 \cdot \\$99,999 \\ 000 \cdot \\$000 \cdot \\$
22)	Please rate local government support of as  Very Suppor  Planning/zoning regulations  Provision of services  Keeping taxes reasonable  Protecting right to farm  Loans and grants	griculture in the following: (Check ONE for each.)  tive Somewhat Supportive Not Supportive
23)	Have you, in the past 5 years, expanded by Purchased additional acres Rented additional acres Constructed new building(s) Raised additional animals Leased or purchased additional animal	y any of the following? (CHECK ALL THAT APPLY)  Brought inactive acreage into production Purchased additional equipment Renovated building(s) Hired additional employees Diversified into additional farm ventures
24)	If you did not expand, what were the prim  Satisfied with current size Age of owner/operator High cost of additional labor Poor profit margins Environmental or other governmental	Lack of available land to be purchased Lack of available land to rent Lack of available labor Personal or other reasons
25)	What changes do you expect to make in the series of the se	I expect to specialize in parts of the business  I expect to convert to rotational grazing  I expect to use more custom services  I expect to offer custom services to others  I expect to transfer ownership to others

26)	) Does your farm/business presently own sufficient property to expand? Yes	No
	How much capital do you Less than \$10,000 \$100,000 - \$249,999	
	think your farm/business \$10,000 - \$24,999 \$250,000 - \$499,999	
	will need for renovation \$25,000 - \$49,999 \$500,000 - \$999,999	
	and/or expansion? \$50,000 - \$99,999 \$1,000,000+	
27)	Have you had difficulty receiving the necessary amount of financing to develop or expand? If you were offered financing, were the terms reasonable?	
	Yes No Yes No Not Sure	
	What programs/institutions have you asked for financial help? (CHECK ALL THAT APPLY	<b>′</b> )
	Commercial bank or savings and loan USDA loan/grant programs	
	Local revolving loan fund  Local revolving loan fund  Empire State Development Corpora	ition
	Industrial Development Agency Farm Credit Agency	
	Small Business Administration Private investors or other	
28)	,	
	your operation? (Check one for each factor and do not consider short-term price changes.)	
	Increased Stayed the Same Decreased	
	Your number of customers	
	Your sales quantity volume	
	Your sales dollar volume	
	Your profit	
	Over the NEXT 5 years, do you expect the following to increase, stay the same or decrease	for
	your operation? (Check one for each factor and do not consider short-term price changes.)	
	Increase Stay the Same Decrease	
	Your number of customers	
	Your sales quantity volume	
	Your sales dollar volume	
	Your profit	
29)	) From which of the following sources do you regularly seek information on agricultural issue such as production, regulations, farm programs, etc.? (Please check ALL that apply.)	28
	Farm Bureau Television/radio Other farmers	
	Farm magazines/books Computer/Internet Cornell Cooperative Ex	tension
	USDA (NRCS, FSA)  NYS Ag & Markets  Newspapers	
	Agricultural businesses Friends/relatives/other Soil & Water Conservat	ion
30)	Yes Do you use the Finger Yes fruit or other consumer produce? No Lakes Produce Auction?	
	If so, what percentage of your produce is sold through the FLPA auction?	
l		

31)	What, if anything, can the Finger Lakes Produce Aproduce better profits for producers?	Association do to increase its business or	
32)	The following are examples of initiatives taken in a Please rank the importance of each to the long-ter (PLEASE GIVE EACH ITEM A SCORE OF "O" TO "AND "5" MEANING EXTREMELY IMPORTANT)  Additional loan/grant financing Additional right-to-farm protections Assistance and training in direct marketing Help in negotiating better pricing Assistance to landowners with rotational grazing Technical assistance with forward pricing/futures Ability to sell/lease development rights for cash Recruitment of additional farmers to County Help in identifying/developing new markets Help in identifying/developing new niche businesses Additional promotion of ag tourism in County Assistance in Internet website development Help in accessing export markets Help with marketing and sales promotions Assistance in organizing buyer groups Development of business alliances among farmers Tax-abatements for new agri-business ventures Help with direct marketing to consumers Pesticide management training Organic farming support and training	m success of your farm business.	
	Public funding for nutrient management projects Public funding for ag environmental management Public funding for projects involving application of best conservation management practices	environmental management (AEM)  Technical help/training in best conservation management practices	
32)	Please list up to 3 of your own ideas for retaining  1)	and improving agriculture in Yates County.	
	2)		
	3)		
	THANK YOU FOR GIVIN	G US YOUR TIME!	

1)	Please tell us, by town/village, where your closest place of business for Yates County customers (mill, store, office) is located: (CHECK ALL THAT APPLY)	3) How long has this business been in operation at this location?  O-5 years 5-10 years 10-20 years 20+ years			
	Barrington Benton Italy Jerusalem Middlesex Milo Potter Starkey Torrey  Benton Schuyler County Seneca County Steuben County Out-of-State Penn Ya Rushville	Feed dealer Equipment dealer Equipment repair Ag consultant Farm supply store Seed/agri-chemical  Veterinarian Logger or forester Dairy or other ag processor			
2)	How many people do you employ in Yates County?  Full-time Part-time				
5)	Please tell us what percentage of your business comes from the farm community?  O-25% 25-50% 50-75% 75-100%	Please tell us what percentage of your business comes from Yates County?  O-25% 25-50% 50-75% 75-100%			
6)	How valuable to your business are your farm considering the amount of activity, prompts and seasonality of business in general?				
7)	Over the LAST 5 years have you: (CHECK ALL THAT APPLY)  Increased your operation size Decreased your operation size Stayed the same size, more or less Added service area to hold market share Added service area to gain market share				
	Increased agricultural inventories & sales Decreased agricultural inventories & sales Held ag sales at their present level Added new products lines for farmers Added new product lines for non-farmer	Increase agricultural inventories & sales Decrease agricultural inventories & sales Hold ag sales at their present level Add new products lines for farmers			

8)	What agricultural trends have y  A change to new types of fa  A larger number of smaller of  A smaller number of larger of  More sophisticated farm ope  More part-time farms	rms operations operations	Movement of Movement of	farms out of the County farms into the County y and direct market operations cation
9)	If you have NOT expanded in the Satisfied with current size Loss of market share Lack of labor supply Age of owner Lack of financial capital	e last 5 years w	Poor profit ma Declining agri Lack of room Regulatory ob	argins icultural sales to expand
10)	Over the LAST 5 years, have th your operation? (Check one for Your number of customers Your sales quantity volume Your sales dollar volume Your profit Over the NEXT 5 years, do you your operation? (Check one for	each factor and Increased expect the follo	do not consider sl Stayed the Same	hort-term price changes.)  Decreased  Stay the same or decrease for
11)	Your number of customers Your sales quantity volume Your sales dollar volume Your profit  If you're planning to expand or	Increase Less that	Stay the Same	Decrease \$100,000 - \$249,999
	renovate, how much capital do you think your farm/business will need?	\$25,000	- \$24,999 - \$49,999 - \$99,999	\$250,000 - \$499,999 \$500,000 - \$999,999 \$1,000,000+

2) Please rate the importance of each of the	•		· ·	•
	Very Impor	tant	Somewhat Important	Not Important
State school tax reforms made				
Limiting increases in other property taxes				
Environmental regulation reform				
Labor regulation reform				
Income tax cuts				
Capital gains & estate tax reform				
Right to farm laws				
Agriculture district maintenance/expansion				
Purchase of development rights programs				
Direct marketing of products to consumers				
Development of new products and markets				
Consumer "buy local" education				
Youth agricultural education				
Farm neighbor education				
Estate planning education				
Utility cost reductions				
Reducing property/liability insurance costs				
Reducing workmen's compensation costs				
Reducing health insurance costs				
Financing availability				<u> </u>
Agricultural land cost				
Access to support businesses				
Availability of skilled labor				
Government support payments				
Disaster relief payments				
Conservation cost share programs				
3) Have you had difficulty receiving the nec	,	,	were offered financing	,
amount of financing to develop or expan	ıd? v	ere th	ne terms reasonable?	
Yes No		Yes	;	Not Sure
What programs or institutions have you	approached	for fir	nancial assistance?	
(CHECK ALL THAT APPLY)				
Commercial bank or savings and loa	n 「	usi	DA loan/grant progr	ams
Local revolving loan fund	-		pire State Developme	
Industrial Development Agency	-		m Credit Agency	in corporation
	_		<b>.</b> ,	
Small Business Administration		Priv	vate investors or othe	r

4) The following are examples of initiatives taken in o rank the importance of each to the long-term succe (PLEASE GIVE EACH ITEM A SCORE OF "O" TO "AND "5" MEANING EXTREMELY IMPORTANT)  Additional loan/grant financing Additional right-to-farm protections Assistance and training in direct marketing Help in negotiating better pricing Assistance to landowners with rotational grazing Technical assistance with forward pricing/futures Ability to sell/lease development rights for cash Recruitment of additional farmers to County Help in identifying/developing new markets Help in identifying/developing new niche businesses Additional promotion of ag tourism in County Assistance in Internet website development Help in accessing export markets Help with marketing and sales promotions Assistance in organizing buyer groups Development of business alliances among farmers Tax-abatements for new agri-business ventures Help with direct marketing to consumers	tess of your business and your customer's.		
Pesticide management training Organic farming support and training Public funding for nutrient management projects Public funding for ag environmental management Public funding for projects involving application of best conservation management practices  1)  Please list up to 3 of your own ideas for retaining a  1)	Technical help/training in nutrient management Technical help/training in agricultural environmental management (AEM) Technical help/training in best conservation management practices  and improving agriculture in Yates County.		
THANK YOU FOR GIVING	G US YOUR TIME!		

Please answer the questions below to help us understand the views of the non-farm community as we prepare our County Agricultural Development and Farmland Protection Plan. Please do not complete this survey if you are a farmer or work in a business primarily dependent on farm customers. These individuals will be surveyed separately.

1)	Please tell us where you live.	2)	Please tell us your age group, answering for the	4)	How long have you lived in Yates County?	
	Town of Barrington		head of your household.			
	Town of Benton				< 5 years	
	Town of Italy		< 25 years		5-9 years	
	Town of Jerusalem		25-49 years		10-14 years	
	Town of Middlesex		50-64 years		20+ years	
	Town of Milo Town of Potter		65+ years		2nd home owner	
	Town of Starkey	3)	How many persons are	5)	If you lived elsewhere	
	Town of Torrey	•	in your household?	•	before coming to Yates	
	Village of Dresden		,		County, where was this?	
	Village of Dundee		l persons		•	
	Village of Penn Yan		2 persons		Another rural area of NYS	
	Village of Rushville		3 persons		An urban area of NYS	
	Outside of Yates County -		4 persons		Another Northeast state	
	I'm a 2nd home owner.		5+ persons		Outside the Northeast	
6)	Have you ever lived near a farm	n?	Yes		No	
'	Have you ever owned or opera-	ted a	a farm? Yes		No	
	Do you live near (within 1/4 n	nile)	of a farm? Yes		No	
	If so, is that farmer a good neig	hbo	r? Yes		No	
9)	When was the last time you visited a farm?	_	· · · · · · · · · · · · · · · · · · ·	Mo Nev	re than 10 years ago /er	
10)	10) Which statement best represents your view of Yates County agriculture over the last 5 years?					
	Agriculture is a declining industry with no future growth potential  Agriculture is holding its own as an industry and may have some future growth potential  Agriculture is an expanding industry with significant future growth potential					
11)	Can you estimate the size of Ya County's agricultural industry?		Less than \$1 million \$1 million to \$5 million	1	\$5 million to \$10 million More than \$10 million	
12)	Do you feel that Yates County steps to help preserve farmland		, <del></del> ,	No	Not Sure	
13)	13) Should agricultural business be encouraged to expand in Yates County?  Yes No Not Sure					
14)	14) Do you patronize or participate in any of the following?					
	Fruit and vegetable stands Farm open houses Farm tourism sites (corn ma Community Supported Agr		, etc.) Custom-cut Stores featu	mea Iring	vegetable operations at processors g local dairy products g other local farm products	

15) What features, if any, cause you to spend more for foo	od?				
(PLEASE GIVE EACH ITEM A SCORE OF "O" TO "5" WITH "O" MEANING UNIMPORTANT					
AND "5" MEANING EXTREMELY LIKELY TO CAUSE YOU TO SPEND MORE ON FOOD)					
Produced locally (Yates County & environs) Produced in Finger Lakes Produced on known family farm Produced in Central/Western New York Convenience Produced in New York State Large selection Produced on farm managed for water quality Produced on Mennonite farm	Superior taste Leaner and less fat No hormones or antibiotics No pesticides Produced on farm of high standards Animals humanely treated Pasture-raised Organically produced Superior nutrition				
Troduced on Memorite farm	Superior nutrition				
16) Have you ever experienced problems with a farm neig	hbor regarding any of the following?				
Noise Slow-moving vehicles Odors Drainage issues Manure application Pesticide use	Boundary/trespass issues Fencing problems/cattle loose Other problems (dogs, personal, etc.)				
17) I lease tell us whether you agree of disagree with the le	onowing statements.				
Agree Disagree Not Sure    Farming enhances the scenic beauty of Yates County					
18) Are you interested in visiting a farm from time to time	? Yes No				
19) Please list up to three of your ideas for retaining and improving agriculture in Yates County.					
1)					
2)					
3)					
THANK YOU FOR GIVING U	IS YOUR TIME!				

 Please tell us, by town, where your farm is principally located within Yates County?

20%	40	Jerusalem
16%	32	Benton
15%	29	Starkey
12%	24	Milo
11%	22	Barrington

10%	20	Potter
10%	19	Torrey
3%	5	Middlesex
2%	4	No answer
1%	2	Italy

2) How many total acres of land do you farm within Yates County?

How much of the farmland that you rent or use belongs to other landowners?

How much of the land you own is simply idle (not used for buildings, crops, pasture or as an active woodlot)?

32,096 Acres 7,343 Acres

How many total acres of land, if any, do you farm outside of the County? How many acres of the land you farm (own or rent) is within an Ag District? 3,694 Acres 2,450 Acres 28,280 Acres

Have you relocated your farm from elsewhere to Yates County?

6%	10	Yes
94%	170	No

3) Please tell us the type and the size of your farm enterprise(s) by acres and/or animals:

#### CROP ACREAGE IN 2001

#### NUMBER OF ANIMALS IN 2001

8,593 Hay	3,842 Dairy cows
4,577 Other field crops	2,975 Dairy heifers
4,573 Grain corn	1,956 Poultry
2,522 Silage corn	1,814 Beef cattle
2,440 Vegetables	1,127 Calves
2,352 Grapes	1,102 Hogs
1,269 Timberland	215 Sheep for meat & wool
216 Tree fruits	200 Fish
113 Maple trees	169 Horses/ponies
87 Small fruits (other than grapes)	112 Sheep
27 Christmas trees	64 Rabbits
Herbs, flowers & perennials	48 Bee colonies
3 Nursery/greenhouse	42 Meat goats
1,599 Other crops:	29 Dairy goats
28,374 Pasture - 774 acres	O Deer or exotic species
TOTAL Wheat - 338 acres	O Dairy sheep
Red beans - 137 acres	Other animals:
Soybeans - 81 acres	13,695
Miscellaneous - 269 acres	TOTAL

#### 4) How do you sell what you produce? (CHECK ALL THAT APPLY)

55%	103	Sell to a cooperative or dairy/food processor
35%	66	Sell through auction or to broker, dealer or other third party
35%	66	Sell directly to other businesses or organizations for use in their operations
20%	38	Sell directly to consumers (farm stand, U-pick, mail order, CSA)

Do you operate a roadside stand? If so, is it a seasonal operation? Do you need additional help with direct marketing?

14%	24	Yes
33%	18	Yes
23%	22	Yes

150	No
37	No
75	No

If you answered yes to the last question, please check the appropriate category(ies) below:

7%	13	Identifying and evaluating markets
6%	- 11	Promotional campaign/advertising
5%	10	Product distribution
5%	10	Internet site development
5%		Business planning and related help
4%	7	Developing product lines

## 5) What percentage of your household income comes from your farm operations?

28%	0-25%	50
9%	25-50%	16
14%	50-75%	24
49%	75-100%	87

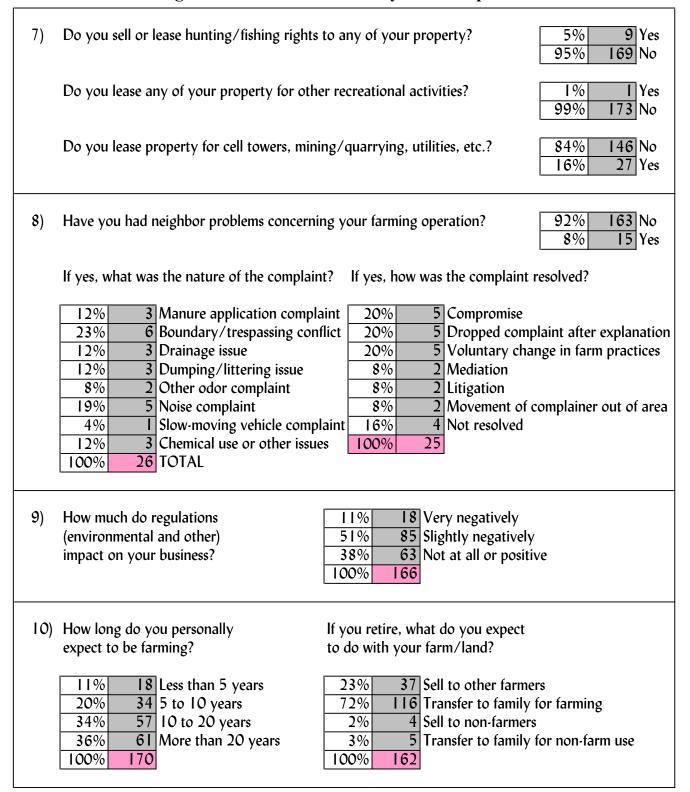
What percentage of your farm income comes from retail sales or other direct marketing?

56%	0-25%	100
4%	25-50%	7
5%	50-75%	9
8%	75-100%	14

6) Is any land you farm under the Agricultural Assessment Program?
Are you aware of New York assessment breaks on new farm buildings!
Have you taken advantage of assessment break for farm buildings?
Are you aware silos & commodity sheds are tax-exempt?
Are you aware of the tax credit for rehabilitation of Historic Barns?
Are you aware of the school tax credit New York offers farmers?
Do you qualify for the school tax credit New York offers farmers?
Did you get a refund of school taxes as a farmer last year?
Will you get a refund of school taxes as a farmer this year?

	68%	112	Yes
;?	74%	130	Yes
	62%	106	Yes
	68%	120	Yes
	53%	92	Yes
	79%	140	Yes
	77%	120	Yes
	60%	102	
	61%	89	Yes

32%	53	No
26%	45	No
38%	64	No
32%	56	No
47%	80	No
21%	38	No
23%	35	No
40%	68	No
39%	58	No



11) Which one of the following would most help you to keep your land in agriculture?

61%	115	Increased farm profitability
45%	85	Lower property taxes
20%	38	Availability of someone else to take the farm over
8%	15	Ability to sell/lease development rights & get back some equity tied up in the land

12) Please rate the importance of each of the following to the future of farming in Yates County.

	Very Importan	t Somewh	at Importan	ıt Not Im	portant
Right to farm laws	44% 12	9 129	6 36	1%	3
Limiting increases in other property taxes	42% 11	<b>3</b> 179	6 45	1%	3
Reducing workmen's compensation costs	48% 12	6 109	6 26	7%	18
State school tax reforms made	41% 10	3 20%	6 50	2%	5
Capital gains & estate tax reform	42% 10	1 20%		4%	10
Agricultural land cost	40% 9		6 59	5%	- 11
Agriculture district maintenance/expansion	41% 9			4%	10
Income tax cuts	37% 8		6 69	5%	- 11
Utility cost reductions	40% 8			7%	16
Development of new products and markets	35% 7	5 349	6 72	4%	9
Financing availability	34% 7			7%	14
Youth agricultural education	36% 7			8%	15
Reducing health insurance costs	48% 9			14%	
Farm neighbor education	36% 7			10%	19
Environmental regulation reform	36% 6			9%	17
Reducing property/liability insurance costs	47% 8		6 41	16%	
Consumer "buy local" education	34% 6			10%	
Access to support businesses	32% 5			11%	20
Estate planning education	38% 6		68	17%	
Direct marketing of products to consumers	31% 5			12%	
Conservation cost share programs	52% 8			29%	
Availability of skilled labor	43% 6			26%	
Labor regulation reform	37% 4		6 7 <b>1</b>	33%	
Disaster relief payments	46% 4		65	62%	
Purchase of development rights programs	30% 2			55%	46
Government support payments	68% 2	1469	60	183%	75

13) How long have you been farming at your present location?

30%	54	0-10 years
28%		10-20 Years
42%		20+ years
100%	180	

How long did you farm outside Yates County (if at all)?

88%	94	0-10 years
9%	10	10-20 Years
3%	3	20+ years
100%	107	

14) Are you a full or part-time farmer?

75%	134	Full-time
25%	45	Less than 40 hrs/wk
100%	179	

Do you have income from off the farm?

58%	102	Yes
42%	74	No
100%	176	

15) What proportion of your work time is devoted to your farming operation?

7%		0-20%
10%		20-40%
11%	19	40-60%
10%	17	60-80%
62%	111	80-100%
100%	178	

16) Is anyone else in the family involved in farm operations?

76%	138	Yes
24%	44	No

Does your spouse have income from off farm?

41%	70	Yes
59%	102	No

17) What share of your family/spouse's time is devoted to the farming operation?

34%		0-20%
18%		20-40%
20%		40-60%
9%	16	60-80%
19%		80-100%
100%	171	

18) Is your farm/business a member of a marketing cooperative?	27% 47 Yes 73% 126 No
Do you participate in any buying groups or associations?	13% 23 Yes 87% 152 No
Is there a need for additional buying cooperatives for farmers?	43% 62 Yes 57% 83 No
Is there a need for additional selling cooperatives for farmers?	50% 68 Yes 50% 69 No
If you are in a cooperative now, does it perform well?	50% 49 Yes 50% 49 No
19) Please indicate the approximate percentage of materials, supplies and services used in your operation that you purchased from enterprises located within Yates County?	21%     37     0-25%       14%     24     25-50%       31%     53     50-75%       34%     59     75-100%       100%     173
20) Do you utilize any migrant labor?    18%   27   Yes   If yes, please rate your experience:	19% 5 30% 8 15% 4 37% 10 100% 27
21) Which category best represents your gross sales for a typical year?    18%   31	99 99 99 9,999 9,999

22) Please rate local government support of agriculture in the following: (Check ONE for each.)

Keeping taxes reasonable Protecting right to farm Planning/zoning regulations Provision of services Loans and grants

Very Su	pportive
38%	67
31%	51
27%	43
28%	38
31%	34

501116	ewnat
Supp	ortive
42%	74
51%	83
58%	92
64%	88
68%	75

Not Supportive	
18%	31
13%	21
12%	19
19%	26
29%	32

23) Have you, in the past 5 years, expanded by any of the following? (CHECK ALL THAT APPLY)

65%	121	Purchased additional equipment
38%	71	Constructed new building(s)
33%	61	Renovated building(s)
28%	52	Rented additional acres
27%	50	Brought inactive acreage into production
26%	48	Raised additional animals
21%	40	Purchased additional acres
17%	31	Diversified into additional farm ventures
11%	21	Hired additional employees
11%	20	Leased or purchased additional animals

24) If you did not expand, what were the primary reasons? (CHECK ALL THAT APPLY)

I	35%	66	Satisfied with current size
İ	24%	44	Poor profit margins
I	21%	39	Age of owner/operator
I	12%	23	Personal or other reasons
I	11%	20	High cost of additional labor
ĺ	8%	15	Lack of available labor
I	5%	9	Lack of available land to be purchased
I	5%	9	Lack of available land to rent
Ì	4%	8	Environmental or other governmental restrictions

#### 25) What changes do you expect to make in the next 5 years, if any? (CHECK ALL THAT APPLY)

43%	81	I expect to purchase additional equipment
30%	57	I expect to construct new building(s)
30%	57	I expect to renovate building(s)
26%	49	I expect to include more family members in the operation
26%	49	I expect to raise additional animals
21%	39	I expect to add new technology
16%	30	I expect to purchase additional acres
15%	28	I expect to bring inactive acreage into production
13%	24	I expect to diversify into additional farm ventures
12%	23	I expect to direct market some or all of product
11%	20	I expect to rent additional acres
10%	18	I expect to transfer ownership to others
9%	17	I expect to specialize in parts of the business
9%	17	I expect to use more custom services
9%	16	I expect to offer custom services to others
7%	14	I expect to contract with other farmers for products
7%	13	I expect to hire additional employees
5%	10	I expect to lease or purchase additional animals
4%	8	I expect to convert to rotational grazing
2%		I expect to add other partners
2%	3	I expect to convert from dairy to crops

#### 26) Does your farm/business presently own sufficient property to expand?

52%	86	Yes
48%	79	No

How much capital do you think your farm/business will need for renovation and/or expansion?

		•
26%		Less than \$10,000
21%	21	\$10,000 - \$24,999
12%	12	\$25,000 - \$49,999
22%	22	\$50,000 - \$99,999
13%	13	\$100,000 - \$249,999
3%	3	\$250,000 - \$499,999
0%	0	\$500,000 - \$999,999
4%	4	\$1,000,000+
100%	101	

27) Have you had difficulty receiving the necessary amount of financing to develop or expand?

10%	15	Yes
90%	139	No

If you were offered financing, were the terms reasonable?

83%	99	Yes
8%	9	No
10%	12	Not Sure

What programs/institutions have you asked for financial help? (CHECK ALL THAT APPLY)

44%	82	Commercial bank or savings and loan
20%	38	Private investors or other
20%	37	Farm Credit Agency
11%	20	USDA loan/grant programs
3%	5	Local revolving loan fund
1%	2	Industrial Development Agency
1%	2	Small Business Administration
1%	1	Empire State Development Corporation

28) Over the LAST 5 years, have the following increased, stayed the same or decreased for your operation? (Check one for each factor and do not consider short-term price changes.)

Your sales quantity volume Your sales dollar volume Your number of customers Your profit

Incre	eased
37%	73
41%	68
30%	42
48%	57

Stayed	l Same
33%	66
35%	59
49%	68
48%	57

	eased
7%	14
17%	28
10%	14
43%	51

Over the NEXT 5 years, do you expect the following to increase, stay the same or decrease for your operation? (Check one for each factor and do not consider short-term price changes.)

Your profit Your sales quantity volume Your sales dollar volume Your number of customers

Incr	ease
46%	111
36%	64
41%	69
28%	42

Stay th	e Same
14%	35
37%	65
34%	57
50%	74

Deci	rease
6%	15
8%	15
15%	25
7%	10

29) From which of the following sources do you regularly seek information on agricultural issues such as production, regulations, farm programs, etc.? (Please check ALL that apply.)

66%	124	Other farmers
62%	116	Cornell Cooperative Extension
58%	108	Farm magazines/books
55%	102	Friends/relatives/other
46%	86	Soil & Water Conservation
42%	79	Newspapers

36%		Agricultural businesses
30%		Farm Bureau
30%		USDA (NRCS, FSA)
20%	37	NYS Ag & Markets
17%	31	Computer/Internet
14%	27	Television/radio

30) Do you you sell any vegetable, fruit or other consumer produce?

25%	42	Yes
75%	123	No

Do you use the Finger Lakes Produce Auction?

52%	85	Yes
48%	79	No

If so, what percentage of your produce is sold through the FLPA auction?

82%		0-20%
2%		20-40%
0%	0	40-60%
5%	3	60-80%
11%	6	80-100%
100%	56	

31) What, if anything, can the Finger Lakes Produce Association do to increase its business or produce better profits for producers?

32%	7	Solicit more wholesale buyers
27%	6	Advertise and market the auction
14%	3	Continue operation as is
5%	- 1	Better prices
5%	- 1	Establish "Best of Yates" program
5%	- 1	Listen to farmers
5%	- 1	Exert more effort to promote Christian virtues
5%	- 1	Move closer
5%	1	Promote quality produce
100%	22	

32) The following are examples of initiatives taken in other counties to support agriculture.

4.39 Zoning ordinances that protect agriculture	Please rank the importance of each
4.01 Additional right-to-farm protections	to the long-term success of your
3.92 More reasonable environmental regulations	farm business. (PLEASE GIVE EACH
3.45 Help in negotiating lower utility rates	ITEM A SCORE OF "0" TO "5," WITH
3.14 Help in negotiating better pricing	"O" MEANING UNIMPORTANT AND
3.13 Agricultural education within public schools	"5" MEANING EXTREMELY IMPORTANT)
3.09 Help in identifying/developing new markets	
2.98 Pesticide management training	
2.97 Tax-abatements for new agri-business ventures	
2.93 Technical help/training in best conservation manage	gement practices
2.92 Increased local marketing of farm products	
2.90 More flexible rules for School Tax Refund, etc.	
2.71 Technical help/training in nutrient management	
2.62 Help with direct marketing to consumers	
2.56 Help with marketing and sales promotions	
2.55 Agricultural awareness and career training	
2.48 Help in identifying/developing new niche businesse	es
2.45 Woodlot management assistance	
2.43 Public funding for projects applying best conservation	ion management practices
2.38 Additional promotion of ag tourism in County	
2.33 Development of business alliances among farmers	
2.31 Assistance with farm transfer/estate planning	
2.30 Help in developing quality certification program	
2.30 Technical help/training in agricultural environment	tal management (AEM)
2.30 Assistance in organizing buyer groups	
2.25 Additional loan/grant financing	
2.25 Public funding for ag environmental management	
2.22 Public funding for nutrient management projects	
2.21 Organic farming support and training	
2.17 Assistance and training in direct marketing	
2.10 Assistance in creating CSA groups to pre-purchase	farm products
1.96 Labor management training	
1.95 Development of a regional branding	
1.89 Business planning assistance	
1.87 Help in obtaining processing services	
1.87 Help in developing ag tourism opportunities	
1.85 Help in accessing export markets	
1.82 Technical assistance with forward pricing/futures	
1.79 Assistance to landowners with rotational grazing	
1.71 Recruitment of additional farmers to County	
1.66 Help in securing migrant or other labor	
1.65 Ability to sell/lease development rights for cash	
1.46 Assistance in Internet website development	

32) Please list up to 3 of your own ideas for retaining and improving agriculture in Yates County. 23 Government regulation, reduce local (zoning), State and Federal 23 Profits/prices, improve 20 Ag education, promote Tax relief, provide and offer credits for farm improvements 14 Farmland, restrict development with zoning or otherwise 9 Marketing of agricultural products, improve skills and increase 7 Technical expertise, from CCE and others 6 Small producers, assist 5 Right to farm and Ag Districts, promote 4 Farmland protection programs (PDR, LDR, etc.) 3 Cheap food policy, end it and support farmers 3 Electric and water, reduce costs Farmland prices, make affordable 3 Organic/sustainable agriculture, promote 3 Quality of life, maintain high level 2 Ag services, develop additional 2 Ag tourism, promote 2 Chemicals/tires, restrict, help collect and clean-up 2 Crop rotation and winter crops, promote improved 2 Environmental management, assist in meeting demands 2 Equipment costs, reduce by promoting custom services Farmer involvement in local government, promote additional 2 Financing, increase access 2 Imports, restrict Mennonite farm community, support 2 Youth employment in agriculture, promote Aneobic digester systems, make available to small farners Bee-keeping, encourage Exports, promote Finger Lakes Cooperative, promote for milk sales I Insurance costs, reduce Labor supply for agriculture, increase Large animal operations, allow I Local agricultural products, brand Milk hauling costs, take from milk checks I NYS products, promote I Vineyards, maintain I Water sources for irrigation, development

1)	Please tell us, by town/village, where your closest place of business for Yates County customers (mill, store, office) is located: (CHECK ALL THAT APPLY)
	16%12Benton35%26Penn Yan16%12Ontario County15%11Milo12%9Dundee8%6Elsewhere in NYS12%9Barrington8%6Dresden4%3Out-of-State11%8Starkey8%6Rushville3%2Schuyler County9%7Jerusalem3%2Seneca County9%7Torrey3%2Steuben County8%6Potter5%4Middlesex3%2Italy
2)	How many people do you employ in Yates County?  Full-time 4.4 Average Jobs Per Enterprise 5.0 Average Jobs Per Enterprise
3)	How long has this business been in operation at this location? $ \begin{array}{c ccccccccccccccccccccccccccccccccccc$
4)	What type of agri-business do you operate?    11%   7

5) Please tell us what percentage of your business comes from the farm community?

30%		0-25%
13%	9	25-50%
17%	12	50-75% 75-100%
41%	29	75-100%

Please tell us what percentage of your business comes from Yates County?

39%		0-25%
23%	15	25-50%
21%	14	50-75%
17%	11	75-100%

6) How valuable to your business are your farm customers, considering the amount of activity, promptness of payment and seasonality of business in general?

		Not all that valuable
		Somewhat valuable
		Quite valuable
54%	37	Extremely valuable

7) Over the LAST 5 years have you: (CHECK ALL THAT APPLY)

68%	50	Increased your operation size
		Increased agricultural inventories & sales
31%	23	Added service area to gain market share
27%	20	Added new products lines for farmers
27%	20	Added new product lines for non-farmers
24%	18	Stayed the same size, more or less
8%	6	Added service area to hold market share
5%	4	Held ag sales at their present level
4%	3	Decreased your operation size
4%	3	Decreased agricultural inventories & sales

Over the NEXT 5 years do you expect to: (CHECK ALL THAT APPLY)

		_
53%	39	Increase your operation size
34%	25	Stay the same size, more or less
34%	25	Add new products lines for farmers
30%	22	Increase agricultural inventories & sales
30%	22	Add new product lines for non-farmers
24%	18	Add service area to gain market share
8%	6	Add service area to hold market share
8%	6	Hold ag sales at their present level
4%	3	Decrease agricultural inventories & sales
3%	2	Decrease your operation size

8) What agricultural trends have you observed in Yates County? (CHECK ALL THAT APPLY)

54%	40	A larger number of smaller operations
46%	34	Movement of farms into the County
36%	27	A change to new types of farms
36%	27	More specialty and direct market operations
32%	24	More diversification
	18	More sophisticated farm operations
12%	9	More part-time farms
8%	6	A smaller number of larger operations
3%	2	No significant changes
1%	1	Movement of farms out of the County

9) If you have NOT expanded in the last 5 years what were the primary reasons? (CHECK ANY)

38%	21	Satisfied with current size
13%	7	Poor profit margins
9%	5	Lack of room to expand
7%	4	Loss of market share
7%	4	Lack of labor supply
7%	4	Regulatory obstacles
5%	3	Age of owner
5%	3	Lack of financial capital
5%	3	Declining agricultural sales
2%	1	Receivables collection problems

10) Over the LAST 5 years, have the following increased, stayed the same or decreased for your operation? (Check one for each factor and do not consider short-term price changes.)

Your number of customers Your sales quantity volume Your sales dollar volume Your profit

Increased		
74%	52	
70%	47	
71%	47	
57%	37	

Stayed the Sam			
	23%	16	
	28%	19	
	26%	17	
	25%	16	
	,		

Decreased		
3%	2	
1%	1	
3%	2	
18%	12	

Over the NEXT 5 years, do you expect the following to increase, stay the same or decrease for your operation? (Check one for each factor and do not consider short-term price changes.)

Your number of customers Your sales quantity volume Your sales dollar volume Your profit

Increase			
74%	52		
76%	51		
80%	52		
76%	48		

S	tay the	Same
	21%	15
	22%	15
	18%	12
	21%	13

Decrease		
4%	3	
1%	1	
2%	1	
3%	2	

11) If you're planning to expand or renovate, how much capital do you think your farm/business will need?

Less than \$10,000 10% \$10,000 - \$24,999 19% 8 \$25,000 - \$49,999 4 10% \$50,000 - \$99,999 8 19% \$100,000 - \$249,999 10 24% \$250,000 - \$499,999 7% \$500,000 - \$999,999 4 10% \$1,000,000+ 2%

12) Please rate the importance of each of the following to the future of farming in Yates County.

Very Important Somewhat Important  Limiting increases in other property taxes  Very Important Somewhat Important  28% 19  200/ 22	Not Important    3%   2
	4% 3
Capital gains & estate tax reform 67% 47 29% 20	1/0 3
Reducing health insurance costs 67% 45 24% 16	9% 6
Right to farm laws 66% 45 32% 22	1% 1
Reducing workmen's compensation costs 62% 42 35% 24	3% 2
Reducing property/liability insurance costs 62% 43 29% 20	9% 6
State school tax reforms made 57% 38 39% 26	4% 3
Availability of skilled labor 55% 37 39% 26	6% 4
Financing availability 54% 36 37% 25	9% 6
Utility cost reductions $52\%$ 36 $46\%$ 32	1% 1
Direct marketing of products to consumers $52\%$ $35$ $42\%$ $28$	6% 4
Environmental regulation reform 51% 35 43% 29	6% 4
Income tax cuts 44% 30 43% 29	13% 9
Agricultural land cost 43% 29 53% 36	4% 3
Development of new products and markets 42% 28 54% 36	4% 3
Agriculture district maintenance/expansion 42% 28 48% 32	10% 7
Access to support businesses 42% 28 46% 31	12% 8
Consumer "buy local" education 42% 28 45% 30	15% 10
Farm neighbor education 39% 27 43% 30	13% 9
Youth agricultural education 37% 25 51% 34	12% 8
Estate planning education 37% 25 51% 34	12% 8
Labor regulation reform 29% 19 50% 33	21%   14
Purchase of development rights programs 23% 15 46% 30	31% 20
Conservation cost share programs 21% 14 54% 36	25% 17
Disaster relief payments 20% 13 55% 36	26% 17
Government support payments 20% 13 42% 28	38% 25

13) Have you had difficulty receiving the necessary amount of financing to develop or expand?

14%	9	Yes
86%	54	No

If you were offered financing, were the terms reasonable?

77%	41	Yes
8%	4	No

What programs or institutions have you approached for financial assistance? (CHECK ALL THAT APPLY)

59%	37	Commercial bank or savings and loan
22%	14	Farm Credit Agency
17%	11	Private investors or other
10%	6	USDA loan/grant programs
3%	2	Local revolving loan fund
3%	2	Industrial Development Agency
3%	2	Small Business Administration
2%	1	Empire State Development Corporation

14) The following are examples of initiatives taken in other counties to support agriculture. Please rank the importance of each to the long-term success of your business and your customer's.

(GIVE EACH A SCORE OF "O" TO "5," WITH "O" MEANING UNIMPORTANT AND "5" MEANING EXTREMELY IMPORTANT)

	THE A SCOKE OF "O" TO "5," WITH "O" MEANING UNIMPORTANT AND "5" MEANING EXTREMELY IMPORTAL
	Zoning ordinances that protect agriculture
	Additional right-to-farm protections
	Increased local marketing of farm products
	Help in negotiating lower utility rates
	Help in identifying/developing new markets
	Technical help/training in best conservation management practices
3.11	More reasonable environmental regulations
2.97	Help with direct marketing to consumers
	More flexible rules for School Tax Refund, etc.
	Tax-abatements for new agri-business ventures
	Help in negotiating better pricing
	Technical help/training in nutrient management
	Additional promotion of ag tourism in County
	Additional loan/grant financing
2.88	Business planning assistance
2.83	Help with marketing and sales promotions
	Agricultural education within public schools
	Pesticide management training
	Help in identifying/developing new niche businesses
2.67	Assistance and training in direct marketing
2.65	Development of business alliances among farmers
2.61	Assistance with farm transfer/estate planning
2.59	Help in developing ag tourism opportunities
2.57	Agricultural awareness and career training
2.57	Help in developing quality certification program
2.51	Organic farming support and training
2.48	Public funding for projects involving application of best conservation mgt. practices
2.43	Public funding for ag environmental management
	Labor management training
2.32	Development of a regional branding
2.22	Woodlot management assistance
2.16	Assistance in organizing buyer groups
2.15	Assistance in creating CSA groups to pre-purchase farm products
2.13	Public funding for nutrient management projects
	Help in securing migrant or other labor
2.03	Assistance to landowners with rotational grazing
2.02	Assistance in Internet website development
	Recruitment of additional farmers to County
1.98	Technical assistance with forward pricing/futures
1.88	Ability to sell/lease development rights for cash
1.78	Help in obtaining processing services
1.74	Help in accessing export markets
0.24	Technical help/training in agricultural environmental management (AEM)

) Ple	ase list up to 3 of your own ideas for retaining and improving agriculture in Yates County.
10	Taxes, lower
	Ag tourism, promote
	Right to farm, protect
	Government, consolidate/reduce
	Products, diversify
	Direct marketing, promote
	Government regulation, reduce
	Pricing, improve
	Techical assistance, provide
	Ag Districts, protect
	Branding, promote
	CAFO impacts, reduce/manage
	Expenses, cut
	Farmland, protect
	Land prices increases, control
	Mennonite advantages, promote
	Small farms, protect
	Advisory board, use
	AEM, Encourage
	Ag and non-ag business, promote
	Ag processing, attract
	Blue laws, bring back
	Chamber of Commerce pro-agricultural, promote
-	Cluster development, promote
	Debt, lower
1	Development, restrict
	Educational opportunities, promote
	Free trade, restrict
1	Government programs, end
1	Horse shelters & water troughs, provide
	Incentives, provide
1	Lake problems, control
	Organic products, promote
	Profits, improve
1	Self-efficiency, promote
1	Supply and demand rule, employ
1	Winerie, pool
1	Wineries, sign
1	Yates County, make dry
1	Zoning laws, restrict senseless

Please answer the questions below to help us understand the views of the non-farm community as we prepare our County Agricultural Development and Farmland Protection Plan. Please do not complete this survey if you are a farmer or work in a business primarily dependent on farm customers. These individuals will be surveyed separately.

1) Please tell us where you live.

53	22.0%	Town of Jerusalem
34	14.1%	Town of Milo
24	10.0%	Town of Benton
24	10.0%	Village of Penn Yan
20	8.3%	Town of Starkey
18	7.5%	Town of Potter
16	6.6%	Town of Barrington
16	6.6%	Town of Torrey
14	5.8%	Town of Middlesex
13	5.4%	Town of Italy
7	2.9%	Village of Dundee
1	0.4%	Village of Rushville
0	0.0%	Village of Dresden
1	0.4%	Outside of Yates County - I'm a 2nd home owner.
241	100.0%	TOTAL

2) Please tell us your age group, answering for the head of your household.

2	0.8%	< 25 years
84		25-49 years
81	33.8%	50-64 years
73	30.4%	65+ years
240	100.0%	TOTAL

3) How many persons are in your household?

44		1 persons
112		2 persons
39		3 persons
22	9.2%	4 persons
21		5+ persons
238	100.0%	TOTAL

4) How long have you lived in Yates County?

25		< 5 years
15		5-9 years
38	15.8%	10-14 years
154	64.2%	15+ years
8		2nd home owner
240	100.0%	TOTAL

5) If you lived elsewhere before coming to Yates County, where was this?

65	42.8%	Another rural area of NYS
50		An urban area of NYS
26	17.1%	Another Northeast state
- 11		Outside the Northeast
152	100.0%	TOTAL

6) Have you ever lived near a farm?

194	81.9%	Yes
43	18.1%	No
237	100.0%	TOTAL

Have you ever owned or operated a farm?

55	23.7%	
177	76.3%	
232	100.0%	TOTAL

Do you live near (within 1/4 mile) of a farm?

167	72.9%	Yes
62	27.1%	No
229	100.0%	TOTAL

If so, is that farmer a good neighbor?

158	91.9%	Yes
14	8.1%	No
172	100.0%	TOTAL

7) When was the last time you visited a farm?

151	63.7%	Within last year
55		Within last 2-10 years
27		More than 10 years ago
4		Never
237	100.0%	

8) Which statement best represents your view of Yates County agriculture over the last 5 years?

15	6.6%	Agriculture is a declining industry with no future growth potential
137	59.8%	Agriculture is holding its own as an industry and may have some future
		growth potential
77		Agriculture is an expanding industry with significant future growth potential
229	100.0%	TOTAL

9) Can you estimate the size of Yates County's agricultural industry?

16		Less than \$1 million
50		\$1 million to \$5 million
52		\$5 million to \$10 million
63	34.8%	More than \$10 million
181	100.0%	TOTAL

10) Do you feel that Yates County should take steps to help preserve farmland?

200	83.7%	Yes
10	4.2%	No
29	12.1%	
239	100.0%	TOTAL

11) Should agricultural business be encouraged to expand in Yates County?

180		
14	5.9%	No
42	17.8%	Not Sure
236	100.0%	TOTAL

12) Do you patronize or participate in any of the following?

YES		
213	88.4%	Fruit and vegetable stands
17	7.1%	Farm open houses
43	17.8%	Farm tourism sites (corn mazes, etc.)
13	5.4%	Community Supported Agriculture (CSA)
169	70.1%	U-Pick fruit or vegetable operations
94	39.0%	Custom-cut meat processors
111	46.1%	Stores featuring local dairy products
177	73.4%	Stores featuring other local farm products
241	100.0%	TOTAL

13) What features, if any, cause you to spend more for food?

(PLEASE GIVE EACH ITEM A SCORE OF "O" TO "5" WITH "O" MEANING UNIMPORTANT AND "5" MEANING EXTREMELY LIKELY TO CAUSE YOU TO SPEND MORE ON FOOD)

0	1	2	3	4	5	TOTAL	
11	4	6	18	50	116	850	Superior taste
13	3	11	44	41	92	781	Convenience
18	6		35	47	87	750	Leaner and less fat
24	7	9	57	27	86	734	Produced locally (Yates County & environs)
21	9	9	30	33	95	724	Animals humanely treated
22	7	11	35	40	82	704	Superior nutrition
28	7	20	35	28	83	679	No hormones or antibiotics
28	4	11	31	38	79	666	Produced on farm of high standards
28	6	14	54	35	64	656	Produced in Finger Lakes
35	8	8	42	27	77	643	Produced on known family farm
24	5	18	46	46	56	643	Large selection
31	9	21	33	32	73	643	No pesticides
30	11	13	60	39	43	588	Produced in New York State
33	8	20	42	31	52	558	Pasture-raised
52	12	23	35	27	43	486	Organically produced
39	13	27	55	32	21	465	Produced in Central/Western New York
57	18	20	46	26	27	435	Produced on Mennonite farm
56	11	24	34	20	37	426	Produced on farm managed for water quality

14) Have you ever experienced problems with a farm neighbor regarding any of the following?

YES		
75	31.1%	Odors
55		Manure application
39	16.2%	Slow-moving vehicles
22	9.1%	Noise
19	7.9%	Pesticide use
14		Fencing problems/cattle loose
13	5.4%	Drainage issues
12	5.0%	Boundary/trespass issues
28		Other problems (dogs, personal, etc.)
241	100.0%	TOTAL

#### 15) Please tell us whether you agree or disagree with the following statements:

Farming enhances the scenic beauty of Yates County

223	92.9%	Yes
3	1.3%	No
14	5.8%	
240	100.0%	TOTAL

Farming preserves valuable open space to Yates County

217	90.8%	Yes
7	2.9%	No
15	6.3%	Not Sure
239	100.0%	TOTAL

Loans and grants to develop local farm enterprises are important

183	77.2%	Yes
15	6.3%	No
39	16.5%	Not Sure
237	100.0%	TOTAL

Farmers are good neighbors

207	88.1%	Yes
3	1.3%	No
25	10.6%	
235	100.0%	TOTAL

Farmers get paid too little for their labor

179	75.2%	Yes
9	3.8%	No
50		Not Sure
238	100.0%	TOTAL

Local farmers deliver generally high-quality products

194	81.9%	Yes
3	1.3%	No
40		Not Sure
237	100.0%	TOTAL

Farming is positive for the environment

185	78.7%	Yes
9	3.8%	No
41	17.4%	Not Sure
235	100.0%	TOTAL

Tax breaks for farmers are important

159	67.7%	Yes
26	11.1%	No
50	21.3%	Not Sure
235	100.0%	TOTAL

Agriculture and farming are high-technology industries

147	62.3%	Yes
25	10.6%	No
64		Not Sure
236	100.0%	TOTAL

The price of most farm food commodities is relatively low

148	63.0%	Yes
26	11.1%	No
61	26.0%	Not Sure
235	100.0%	TOTAL

Farming presents a good career for enterprising individuals

99	42.3%	Yes
33	14.1%	No
102	43.6%	Not Sure
234	100.0%	TOTAL

Farmers need to act more like other businesses and compete

89	38.0%	Yes
59	25.2%	No
86	36.8%	Not Sure
234	100.0%	TOTAL

This isn't a farm area any more. Encouraging farming is pointless.

3	1.3%	Yes
209	87.8%	No
26	10.9%	Not Sure
238	100.0%	TOTAL

Farmers get too many tax breaks already

17	7.2%	Yes
129	54.9%	No
89	37.9%	Not Sure
235	100.0%	TOTAL

16) Are you interested in visiting a farm from time to time?

I	132	57.9%	Yes
	96	42.1%	No
	228	100.0%	TOTAL

17) Please list up to three of your ideas for retaining and improving agriculture in Yates County.

Comment/Suggestion	No.
Taxes, lower	31
Farmers, assist financially	21
Intensive livestock operations, restrict	20
Farm pricing, improve	19
Farm values, promote	16
Farmland, preserve	10
Residential growth, restrict	10
Farmers, leave alone	9
Buy local, encourage	8
Environmental protection, promote	8 8 7
Marketing, improve	8
Ag tourism, promote	
Mennonite immigration, encourage	6
Organic farming, encourage	6
Chemicals and hormones, restrict	5 5
Students, encourage interest	5
Equipment expense, control	4
Farm markets, encourage	4
Manure, regulate	4
Agricultural zoning, promote	3 3 3 3 3 2 2 2 2 2
Crops, diversify	3
Farmers, treat fairly	3
Hedgerows, preserve	3
Imports, restrict	3
Public criticism, reduce	3
Recreational leasing, promote	3
Business training, provide	2
Competitiveness, increase	2
Cooperative marketing, promote	2
Country atmosphere, protect	2
Farm management, improve	2
Fresh produce, market	2
High school kids, hire	2
Hog farms, monitor for waste	2
Manure odors, part of living in the country	2 2 2 2 2 2
Mennonite immigration, discourage	2

Comment/Suggestion	No.
Mennonites, tax	2
Steel wheels, restrict	2
Water quality, control	2 2 2
Wineries, allow shipping out-of-State	2
Ag Districts, create	1
Animals, treat humanly	1
Buildings and property, keep neat	1
California grape growers, restrict	1
Canning, promote	1
Celebrity advertising, use	1
Common sense, use	1
Distribution, improve	1
Estate taxes, lower	1
Family farms, promote	1
Farm land requirements, reduce	1
Farm open houses, promote	1
Farm products, market to Rochester	1
Farm products, place in big stores	1
Farmers, educate	1
Farmers, monitor	1
Farmers, recruit	1
Farmers, retain	1
Farming, restrict	1
Farms profitability, improve	1
Farms successful, publicize	1
Farms, showcase	1
Feed lots, isolate	1
Finger Lakes wine and cheese, promote	1
First-aid, train	1
Food festivals, promote	1
Good Neighbor policies, promote	1
Grapejuice plant, locate	1
Grapes, rigidly inspect	1
Honey imports, restrict	1
Horse droppings, pickup	1
Internet marketing, use	1
Large lawns, restrict	1
Low-income food coupons, promote	1
Lugged vehicles, restrict	1
Mennonites, follow animal laws	1
Mennonites, sell everything to them	1
Pasture raised livestock, promote	1

Comment/Suggestion	No.
Progress, let it proceed	1
Purchase of Development Rights, promote	1
Right to Farm protections, promote	1
Scenery, protect	1
Soil conservation, promote	1
Stress, reduce	1
Surveys, conduct	1
Tile and lime, assist	1
Unused farms, promote for cash crops	1
Unused farms, use for teaching	1
Unused fruit farms. Use for groves	1
Vacant land, sell/rent	1
Vineyards, increase	1
Weather forecasts, improve	1
Weather problems, assist	1
Wildlife, discourage random eliminating	1
Workers, pay more	1

# **APPENDIX 4**

# Agricultural Planning Guide

#### **Agricultural Development and Farmland Enhancement Plan**

## **Agricultural Planning Guide**

#### INTRODUCTION

This Appendix has been prepared to help guide local planning board members, agricultural and farmland protection board members and elected officials in their review of development applications that affect farmlands.

The regulation of land use within agricultural areas requires balancing of growth with protection of prime farmland and, even more importantly, the rights of farmers to engage in sound agricultural practices. Good planning can help avoid future conflicts, allowing agriculture itself to grow and develop.

Land use planning and zoning with regard to agriculture cannot be rigid - the flexibility to adapt based on circumstances is critical. Many large farming operations involve a variety of land uses that may include housing for farm workers, the manufacturing of agricultural products, trucking operations, machinery repair, warehousing, or retail sales of farm products.

Section 305-a of New York State Agricultural Districts Law prohibits towns from enacting land use regulations that unnecessarily restrict the operation of farms within locally adopted agricultural districts. It also provides for the preparation of an *Agricultural Data Statement* if the proposed action "involves a special use permit, site plan application, use variance, or subdivision application on a property within an agricultural district containing a farm operation or on property with boundaries within five hundred feet of a farm operation located in an agricultural district."

These provisions, together with Section 310 of the Law requiring disclosure of agricultural activities and protections to prospective land purchasers, can be used to reduce future farm and neighbor conflicts. Section 305-a restricts local governments from over-regulating agricultural activities. Agricultural Data Statements give affected farmers and towns notice of development proposals that impact agriculture before they're approved so that farmers' issues can be addressed. Section 310 disclosure requirements effectively put prospective lot purchasers near a dairy farm, for example, on notice that spreading of manure on adjacent fields may create smells during certain parts of the year that a one-time visit to the site may not reveal. They also serve to inform buyers that this is an ordinary practice to be expected in an agricultural area.

The primary function of these mechanisms is to ensure notification at the front end. Farmers are protected by the requirement that, prior to the sale of land within an agricultural district, the buyer must be informed that adjacent farm operations may generate certain noise, dust and odors. Disclosure prior to sale offers farmers a defense to private nuisance lawsuits. These disclosure requirements also, however, allow a Planning Board to consider and suggest alternatives to the conventional subdivision. These include use of conservation subdivision techniques where smaller residential lots are permitted in exchange for the preservation of open space between the two uses.

What follows is an overview of agricultural planning principles coupled with some specific examples of how to address various land use conflicts associated with agricultural practices and non-farm uses in agricultural areas.

#### JUST HOW FARM FRIENDLY IS YOUR TOWN?

The University of New Hampshire Cooperative Extension Service and the New Hampshire Coalition for Sustaining Agriculture have developed a checklist to help towns evaluate just how farm friendly they are. A modified version tailored to Yates County is offered below:

#### **Planning Questions:**

Does your Comprehensive Plan specifically provide for agriculture or only rely upon vague statements about "preserving rural character?"

#### **Agricultural Development and Farmland Enhancement Plan**

Does your Plan document the breadth, depth and value of agriculture to your town, including not only traditional farming and crops but also greenhouses, farm stands and specialty enterprises?

Does your economic development strategy address agricultural opportunities and is the industry represented on these committees?

Does your Plan recognize the open space and natural resource protection benefits of agriculture, encourage Agricultural District participation and promote techniques such as conservation easements to preserve farmland?

Does your Plan avoid calling for infrastructure extensions in or near farmland that might encourage incompatible development or raise the carrying costs of agricultural land too high?

#### **Zoning Questions:**

Does your town zoning law:

Allow agricultural uses in more than one or two zoning districts, especially small crop, nursery and greenhouse activities?

Provide for seasonal agricultural businesses such as farm stands and Christmas tree sales as accessory uses within agricultural districts and other appropriate zones?

Accommodate the unique needs of agricultural businesses for temporary signage, hours of operation, access, parking and storage without imposing any special requirements on agriculture?

Require new residential developments to include buffers where they adjoin existing agricultural uses?

Provide for agricultural use of mandated open spaces in new developments as an option?

Allow offsite signs to attract and direct farm stand customers to seasonal or permanent business locations?

Allow ancillary agricultural businesses such as equipment dealers, feed mills and veterinarians in the same areas as other agricultural activities are permitted?

Allow on-farm processing and retail operations, farm stands and pick-you-own operations by right as principal permitted or accessory uses?

Incorporate broad and inclusive definition of agriculture and agricultural accessory uses that include niche businesses, storage, repair, processing and sales activities?

Allow farm stands to sell produce purchased elsewhere to complement those products grown or manufactured on-site?

Provide for the large and unusual structures needed in agricultural operations (e.g., high grain elevators, large riding arenas, manure storage facilities)?

Establish site plan review criteria for non-farm uses in agricultural districts that encourage houses to be located away from productive cropland, upwind of farm activities and in such manner as to not interfere with agricultural operations?

#### Other Questions:

Have you taken advantage of Town Law authority to appoint a Planning Board member to specifically represent the agricultural industry?

#### **Agricultural Development and Farmland Enhancement Plan**

Do you, in reviewing development applications, require the use of disclosure statements to notify prospective home-buyers of nearby agricultural activities?

Have you adopted a Right to Farm Law to protect the use of sound agricultural practices?

Is farmland being properly assessed within your town? Are your assessors knowledgeable regarding exemptions for certain farm structures and other benefits?

Is there any annual event within your town, such as a Farm Festival, to highlight the contributions of agriculture?

#### THE CORE PRINCIPLES OF AGRICULTURAL PLANNING

Some of the basic principles of agricultural land use planning and zoning are as follows:

#### Farming is More Than Raising Animals and Crops

Agricultural enterprises, by their nature, often comprise a variety of land uses. Given the low profit margin of most agricultural operations, farms often include accessory commercial operations intended to supplement the primary sources of farm income.

Farms may include sand and gravel operations, firewood production, feed manufacturing, farm stands, tourism features, slaughterhouses, wineries and assorted other complementary activities, depending on the type of the operations.

These accessory activities assist in stabilizing farm incomes by allowing farmers to add value to farm products and direct market them for additional profit. This, in turn, helps preserve working landscapes offering valuable open space to the community.

Therefore, broad latitude to allow these uses is required. The intensity of these uses should be the basis for determining whether they should be regulated. Traditional family farm stands, for example, should be permitted as accessory uses to farm operations as a matter of right although a building permit application for a larger commercial farm market might warrant site plan review.

Reasonable regulation to address issues such as parking and access is appropriate if it does not impose special burdens on agriculture. The key is not to exclude ancillary agricultural activities from on-farm locations. A recent example from another County illustrates the point. A large landowner near a hamlet operated a vineyard and a small retail farm market operation adjoined by recent home buyers delighted with the open space. However, when the owner decided to put up a winery on the farm, these same neighbors took the position that this was a commercial use that belonged in commercial district. The municipality could have avoided this conflict if it had broadly defined agricultural to include on-farm processing and ancillary agricultural activities. A reasonable standard might be that at least one-third of the raw product must be produced from the farm on which it is located or of which it is a part (farms can include multiple unconnected properties)

The best way to accomplish this is to encompass broad definitions of agriculture and agricultural accessory activities in the text of any land use or zoning regulations. Such a definition follows:

Agriculture - Any activity connected with the raising of crops, livestock or production of livestock products, including but not limited to field crops, fruits, vegetables, horticultural specialties, livestock and livestock products, furs, maple sap, Christmas trees, aquaculture products and woody bio-mass. This shall encompass any activity or use now permitted by law, engaged in by or on behalf of a farmer in connection with farming including, but not limited to; housing for farm workers; stables and other tourist activities; the collection, transportation, distribution and storage of animal and poultry waste; storage, transportation and use of equipment for tillage, planting, harvesting and marketing; transportation, storage and use of

#### **Agricultural Development and Farmland Enhancement Plan**

fertilizers and limes, and legally permitted insecticides, herbicides, and fungicides; construction of farm structures and facilities, including farm wineries and other on-farm food processing; construction and maintenance of fences and other enclosures; and the use and/or maintenance of related pastures, idle or fallow land, woodland, wetland, farm ponds, farm roads and certain farm buildings and other structures related to the agriculture practices. Agriculture shall also include the processing and wholesale and retail marketing, including U-pick sales, of the agricultural output of the farm and related products that contribute to farm income, including the sale at the owner's farm stand of agricultural products so long as a substantial portion of the annual gross sales of the farm stand have been grown on said farm.

#### **Buffers Between Farm and Residential Uses Are Essential**

Residences placed too close to farms can create unnecessary conflicts with farming activities over noise, dust and odors. These potential conflicts, however, can be greatly mitigated with the provision of open space buffers between the uses. Buffers also provide farmers with protection from adverse impacts associated with adjacent residents driving off-road vehicles into crop areas, other trespassing impacts, stormwater runoff, broken bottle litter problems and similar problems.

When residential subdivisions are proposed in close proximity to a farming operation, the responsibility of providing a sufficient buffer between the proposed home sites and the farm should be placed on the developer, not the farmer. This can be accomplished by substantially increasing minimum lot sizes for residential development within agricultural zones, requiring greater setbacks of residences along side and rear lot lines and limiting the range of residential uses allowed in these areas. These measures help to increase the separation distances between farm and residential uses.

A number of Pennsylvania, Maine and Maryland communities, for example, have required that dwellings be setback a minimum of 100 feet from land in any designated agricultural zone or tract. It is not uncommon for this distance to be increased to as much as 500 feet in the case of dwelling units proposed adjacent to intensive livestock operations within designated agricultural districts.

There are also a number of communities that have enacted agricultural protection zoning (APZ) regulations sharply limiting subdivision activity within specified prime agricultural areas. Minimum lot sizes of as much 25 acres have been imposed in these areas to effectively prevent subdivision for other than farm purposes.

More typical, however, is a sliding scale formula that provides for a maximum number of dwellings decreasing proportionally as the size of the tract increases. This is usually accompanied by a requirement that the house lots themselves be restricted in size to avoid consuming too much farm land.

The overall impact of such regulations is to keep both the total number of dwellings created from a given farm and the land consumption associated therewith as low as possible. This concept works well with the "conservation subdivision" approach discussed below.

A simple but practical approach is also incorporated in the following sample language:

Farm and Residential Buffers - New residences within or adjacent to agricultural districts shall be limited to single-family dwellings setback a minimum of 100 feet from all rear and side lot lines shared with a farm tract lying within the district. The Planning Board may require that this buffer area be increased to as much as 300 feet and planted with trees where the proposed dwelling adjoins any existing intensive livestock, agricultural processing or manure disposal operation.

Other uses within agricultural districts should be limited to support and complementary activities. Ag zoning district boundaries should generally follow those of New York State Agricultural Districts. The following is a list of uses appropriate in such districts:

#### **Agricultural Development and Farmland Enhancement Plan**

#### Agricultural Protection District

#### **Principal Permitted Uses**

- 1. Agriculture (see definition)
- 2. Cemeteries
- 3. Forest uses
- 4. Greenhouses and nurseries
- 5. Single-family dwellings (see special standards)
- 6. Wildlife preserves

#### **Special Uses**

- 1. Bed and breakfast operations
- 2. Campgrounds
- 3. Clubhouses
- 4. Communications towers
- 5. Farm equipment sales and repair
- 6. Farm and feed stores and feed manufacturing
- 7. Houses of worship
- 8. Kennels
- 9. Tool and die and other light manufacturing uses
- 10. Outdoor recreation facilities
- 11. Sawmills
- 12. Veterinary offices and animal hospitals

#### Accessory Uses

- 1. Home occupations
- 2. Signs
- 3. Other uses customarily incidental to Principal Permitted and Special Uses

The above list can be modified to add or delete uses as appropriate to individual communities but it is representative of those uses that are generally compatible with agriculture.

Agriculture uses, like other activities, can also be broken down into Principal Permitted, Special and Accessory Uses. This provides municipalities with somewhat more control. However, this can easily become confusing when incidental activities not specifically listed are proposed by applicants. It also runs the serious risk of conflicting with the New York State Agricultural District Law. A simple approach that broadly defines all agriculture in one category is almost always more appropriate.

Towns can, of course, still reserve the right to require site plan review of specified activities that pose particular health and safety concerns. They must be very cautious, however, in enacting any land use regulations imposing special requirements on agricultural uses. Such regulations are inadvisable. If the farm operation is located in a county adopted, State certified Agricultural District, the proposed use is subject to Section 305-a(1)(a) of the Agriculture and Markets Law (and 283-a of the Town Law) that states local governments cannot "unreasonably restrict or regulate farm operations...unless it can be shown that the public health or safety is threatened."

Regulations brought to the attention of the Department under this provision are evaluated on the basis of whether they are reasonable on their face <u>and</u> as applied to a particular situation. This means a given rule found reasonable in one situation may still be found unreasonable in another, depending on the nature of the individual circumstances.

#### **Agricultural Development and Farmland Enhancement Plan**

Such problems can be avoided by: 1) permitting the broadest possible range of agricultural uses possible within agricultural districts and 2) applying needed setback and buffer requirements on the new non-farm uses proposed within the district. Should standards be proposed for particular application to agricultural uses they should first be reviewed with the Department of Agriculture and Markets.

#### Prime Farmland Should Be Protected from Development

The American Farmland Trust is the best overall source of information available on farmland protection. They offer technical assistance and have excellent publications on a wide variety of approaches including conservation easements, purchase or lease of developments rights and the agricultural protection zoning discussed above. There are, nevertheless, certain measures that are wholly within the province of municipal planning authorities to employ.

These include "conservation subdivision" techniques (also known as "cluster development") designed to accommodate residential growth while ensuring that prime agricultural soils remain in production. Under conservation subdivision provisions, a landowner is allowed to develop a property to the same density as allowed under present zoning, and sometimes even higher with bonuses for additional farmland protection. However, smaller lot sizes are permitted in exchange for the preservation of the open space or farmland.

For example, if a 100 acre parcel is zoned for a minimum lot size of 2 acres, a developer could create 50 residential lots from it, assuming no environmental constraints. If the developer used a conservation subdivision approach, however, the 50 lots would be clustered on perhaps 25 acres (one-half acre each), leaving seventy-five (75) acres as open space. This land could then be made available for crops and other agricultural uses and complement the residences by preserving the open space that attracted them to the area. A portion of the open space could, of course, be used to buffer the two uses.

This technique, where a farm operation is included as an integral component of the subdivision plan, can be an effective means of preserving prime agricultural soils. Subdivisions designed around beef and horse farms or productive fields can offer some of the same appeal as a community laid out around a golf course. *Rural by Design* author Randall Arendt suggests this technique. Different buyers may be involved but the open space is always valuable. Such subdivisions also help maintain the viability of adjacent farms by providing additional crop and pasture land they can lease. Care must, of course, be taken to ensure that appropriate deed restrictions are put in place to protect the continuation of the farming operation. Additionally, homeowners must be informed of potential odors, noises and dust using disclosure statements.

Most farms contain a variety of soil types with the least productive soils used for pasture and the most productive soils for crops. If farms within a town are being acquired for residential development, the Planning Board should consider encouraging or even requiring conservation subdivision techniques that preserve the prime soils and allow continuation of farming as an approved open space use.

This would provide many farmers with the opportunity to recover some of their equity in the land for retirement or other purposes while keeping the best farmland in agriculture.

#### Sample Subdivision Regulation Provision Requiring Protection of Farmland

Proposals for subdivision of parcels including active farm or crop land within New York State Agricultural Districts shall include delineation of proposed building sites on each lot, which sites shall be located outside of or along the edges of the active farm and crop lands. Subdivisions of five (5) lots or more shall ordinarily be required to employ conservation subdivision or clustering techniques that provide for preservation of active farm and crop land without reducing overall density of development.

Another technique available to communities is known as Transfer of Development Rights (TDR's). This is a method of removing the right to develop or build (expressed in dwelling units per acre or floor area) from land in one zoning district (e.g. agricultural) and transferring that right to land in another zoning district.

#### **Agricultural Development and Farmland Enhancement Plan**

If the farm is in a TDR sending district (where credits are assigned using the zoning or local ordinance) the farmer can sell these credits to a developer in a TDR receiving district (zone where rights can be purchased). TDR credits have value because a developer who purchases TDR credits can increase the permitted density of development on their site.

In an area with water and sewer, the increased density allowed with the TDR credits could significantly increase the profit margin for the developer. For the farmer, the sale of TDR credits can be a means to secure needed capital to make necessary improvements to their farm without losing valuable farmland. TDR can also help to ensure that the prime agricultural soils in a community are preserved for future generations.

Due to their legal complexity, TDR's are not right for every community. Simplified versions where development rights are exchanged at the time of development approval help address this problem. An active real estate market is also necessary. TDR's benefit is that it doesn't demand public funding to acquire development rights.

#### First, Do No Harm to Agriculture

The Hippocratic Oath taken by medical doctors begins with an admonition to "first, do no harm" to the patient. If agriculture is truly a priority industry within a community then a similar policy should apply to actions that could hurt or kill off farming.

Towns should, for example, consider using Municipal Home Rule authority to restrict their Zoning Boards of Appeals from granting use variances for incompatible nonagricultural uses within an agricultural district. Such a provision should, in addition to the four (4) part test established in New York Law for granting such variances, require that use variances within agricultural districts must not conflict with agricultural practices or farming. Sample language is offered below:

#### Sample Limit on Use Variances within Agricultural Districts

The Town hereby exercises its authority under Section 10 of the New York State Municipal Home Rule Law to supersede Section 267-b(2)(b) of the New York State Town Law so as to require that, in addition to items (1) through (4) thereunder, all applicants for use variances within Agricultural Districts shall demonstrate that the proposed use shall not in any way conflict with agricultural practices, the conduct thereof by persons engaging in agricultural industries or the purposes of Section 283-a of the Town Law pertaining to coordination with the Agricultural Districts program.

As farms are modernized with new facilities farmers should also be allowed to reuse old farm buildings and other facilities with great flexibility. The conversion of old barns into residences or offices provides a unique opportunity to maintain the rural landscape while preserving the unique architectural history of the community. Converting old barns to residences may also provide a unique housing alternative for farm workers. Old silos can be reused for cellular tower locations which is one means of preserving this vanishing symbol of the American farm. As an incentive, the reuse of farm buildings should be allowed as-of-right without the need for variances provided that such uses meet building code requirements.