

**AGRICULTURE AND
FARMLAND PROTECTION
PROGRAMS:
LOCAL STAKEHOLDER VIEWS**

**A REPORT TO THE NEW YORK STATE
ADVISORY COUNCIL ON AGRICULTURE**

**New York State Department of Agriculture
and Markets**

November 5, 2003

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Executive Summary

The New York State Department of Agriculture and Markets conducted a series of six regional round tables on Agriculture and Farmland Protection between May and September, 2003. The purpose of these round tables was to obtain informed stakeholder views on the current portfolio of State programs designed to promote the agricultural industry and maintain the agricultural land base, and to obtain suggestions for other measures that might be undertaken to accomplish these objectives.

While many of the factors that influence the economic health of the agricultural industry (national farm program policy and international exchange rates, for example) must be addressed as national issues, State leadership through such programs as Grow New York, including support for farmers markets and the Pride of New York advertising campaign, has an appreciable positive impact on the business of farming. However, round table participants were concerned that a range of economic development programs, particularly those implemented by county Industrial Development Agencies (IDAs), typically focus on job creation and attracting new businesses, criteria that make it difficult to prioritize retaining existing enterprises or attracting investments that have relatively low labor needs. The result is a loss of agricultural processing infrastructure and, in time, a loss of agricultural production capacity.

An apparent disconnect between the Agricultural Districts Program, executed at the county level, and land use planning decisions that take place at the town level was raised as an important barrier to effective implementation of agriculture and farmland protection programs. Another widespread concern was the unfamiliarity of local officials with the principles and operational requirements of the Agricultural Districts Law. Examples of outreach programs by the farm community to educate local leaders about the nature of the agricultural industry and its need for a supportive local policy environment came up in several round tables, but it was felt that educational efforts by farm leaders and others need to be augmented.

Farm landowners, particularly retiring farmers for whom the equity in their land is viewed as a "retirement account," are likely to sell to the highest bidder when they decide to sell their operations, and this is often a developer rather than another farmer. Some farmers can avail themselves of the State's Purchase of Development Rights (PDR) program to realize much of the market value of their real estate, while retaining their land for agricultural purposes. Local leaders and planning officials believe that additional incentives are needed to encourage those who rent land to farmers and farmers who cannot participate in the PDR program to keep their land in production.

This report summarizes important themes that were raised in most or all of the round tables. It also includes a detailed compendium of issues raised by round table attendees, along with their suggestions on how the State or others might address these problems (Appendix A). The Department's response to specific concerns regarding the administration of the Agricultural Districts Program appears in Appendix D.

Background

On January 21, 2000, Governor George Pataki issued an executive order establishing a Quality Communities interagency task force to study issues related to implementing community visions. The task force was asked to inventory local, State, and federal programs that affect community development, preservation and revitalization goals of urban, suburban and rural municipalities, to obtain broad public comment, and to develop recommendations to strengthen local capacity for change. The task force was led by Lieutenant Governor Mary Donahue, who chaired a series of twelve public meetings around the state designed to learn how local leaders and organizations were working to improve the quality of life in their communities, and also to hear what they thought State government could do to help them achieve their goals.

Commissioner Nathan L. Rudgers of the Department of Agriculture and Markets was selected to chair the Quality Communities Task Force on Agriculture and Farmland Protection. His task force identified a need to better understand the forces that appeared to be taking land out of agriculture, not only in areas experiencing severe “urban sprawl,” but throughout New York State. This recommendation was discussed with the New York State Advisory Council on Agriculture (ACA), which agreed to work with the Department to direct a study of this issue, and established a steering committee to direct the project. A private consulting firm, Saratoga Associates, was selected in the fall of 2001 to conduct an in-depth analysis of factors leading to the conversion of farmland in areas not experiencing high development pressure. For this study, they selected four upstate counties – Genesee, Steuben, Washington, and Jefferson – for detailed data gathering and analysis.

The Saratoga Associates study focused on the following analytic questions:

- The connection between the rate of growth in the four counties and the amount of farmland loss,
- The connection between housing prices and the amount of farmland loss,
- The role of rented land in farmland loss and farmland protection,
- The type of farmland being lost, and
- The uses to which the lost farmland was being converted

The results of that analysis, and the policy implications drawn from that analysis, appear in Appendix C to this report.

After reviewing the Saratoga Associates report, the ACA steering committee suggested that the Department conduct its own survey of local expert opinion to obtain further input on how the state might strengthen its efforts in the area of agriculture and farmland protection. Partnering with county and regional planning officials, a series of regional roundtables were organized between May and September, 2003. Logistic and organizational support in several regions was also received from Cornell Cooperative Extension (CCE). Invitations were sent out to county legislators, county and regional planners, Farm Bureau Presidents and regional field staff, CCE staff in the region, members of county Agricultural and Farmland Protection Boards, and other individuals identified by the local hosting organization as having had direct experience with current agriculture and farmland protection programs. Round tables were held in Rochester

(Finger Lakes region), Schenectady (Capital district), East Aurora (Western New York), Binghamton (Southern Tier), Syracuse (Central New York), and Millbrook (Hudson Valley). A list of attendees at those round tables appears in Appendix B.

The ACA steering committee suggested that the Department seek local stakeholder views on two questions of particular interest:

- What can be done to improve administration of the current Agricultural Districts Program?
- What can be done to stimulate interest in and support for agriculture and farmland protection programs at the local level?

While excellent observations and suggestions were received on both of these issues, many other related matters came up during the round tables. A compendium of suggestions received from the diverse group of round table participants appears in Appendix A.

Given the complexity of the challenges faced by local officials, planners, and farm leaders in their efforts to support and foster agriculture, it is not surprising that no single core suggestion emerged from the series of regional consultations. Still, there were a number of central concerns that came up again and again in these discussions. Those themes are the subject of the next two sections of this report. The final section identifies challenges that need to be addressed in order to move New York State's successful agricultural and farmland protection programs to the next level in the first decade of the 21st Century.

Strengthening the Farm Economy

The State's farm economy continues to be buffeted by economic forces that squeeze operating margins. Moreover, the life style expectations that made a twenty-five cow dairy a reasonable business proposition as the sole source of farm family income two generations ago are a thing of the past. Even with one family member working off the farm to assure a steady basic cash income and employer-paid health benefits – the norm for most farm households – it is hard for many farm families to make ends meet.

Many circumstances that influence the economics of farming in New York State and the country as a whole are clearly beyond the reach of state and local policy makers. Key factors that affect commodity prices (e.g., the strength of the U.S. dollar, international trade agreements, national price support policies) are essentially federal issues. This does not mean that State policies are irrelevant to the health of the agricultural industry. Round table participants noted that State undertakings like Grow New York, economic development grant programs, support for farmers' markets, and the expanded Pride of New York program are helping raise the profile of farming in the State while contributing to the viability of farm enterprises. The farm school tax relief and agricultural assessment programs were also identified as positive features of the State's farm economy, with a few caveats. In the case of farm school tax relief, it was noted that some land that is very important to the agricultural economy is excluded from the program (chiefly rented land and some of the land worked by larger enterprises). Issues were also raised in most of the round tables about the valuation of farmland temporarily out of production and of farm buildings for tax purposes.

Members of Agricultural and Farmland Protection Boards and farm leaders pointed out that upstream and downstream linkages are critical to the sustainability of production agriculture. Farmers need ready access to inputs such as supplies and machinery, and they need buyers for their products, particularly where additional processing (canning vegetables, processing apples, milk) must take place between the producer and the consumer. While agricultural processing businesses are theoretically eligible for the incentive programs available for all manufacturing businesses, few appear to be benefiting from these programs, whether it be discounted electricity, loan guarantees, or various tax incentives. To some extent this may be because agricultural processing businesses are relatively small scale. However, County Industrial Development Agencies, Chambers of Commerce, and other promotion organizations frequently don't consider agribusiness a promising area for inclusion in the local development portfolio. Round table participants also noted that there seemed to be a general bias in favor of attracting new businesses rather than sustaining those that already have a place in the community, whether a long-established processing business or a farm that provides careful stewardship of hundreds of acres of valued open land. In some counties Empire Zones, designed to attract new, principally non-agricultural businesses, have reportedly been located on prime farmland.

The single aspect of existing investment programs that came incurred the most frequent criticism was the emphasis on creating new jobs in the ranking criteria for most economic development project proposals. Farming businesses have had to adjust to a declining pool of rural labor through mechanization of work formerly done by hand labor since the 1940's, while the processing industries that they supply have been under

similar pressures to reduce payrolls in order to stay competitive in a global marketplace. This puts the agricultural industry in a double bind – pressured to use a smaller workforce in order to be economically viable, but forced to demonstrate increased labor uptake in order to achieve equitable treatment in the competition for economic development assistance. Production agriculture in particular, which by definition operates in a dispersed fashion over large land areas, lacks the defining characteristic of the most-favored economic development projects: that of creating lots of jobs in one place.

Protecting the Agricultural Land Base

Round table participants noted that while the State has established a solid foundation for agriculture and farmland protection, these programs are not always well-understood or valued, even among those who would be expected to be their most active supporters. Local leaders who would appear to be most interested in maintaining the rural character of their communities sometimes fail to recognize the need to actively support the industry that is the key link in maintaining open space and attractive view sheds. Even members of the farm community sometimes take the Agricultural Districts Law and the protections that it offers for farms for granted, and make little investment in cultivating community support for their industry.

The Agricultural Districts Program, administered at the county level, was frequently characterized as “disconnected” from local land use planning processes. Some town officials felt that they did not have a definite point of access into the process of re-authorizing districts. County Agricultural and Farmland Protection Board members noted that town planning and zoning decisions often fail to take their county-wide vision into consideration, and occasionally operate at cross-purposes with their efforts, in some cases prioritizing land in established agricultural districts for residential or commercial development.

In the view of many of the planners and other round table participants, few local officials appear to have grasped the connection between different types of land use and the cost of providing services. Although study after study has demonstrated that residential development consumes far more in tax revenues than it generates – while farms consume far less – town officials tend to treat any new construction as a net gain for the community. In part this may reflect the fact that the cost of public schooling (the most expensive single local service) is not represented in town tax bills. More broadly, there seems to be a general pro-growth bias that does not lend itself to careful analysis of the impact of different types of growth on the long term fiscal health and character of the community.

A constant theme at the round tables was the need for more education and training for local officials in such areas as the valuation of farm property for local assessors, the provisions of the Agricultural Districts Law and operational details of farmland protection programs for town officials and town attorneys, and farmland protection techniques for town planning board officials. Participants called on State government to provide more tools and models for local leaders to help them effectively incorporate agriculture and farmland protection into local comprehensive plans, codes, and ordinances.

Discussions of protecting farmland in all of the round tables noted that the land in question is owned by individuals who must make decisions based on their own economic concerns and interests. Many retiring farmers find that their land is their principal store of equity. In the absence of a buyer for the entire farm at a price that competes with other offers, they must tap into this “retirement fund” by selling to a developer. Those who rent land to farmers must confront the tendency of local assessors to value even idle farm buildings as if they were productive assets, while per-acre rental values fail to cover property tax bills. Farmers can “cash out” of their farms without taking the land out of the state’s agricultural land base by selling their

development rights through the State's Farmland Protection Program, but available funds can cover only a very small proportion of the farmland that is at risk. To get farmers and other landowners who cannot participate in the PDR program to keep their land in agricultural production, meaningful new incentives must be created and promoted. Local understanding of the value of protecting agriculture and farmland is an essential precondition of maintaining a viable agricultural industry, but it cannot do the job in the absence of inducements to landowners that will encourage them to make individual decisions to keep their good farmland in production.

Rising to the Challenge

It is impossible for a brief report to summarize the input received from the six half-day exchanges between Department staff and local leaders around the state. Readers are encouraged to study the detailed list of issues and suggestions reproduced in Appendix A to obtain their own sense of where participants felt that State and local efforts need to be directed in order to maintain agriculture's place in the landscape and in the state's rural economy. They may find, as did Department staff, certain themes being raised repeatedly from different perspectives. The following appeared to be some areas of general consensus in regard to strengthening the State's effort to protect farming and the agricultural land base:

- 1) Agriculture needs a "leg up" to benefit fully from economic development programs. The current priorities (some established in legislation, but many apparently just a product of policy inertia) are "jobs, jobs, jobs." Without downplaying the importance of employment criteria in program allocation, would it be possible to give additional weight to other factors, such as the degree to which a business contributes to the sustainable and productive use of a significant land area, in the ranking process?
- 2) A constant effort needs to be made to get and keep local officials engaged in the effort to maintain agriculture as a local industry. Individual members of town planning boards, supervisors and others may come to understand over time the critical role that farming plays in maintaining a "quality community," but local offices turn over rapidly. Moreover, the decline in numbers of people directly involved with farming means that fewer and fewer local officials have any personal experience with agriculture. The State and the agricultural industry are therefore challenged to undertake a well-planned and efficient program of educating local officials about everything from the mechanics of the Agricultural Districts Law, to the dynamics and challenges of modern agriculture, to the benefits that farms provide to their communities.
- 3) The State could make a large contribution to local efforts to protect farming by expanding the resources and incentives for farmland protection available to communities and landowners. Expanding local options for raising funds to lease or purchase development rights would be one way to strengthen local government's hand in this arena. Another cost-effective approach would be to expand tax benefits and other incentives for landowners who are willing to make ongoing commitments to keeping their land in agricultural production.

Appendix A: Points of Discussion

REGIONAL ROUND TABLES ON AGRICULTURE AND FARMLAND PROTECTION May – September, 2003 CONSOLIDATED ISSUES LIST

Please note: This spreadsheet catalogs all the specific concerns raised during half-day round tables held in six locations around upstate New York. The list has not been edited to remove repeats (issues raised in more than one meeting), it is not ranked in any fashion, and no attempt was made to assess the breadth of support for accompanying policy suggestions within the groups who attended the meetings. In the case of issues for which no policy response surfaced within the discussion, the *implied* policy response is presented in brackets ([]).

ISSUE	POSSIBLE POLICY RESPONSE
<u>Ag Districts Program</u>	
Farmers reluctant to join because they believe they will be blocked or face penalty if they choose to sell the land for development	<i>[Better information on the Ag Districts Law, targeted on the farm community]</i>
Ag Districts and Ag Assessment confused, even among those working with land use and planning programs	<i>[Implies greater outreach effort by Dept. of Ag and Markets in various directions]</i>
Advantages of being within an Ag District (e.g., potential exclusion from special assessments, some state property maintenance code provisions; protection from unreasonable local laws) not widely understood	<i>[Same]</i>
Eligibility of land with low productivity/poor soils to be located within an Ag District	Change in criteria for including land in an agricultural district, possibly with criteria related to those for Ag Assessment

ISSUE	POSSIBLE POLICY RESPONSE
ORPS Form 52-17 is not effective in assuring that buyers of Ag District land are well-informed	Redesign form to highlight disclosure notice requirement, location of property in an Ag District, etc.
Ag Data Statement frequently not filed as required in connection with special use permits applications, subdivisions, etc.	<ul style="list-style-type: none"> - NYS Dept. of Ag and Markets should take over issuing of these documents to assure that notification of conversion of property in or near an Ag District is properly notified - training for lawyers in impact of Ag Districts Law on real estate transactions; make sure this is dealt with in law schools
Inconsistency between zoning and economic development planning at the town level and ag districts (established at the county level)	<ul style="list-style-type: none"> - Provide training or create incentives for local planning that integrates protecting the agriculture industry and its land base, including consistency with Ag District designations - Provide step-by-step models for integrating agriculture into planning at the town level
Work to produce separate reports for county planning board and to NYS for district approval	Option of producing an consolidated, single report for both audiences
Rolling ag district enrollment (requires full re-adoption of district)	Amendment of recent state law to simplify this from an administrative point of view
NYS acceptance of digital mapping technology/GIS and required map submissions	A&M communication with local officials encouraging digital submissions to the extent feasible with local resources
Public hearings for Ag District adoption very sparsely attended	<i>[A&M develop guidance for minimizing resource commitment to hearing where there is an evident lack of public interest]</i>
Ag Districts are viewed as a disadvantage rather than an advantage by some local officials; details (e.g. ag data statements) not well-understood	<ul style="list-style-type: none"> - State training programs for local officials (these are offered in various contexts, but have not been requested of the state in this region in recent years) - Accelerate Dept. of State training cycle, given the rapid turnover on town boards - Run training programs out of ag and farmland protection boards (one county has hired a teacher to offer programs to town boards)
Town input not effectively solicited in some ag district reviews; land in districts sometimes already subdivided, planned for development at the local level	<i>[Instructions that make it clear what town input should be to the process; better communications with ag and farmland protection boards]</i>
Review process is tedious for local officials; in some cases it takes 7 mailings to get a 60% overall response rate	<i>[simplification; improved guidance on conducting reviews]</i>
Only contact with owners of land within a ag district is during the 8-year review, resulting in uncertainty about where there are farms, who's in, etc.	<ul style="list-style-type: none"> - Annual communication with landowners within a district to generate and maintain a data base of properties and property owners within each district - Utilize other data sources (e.g., Ag Environmental Management program participants) to improve local lists of farm operations - Data bases could be shared by various parties working on farmland protection and related programs

ISSUE	POSSIBLE POLICY RESPONSE
Having land within an ag district is viewed as an entitlement by farmers	Move towards a partnership relationship, with some reciprocal obligations, between landowners who put land into an ag district and the community
Required notification to new owners that land is located in an ag district frequently ignored	- county involvement in assuring that notification takes place, both for properties located within an ag district, and of properties located within 500 feet of an agricultural business (e.g. Cattaraugus Co. rules)
Sewer and water lines run through ag districts lead automatically to development	local policies can preclude running lines through ag districts
Local officials (town level) have little understanding of value an implication of ag districts; quickly pass laws restricting animal agriculture (e.g. Fredonia)	State-supported training programs for local officials
Farmers taking their land out of agricultural districts at renewal	<i>[Program to emphasize the importance of ag district enrollment aimed at the farm community]</i>
Annual enrollment would help farmers join when they understand the value of doing so	<i>[Implement policy under new law along lines discussed with planners and Farm Bureau]</i>
<u>Taxation</u>	
Assessors fail to do use-value assessment (e.g., high road frontage assessments, even within an Ag District; over-valuation of farm buildings) – may be under pressure from local officials to maximize assessments	<i>[program to provide direct support to farm taxpayers to help them evaluation whether their farm assets have been correctly assessed, if they are considering challenging their assessments]</i>
Many assessors have not participated in required training, which now includes valuation of ag property (high turnover; low turnout at training sessions)	<i>[discuss ways and means for increasing compliance with this aspect of assessor training requirements with ORPS and others]</i>
Negligible penalty from developing land that has received an ag assessment makes the program pro-development (lowers holding cost for speculators)	<i>[increase penalty for developing land that has been receiving ag assessment]</i>
Medicaid costs passed through to the counties are raising county taxes by 20 or 30 percent in some counties, with a direct impact on farms	Have the Dept. of Ag and Markets do a study of the cost impact of these tax increases on owners of farmland – this may be further incentive (particularly to those who rent to farmers) to consider developing their land

ISSUE	POSSIBLE POLICY RESPONSE
Farmland requires less services than housing	Reimburse localities for land classified as agricultural (funding source?), with funds dedicated to farmland protection
Penalty for conversion of land that has received an ag assessment is too small to discourage re-conversion	<i>[Change in state law on ag assessments]</i>
Dedicate conversion penalties to PDR or to providing retirements for farmers	<i>[Change in state law on ag assessments]</i>
Assessors may abandon the use value standard when farmland is apparently idle (reverting to highest use standard)	Change in ORPS policy extending time ag land must be vacant before its use classification changes
Excessive valuation of vacant ag buildings, sometimes leading to their wasteful destruction	<i>[Additional guidance for assessors from Albany]</i>
School taxes remain a burden for farming operations that reach the farm school tax relief ceiling	<i>[Change in state law regarding farm school tax relief]</i>
Maintain the pool of rental land available to active farmers – a key ingredient to many farms' viability	Provide the farm school tax incentive for land rented to an active farmer
Ag assessment not available for smaller farms, farms in transition	Lower the \$10,000 gross sales limit for agricultural assessments
Rented land will leave the agricultural land base if assessors value land not owned by a farmer at its building lot value, and farm rents no longer cover taxes	Clarify rules for assessors to keep an agricultural use value until such time as land has been converted
ORPS assessment guidelines encourage the development of vacant land	<i>[Ag & Markets discussion of this issues with ORPS]</i>
Some farming operations don't reach the \$10,000 gross sales threshold for the agricultural exemption	<i>[revise the limit downwards]</i>
School funding inequities raise property taxes, encouraging conversion of land ineligible for farm tax relief	<i>[widen the range of properties eligible for farm school tax relief]</i>
Threshold of \$10,000 gross sales is issue for new farmers; also cuts out some who rent out their land to small operator	Lower threshold for ag assessment eligibility to \$1,000 gross sales (USDA definition of a farm)

ISSUE	POSSIBLE POLICY RESPONSE
School taxes are most affected by residential construction but land use policy is in the hand of town officials who do not levy school taxes	<i>[Require that school districts be represented on planning boards – and not just to deal with access for school busses]</i>
Farm Industry Economic Issues	
Farm profitability makes the largest contribution to keeping land in agriculture	<i>[programs that directly address the economic challenges facing the farming community]</i>
Over-regulation and other government policies undermine farm viability	<i>[ongoing evaluation of the impact of regulations on the economics of farming]</i>
New York State is less farm-friendly than neighboring states (R&D expenditures, reimbursement for predator damage)	<i>[Increased expenditure on programs to benefit farmers]</i>
Farmers are over-regulated	<i>[Additional exceptions to general rules on the environment, farm labor, etc. for farmers]</i>
N.Y. farmers suffer from unfair competition from Canada	<i>[Restrict access for Canadian goods; improve U.S. access to Canadian markets]</i>
The agricultural industry is frequently seen as out of the scope of local industrial development efforts	<i>[IDAs directed by their county legislatures to target agriculture infrastructure and processing projects]</i>
Lack of focus on prime agricultural land puts industry survival at risk	<i>[Priority for prime land in farmland protection and agricultural economic development programs; local regulation discouraging development of prime lands]</i>
Siting of Empire Zones in Agricultural Districts	<i>[Change in state laws or policies to prevent this; establishment of Agricultural Empire Zones with provisions that are explicitly friendly to maintaining agriculture]</i>
Government programs encourage surplus commodity output rather than the processing of products already offered	<i>[Greater emphasis on attracting downstream investment in state programs]</i>
Farmers lack retirement programs and therefore convert their land equity by sales to developers at retirement	Take half the revenue from local land taxes to fund a farmers' retirement fund; dedicate some of the funds that farmers receive from selling development rights, or a mortgage transfer tax to this purpose
Farmers see little future in farming with no children interested in taking the business, and selling for development becomes the most attractive opportunity	- Ag and farmland protection plans can include recruitment and retention strategies (local example given during workshop)

ISSUE	POSSIBLE POLICY RESPONSE
IDAs, Chambers of Commerce and others don't see agricultural economic development as "economic development"; view open land as "inventory" and farmland protection as a break on economic progress	<ul style="list-style-type: none"> - State programs to inform these entities of the multiple economic and community benefits of a strong agriculture in the region - Develop material on the benefits of agriculture for particular counties, specific to their individual situations (e.g., efforts of the Cortland Co. IDA)
Exclusive emphasis on "jobs, jobs, jobs" excludes agribusiness development projects from serious consideration	<p>New criteria for evaluating projects such as</p> <ul style="list-style-type: none"> - giving as much weight to small business retention and job retention as creating new jobs - measuring the acreage supporting a business, not just the number of workers - considering whether the business being supported was a long-term investment in the area (not just an assembly operation that will depart when the tax benefits run out)
Approaches to IDAs to support agribusiness development sometimes lack specifics	<i>[careful identification of what is needed (loans, zones, grants?) before approaching economic development officials]</i>
Crop and horse farms are becoming highly dependent on undocumented workers	<i>[address the need for agriculture to have access to a willing, capable and legal workforce]</i>
Additional sources of revenue would help farmers make ends meet	<ul style="list-style-type: none"> - Non-consumptive leases (e.g., recreational leases) could provide revenue to landowners that are maintaining open space if liability issues could be worked out - Regular payments of other sorts (grants, tax abatement) might be more effective than lump-sum payments to keep farms going
Agriculture lacks a range of necessary investment and other incentives	<ul style="list-style-type: none"> - Establish zones for agricultural development, with tax incentives for processing and investment credits - Agribusiness needs to be addressed in the context of a general review of Empire Zones
IDA finance favors purchase of equipment that creates jobs, while farms need to reduce labor to be profitable	<i>[Develop alternative criteria for allocating IDA funds, loans to agribusiness, etc.]</i>
Farms and processing firms need access to low-cost electricity	<ul style="list-style-type: none"> - Create private ag industry electrical cooperatives and persuade PSA to permit advantageous power purchases by these groups, as is the case for municipalities - Let municipalities pass on favorable power rates to dairy farms and other power users in rural areas
Liability laws are a major burden to farm operations, and to agritourism	<ul style="list-style-type: none"> - Focus on agribusiness and recreational issues in the larger context of tort reform at the state level - Discovery phase under the general obligations law means that farmers and others have substantial legal expenses before the courts throw out frivolous lawsuits; address the ease with which spurious claims can be used to leverage settlements

ISSUE	POSSIBLE POLICY RESPONSE
Farm labor rules are a major concern to farmers	<i>[Dept. of Ag & Markets attention to the farm labor regulatory environment]</i>
Water supply is an issue for ag processors and farmers themselves	Extension of public water to agribusiness enterprises
Preference for manufacturing over resource-based industries despite evident difficulty/impossibility of keeping manufacturing jobs in NYS	<i>[Economic development policies that favor utilizing natural resources in a sustainable fashion]</i>
Policies favoring new investment over keeping current industries viable	<i>[Development zones to include existing farm enterprises]</i>
Limited use of local farm products by schools and other institutions	Underwrite transportation expenses to make it economical for local public institutions to use local produce
Limited role of fruits and vegetables in the diets of low-income consumers	<ul style="list-style-type: none"> - Modification of food stamp program to target these products - Health education to focus on consumption of fresh produce
Lack of perceived profit potential discourages inter-generational farm transfer	<ul style="list-style-type: none"> <i>[programs that target farm youth to encourage them to take over family farms]</i> - SUNY schools should do a better job showing students potential in agribusiness fields
Orientation to maximizing production of “what the market used to want”	<i>[information for farmers about trends in the market place; efforts by farmers themselves to get a customer orientation in their businesses]</i>
Overproduction driving milk prices down	Production quotas or uniform dry period (New Zealand model); would have to be implemented at the national level
Dumping of products by foreign producers (e.g. Canada)	<ul style="list-style-type: none"> - New controls on imports; a federal issue - <i>[Ag & Markets review impacts of imports on state’s ag industry; advocate appropriate chances with federal officials]</i>
Empire zones don’t address the needs of farm industry	<ul style="list-style-type: none"> - Zones in all counties, including the most rural counties (11 have no Empire Zones) - Reorient the Empire Zone program to avoid location on prime farmland, while supporting agribusiness investments
State and IDA investment promotion exclusively oriented toward job creation	<ul style="list-style-type: none"> - Introduce additional criteria to take other benefits of agribusiness investment into account. - Get IDAs working with Ag and Farmland Protection Boards, and with county and local agriculture committees
Lack of expertise on agricultural development at the local level – ag not seen as “mainstream”	<ul style="list-style-type: none"> - Education in this area for non-specialist county level economic development staff - Continue to fund ag economic development positions (e.g., with Farm Viability Grant funding)
Lack of a long-term plan for the future of agriculture	<i>[New York take a lead in defining the role of agriculture in the economy since national policy appears to lack any long-term vision]</i>

ISSUE	POSSIBLE POLICY RESPONSE
Lack of uptake for available agribusiness funding (e.g., Delaware Co. \$300K loan program)	<i>[More effective outreach to potential farm sector investors]</i>
Keeping agriculture is impossible without an adequate commercial infrastructure (upstream and downstream)	<ul style="list-style-type: none"> - Make sure that economic development programs do not discriminate against agribusiness investment (e.g., strict job-creation criteria) - Consider Assemblyman McGee's Agribusiness Development Zone legislative proposal
Promotion of buying local, use of NY farm products will help keep the state's ag economy viable	<i>[enhance Pride of New York, farmers markets, farm-to-school and other institutional buying programs]</i>
<u>Farmland Protection Programs</u>	
Prime agricultural land is not viewed as a resource worth protecting	<ul style="list-style-type: none"> - Treat the best agricultural land in the same way that laws and regulations treat wetlands - Create local incentives/disincentives designed to get residential housing sited on land that is not ideal for agriculture
PDR is viewed negatively by some farmers (valuations unfair; can't borrow as much on land that has sold its development rights)	Education of farm community [to the extent that the availability of PDR funding requires increasing the pool of potential investors – not the case at present]
Get communities to pay for the view shed maintained by farms	Some sort of tax to fund financial transfer to those maintaining open landscapes; some sort of rental (rather than purchase) of this community benefit from those who provide it
Incentives for cluster development can maintain open space	Town of Milton has incentives – gives a bonus in terms of minimum lot size for developers who concentrate housing on a given property; maintaining open space can also go into local development ordinances (e.g. Town of Malta)
High cost of effective farmland protection programs (e.g., locally-funded PDR)	<ul style="list-style-type: none"> - Find ways to make builders and others who profit from land conversion contribute to these costs - Statewide law that permits any town to implement a land transfer tax dedicated to ag and farmland protection
Approvals of new development that do not take into consideration loss of prime agricultural land, impacts on views, etc.	Require careful inventory of all features of an existing site, and substantial mitigation of negative impacts, as part of a site development plan [implies an underlying comprehensive planning process which has identified what the community wishes to protect]
Development pressure can make farming some land (i.e., near rapidly-growing communities) financially infeasible	Find ways to move farming into areas with lower pressure by transferring development rights, etc.
Public health rules (e.g., water and sewage regulations) work at cross-purposes with farmland protection	<i>[Dept. of Ag & Markets engage other agencies in state government to explore ways that their rules may be made more supportive of cluster development and modest residential lot minimums]</i>

ISSUE	POSSIBLE POLICY RESPONSE
Some farmers resist the permanence of sale of development rights for all times	Develop a program with 10 -20 year deed restrictions, funded from a real estate transfer tax or other funding source
Areas where ag and non-ag land values for whole parcels are similar are poor targets for PDR	PDR program focused on frontage lots to protect the most vulnerable open land
Planning is reactive, waiting for a proposal to decide whether the use in question meets long-term local objectives	<i>[Comprehensive planning at the local level that takes protecting the agricultural industry specifically under consideration]</i>
Closing on purchased development rights can take up to 3 years; delays and continued rise in land values causes farmers to pull out	Accelerate legal and paperwork
Upzoning can deplete farmers equity, encouraging them to sell out before changes occur	Voting on these issues that gives one vote per acre, rather than one person-one vote
PDR funds are insufficient to protect adequate acreage	Develop alternative mechanisms such as term easements to keep farmland under cultivation
New rural residents value an agricultural landscape, without taking the need to keep farms going to maintain the desirable community “look”	<ul style="list-style-type: none"> - Measures to lower the carrying charge for the owner of this land (e.g., additional tax rate concessions that effectively compensate the farmer for keeping the land open) - Locally generated funding to support agriculture that taps into resources of new rural residents
Local revenues are insufficient to fill the gap in available state and federal resources	Legislative change permitting imposition of a real estate transfer tax as a local option
Out-of-area landowners don’t understand farming or farm community – land as a “playground”	<ul style="list-style-type: none"> - Boilerplate rental agreements for farmers - <i>[Outreach programs at the local level for non-resident landowners in agricultural districts]</i>
Lack of local funding for purchase of development rights (PDR)	State law permitting county mortgage transfer tax in any county
Transfer of development rights (TDR) not widely utilized	<i>[Develop TDR model that might be workable in areas with few transfers, limited geographic area]</i>
Most PDR funding going to areas where it’s “too late” to protect agriculture	Reserve a percentage of PDR funding for upstate areas with relatively low development pressure
Towns see themselves as in competition for new investments, and view farmland as “undeveloped”	Strengthen inter-municipal cooperation and regional planning efforts
Inadequate funding to help implement county Ag and Farmland Protection Plans	Continued support for implementation with Grow NY funding
Gravel operations are taking out good farmland	<i>[local or state policy that explicitly discourages conversion of prime farmland]</i>

ISSUE	POSSIBLE POLICY RESPONSE
Farmers oppose any policy that might restrict their freedom to convert land (building lots, gravel pits, etc.)	<i>[Effort within the farm community to encourage farmers to go to lengths to keep their land in farming when they leave the business]</i>
Highways centered in river corridors (e.g., I-86) are a sure-fire way to convert the best farmland	<i>[Dialogue between A&M and DOT on highway siting issues]</i>
The “romance” of moving to the country is a threat both to maintaining farmland and to farming	A counter-advertising campaign aimed at urban and suburban residents emphasizing the down side of living in proximity to agriculture (machinery, dust, manure odors, etc.)
Soil classification not given due prominence in determining where farmland should be retained	<ul style="list-style-type: none"> - SEQR process can include prime soils as a “critical resource” issue if localities choose to give it this character (triggering a Type I review; mitigation would then be a primary concern) - Ag and Markets needs to be at the table in SEQR reviews, in a role comparable to that of Parks, when DEC conducts reviews - Overlay zoning at the town level with provisions that would discourage development, gravel mining, etc. on the best soils - Ag and Markets or USDA/NRCS should revisit the mapping of prime agricultural lands in the state and consider Type I review for all plans to develop prime agricultural land
Out-of-area owners see little value in keeping land in farms	Need to make these owners aware that ag assessments are available, lowering ownership cost if land is being used by a commercial farmer
Agriculture is perceived as a nuisance, putting the industry on the defensive	Educate local officials and communities about the nature of modern agriculture, sound agricultural practices, etc.
Local governments lack the resources (staff and funding) to do the planning required to protect agricultural resources	Create a funding stream to support planning, necessary consultants, etc. to supplement the expertise available locally
Developers see large blocks of farmland as ripe for development	Rules such as those in the town of Marilla precluding subdivision more than once in five years and extension of public water to new subdivisions effectively block large development [but do not prevent single-lot development]
Health department water treatment policies are neither farm-friendly nor supportive of local planning objectives	<ul style="list-style-type: none"> - <i>[Dialogue between Agriculture and Markets and Dept. of Health on water quality and farmland protection]</i> - Revise county laws that forbid bringing soil in, effectively precluding building on more poorly-drained lands
Local government cannot muster the political force to protect prime farmland	State should create land management mandates, and not leave this up to local government, home rule notwithstanding
Small, badly drained and inaccessible lots of little value to commercial farmers	<i>[incentives for maintaining larger blocks of land in condition that can be worked with larger equipment]</i>
The siting of roadways can have a major impact on development and farmland protection	<i>[Dialogue between Agriculture and Markets and DOT on road building and road cut policies]</i>

ISSUE	POSSIBLE POLICY RESPONSE
PDR viewed as a way to help farmers go out of business (cases in Onondaga of farmers who have sold easements, then sold all their machinery)	<ul style="list-style-type: none"> - <i>[careful selection of farms offered for program]</i> - <i>[local efforts to recruit farmers to take over protected farms if current operator cannot continue]</i> - <i>[alternative incentive programs to keep farmers farming]</i>
Demographic issues – age of farmers, little family interest in keeping farm going	<i>[programs to recruit new farmers]</i>
Low agricultural land rents (e.g., \$25 - \$30/acre, or less) don't cover taxes, stimulating conversion	<i>[lower taxes on land rented to farmers]</i>
Poor services and schools in urban areas are a push factor that converts land, then creates demand for urban services in rural settings	Redevelop and upgrade services in urban areas to reduce outward pressure
New York strategies may be less effective than those in some other states	Look at Oregon example, where much of the agricultural community actively supports growth boundaries, etc.
Inadequate understanding of farmland as a productive and irreplaceable resource	<i>[state leadership in identifying the value of this resource, and importance of planning to keep it used properly]</i>
<u>Local Support for Agriculture and Farmland Protection</u>	
Loss of social interest/pressure from within the farm community to build and maintain ag districts	<i>[communication program, possibly managed by people within the farm community, to develop support for ag districts and related programs]</i>
Availability of agricultural assessment outside Ag Districts undermines importance of districts from a farmers' perspective	<ul style="list-style-type: none"> <i>[- restrict ag assessment to land within the ag district, as it was originally;</i> <i>- provide a higher level of tax incentives for ag land within an ag district]</i>
Lack of understanding outside farm community of non-ag benefits of keeping land in agriculture (water quality, tax burden, recreation, view sheds)	Find means to get more local conversations going among local planning officials and others about how to plan for a support agriculture
Local officials have little understanding of the operational details of the Ag Districts program	<ul style="list-style-type: none"> - Include training for officials, particularly at the town level, as part of work of Ag and Farmland Protection Boards - Reissue Guide to the Ag Districts Law (put out by NYS Dept. of Ag & Markets a number of years ago)
Protecting open space enjoys wide support; not necessarily identical with farmland protection	<i>[communication program aimed at supporters of "open space" to emphasize value of working landscapes]</i>

ISSUE	POSSIBLE POLICY RESPONSE
(e.g., opposition to what state considers sound agricultural practices by some supporters of open space protection)	
Newcomers to the countryside, and the public in general, has little understanding of agriculture	Support for agriculture in the classroom and agricultural education programs in the public schools; work with county tourism departments on farm tour programs; expose students in teacher training programs to agriculture through farm visit and agricultural industry understanding programs
Resistance to animal agriculture	Additional public funding for on-farm methane digesters
Need to engage non-farm rural landowners in maintaining agriculture	Tax benefits for keeping their land in agricultural production
“Cows and corn don’t go to school”, yet many local officials don’t see that open space keeps taxes down	<ul style="list-style-type: none"> - Develop information on the impact of rapid development on school tax rates from communities that have seen these impacts for use in communities that are still pushing for residential development - Share information from cost of services studies that have already been carried out in region (residential uses \$157 in services for \$100 in taxes, farms use \$37) - Give school districts an explicit role in land use policy making
Absentee owners not necessarily from out of the area or detached from community concerns – a good deal of local farmland is owned by other non-farming members of the community	Avoid stereotypes that over-simplify the local pattern of land ownership
General public doesn’t have much connection to farming	<ul style="list-style-type: none"> - Support direct marketing of farm products to strengthen the appreciation of local farming; people value the open land that produces food, but farmers markets show the people who produce food - Community Supported Agriculture is useful - Could form local “friends of agriculture” groups, with members contributing to be associated with particular farms
Contribution of agriculture to maintaining water quality poorly understood	Example of the NYC watershed; include information on this topic in material promoting agriculture as a land use
Tourism industry is among the largest beneficiaries of maintaining agriculture in the Hudson Valley	<i>[find ways to tap into this industry for support]</i>
Local officials preference for any new development as an addition to tax base	Dept. of Ag & Markets provide information to local officials about cost of services issue where farmland is converted to residential use
Lack of understanding of farmland protection at the local level (below the county level)	<ul style="list-style-type: none"> - State training for local officials that takes into consideration high turnover (not a one-time effort)

ISSUE	POSSIBLE POLICY RESPONSE
	<ul style="list-style-type: none"> - Outreach effort aimed at the general public concerning importance of maintaining farming - Have elected officials talk about the importance of farming to non-farm audiences
Public takes its food supply for granted	<ul style="list-style-type: none"> - Outreach efforts emphasizing food security and food safety advantages of buying local; value added benefits in the community - Active role for local farmers in communicating with public and officials – increased impact - Ag and Markets should assure that real farmers participate in meetings where agriculture is under discussion - Articles in local papers by local authors that deal with agriculture and related topics can have a substantial impact
Farmers not sufficiently involved in promoting their industry	<ul style="list-style-type: none"> - Leadership forum (Chenango Co. example) can train spokespersons in public speaking, identifying target audiences or individuals (e.g. key local and co. legislators) - Ag familiarization programs for local officials
Professionals working on ag communications (e.g., Farm Bureau regional staff) are spread very thin	<i>[Provide materials on emerging issues for this staff; help them function in a “multiplier” role]</i>
Fear of agriculture as an environmental threat (e.g. farm storage of hazardous chemicals) is widespread	[farm-level efforts to address neighbors’ concerns, and inform them of chemical application and storage regulations are already being followed]
Farmers view farmland protection as a government project, and tend to distrust the government	Have trusted intermediaries (e.g., Farm Bureau, CCE) carry the message
Lack of visitor and general public awareness of New York’s agriculture industry	Establish sites along major transportation corridors where visitors can be informed about farming and agritourism opportunities in the area, buy local produce, etc. (like the farm stands at thruway rest stops, but on a much larger scale—Ontario model)
Farmer-neighbor conflict undermines local support for maintaining the industry	Local resolution committees set up under Ag & Farmland Protection Boards can help minimize these conflicts
Failure to appreciate economic benefits of keeping land in farming	CCE or others could conduct cost-benefit analysis for local communities
Most rural townships are the most aggressive about seeking infrastructure for development	Education programs for local officials to persuade them that farms are an asset (open space, other environmental benefits) while dispersed housing tends to be a drain on local resources – a state responsibility
Assumption that farmers are self-sufficient, and that farmers will continue farming indefinitely	<i>[Programs to convince local leaders that farming will not persist without positive policy commitment at local level]</i>

ISSUE	POSSIBLE POLICY RESPONSE
Lack of involvement by the ag community in promoting its position in the community, with a focus on neighbor relations (what farmers do is in view!)	<i>[local efforts by farm leaders to keep their peers involved in community process]</i>
Local legislatures are not focused on farming issues	Outreach activities by the local farming community (e.g., annual picnic for the local legislature in one county)
Impact of agriculture on local economy poorly understood	<ul style="list-style-type: none"> - State provide material to the supporters of farming concerning the spin-off benefits, multipliers, etc. (e.g., Nelson Bills study) - Local efforts to gather data for county and local legislatures on employment and economic impacts of farming within the jurisdiction in question
Value of farming is mostly aesthetic for the general public – they like the view shed, but they want to control how (by what farming techniques) it's maintained	<i>[Programs that help general public understand need to permit the industry to select technologies and adopt new practices to stay competitive]</i>
Efforts to communicate about agriculture's importance targeted to general audiences, reachable only with large budgets	<i>[Local supporters of agriculture should come up with target lists of officials and opinion-makers as the focus of communication campaigns]</i>

Appendix B: Round Table Attendees

Rochester, New York May 29, 2003

NAME	REPRESENTING
Martin Culik	Genesee County CCE
Mark Schuster	Supervisor, Town of Sparta
John Sackett	Supervisor, Town of Byron
Neil Kingdon	Supervisor, Town of Pavilion
Joe Macaluso	Genesee Co. Real Property Tax Services
Dennis Pelletier	Monroe Co. Legislature
David Thorp	Livingston Co. CCE
James Duval	Genesee Co. Planning
Matt Balling	Genesee Co. Planning
Filipe Otremani	Genesee Co. Planning
Gay Lenhard	Supervisor, Town of Ogden
Paul Johnson	Monroe Co. Dept. of Planning and Dev.
LuAnne McKenzie	Genesee Co. Farmland Protection Board
Wayne Zyra	Monroe Co. Legislature
Russell Miller	Wyoming Co. Farmland Protection Board
Jim Vincent	NYS Advisory Council on Agriculture (Chair)
Keith Tidball	Ontario Co. CCE
Tom Sloglund	Wyoming Co. Planning and Dev.
Jerome Smith	Wyoming Co. Planning Board
David Zorn	Genesee/Finger Lakes Regional Planning Council
Margaret DelPlato	Genesee/Finger Lakes Regional Planning Council
Jason Haremza	Genesee/Finger Lakes Regional Planning Council
Bob King	Monroe Co. CCE
David Woods	Livingston Co. Planning
Seldon Chase	Monroe Co. Farm Bureau
Bill Smith	Monroe Co. Legislature
Larry Rogers	Town of Pike
Esther Leadley	Genesee Co. Legislature
Sam Casella	Supervisor, Town of Canandaigua
Will Poppe	Genesee/Finger Lakes Regional Planning Council
Kristen Hughes	Ontario Co. Planning
Maria Rudzinski	Ontario Co. Planning
Nelson Bills	Cornell University
Stephen Childs	Cornell University
Amanda Krenning	New York Farm Bureau

Schenectady, New York July 24, 2003

NAME	REPRESENTING
Rocco Ferraro	Capital District Regional Planning Council
Leif Engstrom	Capital District Regional Planning Council
Stephen Feeney	Schenectady County Planning
Tom Gallagher	CCE-Albany and Schenectady
Bruce Ferguson	Washington Co. Ag. & Farmland Protection Board
Mark Galough	Washington Co. Planning
David Haight	American Farmland Trust

Judy Anderson	Columbia Land Conservancy
Jeff Williams	Town of Halfmoon/Planner
Marian C. Dunbar	Columbia Co. Ag. And Farmland Protection Board
Bill Ruther	Schenectady County Soil and Water Cons. Dist.
Jean Carlson	Supervisor, Town of Schaghticoke
Donna Murray	Rensselaer Co. Economic Development
Muriel Peterson	Supervisor, Town of Princetown
Elma Phillips	Montgomery Co. Ag. & Farmland Protection
Laura DeGaetano	Albany Co. Planning
Fred Larson	Supervisor, Town of Malta
Heather Atkinson	Town of Malta
Fred Acunto	Supervisor, Town of Charlton
Paul Kaczmarczyk	NYS Dept. of Health
Kenneth J. DeCerce	Supervisor, Town of Halfmoon
Nicholas Neilio	Capital District Regional Planning Council

**East Aurora, New York
August 6, 2003**

NAME	REPRESENTING
John Opalka	Erie Co. Dept. of Environment/Planning
Marie Pieczynski	Erie Co. Dept. of Environment/Planning
Drew Eszak	Erie Co. Dept of Environment/Planning
Spencer Schofield	Erie Co. Dept. of Environment/Planning
Chet Jandzinski	Erie Co. Dept. of Environment/Planning
Fred Hofmann	Farmer
John Whitney	Natural Resources Cons. Service, USDA
Joe Ghosen	Erie Co. Soil and Water Cons. Dist., CEM Program
Glenn Nellis	Supervisor, Town of Eden
Fred Croscut	Dairy farmer/Chautauqua Co. Legislature
Kathleen Donner	Erie Co. Legislature, Michael Ranjenhofer
Amy Fisk	Niagara Co. Planning/Development
Darlene Vogel	Reseda Services
Paul Lehman	CCE, Niagara Co.
Jim Callahan	Town of Clarence Planning
Gordon Hessel, Jr.	Supervisor, Town of Holland
Tish Hill (Jeannie Z. Chase)	Erie Co. Legislature
Pete Smallbach	Supervisor, Town of Cherry Creek
Kathy Hallock	Supervisor, Town of Clarence
Amy Holt	Western NY Land Conservancy
Ken Koehler	Erie Co. EMC
John Foss	Supervisor, Town of Marilla
Paul Domanowski	Erie Co. Farm Bureau
Cally Miklasz	Erie Co. SWCD
Diane Held Phillips	American Farmland Trust
Wayne Kester	Supervisor, Town of Concord
John H. Walker II	Supervisor, Town of Sheridan
Toni Cudney	Supervisor, Town of Orchard Park
Fred Specht	Town of Marilla
Tim Bigham	New York Farm Bureau
Signe Rominger	Chautauqua County
Brett D. Kreher	Farmer/EC AFPB/WNY Land Conservancy

**Binghamton, New York
August 28, 2003**

NAME	REPRESENTING
Dave Dolan	Watershed Agricultural Council
Pam Moore	Farmer, AFPB Planning
April Wright Lucas	Broome Co. Coop. Ext.
Glenn Winsor	Winsor Acres, Inc.
Krys Cail	Cornell Coop. Ext. of Broome County
Dean Morgan	Supervisor, Town of Owego
Kenneth Bush	Supervisor, Town of Elmira
Nelson Bills	Cornell University
Fred Huneke	Watershed Ag. Council
Judith M. Gardiner	Supervisor, Town of Urbana, Steuben County
Marty Borko	Tioga County Legislature
Sandra Rosenberger	Tioga County Ag. & Farmland Protection
Julie Sweet	Broome Co. Dept. of Planning & Ed.
Tammy Graves	Schoharie Co. Planning
John Radliff	Schoharie Co. Farm Bureau
Lindsey Wickham	New York Farm Bureau
Hank Ferris	New York Farm Bureau/New York Veal Grower
Carol King	NOFA-NY Certified Organic, LLC
Lisa Engelbert	NOFA-NY Certified Organic, LLC
Jennifer Fais	Southern Tier Central Regional Planning and Dev. Board
Richard G. Gardiner	Town of Urbana, Steuben County
Bryan Coates	Tioga County Planning
John King	Tioga County Legislature
Howard Chrisfield	Tioga County SWCD
Wendy Walsh	Tioga County SWCD
James O'Donnell	Delaware Co. Econ. Develop.
Ciro LoPinto	USDA-NRCS
Elaine Jardine	Tioga County EDP
Chris Burger	Tioga Co. Legislature and STERPDB
Dick McCormick	STERPDB
Ruth Mathias	STERPDB

**Syracuse, New York
September 9, 2003**

NAME	REPRESENTING
Bernie Armata	Cornell Cooperative Ext.
Benjamin Morton	CNY Regional Planning
Amy D'Angelo	Cayuga County Planning
Francis Lallier	Kirkland Planning Board
Ed Skeelee	Onondaga Co. Farmland & Protection Board
Steven Tuttle	Southern Madison Heritage Trust
Lee Hudson	Onondaga Co. Farm Bureau
Karen Baase	CCE-Madison
Ginny Space	Cortland Co. Farm Bureau
Kathy Scholl	CCE-Cayuga Co.
Bobby Harrison	CCE-Onondaga Co.
Marty Broccoli	CCE-Oneida Co.
Tom Serwatka	M.V. Edge

Bernard Peplinski	Herkimer Co. Legislator
Karen Kilney	Syracuse Onandaga Co. Planning Agency
Steve Miller	CCE-Oneida Co.
Skip Jensen	New York Farm Bureau
Sandy Baker	Onondaga Co. Legislator
John Wagner	New York Farm Bureau
Les Monostory	Onondaga Co. Health

**Millbrook, New York
September 10, 2003**

NAME	REPRESENTING
Bruce Donegan	Town of Poughkeepsie Zoning
George Wade III	Supervisor, Town of LaGrange
Roland R. Vosburgh	Columbia Co. Planning
William P. Brosseau	Watershed Ag. Council
Kathleen Myers	Dutchess Co. Farmland Protection Board
Frank Tangredi	Northeast Apple Sales Co.
Teresa Rusinek	CCE-Ulster Co.
Chris Campany	Orange Co. Planning/AFP
Les Hulcoop	CCE-Dutchess Co.
David Sherman	Town of North East
Margaret G. Fettes	Dutchess Co. Legislator & S&W Chair
Holly Sullivan	Greenway
Jerry Cosgrove	American Farmland Trust; ACA
Dr. Tom Sanford	Dutchess Co. Agricultural and Farmland Protection Board
Ed Hoxsie	Dutchess Co. Soil and Water Cons. Dist.

Appendix C: Saratoga Associates Study – Issues and Policy Implications

Key Issues to be Addressed When Developing Strategies for Farmland Protection in Areas not Experiencing High Development Pressure

Based upon the analysis of the dynamics of farmland loss in the four case study counties of Genesee, Jefferson, Steuben and Washington, we have identified the following five key issues that must be addressed by strategies to protect farmland in areas not experiencing high development pressure:

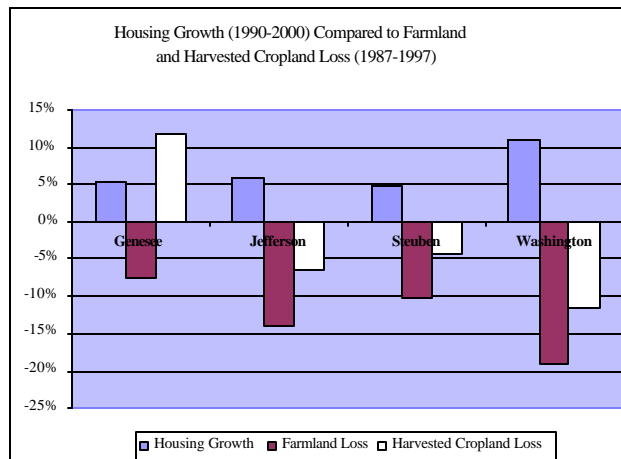
Issue 1. What is the connection between the rate of growth in the four counties and the amount of farmland loss?

Growth contributes to farmland loss, but high productivity protects farmland by giving it value for that purpose.

The following table provides data to compare population and housing growth with farmland and harvested cropland loss in the four studied counties with some additional data on the two adjoining counties of Wyoming and Yates, where both large and small farmers, respectively, have been very successful.

Population and Housing Growth, 1990-2000								
	Population		Change 90 to 00	% Change 90 to 00	Housing Units		Change 90 to 00	% Change 90 to 00
	1990	2000			1990	2000		
Genesee	60,060	60,370	310	1%	21,614	22,770	1156	5%
Jefferson	110,943	111,738	795	1%	37,851	40,068	2217	6%
Steuben	99,088	98,726	-362	0%	37,299	39,071	1772	5%
Washington	59,330	61,042	1712	3%	20,256	22,458	2202	11%
Wyoming	42,507	43,424	917	2%	13,897	14,906	1009	7%
Yates	22,810	24,621	1811	8%	8,419	9,029	610	7%

Source: US Census Bureau, Decennial Census, 2000.



Source: US Census Bureau, Decennial Census, 2000; Census of Agriculture, 1987 & 1997.

The data indicates that farmland loss tends to mirror housing growth but harvested cropland patterns do not necessarily follow. Harvested cropland grew along with housing in Genesee County for the period examined (and also in Jefferson and Steuben Counties for 1992-1997). Washington County has experienced matching patterns in both respects. This may be a reflection of its higher growth rates.

Population growth itself is a poor indicator of pressure on farmland because household sizes are subject to change with aging of the population and can mask housing growth. Housing growth is also affected by seasonal home construction that does not show, at least until likely later conversions to permanent homes take place, in population growth.

Policy Implications:

- 1) Clearly, if there is extensive development in a given area, there is a strong likelihood that some of the land being developed is going to be farmland, if for no other reason than it is cleared and usually relatively level land with which it is relatively easy to work. Moreover, much of the prime farmland is always found in river valleys where villages and cities have also developed. This virtually ensures that attempts to concentrate development in and around existing centers will be counterproductive if the goal is simply to protect the prime farmland soils with no other considerations. (See www3.uakron.edu/geography/resources/OhioView/pdfs/WhatifAN2002.pdf for an interesting analysis of Medina County, Ohio in this regard). The data from the four counties studied suggests that strong housing growth does produce farmland losses simply because most vacant land is held in some form of agricultural use, however token or transitional in nature it may be.
- 2) The data further suggests that most of the farmland being converted is not harvested cropland but, rather, the excess land held in woodland and unneeded pasture. This is consistent with many of the management recommendations being given by Cornell Cooperative Extension and others to unload the under-performing assets of farms to concentrate on more productive acreage. This appears to be good financial advice in the short-term but could lead to increased neighbor problems in the long-term and loss of much of the working landscape. Sales of larger chunks of the landscape can also increase interest and demand for housing in a given area (through both marketing and infrastructure extensions), increasing land prices that create new pressures on harvested cropland as well as nonproductive land, particularly for the lot by lot development of road frontages.
- 3) It appears that agriculture can prosper along with growth but once rates reach certain thresholds (e.g. Washington County's 11% rate for the decade) the amount of new land required for housing may exceed the potential of remaining farmers to increase productivity and keep up or grow the overall levels of production. This can erode the agricultural business core by depleting the critical mass of activity required to support agricultural support businesses. Agricultural land value will only compete with development value where superior management is applied to achieve those levels of productivity. As the foregoing analysis of Genesee County indicated, such management can actually lead to real gains in agricultural activity but the County has also been helped by a lower housing growth rate than Washington and the existence of large areas of soils of excellent production capacity.

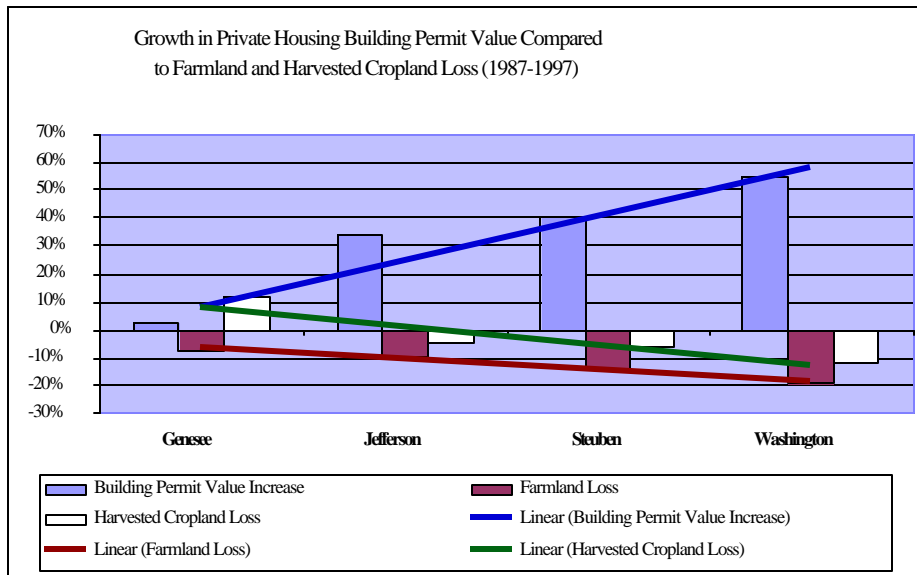
Issue 2. What is the connection between housing prices and the amount of farmland loss?

Farmland protection is inversely related to land and building values, and not simply the rate of growth.

The following table and accompanying chart summarize private housing unit building permit data for the four counties for the years 1987, 1992 and 1997 (years the Agriculture Census took place).

Housing Building Permits Issued, 1987-1997									
	Private Housing Unit Building Permits			Change 87 to 97	Average Private Housing Unit Building Permit Values (2000 \$)			Price Increase 87 to 97	% Increase Price
	1987	1992	1997		1987	1992	1997		
	Genesee	194	203		104	-90	\$91,221		
Jefferson	933	204	152	-781	\$62,591	\$74,175	\$87,871	\$25,280	40%
Steuben	237	189	167	-70	\$63,457	\$90,166	\$84,871	\$21,413	34%
Washington	345	228	134	-211	\$66,970	\$68,678	\$103,533	\$36,563	55%

Source: US Department of Commerce Annual Building Permits Data; US Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers.



Source: US Department of Commerce Annual Building Permits Data; US Census Bureau, Census of Agriculture, 1987 & 1997; US Bureau of Labor Statistics, Consumer Price Index, All Consumers.

The following table summarizes residential sales data for the four counties and several comparison areas for the years 1998-2000. This data is a reflection of existing residential values (as opposed to the new housing represented by building permit data). It provides an indication of overall land and housing values within each county.

Median Residential Sale Prices, 1998-2000									
	Sales			Change 98 to 00	Median Sale Price (2000 \$)			Price	%
	1998	1999	2000		1998	1999	2000	Increase 98 to 00	Price Increase
	Genesee	539	539	471	-68	\$78,906	\$78,351	\$75,000	-\$3,906
Jefferson	926	935	950	24	\$57,292	\$61,340	\$60,000	\$2,708	5%
Steuben	957	1157	1168	211	\$56,250	\$59,794	\$61,750	\$5,500	10%
Washington	486	536	626	140	\$67,708	\$68,299	\$67,000	-\$708	-1%
Wyoming	395	379	340	-55	\$66,667	\$64,433	\$65,000	-\$1,667	-3%
Yates	382	400	394	12	\$71,823	\$70,103	\$72,000	\$177	0%
Dutchess	3012	3348	3208	196	\$145,521	\$152,062	\$162,050	\$16,529	11%
Orange	3338	3766	3848	510	\$138,542	\$141,237	\$149,032	\$10,490	8%
Ulster	1709	2036	2028	319	\$100,000	\$106,443	\$116,000	\$16,000	16%
NYS	NA	NA	NA	NA	\$131,250	\$134,021	\$134,900	\$3,650	3%

Source: NYS Office of Real Property Services; US Bureau of Labor Statistics, Consumer Price Index, All Consumers.

The building permit data indicates that the rate of new housing construction declined in all four counties, probably as a result of the real estate recession that gripped the Northeast throughout most of the 1990's. The decline was especially steep in Jefferson County but that is a result of Fort Drum expansions early in the decade which artificially inflated the numbers during that part of the decade.

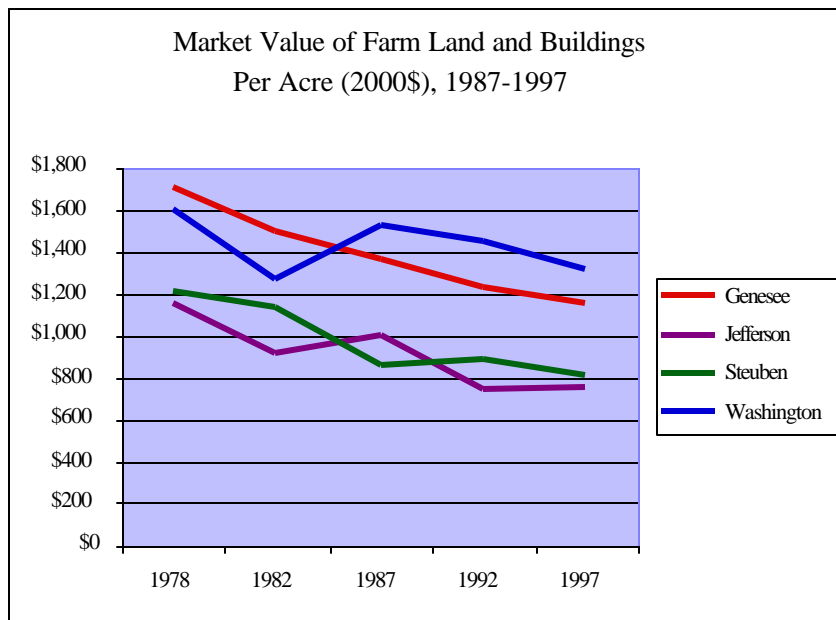
Prices of new homes in constant dollars rose steeply during this period, however. The increases were strongest in Washington County where farmland conversion was also the greatest. Likewise, the price gain was weakest in Genesee County where farmland conversion was least evident. The chart on the preceding page, in fact, suggests that, once the real annual gain in housing values exceeds 2% per year, each 3% of additional gain produces about a 1% loss in harvested cropland. Three of the four counties actually gained harvested cropland during the second half of the decade examined but, in each case, the rate of gain in housing value was below the 2% threshold for that shorter period.

More recent price data on existing home sales suggests the increases have slacked off and the Genesee County housing market, in particular, is weakening. Upstate areas generally exhibit weak housing markets compared to the Hudson Valley region.

Policy Implications:

- 1) Increases in housing value appear to contribute to losses in harvested cropland but only above certain thresholds that are undoubtedly related to gains in agricultural productivity. Once the rate of increase in housing values exceeds the rate of increase in productivity, the relative value of land for farming declines and the rewards to the farmer from development of that same land become more appealing. A farmer with the management skills to address the productivity challenge will find that threshold to be much higher - that is to say the farmer can afford to hold onto, rent or purchase new farmland at higher economic rents. A farmer with lesser management skills, conversely, will have a lower threshold and be enticed to sell much quicker. There is, nevertheless, a threshold for every farmer. Once the rate of increase in housing values crosses this threshold of productivity that farmer is arguably better off in the short-term by selling. Only the farmer's own long-term interests or government intervention can, in fact, prevent it.

- 2) Whether or not there is a compelling interest on the part of the State to intervene depends upon its goals, as discussed earlier. One of the difficult issues raised in this regard is that intervention efforts nationwide are often directed at the farmland most threatened, which is to say those farmers with the lowest thresholds, but this is not where the highest return on the government investment will be found if the goal is to protect the most farmland or most improve farm incomes. Rather, smaller investments on the most productive farms will yield the highest returns precisely because they have higher thresholds and can afford to hold onto, rent or purchase, thereby protecting, more farmland. This strongly suggests, for instance, that policies cutting off Farm School Tax Refund benefits at the \$150,000 income level are counterproductive. The program should, at the very least, be applied equally across the board.
- 3) The threshold is, notwithstanding the above considerations, slowly declining for all farmers. This is illustrated by trends in the average market value per acre of farms in the four counties over the period 1978 to 1997. They have steadily declined and on average dropped 28.8% (in 2000 dollars) over this period. Increasing farm sizes explains some of this in that building costs are spread over more acres as this takes place, but the average farm size only gained 4.5% over the same period. Therefore, it appears this is not the explanation. Rather, the ability to increase the productivity of prime farmland has the effect of lowering the relative value of other farmland and farmland has a whole. As technology increases productivity the very best soils increase in value but others shrink and there is continuously less land needed to achieve the same production, so overall farm values also shrink. This has positive benefits for the successful farmers able to spread their overhead further and reduce their average capital costs, has other compelling interests in preserving that farmland. The following chart illustrates this:

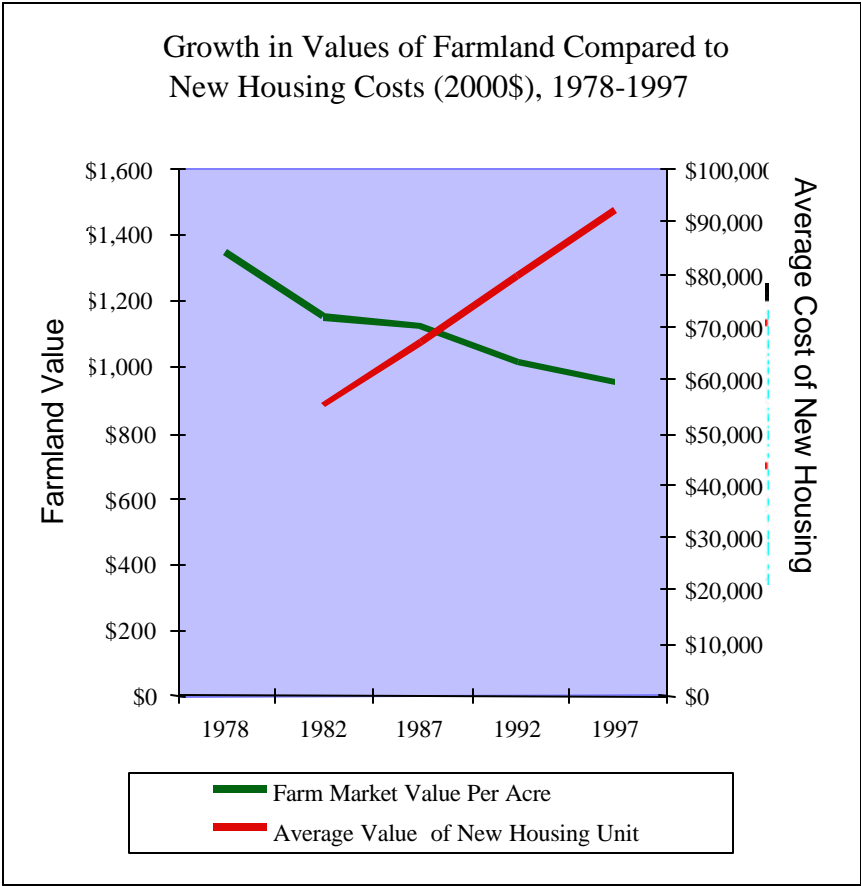


Source: US Census Bureau, Census of Agriculture, 1987 & 1997; US Bureau of Labor Statistics, Consumer Price Index, All Consumers.

- 4) The concurrent increases in the value of new housing being constructed run directly counter to these relative declines in farmland value, setting up a situation where there

will always be some pressure on farmland protection. The best managers will keep ahead of it (and, for that very reason, are the best place to leverage farmland protection if the State identifies this as a goal independent of increasing farm incomes) but, once development pressures, as reflected in price increases, reach a certain threshold even the best managers cannot justify holding onto the farms. The threshold is always declining and, therefore, productivity has to also continually increase just to keep pace. Single natural events, rapid market changes or management mistakes can throw a good farmer off-track in this race and lead to loss of that farm.

Because this study is, by definition, focused on areas not experiencing development pressure there is reason to expect that in most counties (Washington may be an exception) ensuring good farm management is the best technique for maintaining the differential between farmland values and housing values and protect farmland. Depending on the State's goals for preserving farmland, however, there may be other measures required. This is particularly true in counties where development pressure is just beginning to surface or is erratic in nature. The following chart illustrates the problem for the four counties studied. It does not include housing data for any of the four counties for 1978 or for Jefferson County for 1982 (it was simply not available). It does, however, demonstrate the clash between the two trends. Nonetheless, the point where they cross and lead to farmland loss is a matter of productivity and constantly shifts.



Issue 3. What is the role of rented land in farmland loss/farmland protection?

While it's tenure as farmland is less secure, rented land provides farmers with the flexibility to respond to market changes.

The following tables summarize trends with respect to rented farmland in the four counties. The decline in rented land is generally slight and, for the most part, parallels the farmland changes. Nevertheless, Genesee County saw virtually no change in rented land even though it experienced a large increase in harvested cropland. This suggests that Genesee farmers were either buying up prime farmland or converting fallow or pastured land to harvested cropland.

Rented Land, 1987-1997						
Year	Genesee County	Jefferson County	Steuben County	Washington County	Total	New York State
1987	51,010	47,332	62,374	53,269	213,985	1,628,404
1992	52,016	45,553	67,574	49,068	214,211	1,556,361
1997	50,752	44,462	64,040	48,079	207,333	1,572,032
Change, 87-97	-258	-2,870	1,666	-5,190	-6,652	-56,372
% Change, 87-97	-0.5%	-6.1%	2.7%	-9.7%	-3.1%	-3.5%
Farmland Change	-7.7%	-14.0%	-10.2%	-19.1%	-12.8%	-13.8%
H. Cropland Change	11.7%	-6.4%	-4.4%	-11.7%	-3.1%	-4.7%

Source: US Census Bureau, Census of Agriculture, 1987 & 1997;
US Bureau of Labor Statistics, Consumer Price Index, All Consumers

Rented Land Prices (2000\$), 1987-1997						
Year	Genesee County	Jefferson County	Steuben County	Washington County	Total	New York State
1987	\$73.46	\$26.70	\$26.74	\$29.81	\$38.63	\$41.37
1992	\$71.51	\$19.03	\$24.71	\$33.35	\$36.85	\$38.09
1997	\$57.60	\$18.83	\$20.47	\$27.39	\$30.81	\$32.55
Change, 87-97	-\$15.85	-\$7.87	-\$6.28	-\$2.42	-\$7.82	-\$8.82
% Change, 87-97	-21.6%	-29.5%	-23.5%	-8.1%	-20.2%	-21.3%
Farmland Change	-7.7%	-14.0%	-10.2%	-19.1%	-12.8%	-13.8%
H. Cropland Change	11.7%	-6.4%	-4.4%	-11.7%	-3.1%	-4.7%

Source: US Census Bureau, Census of Agriculture, 1987 & 1997;
US Bureau of Labor Statistics, Consumer Price Index, All Consumers

The decline in average rents paid by farmers in the four counties tends to confirm the earlier suggestion that real farmland values are declining. This has a positive aspect in the availability of inexpensive land for agriculture, which helps to meet the productivity challenge. Nevertheless, it also creates a similar conflict for the owner of the vacant land who must now choose between ever declining agricultural rents and the increasingly appealing development opportunities. If the owner is motivated to keep the land in open space for his own enjoyment and the rent makes a reasonable contribution toward covering the holding costs in taxes and insurance, that owner may will probably not sell the land for

development purposes in the short-term, but a second-generation owner who has little interest in the open space may well opt to cash in the equity.

The wide variation in agricultural rents paid within the four counties also illustrates how important the quality of the soils and the quality of the management can be in raising the threshold at which development value exceeds agricultural value. Genesee farmers are able to pay twice as much rent as the others because they have excellent soils, diversified crops and top-quality management. The soils are a given but the management and the diversification can be learned and applied in new situations.

Finally it is worth noting that Washington County experienced the least amount of decline in real economic rents (which parallels its housing price increases) and had the highest farmland loss. There may be a cause and effect relationship in that Washington farmers are not being afforded the same amount of cushion in lower rents, against the lowered profit margins that agriculture continually faces.

Policy Implications:

- 1) Landlords of rented farmland face the same challenges as farmers and form a very large part of the farmland base (ranging from a low of 15.3% in Jefferson County to 29.7% in Genesee County). They cannot be excluded from agricultural program benefits if there is to be a serious farmland protection effort Statewide.
- 2) Landlords also need to be brought into the agricultural district program in a positive way that asks them to make a commitment to farmland protection while giving them an economic reason to choose renting to a farmer over development that may threaten that farmer. A partnership effort is required.

Issue 4. What type of farmland is being lost?

The answer can serve as a barometer of the economic health of the local farm sector.

The following tables and chart illustrate the nature of farmland losses over the period 1987 to 1997 and analyze harvested cropland trends since 1978.

Detailed Analysis of Farmland Trends, 1987-1997				
	Genesee County			
	1987	1997	Change	% Chg.
Total Farmland	185,119	170,878	-14,241	-7.7%
Harvested Cropland	115,017	128,517	13,500	11.7%
Cropland Used for Pasture/Grazing	8,399	5,574	-2,825	-33.6%
Cropland in Cover Crops	7,170	2,213	-4,957	-69.1%
Cropland on Which Crops Failed	1,482	530	-952	-64.2%
Cropland in Cultivated Fallow	2,154	976	-1,178	-54.7%
Cropland Idle	16,963	4,954	-12,009	-70.8%
Woodland Pastured	1,591	922	-669	-42.0%
Woodland Not Pastured	16,307	12,711	-3,596	-22.1%
Other Pastureland	5,160	4,719	-441	-8.5%
Other Land in Houses, Ponds, Roads or Wasteland	10,876	9,762	-1,114	-10.2%
Total Farmland	185,119	170,878	-14,241	-7.7%

Source: US Census Bureau, Census of Agriculture, 1987 &

Detailed Analysis of Farmland Trends, 1987-1997				
	Jefferson County			
	1987	1997	Change	% Chg.
Total Farmland	338,401	291,103	-47,298	-14.0%
Harvested Cropland	160,742	150,429	-10,313	-6.4%
Cropland Used for Pasture/Grazing	41,437	31,088	-10,349	-25.0%
Cropland in Cover Crops	2,344	2,109	-235	-10.0%
Cropland on Which Crops Failed	1,143	453	-690	-60.4%
Cropland in Cultivated Fallow	657	916	259	39.4%
Cropland Idle	18,706	8,689	-10,017	-53.5%
Woodland Pastured	12,480	11,492	-988	-7.9%
Woodland Not Pastured	33,562	34,971	1,409	4.2%
Other Pastureland	36,570	22,978	-13,592	-37.2%
Other Land in Houses, Ponds, Roads or Wasteland	30,760	27,978	-2,782	-9.0%
Total Farmland	338,401	291,103	-47,298	-14.0%

Detailed Analysis of Farmland Trends, 1987-1997				
	Steuben County			
	1987	1997	Change	% Chg.
Total Farmland	388,822	348,971	-39,851	-10.2%
Harvested Cropland	172,387	164,745	-7,642	-4.4%
Cropland Used for Pasture/Grazing	34,434	31,479	-2,955	-8.6%
Cropland in Cover Crops	4,347	4,870	523	12.0%
Cropland on Which Crops Failed	2,052	1,129	-923	-45.0%
Cropland in Cultivated Fallow	862	964	102	11.8%
Cropland Idle	16,226	13,330	-2,896	-17.8%
Woodland Pastured	21,382	14,347	-7,035	-32.9%
Woodland Not Pastured	74,857	70,713	-4,144	-5.5%
Other Pastureland	30,584	23,986	-6,598	-21.6%
Other Land in Houses, Ponds, Roads or Wasteland	31,691	23,408	-8,283	-26.1%
Total Farmland	388,822	348,971	-39,851	-10.2%

Detailed Analysis of Farmland Trends, 1987-1997				
	Washington County			
	1987	1997	Change	% Chg.
Total Farmland	240,936	194,962	-45,974	-19.1%
Harvested Cropland	109,370	96,595	-12,775	-11.7%
Cropland Used for Pasture/Grazing	26,953	20,727	-6,226	-23.1%
Cropland in Cover Crops	1,477	1,264	-213	-14.4%
Cropland on Which Crops Failed	1,136	546	-590	-51.9%
Cropland in Cultivated Fallow	389	632	243	62.5%
Cropland Idle	8,013	3,253	-4,760	-59.4%
Woodland Pastured	13,297	7,919	-5,378	-40.4%
Woodland Not Pastured	43,974	37,687	-6,287	-14.3%
Other Pastureland	21,106	11,852	-9,254	-43.8%
Other Land in Houses, Ponds, Roads or Wasteland	15,221	14,487	-734	-4.8%
Total Farmland	240,936	194,962	-45,974	-19.1%

Source for 3 Tables Above: US Census Bureau, Census of Agriculture, 1987 & 1997.

Detailed Analysis of Farmland Trends, 1987-1997				
	New York State			
	1987	1997	Change	% Chg.
Total Farmland	8,416,228	7,254,470	-1,161,758	-13.8%
Harvested Cropland	3,899,819	3,716,942	-182,877	-4.7%
Cropland Used for Pasture/Grazing	822,401	632,596	-189,805	-23.1%
Cropland in Cover Crops	140,366	74,700	-65,666	-46.8%
Cropland on Which Crops Failed	36,097	23,690	-12,407	-34.4%
Cropland in Cultivated Fallow	40,882	29,802	-11,080	-27.1%
Cropland Idle	442,610	244,413	-198,197	-44.8%
Woodland Pastured	374,034	225,550	-148,484	-39.7%
Woodland Not Pastured	1,376,555	1,260,979	-115,576	-8.4%
Other Pastureland	665,594	473,453	-192,141	-28.9%
Other Land in Houses, Ponds, Roads or Wasteland	617,870	572,345	-45,525	-7.4%
Total Farmland	8,416,228	7,254,470	-1,161,758	-13.8%

Source: US Census Bureau, Census of Agriculture, 1987 & 1997.

Detailed Analysis of Farmland Trends, 1987-1997				
	All Four Counties			
	1987	1997	Change	% Chg.
Total Farmland	1,153,278	1,005,914	-147,364	-12.8%
Harvested Cropland	557,516	540,286	-17,230	-3.1%
Cropland Used for Pasture/Grazing	111,223	88,868	-22,355	-20.1%
Cropland in Cover Crops	15,338	10,456	-4,882	-31.8%
Cropland on Which Crops Failed	5,813	2,658	-3,155	-54.3%
Cropland in Cultivated Fallow	4,062	3,488	-574	-14.1%
Cropland Idle	59,908	30,226	-29,682	-49.5%
Woodland Pastured	48,750	34,680	-14,070	-28.9%
Woodland Not Pastured	168,700	156,082	-12,618	-7.5%
Other Pastureland	93,420	63,535	-29,885	-32.0%
Other Land in Houses, Ponds, Roads or Wasteland	88,548	75,635	-12,913	-14.6%
Total Farmland	1,153,278	1,005,914	-147,364	-12.8%

Source: US Census Bureau, Census of Agriculture, 1987 & 1997.

Harvested Cropland Acreages, 1978 -1997						
	Genesee	Jefferson	Steuben	Washington	NYS	4-County
1978	125,438	183,018	177,192	112,071	4,348,591	597,719
1982	127,311	168,312	183,235	121,102	4,430,198	599,960
1987	115,017	160,742	172,387	109,370	3,899,819	557,516
1992	113,549	137,367	154,440	99,532	3,534,898	504,888
1997	128,517	150,429	164,745	96,595	3,716,942	540,286

Source: US Census Bureau, Census of Agriculture, 1987 & 1997.

The data indicates that 88% of the farmland loss incurred in the four counties for the period 1987-1997 was pastureland, idle (or similar) land, woodland or land in house lots, roads and similar features. Some 12% was harvested cropland. Harvested cropland acreages for three of the four counties (and New York State as a whole) increased between 1992 and 1997, however, as the above chart illustrates. Washington County, however, experienced a

steady decline in harvested cropland acreage from 1982 to 1997. Genesee County had more harvested cropland in 1997 than any time over the previous two decades.

Policy Implications:

- 1) Harvested cropland losses are slight (a little over 3% for the decade), suggesting that the farmland loss does not directly impinge upon the ability of New York State farmers to achieve production goals. Indeed, as discussed earlier, productivity gains in many, if not most, areas of agriculture in New York far exceed these losses. This means there is a growing excess farmland from a purely production perspective. This excess farmland is of less and less relative value compared to other uses. If maintaining production and increasing farm income Statewide are the goals, then farmers who concentrate on their best farmland and dispose of excess properties such as pastureland or woodland they don't need, (even though it contributes to overall farmland losses) are making sound economic decisions and contributing to that goal.
- 2) If growing production as well as farm income statewide is the goal, then the loss of this excess farmland may or may not present a problem. Certainly, farmers who continue to increase their productivity can also grow production statewide if enough of them remain, thereby increasing economic development prospects for upstate New York as a whole. If the land is developed, however, it is lost for future ventures and the potential to multiply those production gains and increase New York State's share of the market is restricted to some degree (assuming the excess farmland has functional agricultural uses in the future). Development may also increase neighbor problems for remaining farmers and restrict their ability to expand and actually achieve those productivity gains over the long haul.
- 3) If the goals include not only improved farm income and increased production, but also maintenance of a working landscape that enhances prospects for other related economic development such as tourism, then the loss of large chunks of excess farmland from a production perspective is a problem. Such farmland contributes in the same manner as other more productive farmland in establishing a rural character of strong appeal to visitors. It also acts as a buffer to the more productive lands to reduce the potential for neighbor problems. Finally, it can help address the difficulties with nutrient management that often accompany large farm operations. It also, of course, arguably improves the quality of life by maintaining rural character, but that is a double-edged sword in that it attracts more interest in living in these areas, with the associated conflicts this brings.

Issue 5. To what land uses is the farmland being lost converting?

Many acres go in and out of farming as "flex acreage" that enables farmers to innovate.

An analysis of New York State Office of Real Property Services (ORPS) data for the period 1997 through 2001 provides insights regarding the land uses into which farmland typically transitions. Changes in assessed acreages by property classification were examined for this period on a town-by-town basis. The charts that follow are largely self-explanatory and depict those changes by county and for the four counties combined.

Genesee County shows little to no evidence of growth pressure. Active farmland losses are largely explained by gains in vacant agricultural land, forestland and community services.

Moreover, the largest growth category for housing was Class 241, “Primarily Residential, Also Used in Agricultural Production,” (part of “Other Residential” on the chart). Farmland is changing hands from owner-farmers to landlords who lease land to farmers. There has been almost no growth in single-family year-round housing.

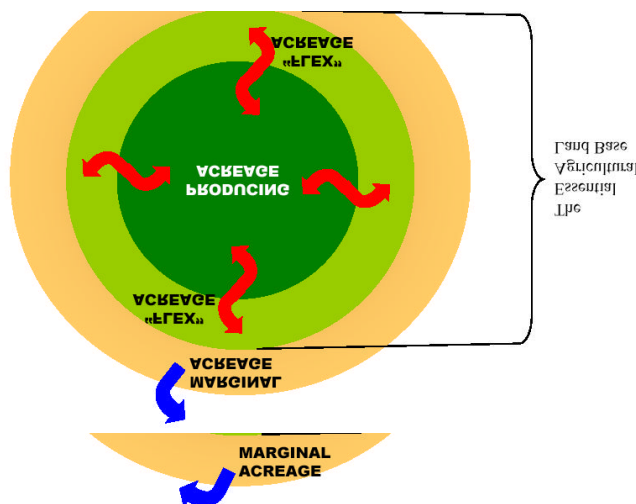
There was a significant decline in dairy land (Class 112) in Jefferson County. Some of the decrease is reflected in increases in vacant farmland (Class 105). However, unlike Genesee County, the increases in residential land are not explained by gains in residences where agriculture is still a secondary use but, rather, the addition of numbers of estates (Class 250) and seasonal residences (Class 260) in nonagricultural, tourist regions of the County.

Several communities in Steuben County are seeing a shift from owner-operated farming to leased-land farming. Like Genesee County, much of the rise in residential acreage is due to rapid growth in Class 241 rural residences used secondarily for agricultural production. Also, like Jefferson County, additional residential acreage in some tourist-driven communities is due to increased demand for seasonal housing (Class 260).

The major area of growth in Washington County is clearly residential, multi-use, multi-resident property. Specifically, the County added more than 10,000 acres of rural residential parcels with more than ten acres that are used for recreation (Class 242) and more than 20,000 acres of rural residential used in agriculture (Class 241). There was also a large increase in vacant agricultural land (Class 105). A growing proportion of the County’s residential acreage is used in some form of agricultural production.

Policy Implications:

- 1) Marginal farmland is being sloughed off by many farmers as a way to reduce land carrying costs and concentrate their management efforts and capital on productive soils. Much (most in many cases) “lost” farmland with production capacity actually stays in agricultural use under the ownership of a new residential purchaser, or in an agriculturally productive status where it is able to be moved back into active production as market conditions permit. This illustrates the importance of extending agricultural tax benefits to rented farm properties. The agricultural productivity of a region should not decline if this “flex” acreage capable of being moved in and out of active production is protected. The illustration below depicts the dynamics at play:



- 2) There are indications that limited amounts of farmland are being converted to seasonal housing or recreation uses. This increased demand for seasonal housing may threaten traditionally agricultural acreage if the intended uses of the properties do not accommodate farm use.
- 3) Land moves out of farming first and only later (often much later) into other uses. This illustrates the importance of addressing the economic and management challenges. Farmland loss is more attributable to the inability to compete and earn a reasonable economic return than it is to the pressure to sell for competing land uses, even though the latter undoubtedly exists in many instances.

Appendix D: Agricultural Districts **Administrative Issues**

Public Understanding of the Agricultural Districts Program – Unfamiliarity with requirements and benefits of various provisions of the Agricultural Districts Law was a common thread in round table discussions. It was pointed out that local officials in some areas considered enacting ordinances limiting specific agricultural practices – or even the expansion of farm enterprises above a certain size – without being aware of legal protections from unreasonable local ordinances for farms in Agricultural Districts. Requirements for filing agricultural data statements in connection with public infrastructure projects and that potential buyers of land in formally established Agricultural Districts be so informed prior to signing a sales contract both seem to be ignored regularly or occasionally in some municipalities. Members of the general public, and even a good number of farmers, appear to confuse inclusion of property in an Agricultural District with eligibility for an agricultural assessment. Some farmers regard putting land in an Agricultural District as a step that may preclude eventual sales for other uses and pull their land out of a district for this reason. Farmers are often unaware of advantages that accrue to putting their land in an Agricultural District ranging from exclusion from special assessments to protection from unreasonable local ordinances.

The Department of Agriculture and Markets commits a substantial amount of the limited staff time available to supporting the Agricultural Districts program to outreach efforts aimed at “multiplier” groups that can, in turn, provide detailed information to wider audiences. Department staff frequently participate in regional planning meetings, meetings of farm organizations, meetings on agricultural protection organized by Cornell Cooperative Extension, and conferences of groups like the Association of Towns in order to provide expert advice on the provisions of law and interpretations by the courts that may help guide local decision making. The Department’s web site provides basic information on the Agricultural Districts program, as well as guidelines on such matters as conducting Section 305-a reviews. The Department has provided information to the Department of State concerning the Agricultural Districts Law for inclusion in its training programs for local officials. The Department of State has incorporated knowledge of the Agricultural Districts Law into its licensing requirements for the real estate industry.

The Department of Agriculture and Markets is actively considering other steps that it might undertake to make more information available to town planning board members, town lawyers, and other local officials to improve their understanding of provisions of the Agricultural Districts Law. Possibilities include updating the Department’s pamphlet on the Agricultural Districts Law and the creation of an electronic newsletter for members of County Agricultural and Farmland Protection Boards and other interested parties. Face-to-face counseling and presentations regarding the Agricultural District Law will continue to focus on “training the trainers” in order to maximize impact.

Conflicting land use visions between town and county – The Department of Agriculture and Markets cannot take direct responsibility for communications between third parties, but it recognizes that a common view of what needs to be protected and fostered at all levels of government is a precondition for success. The Department is investigating how it can develop models for town-level land use zoning and economic

development planning that take county Agricultural and Farmland Protection Board efforts and plans into consideration. The analysis of Agricultural District Review procedures discussed below will also take the need to facilitate good town-county communication on these matters into consideration.

The mechanics of Agricultural District renewals – A considerable amount of discussion at the round tables revolved around difficulties encountered when Agricultural Districts come up for review, typically every eight years. Points raised ranged from issues that have to do with mapping and duplicative reporting requirements to the burden of conducting sparsely-attended public hearings and the need to do a half dozen mailings to get what is still an incomplete response from landowners. The recent law change permitting continual enrollment was a matter of particular concern, although some round table participants were aware of the recent law change that will permit new sign-ups only in a defined period each year.

The Department is considering conducting a stakeholder review of the mechanics of Agricultural Districts renewals, drawing up a list of specific issues that need to be addressed based on input from the round tables, the continual feedback received by Department staff from local officials and planners concerning the challenges they face in handling mandated aspects of the District review process, and advice from the Advisory Council on Agriculture.

Other issues – A few of the suggestions put forward during the round tables will be difficult for the Department to address within the parameters of current law and Departmental authorities. For example, a speaker at one round table made a well-reasoned case for why land with low productivity or poor soil should automatically be excluded from an Agricultural District. The Agricultural Districts Law does require that an Agricultural District be predominantly comprised of viable agricultural land (highly productive land), but the formation of Agricultural Districts out of whole parcels inevitably means that less productive farmland, waste land, swamp and forest will also be included. Moreover, the Department is generally sympathetic with the view that maintaining large contiguous areas where agriculture is the predominant land use is more conducive to encouraging this industry than trying to focus exclusively on prime soils, although it recognizes that keeping the most fertile land in the agricultural land base is an important goal in and of itself.

Readers of this report who believe that other important issues related to the administration of the Agricultural Districts program have been missed in this discussion, or that there are better ways for the Department to address the issues identified in this report than those presented here, are encouraged to communicate their ideas to Kim Blot, Director, Agricultural Protection and Development Services Div., N.Y.S. Dept. of Agriculture and Markets, 1 Winners Circle, Albany, NY 12235; e-mail address: kim.blot@agmkt.state.ny.us.