



FARMING IN DUTCHESS COUNTY A Profile of the Future

The American Farmland Trust (AFT) is a national, private nonprofit organization dedicated to protecting America's best farmland. Since 1980, we have promoted the conservation of agricultural resources and economic conditions essential to their sustained, productive use. In the process, AFT has become a

leader in efforts to resolve the conflicts between long-term

conservation needs and shortterm economic pressures that threaten our farmland resources.

stimulate public and private conservation action.

Ralph E. Grossi, President

Washington Office 1920 N Street, N.W. Suite 400 Washington, DC 20036 (202) 659-5170 Northeastern Office 1 Short Street Northampton, MA 01060 (413) 586-9330

To accomplish our objectives.

AFT is engaged in a three

education, policy support,

and model protection proj-

offices across the country work closely with farmers,

communities, conservation groups, and decision makers

at all levels of government to

part program of public

ects. Staff members in Washington, DC and in field

FARMING IN DUTCHESS COUNTY A Profile of the Future

ACKNOWLEDGEMENTS

The American Farmland Trust wishes to thank the Highwinds Foundation for its invaluable support of our work in the Hudson Valley.

For technical advice and recommendations throughout the project, we especially want to thank Dave Tetor of the Dutchess County Cooperative Extension Service; Roger Akeley of Dutchess County Planning Department; and, Joel Russell of the Dutchess Land Conservancy.

Special appreciation to Mark Angelier and Mike Macur, our interns from Dutchess County Community College, and their professor, Dr. William Jacobs, for their help in conducting the surveys.

For her help in typing and proofreading numerous drafts of this report, our thanks to Donna Gunn of AFT's support staff.

And, finally, our sincere thanks and appreciation to the farmers and their families who agreed to participate in this project. Their commitment to farming is an inspiration.

AMERICAN FARMLAND TRUST, Northeastern Office Robert C. Wagner, Director Richard K. Hubbard, Assistant Director

Photo Credits: Bob Wagner

INTRODUCTION

n 1985, the American Farmland Trust (AFT) gratefully accepted a grant from the Highwinds Foundation of Mount Kisco, New York to devote special attention to projects in the Hudson Valley region. Long known for its scenic beauty and importance as an avenue of commerce, the Hudson Valley has supported a productive agricultural industry as well. Good soils, a hospitable climate, and proximity to urban markets have contributed to a thriving agriculture. Recently, however, the valley's beauty and closeness to the New York metropolitan area have spawned an increase in population and economic growth. This growth, coupled with a changing farm economy. has raised serious concerns over the future of the region's agriculture. The support of the Highwinds Foundation has afforded AFT the opportunity to focus on some of these concerns.

In implementing the challenge presented by the Highwinds Foundation's grant, AFT sought the advice of local agriculture and community leaders to suggest how these resources might best be used to address agricultural issues in the valley. Discussions with leaders in Dutchess County led

to the allocation of a portion of this grant, to the study embodied in this report.

In consultation with the **Dutchess County Cooperative** Extension Service, the Dutchess County Planning Department, the Dutchess Land Conservancy, and leading county farmers, it was determined that as the county's agriculture responds to changing demographics and economic shifts, the needs of the farm community, as well as its personality, will undergo dramatic changes. Being able to anticipate what the future holds for farming in the county - the size of the farm sector, crops to be grown, land ownership - would allow resources, public and private, to be targeted to programs, policies, and initiatives to support the changing face and needs of agriculture.

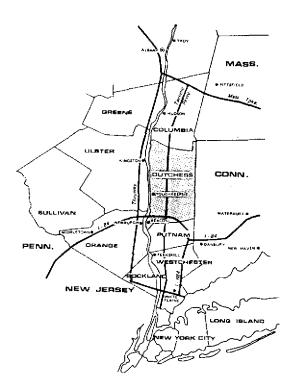
To contribute to this goal, AFT endeavored to compile a portion of the background data necessary to assess the future of agriculture in Dutchess County. Therefore, this report supplies the results of a survey of farmers conducted in the Dutchess County towns of Red Hook and Northeast. The objective of the survey was to gather the opinions of active farmers regarding future trends and directions for agriculture in the county. The farmers were surveyed, in person, about their own business plans, their thoughts on the next generation of county farmers, threats to local agriculture, and what programs would benefit agriculture in the future.

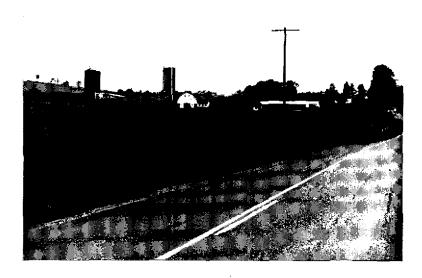
The towns of Red Hook and Northeast, located in the northern end of the county, represent a cross-section of the type of farmers and farms operating in the county. Red Hook is primarily an area of diversified, smaller farms growing fruits and vegetables. Northeast is home to dairy farms; the predominant type of agriculture in Dutchess County.

This survey does not pretend to be a comprehensive study of the thoughts and opinions of the agricultural community throughout Dutchess County. It is rather a snapshot of the county's farm population. Fifty-three farmers in the two towns were identified; thirty-two agreed to be interviewed. This is not a scientific survey but rather a coalescing of thoughts, ideas, and concerns garnered during kitchen meetings with each farmer; some lasting up to three hours.

It is our hope that the opinions of those interviewed, as a representative sample of farmers in the county, will help direct future local, county, and state policies and programs to promote and support a continuing productive and stable agricultural economy in Dutchess County.







BACKGROUND / SETTING

L ocated in the "heart" of the Hudson River Valley, Dutchess County is comprised of 20 towns [30 municipalities) totaling 825 square miles, including 20 square miles of the Hudson River. The county is bordered to the north by Columbia County, the State of Connecticut to the east, Putnam County to the south, and to the west by the Hudson River.

The area is graced with an attractive and varied landscape, which supports a diverse mix of urban centers, rural villages and hamlets, and scattered farmsteads. Reflective of this diversity in land uses and types, the county's economy is a mixture of agriculture, industrial / manufacturing interests, and service-oriented businesses.

The county's scenic amenities and high quality of life, along with its close proximity to the New York metropolitan area, have contributed to an economic prosperity and growth that threaten to diminish the very qualities of the area that have made it so

attractive. Since the 1950's, the county's population has grown dramatically, increasing by 80 percent between 1950 and 1980, from 136,781 to 245,055. Current estimates predict a population of 326,000 by the year 2010.

This population growth and accompanying economic expansion has begun to take its toll on the county's land base. The Dutchess County Planning Department estimates that in recent years close to 1,800 acres of forests and farmlands per year have been converted to residential, commercial, or industrial uses. As an indicator of this transition, the number of housing units in Dutchess County increased by 25.6 percent, from 69,126 to 86,852. over the ten-year period of 1970 to 1980.

The county is conveniently linked to the greater metropolitan area by the Taconic State Parkway, Interstate 84, and commuter rail service along the Hudson River. Approximately 17,000 workers commute to jobs outside Dutchess County, compared to 15,500 workers that enter the county for employment. Within the county, 33% of the labor force is employed in

"Business / Repair / Professional / Recreational" industries, followed by 28% in "Manufacturing" and 17% in "Wholesale & Retail Trade".

Agriculture in Dutchess County is characterized by a wide variety of farms, both in size and products. This diversity includes traditional dairy farms, fruit and vegetable operations, livestock farms such as sheep and beef, and new pursuits including horse farms and wineries. The county's agriculture industry generated approximately \$44.0 million from the direct sale of farm products in 1984.

The region's varied climate and topography gives some explanation for the wealth of agriculture found in Dutchess County. Shielded by the Catskill Mountains to the west and northwest, and tempered by the maritime influences of the Atlantic Ocean, the area enjoys a moderate climate with favorable temperatures and sufficient rainfall for agriculture. The presence of the Hudson River has the localized effect of extending the growing season in a narrow band along its shores. This results in adding approximately 10 days on both ends of

the frost-free season in the western part of the county.

Topographically, the county can be roughly divided into two regions. The area to the west of the Taconic State Parkway is characterized by numerous small hills, 20 to 300 feet in height, sloping down to the Hudson River. The region to the east of the parkway, by comparison, is much rougher with higher hills, 500 to 1,000 feet in height. Agricultural activity in Dutchess County is concentrated in the numerous intervening valleys on the deepest, most productive soils.

The soils of Dutchess County are predominantly of glacial origin. The USDA Soil Conservation Service estimates that at one time 15% of the county was covered by prime agricultural soils and 32% of the area was covered by soils classified as important for agricultural production. Although it is estimated that upwards of 50% of the county's best agricultural soils have been lost to development. significant concentrations of prime and important soils remain in agricultural

production along the major stream valleys and throughout the northern and eastern communities.

Dairy farming is the predominant agricultural pursuit in Dutchess County with dairy products typically accounting for over one-half of the total agricultural commodities produced by county farmers. The dairy industry, which experienced a slight increase in the number of farms in the early 1980's, has seen the loss of 46 farms since 1982. Twelve of those farms were involved in the U.S. Department of Agriculture's Dairy Termination Program instituted in 1986.

The livestock industry, including dairy, contributed close to \$34.0 million (77%) to the county's total value of agricultural products in 1984. This represents a 65% increase over 1974 figures. Horse farming, which is also included in this total, added significantly to this sharp upsurge. Due to a combination of New York State incentives and proximity to major race tracks, the number of horse farms throughout Dutchess County has been on the increase. Beef farming has also been on the rise in the county. In 1986, Dutchess County ranked second among all New York counties in the number of head of beef cows.

Fruit and vegetable farming represented, on average, approximately 11% of the total value of agricultural products produced in Dutchess County over the 5-year period of 1980-1984. Most of the county's fruit and vegetable farms are concentrated in the Towns of Red Hook and LaGrange.

Participation of county farmers in New York State's Agricultural District Law has been very high. In 1986, the county's farmers enrolled over 100,000 acres of the county's farmland in the program.

Red Hook and Northeast

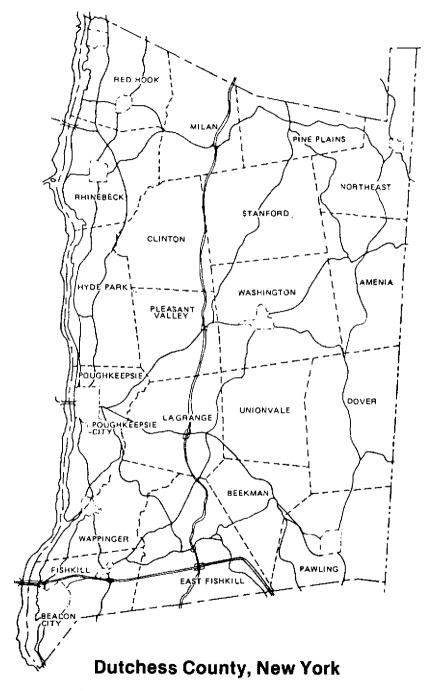
The northern Dutchess County towns of Red Hook and Northeast represent a microcosm of the types of farms and farm landscapes present in the county. Red Hook, situated along the Hudson River in the gentler landscape of the western half of the county, is home to a diverse mix of agricultural pursuits. With fruit and vegetable farms predominating, Red Hook also supports a few dairy, sheep, and beef farms.



In contrast, Northeast, located in the eastern highlands of Dutchess County, is a solid dairy town. A full one-third of the dairy farms in the county are found in the town of Northeast.

Although experiencing some changes, both towns can be described as having a strong agricultural presence. Red Hook currently has 2,818 acres included in a county agricultural district. This represents 12% of the town's total area. Northeast has 16,669 acres included in the agricultural district program. This is the highest total for any single town in the county and represents 60% of the town's total area.

Both towns have experienced an increase in the nonfarm growth evident throughout the county; growth that raises concerns over the future of agriculture in these towns and in the county. Looking at population and housing statistics as indicators of growth, Red Hook experienced 10.6 and 23.2 percent increases, respectively, from 1970 to 1980. Over the same period, Northeast saw a 5.4% increase in population and a 13.9% increase in housing.



SURVEY RESULTS

Red Hook

• f 24 farmers identified in Red Hook, 15 responded to our survey. Seven of these farmers produce vegetables and / or fruits (orchards); 3 grow forage crops for sale to either local dairy farmers or to horse owners; 2 are dairy farmers; 2 raise beef and / or hogs; and 1 farmer raises sheep.

All but 3 of the respondents are long-time owners of their farms (10+ years) with 6 of the farms being in the current owner's family for 30 or more years. The farms in Red Hook are predominantly 100 to 200 acres in size.

With the exception of the dairy and sheep farmers, all farmers surveyed rely on local or retail markets to sell all or a portion of their products. In addition, over half of the respondents market a portion of their products on a wholesale basis either in-county or, in a number of cases, to markets or packagers out of Dutchess County and New York State.

Equipment, feed and other supplies were all readily

available from local dealers within Dutchess County. A few relied on establishments located in Columbia County.

When applicable, the principal sources of operating and land credit were the Farm Credit Service and USDA Farmers Home Administration. A few farmers borrowed from local, private lending institutions.

All but 3 respondents' incomes are supplemented, to varying degrees (5% - 99% of total income), by off-farm income.

When questioned as to their intent (or a family member's) to continue their farm operations for at least another 5 years, all but one farmer (who was uncertain regarding his future) responded positively. Many commented on how they enjoy the work and the lifestyle, although a few expressed concern regarding development and financial pressures.

Property taxes, low profits, and a lack of quality farm labor were identified as the three major threats to agriculture in Red Hook. As to whether or not agriculture has a future in Red Hook and Dutchess County, 7 farmers





responded negatively and 8 positively. A majority of Red Hook farmers who see a future for farming in Dutchess County believe it lies in small, privately owned farms, raising diversified crops (vegetables and fruits).

A majority of the Red Hook farmers would consider shifting to a new crop if there was an opportunity for higher profits. However, the initial cost of such a switch was identified by most as being the major obstacle to such a move.

The need for more local markets (i.e. farmers markets) was noted by many of the farmers surveyed. In addition, most of the respondents indicated an interest in producing and marketing their own value-added products if it could be shown to be profitable.

The Red Hook farmers identified the state's Agricultural District Law and resulting use-value taxation, the need for greater marketing and promotional efforts, and the identification of new markets as the three most important incentives to ensure a sound future for agriculture in Red Hook and Dutchess County. All but one farmer indicated that their farms are located in an agricultural district and are, therefore, taxed at use-value.

Other incentives identified were strong right-to-farm guarantees, responsible planning and zoning, and educational programs on new crops and marketing techniques.

Finally, in their closing comments a number of farmers expressed concern regarding low profits and high costs (i.e. taxes), and the fact that increased development pressures are making farming more difficult and expensive. The need for new markets for their products and direct marketing was emphasized, as was the importance of a public education campaign to enlighten the county's non-farm population to the benefits and importance of farming to the local economy and quality of life.

Northeast

Of 29 farmers identified in Northeast, 17 responded to our survey. Unlike Red Hook, where there is a diversity of farming operations, all but 2 of the responding farmers in Northeast are dairy farmers. One farmer raises beef and lambs, and one grows forage crops for sale to local dairy farmers.





All but 4 of the respondents are long-time owners of their farms (10+ years), 6 of the farms having been in the current owners' families for 30 or more years. The farms in Northeast, being mostly dairy, are on average larger than those in Red Hook (200 to 400 or more acres).

Most of the hay and feed corn grown by Northeast's farmers goes to support their dairy operations. However, a few of the respondents indicated that some of their hay is sold to local horse owners. In addition, two farmers raise breeding stock; one raises beef and lambs for meat and wool for local sale; and, one has a roadside stand at which he sells corn and pumpkins. All of the farmers responding sell their milk to the Agrimark milk cooperative.

Equipment, feed and other supplies were all readily available from local dealers in Dutchess County. A few relied on establishments in Columbia County and across the state line in Connecticut.

When applicable, the predominant source of operating credit was with the Farm Credit Service.

In contrast to the farmers in Red Hook, only two Northeast farmers supplement their income with off-farm income. Most of the farmers questioned (73%) intend to remain in farming for at least another 5 years. Of the 4 farmers who indicated that they are not going to continue farming; age, debt obligation, attractive offers of purchase, and inability to purchase additional needed land, were listed as contributing factors. All but one of these farmers intends to sell their farm for development purposes.

Only one of the farmers surveyed applied to the USDA Dairy Termination Program. Their bid was unsuccessful. Reaction to the program was mixed. Some farmers felt that it has had a positive effect on milk surpluses, though many see it as only a short-term remedy. One farmer considered the program to have been a "graceful out" for some dairy farmers, and one commented that it forced a lot of dairy farmers to think of new farming ventures.

Low profits, property taxes, and lack of quality farm labor were listed by the Northeast farmers as the major threats to agriculture. High feed and seed costs, and pressure from real estate developers were cited as

contributing factors.

As to whether or not agriculture has a future in Northeast and Dutchess County. the farmers surveyed were almost evenly split, though a few more believe that there is a future for farming in Dutchess County than believe Northeast's agricultural industry will survive. Increased development and accompanying problems (i.e. nuisance complaints, increased traffic, contamination of residential wells by agricultural pesticides) were cited as potential threats to Northeast's agricultural industry. As in Red Hook, most believe that if there is a future for agriculture in the county, it lies in small, privately owned farms raising diversified crops. A few also expressed a belief that there will be a shift to smaller-scale dairy operations.

A majority of the farmers surveyed indicated that they would consider shifting to a new crop if there was an opportunity for higher profits, though the high initial cost of such a move was identified by most as a potential obstacle. Those farmers who would not consider such a shift cited their age and a desire to remain in dairying as reasons.

A need for local milk processing facilities and farm cooperatives was noted by a number of Northeast farmers. In addition, a majority of farmers surveyed indicated an interest in producing and marketing their own value-added products if it could be shown to be profitable.

As in Red Hook, the state's Agricultural District Law and resulting use-value taxation, and marketing and promotional efforts were high on the list of the most important incentives to ensure a sound future for agriculture in their town and county. Responsible local planning and zoning rounded-out the priority list.

Other important needs or incentives identified for a healthy agricultural industry in Northeast and Dutchess County were stronger right-to-farm guarantees and a continued commitment to vocational agriculture education.

Finally, all but two of the Northeast farmers surveyed indicated that they have no regrets about having pursued a farming career and that they would do it all over again. "It's a good life" was a typical comment.

Common Themes

In general, the survey shows a strong commitment on the part of the farmers surveyed to agriculture and the lifestyle it affords. However, this commitment is tempered by the realization that low profits, high operating costs, lack of quality farm labor, and development pressures pose serious threats to their industry.

Although a majority of farmers in both Red Hook and Northeast believe there is a future for farming in Dutchess County, most feel it lies in small, privately owned farms growing a diversity of crops (vegetables, fruits, beef, etc). A majority of the farmers surveyed would consider shifting to a new crop and / or producing and marketing their own value-added products if such a move could be shown to be profitable. However, most consider the high initial cost of such a shift prohibitive.

New York's Agricultural
District Law and its resulting
benefits (i.e. use-value taxation and
right-to-farm guarantees) were
overwhelmingly identified by the
survey's participants as being very
important to the continued viability
of agriculture in Dutchess County.
In addition, marketing and

promotion, the development of new markets, and responsible planning and zoning were highlighted as necessary to a secure future for the county's agriculture.

The availability of equipment, supplies, or feed and seed was not a major concern. Support services are for the most part available readily and locally. This, along with the strong commitment to the Agricultural District Law, suggests a stable farm economy for the moment. The number of farms in these two towns, along with the land in production and related agricultural services, seem to strike that slim balance or critical mass necessary to support a healthy agricultural economy.

The farmers expressed a number of concerns related to an increase in non-farm development in their areas. These ranged from the threat of nuisance suits and other residential complaints, to vandalism, to direct pressure to sell. The problem with finding quality farm labor could be related to a shift in these communities to a non-agricultural economy.





To address these concerns. the farmers identified such items as local planning and zoning responsive to the needs of agriculture, right-to-farm protections, and an educational campaign to inform a growing non-farm population of the needs and importance of local agriculture. Many farmers, especially in Northeast, expressed an interest in a purchase of development rights program similar to those in place in Connecticut and Massachusetts as representing a viable alternative to traditional development.

Finally, there was general agreement that educational programs to support agriculture in the future will be important.

OBSERVATIONS AND RECOMMENDATIONS

A s much as our discussions with the farmers in the towns of Red Hook and Northeast can reflect future agricultural trends in Dutchess County, a few general observations and recommendations can be made.

1. It is clear that continued support for the presence of agricultural districts in the county is imperative. The current protections for farming and use-value taxation guaranteed under the Agricultural District Law are strong incentives for the agricultural community. There is a need to further strengthen the law to provide greater right-to-farm guarantees and protections from unwanted land uses (i.e. landfills, utility transmission corridors, etc.) within districts.

2. The need was identified to explore new markets for the area's agriculture, both for currently produced products and new products. Identification of new, profitable markets could influence current farmers to consider shifts in their operations. The benefit / costs of such a shift would be the limiting factor for today's generation of farmers. However, the potential for any new agricultural ventures in the county would depend on the existence of new market opportunities.

Encourage the establishment of farm cooperatives to better market and distribute locally-grown agricultural products.

To promote the development of new farming operations, a local source of grants and low-interest loans should be explored. These monies could not only be used to assist farmers with starting new ventures but could also be used to attract new agriculturallyrelated industries to the county.

Hand-in-hand with the development of new markets would go educational programs on new cropping and marketing techniques.

- 3. Efforts at the county and local levels to promote Dutchess County agriculture should augment any state promotional programs. Further efforts to promote the tourism value of the county's farms and farm products should be encouraged.
- 4. To address the growing concerns over non-farm development in the county and its impact on agriculture, energy should be devoted to promoting local planning and zoning that is responsive to the needs of the farm community. A broad campaign to educate the non-farm population in Dutchess County on the importance of agriculture economically, culturally and scenically, should be undertaken. This should include education on the mechanics of farming in an effort to avoid conflicts with the residential sector.

New owners of residential units in agricultural areas should be formally apprised of the presence of agricultural operations. This notice will serve to inform them of the rights of their farm neighbors and existence of state and local laws protecting farm operations. A package of educational materials for residential owners should be considered.

In an attempt to head-off rising land values and to offer an alternative to development, the establishment of a countywide purchase of development rights (PDR) program should be considered. The existence of a PDR program will not only protect valuable farmland but will provide capital to local farmers to improve and expand their operations, and, quite possibly, provide the financing necessary to shift to new crops and techniques.

5. In recognition of an increasing number of non-farm owners of farmland, a campaign should be initiated to inform these new landowners of the importance of keeping farmland in production, of the importance of good soil conservation practices, and to encourage these new owners to make their land available to the farm community through long-term leases.

- 6. Continued support for agricultural education programs should be encouraged. This includes educational support for farmers, programs for the nonfarm community, and vocational agriculture.
- 7. To address the difficulty of finding quality farm labor, a countywide clearinghouse to match laborers with farmers should be considered.



REFERENCES

- Dutchess County Department of Planning. January, 1985. <u>Dutchess County Data Book, Volume I.</u> Poughkeepsie, NY.
- ______. February, 1986. <u>Dutchess County Travel</u> <u>Industry: An Economic Analysis.</u> Poughkeepsie, NY.
- ______. February, 1987. <u>Directions: The Plan For Dutchess County.</u> Poughkeepsie, NY.
- Dutchess County Department of Planning and the Environmental Management Council. October, 1985. <u>Natural Resources</u>. Poughkeepsie, NY.
- New York Agricultural Statistics Service. May, 1987. New York Cattle Inventory, County Estimates. Albany, NY.
- U.S. Department of Agriculture. December, 1983. <u>1982 Census of Agriculture, Dutchess County, NY.</u> Washington, DC.
- U.S. Department of Commerce, Bureau of Economic Analysis. April, 1986. <u>Farm Income and Expenditures, Dutchess County, NY.</u> Washington, DC.



Copies of the actual questionnaire used for this report are available upon request.