

EXECUTIVE SUMMARY

INTRODUCTION

The purpose of this project is to analyze and understand the foundations of Cattaraugus County's agricultural economy and to create an Agricultural and Farmland Protection Plan that will fulfill both the requirements of the Agriculture and Markets Law 25-AAA and create recommendations for structural economic development programming to ultimately enhance the future of local agriculture.

The project output is intended to encourage long-term policy formation in support of agriculture while providing a specific short-term framework to guide local programs regarding specific agricultural economic development and land use initiatives.

To accomplish this, the ACDS and American Farmland Trust (AFT) study team gathered published data for Cattaraugus County and the surrounding region to assess current conditions. This data was reaffirmed by interviewing 44 farmers, agribusinesses, entrepreneurs, service providers, public officials, and community leaders. In addition to interviews, the study team sent a survey to town officials to assess on-the-ground land use conditions.

The result of the process is a series of findings relative to agricultural business and land use conditions. As well, the study team has made 12 recommendations for action to improve these conditions in advancement of both the agricultural industry and local communities.

DEFINITION OF AGRICULTURE

This study uses a broad definition of agriculture that includes all aspects of the cultivation and production of plant material and animal products; as well as the marketing, processing and distribution of these products; and other secondary on-farm activities, (e.g., agricultural tourism, forestry, and aquaculture.)

FINDINGS

Despite slow structural change that has both farm numbers and farmed acres declining, Cattaraugus County has maintained and, in some cases grown, a vibrant agricultural economy. This is supported by the fact that agriculture and agriculturally related industries account for nearly 3% of all private income and 5% of private employment in Cattaraugus County. These facts make agriculture the sixth largest employer in the County behind tourism, manufacturing, health care, administrative services, and retail industries. Beyond production agriculture, the County also has strong output in related manufacturing sectors such as wood product manufacturing and meat processing.

Agriculture in Cattaraugus County, New York, is a large and extensive industry consisting of 1,157 farm enterprises on over 200,000 acres of farmland. In 2002, the last year for which comprehensive data is available, Cattaraugus County's farm output totaled over \$58 million and employed nearly 1,500 people on the farm with another \$15.5 million in logging output. Along with the direct impact to the economy, Cattaraugus farm economy contributed an additional \$46 million in output and employed another 550 workers through its linkages to other industries.

A key feature in the agricultural economy is an increase in crop sales in Cattaraugus County that has been especially pronounced since 1997. This upward trend is led by production increases in the nursery and greenhouse industry as well as vegetables and fruit. However, the small number of producers in each sector makes confirmation of this assertion difficult. Beyond nursery and greenhouse and vegetable production, on-farm forestry activities have provided solid returns for several of the northern Appalachian hardwood species found in the County.

However, not all of Cattaraugus County's agriculture is as robust. Dairy farming, in particular, has been adversely impacted by rising costs and transitioning markets. Since 1997, 30 percent of all Cattaraugus County dairy farms went out of business accounting for more than half of all farms lost. Some of these dairy farms were consolidated into larger operations, while others came out of production or transitioned to development.

The net result to Cattaraugus County's economy is a general agricultural stasis with losses in livestock revenues offset by gains in crop production. The return to the farmer however, has seen a steady decline in both real and nominal terms with 2003's nominal net return to the farmers being 98 percent lower than it was in 1984. Higher expenses, particularly for hired labor, are a major contributor.

Beyond farm economics, several land use trends are expected to impact the viability of farming in the long-term beginning with the small decrease in land in farms that is lost to residential development annually. Once this farmland is lost, it is rarely converted back to agricultural use. Maintaining a core land base in active agriculture is necessary for the survival of the industry.

Locally, increases in low density rural residential development seem to have the most significant impact on farm businesses. Foremost, this type of development most often occurs on the best drained soils, which are generally the most productive. Second, these scattered residential developments most often bring new neighbors that are unfamiliar with agricultural practices and can generate time consuming and potentially expensive conflicts. In addition, this type of development often puts a higher demand on local services than it contributes in tax base, which has a negative fiscal impact on both the County and local municipalities.

While this slow, but steady land use change is expected to continue county-wide, several areas are expected to grow much more rapidly. This change is expected to occur in towns surrounding the Village of Ellicottville, and in the towns bordering Erie and

Wyoming Counties. New landowners most often target large residential lots or large acreage parcels for recreational pursuits such as hunting, snowmobiling, ATV, and similar activities, which are often not allowed on public lands. Higher density uses and additional sprawl are expected when the Route 219 extension is built. Impacts will be localized where the interchanges are located.

The rate and type of development that occurs in the community as well as specific economic conditions facing agriculture are only part of the planning process. Broader trends in the national and regional economy as well as regional and local land use and infrastructure decision making will influence the success of the Agricultural and Farmland Protection Plan. With this dynamic in mind, the Agricultural and Farmland Protection Board will work diligently with local and regional officials to update and amend the document as appropriate to current conditions.

Based on the above, as well as other analysis and findings presented throughout this report, the project team has assembled the following 12 recommendations.

RECOMMENDATIONS

The recommendations in this report are divided into three distinct groups.

Recommendations 1 through 4 address critical structural and industry-wide concerns that impact the long-term viability of agriculture in Cattaraugus County. The proposed solutions are based on current economic needs and opportunities and seek outcomes that have a direct benefit to the community through such effects as industry stabilization, job creation, enhanced tax base, and improved quality of life.

Recommendations 5 through 7 relate to improving conditions specific to the health and well being of local agricultural enterprises through training, business planning, network development, mentoring, finance, research and development support, and similar services. These recommendations are offered with an understanding that the overall health of the agricultural industry is intricately tied to the financial health of the underlying enterprises.

Recommendations 8 through 11 offer programs and processes that address the land use issues facing both towns and farmers. These recommendations bridge training and education that focuses on defining the needs of agriculture as an industry with refining the land use planning and regulatory functions of the County and towns to be more supportive of agricultural uses.

The report's 11 recommendations are highlighted in the following table.

Cattaraugus County Agricultural and Farmland Protection Plan

Agricultural and Farmland Protection Plan Recommendations								
Recommendation	Number of Action Items	Implementation Partnerships						
		County Agencies			External Entities			
		AFPB	Planning & Economic Development	Other¹	Federal	State	Town	Private²
1. Develop an Agribusiness Retention Expansion and Attraction Plan	9	√	√	√	√	√	√	√
2. Support Regional Agricultural Leadership Development	6	√	√	√			√	√
3. Expand Education and Training Programs	4	√	√	√	√	√		√
4. Develop a Regulatory and Policy Action Program	13	√	√	√		√	√	√
5. Enhance Business Development Programs and More Fully Incorporate Agricultural Needs	9	√	√			√	√	√
6. Support Development of Regional Enterprise Center and Incubator	3	√	√	√	√	√		√
7. Support Broadened Access to Capital	5	√	√	√	√	√	√	√
8. Support Farm Friendly County Based Land Use Policies and Programs	6	√	√	√	√		√	
9. Actively Support Town Based Agricultural Planning	5	√	√	√		√	√	√
10. Support Efforts to Establish a State Tax Incentive Program to Stabilize Farmland and Investigate a Purchase of Development Rights Program for High Development Pressure Areas	5	√	√	√		√	√	√
11. Promote Understanding and Appreciation of Cattaraugus County Agriculture to the Non-Farm Public	5	√		√	√	√	√	√

Notes:

1. *Other includes Cornell Cooperative Extension, the Office of Real Property Tax Services, and other County departments.*
2. *Private includes the Chamber of Commerce, Foundations, Farm Bureau, St Bonaventure, Western New York Land Conservancy, private businesses, and other private/quasi-governmental entities.*