

Fulton County, New York

Agricultural Development and Farmland Protection Plan

VII - Strengths, Weaknesses, Opportunities and Threats to Fulton County Agriculture

Approximately 15-20 individuals representing the agricultural industry and Fulton County gathered on September 12, 2001 at the Holiday Inn in Gloversville, NY to take part in a conference to gather ideas for this Plan. The conference was entitled "Fulton County Agriculture - New Ideas: New Opportunities" and included speakers on agricultural economic development, farmland preservation, farm taxes and the agricultural economy. A portion of the conference was also devoted to identifying the strengths and weaknesses of the County for agricultural development, opportunities in agriculture and threats to its future. There are summarized below with the most important item labeled as "Priority Items."

1. STRENGTHS OF FULTON COUNTY AGRICULTURE

Priority Items

- 1.1 Fulton County's role as the "Gateway to the Adirondacks" offers an advantage in marketing to tourists and a basis for branding of agricultural products.
- 1.2 Farm agency, governmental and community support of agriculture is quite strong in Fulton County.
- 1.3 Fulton County is advantageously located with respect to I-90 (New York State Thruway), I-87 (Northway), NYS Rt. 30 and NYS Rt. 30A to market agricultural products both within and outside the area, including the immense New York City metropolitan market.
- 1.4 Fulton County offers large areas of agricultural land that are mostly available for use at a reasonable price.
- 1.5 Fulton County offers a quality water supply in generous quantities to support farm and agricultural processing enterprises.

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Other Strengths

- 1.6 Fulton County produces generally high quality agricultural products.
- 1.7 There is already a solid base of direct marketing activity in Fulton and adjoining Montgomery activities that is promoted through an excellent tour map/brochure linking these activities.
- 1.8 The County offers a reliable supply of products that has attracted at least one new processor (Euphrates Cheese).
- 1.9 The working landscapes and scenic vistas created by Fulton County farms and topography are a tourism asset.
- 1.10 Several agricultural support businesses exist within the region of which Fulton County is part.
- 1.11 Fulton County's Agricultural District No. 1 provides protection of the farm community from complaints by neighbors and unreasonable local ordinances.
- 1.12 Fulton County's very successful industrial and business parks have created a vibrant local economy for additional new agricultural enterprises.
- 1.13 Fulton County offers several locations with sewage treatment capacity to accommodate new agricultural processors.
- 1.14 Fulton County includes some good agricultural soils.
- 1.15 Fulton County's location offers it the ability to identify with the Mohawk Valley from promotional and agricultural image perspectives.
- 1.16 Fulton County has historically been a hardwood production area and continues to possess substantial forest resources.
- 1.17 Fulton County also possesses many mineral resources that can provide extra sources

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of revenue for farmers.

- 1.18 Fulton County residents, particularly newer ones, and second-home visitors value the open space farms offer and this makes agriculture a very compatible type of economic development.

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2. WEAKNESSES OF FULTON COUNTY FOR AGRICULTURE

Priority Items

- 2.1 Farm prices are so variable, and often so low, that it is difficult for small to moderate size operations to survive.
- 2.2 Fulton County itself lacks certain needed farm support businesses such as feed dealers, making it necessary to travel long distances for these services.
- 2.3 Fulton County's agriculture industry has difficulty finding, attracting and managing a quality labor force.

Other Weaknesses

- 2.4 Land development pressures, coming from the Saratoga direction in particular, have raised land values beyond agricultural levels in Towns such as Broadalbin and Perth.
- 2.5 Many agricultural and natural resources are located close to residences where they are difficult to use.
- 2.6 Fulton County's geography is split by its two cities, making it difficult to link agricultural areas.
- 2.7 Farmers tend to be older in age and this, combined with lack of interest in agriculture by many youth, limits potential for intergenerational farm transfers.
- 2.8 The opportunity costs of choosing agriculture as a career discourage younger individuals from entering the industry.
- 2.9 Lack of protection for agricultural enterprises in some local zoning ordinances makes these enterprises vulnerable to objections from residents unfamiliar with agriculture and opposed to the odors and other impacts of farm operations.
- 2.10 Fulton County agriculture is vulnerable to unreliable weather conditions and a

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somewhat short growing season.

- 2.11 Manure odor and runoff concern and associated Concentrated Animal Feeding Operation (CAFO) regulations raise issues of cost and uncertainty for farmers wanting to expand.
- 2.12 Consolidation within the agricultural industry, while offering new marketing opportunities, has also reduced competition and the access of Fulton County farmers to processors.
- 2.13 Fulton County's agricultural base is relatively small and unlikely to attract larger processors.
- 2.14 Wetland designations have limited capacity to drain farm properties and use them effectively.
- 2.15 New York State's generally high taxes and the perception that real estate taxes are high for agriculture tend to discourage new farm investment.
- 2.16 Much of Fulton County's vacant agricultural land is held in speculation and not available for sale or agricultural use.
- 2.17 Fulton County's location at the foothills of the Adirondacks puts it at the outskirts of market areas for regional supply businesses.
- 2.18 The poor conditions of some farms has created a negative image of agriculture .
- 2.19 Industrial marketing success has limited Fulton County's labor market for agriculture.

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3. OPPORTUNITIES FOR FULTON COUNTY AGRICULTURE

Priority Items

- 3.1 Fulton County farms have an opportunity to build on the direct marketing system, taking advantage of tourism and other traffic to diversify or specialize in new product lines.
- 3.2 Fulton County's integrated planning and economic development program offers an opportunity to focus some of these efforts on agriculture through development of targeted IDA benefits.
- 3.3 The Fulton-Montgomery Community College and offers a special resource that, together with Herkimer-Fulton-Montgomery BOCES and related programs, can be used to provide special training for agriculture-related jobs.

Other Opportunities

- 3.4 There is an opportunity to build on existing direct marketing programs to do more cooperative market development for Fulton County farm products.
- 3.5 Existing "Ag in the Classroom" and "Ag Awareness" programs offer an opportunity to further improve on the image of agriculture in the County and market products locally.
- 3.6 The Euphrates Cheese manufacturing facility demonstrates there is potential to attract more to moderate size agricultural processors to the County.
- 3.7 Historically, Fulton County supported many milk producer-handlers and the small urban markets that exist in the area offer potential for new on-farm processing operations.
- 3.8 Fulton County's industrial/business parks and other infrastructure serve to offer several suitable sites for promotion of agricultural business development.

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- 3.9 Christmas tree farming to serve nearby urban markets offers an opportunity to use some of Fulton County's presently vacant farm land.
- 3.10 Agricultural tourism opportunities (e.g., corn mazes, pumpkin patches, petting zoos, etc.) exist based on the large numbers of second-home and other visitors to the County.
- 3.11 There may be opportunities on larger farms to convert manure wastes to soil conditioner products.
- 3.12 There are additional opportunities to strengthen the agricultural industry by creating and expanding Agricultural Districts, particularly on the western side of the County.
- 3.13 Exports of farm products to nearby Canada and other counties represent untapped markets for Fulton County farmers.
- 3.14 There are numerous unexploited opportunities among Fulton County to engage in strategic alliances for sharing of custom services, pooled buying and intra-county commodity sales.

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4.0 THREATS TO THE DEVELOPMENT OF AGRICULTURE IN FULTON COUNTY

Priority Items

- 4.1 Continued volatility in farm product pricing and the costs of farm inputs threatens the stability of the industry absent tools to better manage the risk.
- 4.2 The capacity of both farms and farm support enterprises to develop and expand as needed are limited by funding and already high tax burdens as well as access to financial capital.
- 4.3 Erosion of agricultural support businesses and consolidations within the financial industry are removing services (including knowledgeable agricultural lenders) further from the farm and could result in a loss of the critical mass necessary to survive and prosper.
- 4.4 Heavy impact environmental regulations that create unknown capital costs for improvements and limit the ability of small farmers to employ ordinary management practices and technology could make farming economically impractical at certain sizes.

Other Threats to Fulton County Agriculture

- 4.5 Development pressure from the Saratoga and Albany directions is likely to increase possible raising land prices beyond the reach of farmers and create more residential conflicts.
- 4.6 Farmers needing to expand to achieve competitive economies of scale in their enterprises face increasing conflicts with their neighbors unless appropriate buffers are maintained.
- 4.7 As farms have become more efficient, fewer people have maintained contact with the industry, increasing the potential for conflicts due to misunderstandings.
- 4.8 Competition among farmers and between states have led to Western farmers claiming dairy market share away from New York State and Fulton County and this pressure

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is likely to increase.

- 4.9 New processing technology such as ultra-pasteurization has made it more feasible for out-of-state farmers to enter New York markets, adding further to competitive pressures.
- 4.10 Many farmers lack the pricing savvy to take advantage of the marketing niches and quality that their products offer.
- 4.11 Imports of agricultural products from other countries have also eroded market share for Fulton County producers and, unless all trade barriers are removed to create equal opportunity for exports, threaten to continue to do so.

The strengths, weaknesses, opportunities and threats identified above are limited to those observed by the Conference participants.