

# **Yates County, New York**

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

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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.