Allegany County, New York

Agricultural Development and Farmland Enhancement Plan

Allegany County Community Visioning Group
Cornell Cooperative Extension of Allegany/Cattaraugus County
Allegany County Agricultural & Farmland Protection Board
Allegany County Office of Development
Allegany County Soil & Water Conservation District

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Executive Summary

Of the county's 670,000 acres 66.9% is forested, with private ownership accounting for 89% of the forested acres. The county is comprised of 29 towns and 10 villages, with a total population 49,881 (2000 US Census). Farming and forestry remain a viable part of the economic stability of this rural county. Interstate I-86, connecting Jamestown, New York to New York City, transects the county providing access to 50,000 acres of state and county forestland with an abundant wildlife population. Allegany County remains the least industrialized county of the Southern Tier West Region, which encompasses Allegany, Cattaraugus, and Chautauqua Counties (ARC 2002). There is no metropolitan area within the county.

In 2003 twenty-seven percent of Allegany County's land resources were in agriculture an increase of 2% from 1998 (NYS Ag Statistics Service). The strength of agriculture in our local communities can be seen through its diversity. Benefits can be attributed to both the economy and aesthetic character of the region.

Growth in the small farm sector continues to add farm numbers in Allegany County. Farm numbers increased from 855 in 1998 to 860 in 2003; ranking Allegany County 14th in the state for number of farms. Allegany County is ranked 16th in lands in farms up from 20th with an average of 209 acres per farm.

Many of these farm numbers are small scale and part-time enterprises. Small farms account for 96% of the farms in the county as defined by USDA criterion (less than $250,000 in gross sales). The total sales averaged $52,522 per farm; total market value of agricultural products sold from the county $45.6 million (2002 Census of Agriculture).

Local roadside markets and Farmers' Markets provide consumers with farm fresh produce, while adding value to local products and retaining dollars within the community. While dairy products remain the leading product sold, sales of nursery and greenhouse, and vegetables have grown 225% from 1997 to 2002.

Natural resources are abundant in our counties. Total forestland covers 441,400 acres which encompasses 66.9% of Allegany County. Of these forestland acres, the majority is held by private, non-industrial owners. Proper management of these renewable resources adds beauty to our landscape while providing both income and pleasure to our residents and visitors. Total woodland acres per farm have increased from 41,500 in 1997 to 50,159 in 2002.

The diversity of tree species and the quality of hardwood timber production in our area is unmatched by other regions of the country. Our climate and soils are optimal for hardwood, contributing to the biological diversity and accounting for both food and cover for our native wildlife. Timber is not the only woodland opportunity; ginseng and mushroom production, along with maple syrup and Christmas trees, add value to our rural lands.

The county must continue to identify and utilize other unique topographic and soil conditions. This will enhance the development of additional agricultural and extractive industry value added products.

Introduction

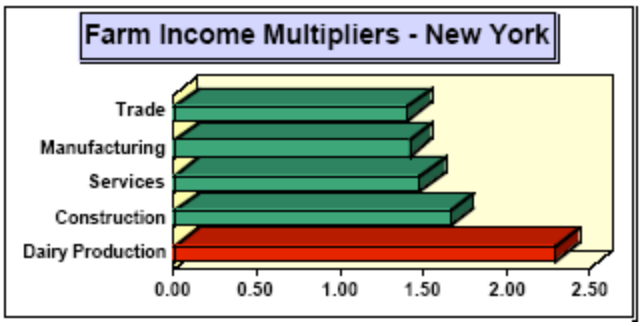
Why farming is so important to Allegany County.
Many acres within our region are underutilized. Development of an Agricultural Development and Farmland Enhancement Plan is an essential step in establishing goals and strategies to conserve the natural resource base while sustaining agribusiness and the viability of our local communities. By evaluating the sustainability of farms of various size and scale, communities can seek ways to make our local farms more competitive in the market place. Exploring farm diversity, value added and alternative enterprises will help to identify opportunities that build on the strengths of our farming industry and promote systems that fit for natural resource base.

Farm based natural resources are one of the community's most valuable economic and environmental assets. The forested farm acreage provides important habitat for several game species which contribute to the local economy's generation of tourism dollars. Through the planning process, a balance can be sought between public interest in economic development, viability of farming and natural resource conservation. By focusing educational efforts toward the proper treatment of renewable resources, the resulting economic incentives can improve sustainability of rural businesses.

1.1 Farming as a Big Business in Allegany County.
Farming in Allegany County involves 860 businesses generating sales of $45,563,000 in 2002. The average value of land, buildings and equipment used in these businesses was $261,211 for a total investment of approximately $219,246,000 (U.S. Census of Agriculture, 2002).

1.2 Income from Agriculture Goes Further Towards Helping the Economy.
Agriculture produces much higher economic multipliers than any other sector of the Allegany County economy. Cornell University, in fact, suggests the income multiplier for the dairy industry statewide is approximately 2.29, meaning that every dollar of dairy farm earnings generates $2.29 in earnings for the Allegany County economy as a whole. Dairy & dairy processing are the two highest multipliers and they compare to 1.66 for construction, 1.48 for services, 1.41 for the next best manufacturing enterprise (that happens to include lumber, wood and wine production commonly viewed as agriculture) and 1.40 for retail trade (Policy Issues in Rural Land Use, 1996).

Applying the dairy multiplier (which represents 58% of the County's agriculture); indicates dairy alone represents a total contribution to the economy of well over $61,479,630**.** In addition, the county is fortunate to have two strong milk processing facilities. A



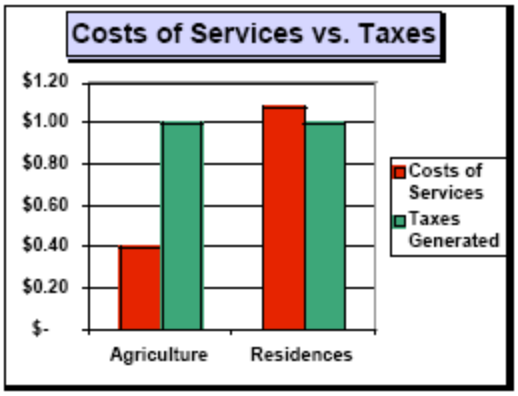
cheese processing facility at Cuba, NY (Empire Cheese) and a dairy processing plant producing cultured dairy products at Friendship, NY (Friendship Dairies). Both provide processing of milk from well over 200 farms in Allegany County and the surrounding Western New York area.

1.3 Agriculture is Tax Winner for Local Communities.

Farms and forests are tax winners for the local community, despite preferential assessments afforded by the Ag District Law. A 1995 study of Tompkins County found "agricultural uses" should be recognized as beneficial because they do not demand a large amount of services and provide other benefits such as employment. The data, in fact, indicate agriculture typically requires only 15¢ to 40¢ of town and school expenditures for every $1.00 in tax revenue it generates, whereas residential development costs $1.09 to $1.56 per $1.00 of taxes gathered. This is consistent with results of a number of other similar studies done throughout the Northeast including 1992 and 1993 studies done for the Schuyler County Towns of Dix, Hector, Montour and Reading by the League of Women Voters. The latter studies, while somewhat older, indicated agricultural industries generated costs of only 28¢ to 32¢ for $1.00 in tax revenue generated as compared to $1.30 to $1.80 in costs for residential properties (Costs of Community Services Study, August, 1995).

1.4 Farming helps in controlling costly urban sprawl.

Sprawl results in degraded wildlife habitat, a threat to the productivity of agricultural, and an increase in cost of services within all governmental levels. The weak framework over land protection within New York State enables towns, villages, and cities to enact comprehensive plans and development regulations. None of these measures are mandatory resulting in inconsistencies or lack of regulation at local levels (Pendall, 2003). "Gasoline taxes and other user fees only cover about 70% of the direct cash costs of building and maintaining the nation's road system," according to a recent article on sprawl and hook-up fees for sewer systems within areas of sprawl often cover less than half the real costs of those extensions" (Who Pays for Sprawl?, 1998). Allegany County is a community facing sprawl without growth having a decrease in population by 1.1% within the decade of the 90's; while residential and commercial land use increased by 5.4% (Census 2000). Lack of land use planning has jeopardized the natural resource in many regions. The large acreage in Allegany without use restrictions leaves many communities vulnerable to unfavorable land uses. As more pressure is exerted from outside due to the parceling of farms and forests, land use planning becomes increasingly challenging at the local level as community's react rather than act in planning for their future. Only one of the 29 townships and three of the ten villages



has a comprehensive plan. Limited site planning and subdivision laws are in force in the county. Only six towns and six villages have some type of zoning ordinances.

1.5 Farms contribute to rural character and attract tourists.

Farms are essential to the character of the county as well as to the growth and enhancement of the tourism industry. By promoting sustainable farming operations, open spaces, and living landscapes we contribute to the beauty of our area. Agriculture also benefits wildlife, providing forest edge habitat for game birds and an array of small animals. An abundance of large game can frequently be seen grazing in farm fields and pastures enhancing the quality of life and economy of our local communities.

1.6 Farms and forests preserve natural environments.

Farms and forests provide working self-sustaining landscapes which preserve and enhance environmental quality. Forest land, which is a part of nearly every farm, "may reduce sediment, nutrient and other pollutant loadings by as much as 85% by minimizing soil erosion and filtering watershed runoff." Farms support wildlife such as deer, turkeys and small-game and thereby sustain hunting as a source of tourism to the area (Steuben County Farmland Protection Plan, 2000). Seventy-nine percent of respondents to the Allegany County Agricultural Community Visioning survey believe agriculture has a positive impact on the local environment. When asked if farming was an important part of the County's environmental resource, 95% responded yes and 96% felt that the County should take steps to help preserve farmland.

1.7 Farmland as an economic resource for strengthening local communities.

The prospects for farm viability in the future are good. Presently there are 4 Agricultural Districts, which have 210 farms enrolling 96,839 acres. Approximately 55% of the enrolled lands or 52,890 acres is actively cropped. Fourteen operations report gross sales greater than $500,000 and 21 have reported capital improvements of over $200,000 in the past seven years. Upon review, all Agricultural Districts experienced growth. Although the overall number of strictly dairy farms in the county has decreased over the past 10 years, the amount of milk and cash crops produced has increased. Small scale, diversified farms provide a plentiful local supply of food products and are generating new sources of farm income, as an increased percentage of residents, as well as visitors, seek locally grown products. Allegany County's renewable resources include both forest and agricultural uses. Some of the finest hardwood is grown in our region. Additionally, while the topography of the land in many areas is unsuitable for tillage, our cold, and moist climate is well suited for growing forages and providing opportunity for intensive grass-based agriculture. This topography also adds to the aesthetic beauty of the county and provides prime acreage for outdoor recreation. The natural clay soils provided impetus for the creation of a ceramic corridor. The close proximity to the metropolitan areas of Buffalo and Rochester coupled with relatively inexpensive property make it appealing to commuters and those nearing retirement.

1.8 Agriculture is much more than farming.

To support Allegany County's 860 farming enterprises, a substantial number of additional businesses supply the needs of farmers. Allegany County farmers own and maintained $64,446,000 worth of farm equipment and machinery. Farm operators purchased over $1,329,000 of petroleum products, $9,516,000 of feed, $4,620,000 of hired farm labor, and expended $631,000 for cash rental on land, building and grazing fees. Fertilizer and lime was applied to 26,933 acres. Many enterprises providing services and supplies are not considered farm supply businesses, but for these businesses to survive and prosper, a core critical mass of farmers must be preserved. For the farmers benefit, a critical mass of service providers must also be maintained to enhance competitiveness.

1.9 Farms and forests support wildlife, hunting and recreational land uses.

Farms support wildlife such as deer, turkeys and small-game and thereby sustain hunting as a source of tourism to the area. A total of 10,587 white-tail deer were harvested in Allegany County during the 2004 season. The 1996 National Survey of Fishing, Hunting, and Wildlife-Associated Recreation estimated that $322,919,067 in retail sales and $575,535,000 in total economic output was generated for New York State from deer hunting (an economic multiplier of 1.78 Statewide). This represented $1,399 in retail spending and $2,494 in total economic output for each deer harvested, potentially yielding a $14,811,213 deer hunting economy for Allegany County before considering multiplier effects. Additionally, bird watching, hunting, fishing, outdoor recreation and ecotourism are supported by farming.

Inventory of Agricultural Resources

2.1 Soils and Soil Structure

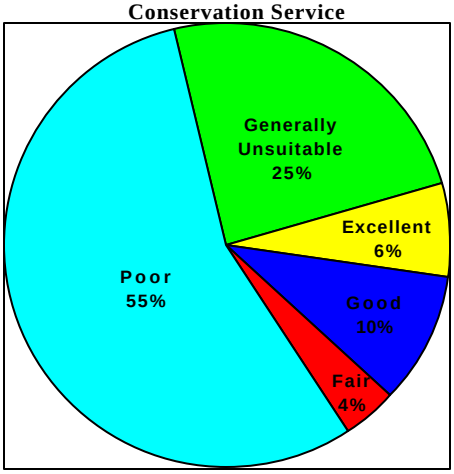
The total area of Allegany County is approximately 1,049 square miles or 671,840 acres. Elevation ranges from 1,137 feet, where the Genesee River flows out of the county to the north, to 2,548 feet above sea level at Alma Hill in the southwestern part of the County. The 1400 foot difference in elevation from the lowest to highest regions of the County results in considerable variation in growing season. Precipitation averages 33 inches in the northern region to 40 inches per year in the southern portion of the County (Soil Survey, 1956).

The USDA has grouped soils into eight categories according to their limitations for field crops and the way they respond to management. This capability classification is to be used as a general guideline for crop production and is not designed to show suitability and limitations of soils for woodland or for engineering purposes.

Class I: Soils with few limitations that restrict land use.
Class II: Soils with some limitations that reduce the choice of plants or require moderate conservation practices.
Class III: Soils with severe limitations that reduce the choice of plants, or require special conservation practices or both.
Class IV: Soils with very severe limitations that restrict the choice of plants, require special conservation practices with careful management or both.
Class V: Soils with limitations impractical to remove without major reclamation. Uses limited largely to pasture, woodland, or wildlife.
Class VI: Soils with very severe limitations that make them generally unsuitable for cultivation. Generally suited to pasture, woodland, or wildlife.
Class VII: Soils with extreme limitations. Restricted to woodland, wildlife, or specially managed pasture.
Class VIII: Soils and landforms that is suited only for wildlife, recreation, water supply, or esthetic purposes.

Prime farmland is land that has the best combination of physical and chemical characteristics for producing food, feed, forage, fiber, and oilseed crops. This land has the soil quality, growing season, and moisture supply needed to produce sustained high yield crops. Normally, prime farmland has an adequate and dependable supply of water from precipitation, or irrigation, a favorable temperature and growing season, an acceptable level of acidity, or alkalinity, a good content of salt or sodium, and few, or no, rocks. Its soils are permeable to water and air and do not excessively erode or saturate with water for long periods of time. It either does not flood frequently during the growing season or is protected from flooding. In Allegany County, prime farmland is concentrated along the Genesee River. These are important lands to protect because they contain the most productive soils (Appendix 7 Prime Farmland).

Soils Suitable for Agriculture
Source: Allegany County Soil & Water Conservation Service



It is useful in a number of ways to understand where the best suitable land is for crops (excellent and good soils) and the limitations of land throughout the county. Overall the County's soils provide a sound foundation for agriculture; some soils better suited to permanent sod and pasture (fair or poor soils) or agri-forestry, production of timber and recreational uses (poor or generally unsuitable soils) because of drainage, extent of erosion or slope limitations. Protection initiatives can be implemented in areas where the prime land is located. Non-agricultural land uses or those uses that need less productive soils can be channeled to those areas where the land is less suitable for tillage. This will allow long term planning to support the growth needs of the County while protecting the valuable crop acreages and promoting sustainable agricultural enterprises on more marginal soils.

2.2 Agricultural Land and Districts

There are six main benefits that are derived from being in an agricultural district. 1. Limits local government action that unreasonably restricts agricultural activities; 2. Statement of policy to state agencies that agricultural activities have priority in the area; 3. Limits the power of public service districts (sewer, water, light, non-farm drainage) to impose special assessments or special property taxes; 4. Limits the exercise of eminent domain or the advance of public funds in the form of grants, loans, or interest subsidies for non-agricultural development; 5. Allows a land owner to take advantage of an agricultural value assessment; 6. Requires application for certain zoning and planning actions to include Agricultural Data Statements as part of the review process.

Farmers who have placed their farms in an agricultural district have made an eight-year commitment to stay in agriculture. If a farmer drops out of an Agricultural District during the 8-year commitment, there are penalties given which include payment of deferred property taxes with interest. Though there are definite benefits derived with being in an Agricultural District, it is not a permanent solution to protecting agriculture. Additional incentives and stronger penalties for withdrawing should be developed that would ensure a long-term commitment from the farmer and a better protection of the land that is within the Agricultural District.

Agricultural land within Allegany is concentrated in the Northwest portion of the County along the Genesee River and additional pockets spread throughout. The Northwest section increasingly produces vegetables and grains which are rotated with dairy forage crops. Concentrated dairy operations are found in the Northwest and Southwest sections of the County with a lesser number dispersed throughout. The Northwest and Central

portion of the County also includes a significant Amish farm community. Many of these small integrated farms engage in wood processing enterprises.

The Southwest section of the County is more remote, higher elevation, somewhat colder and less accessible. Land prices are inexpensive. It supports some dairy, beef, corn silage, hay and pasture production, and grows excellent Northern hardwood tree species. This area is limited by narrow valley floors with small acreages of productive agricultural land. Farms tend to be smaller and more diversified, often part-time operations. One of the states most extensive maple production enterprises is located in this area.

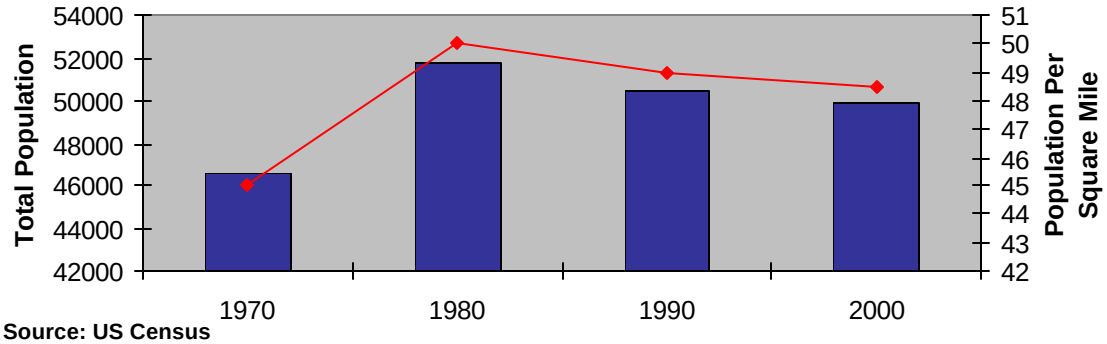
Agricultural Districts were developed to aid in preserving viable farm land and help prevent outside pressures of development from eroding the farming community making it increasingly difficult to make a decent living from agriculture. Allegany County originally developed fourteen Agricultural Districts, with each requiring a review every eight years. The fourteen have since been consolidated into four, allowing for much fewer district reviews and allowing more time for education and promotion of district benefits.

The land area included in agricultural districts is constantly changing but total acreage has remained relatively unchanged over the years. The four districts now represent a total of 96,839 acres, 14.5% of the County's land mass, with 1,660 parcels. Approximately 55% of the enrolled lands or 52,890 acres is actively cropped. This reflects a positive effort by farmers, the County Legislature, and the Agricultural and Farmland Protection Board to include as much viable agricultural land as possible into the districts (Appendix 8 Allegany County Ag Districts).

2.3 Land Use and Development Trends

The population within Allegany County decreased by 1.1% during the last decade, while the state of New York increased 5.5% and the national population grew 13.1%. This county trend in population decline began in the 1980's.

Allegany County Population Trends



Source: US Census

In addition to the overall population decrease, migration within the county has resulted in a shift from villages into the more rural regions of the county. Nine of the 10 villages in

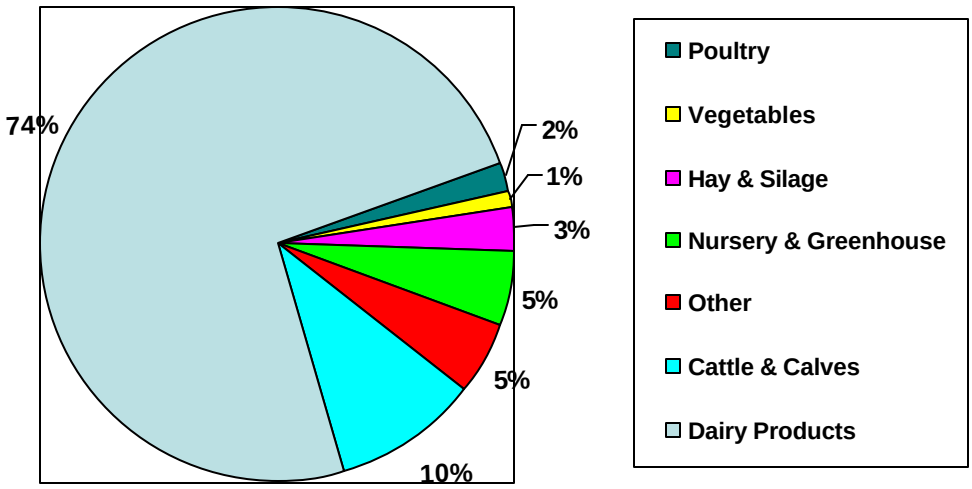
the county experienced a decrease in population ranging from 1.3% to 13.2%. A prime example of this shift is the Town of Bolivar having grown by 9.7% while the Village of Bolivar declined in population by 6.9% during the last decade. Almond was the only village experiencing a net increase in population; however the town of Almond had a net loss of 2%.

Land development in the county for both residential and commercial uses continues to grow along the major routes within the county. Route 19, which runs north/south transecting the county, follows the corridor of prime farmland along the Genesee River. This sprawl without growth poses a potential threat to the growth of agriculture and forestry industries in the county. Twenty of the 29 towns in the County have no land use planning tools in place such as a comprehensive plan, zoning, subdivision regulations, or site plan review (Appendix 7). Of the 9 with some formal planning tool in place, many are not current or lack the substance to protect agricultural lands from development.

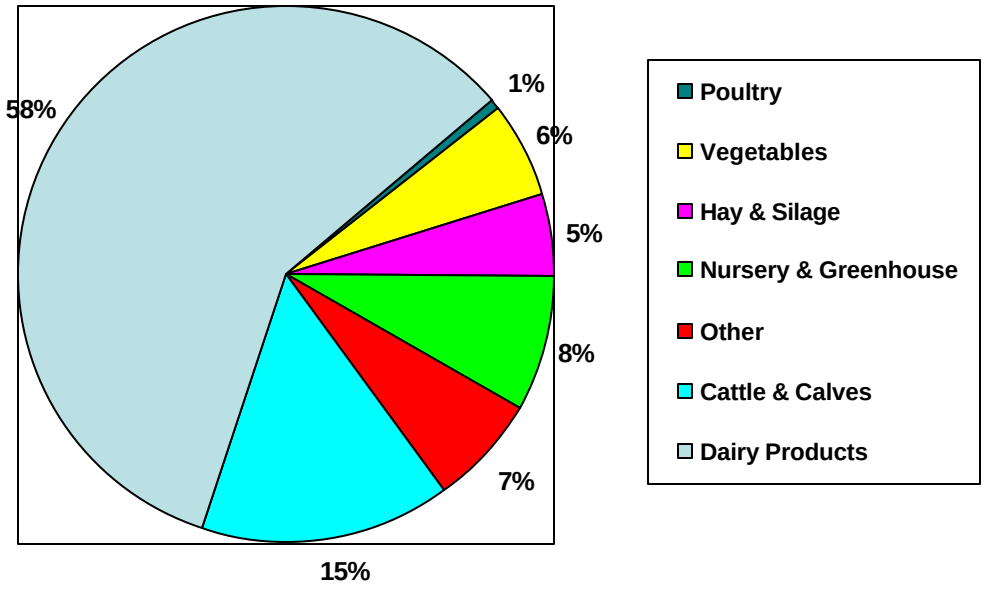
2.4 The Economics of Allegany County Agriculture

Approximately 180,000 acres in Allegany County were in farms, accounting for 27% of the total acreage in the county. Of the lands in farms, just over 50,000 acres or 28% is in woodland. The total forested acres in Allegany County covers over 65% of the land mass. There were 860 farms generating sales of $45.6 million in 2002. These farms directly account for 1,810 full or part-time jobs; including 530 owner-operators primarily occupied with farming. The agricultural economic base of Allegany County has become more diverse over the last decade; however the dairy sector remains the leader in percentage of product sales (Census of Agriculture).

1997 Leading Agricultural Products
Percentage of Sales
Source: Census of Agriculture

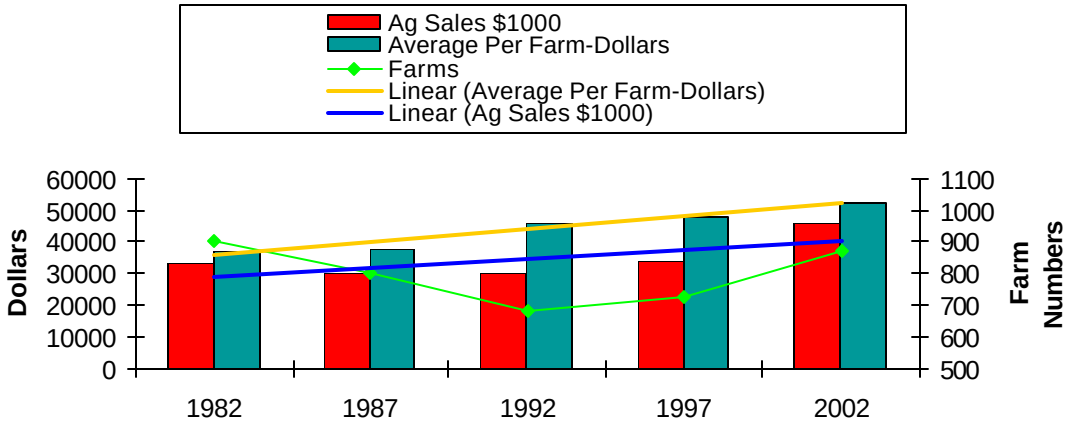


2002 Leading Agricultural Products
Percentage of Sales
Source: Census of Agriculture



Allegany County ranking in the state for sales of cattle and calves was 11th up from 25th in 1997. The 2002 hay and silage sales were 196% of 1997 levels, ranking the county 20th up from 36th. Nursery and greenhouse crops grew by 225%, ranked 17th from 31st. Total sales of agricultural product increased by 23.5 % between 1997 and 2002 (before adjustment for inflation).

Trend in Agricultural Sales

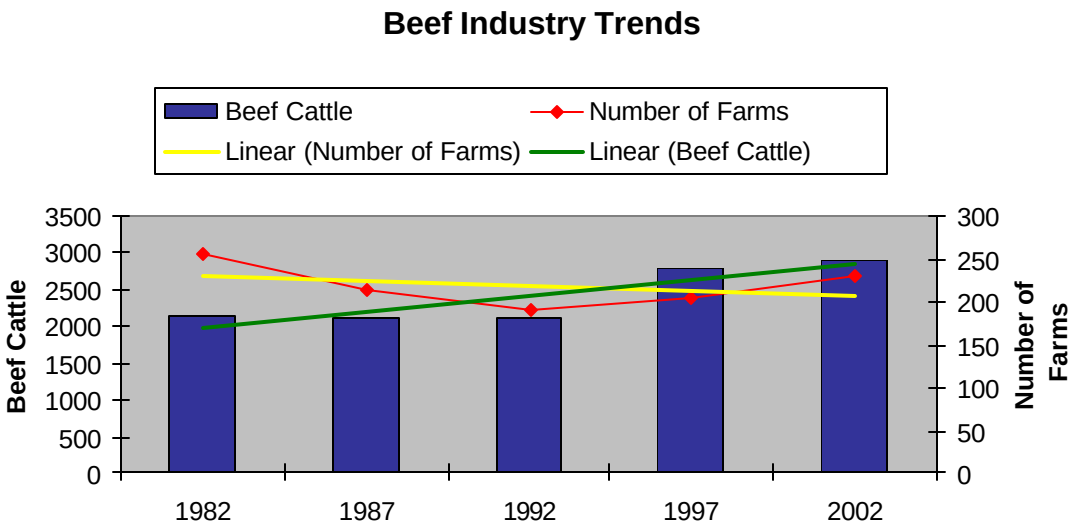


Source: Census of Agriculture

Given the substantial population of small farm businesses and the Amish community, one can assume farm sales are most likely being under-reported. This is a problem with the

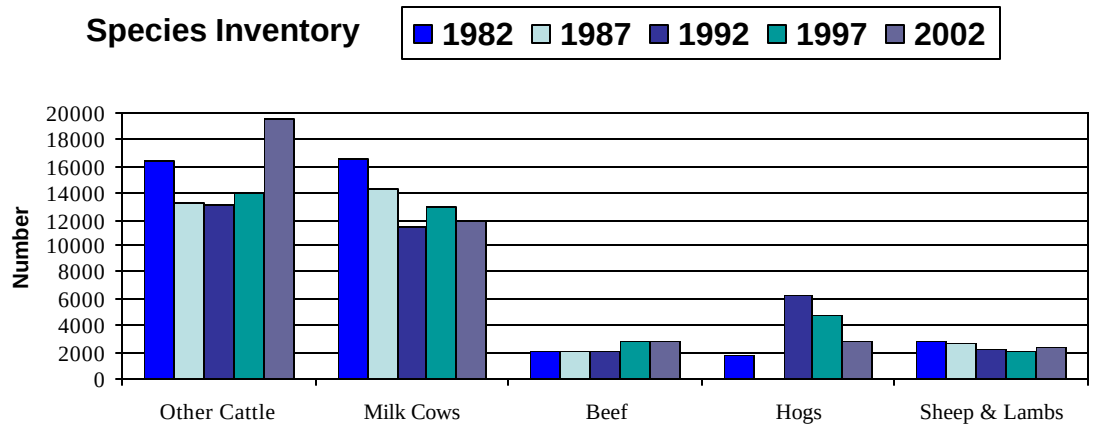
industry in general, but the nature of farming in the County suggests it is more widespread in this instance. Agriculture is of a significantly larger presence in the County than the numbers alone indicate.

There was an increase in the number of farms with beef cattle between 1997 and 2002; additionally, the total number of cattle within the county increased by more than 3%. Allegany County was ranked 4th in the beef production in the State according to the 2002 Census figures. The majority of beef farms are small, 65% having less than 10 cows.



Source: Census of Agriculture

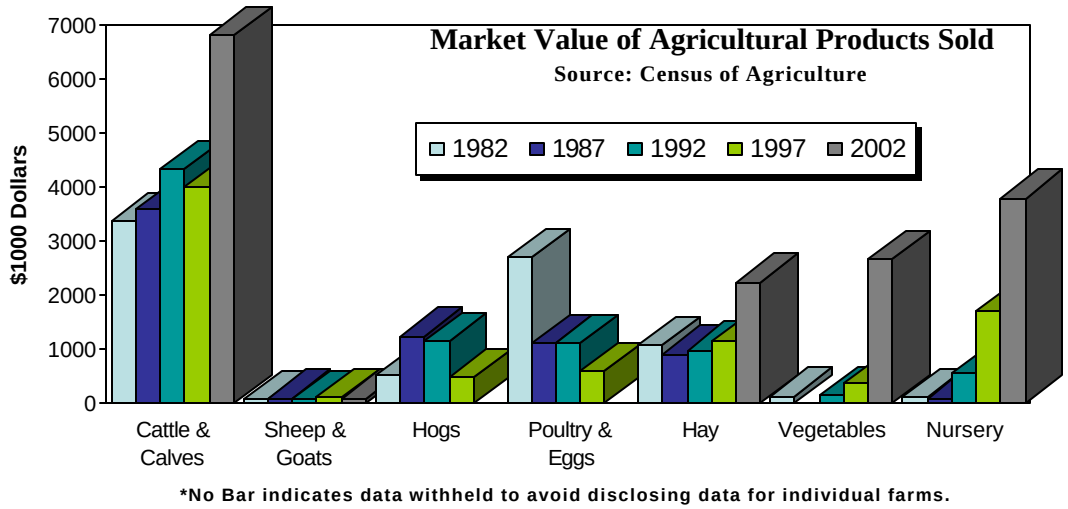
Agricultural industries in the Northeast as a whole have faced particularly difficult times over the last 15 years with radical price changes in the dairy industry. A number of farmers have, as a result, gone out of business. A few have expanded and some have specialized by raising beef or dairy replacement stock. Still others engage in some form of direct sales and seasonal roadside stands. Diversified agricultural farms without large capital demands, which can increase farm income, are becoming increasingly prevalent.



Source: Census of Agriculture

The number of sheep raised in the county steadily decreased from 1982 through 1997. In 2002 numbers increased, but this area of the industry continues to face the challenge as a result of low wool prices and a shortage of experienced custom sheep shearers. The lack of an organized Easter lamb market or other pooled marketing opportunities coupled with limited access to processing has affected the marketing of meat products. Goat production has increased both in dairy and meat goat farms. While the number of producers has increased, this segment of the agriculture industry also faces challenges due to lack of processing facilities. The development of a regional processing plant would greatly improve the feasibility of goat production in the County.

According to the 2002 Census of Agriculture, there were 1,573 horses reported in the county with $147,000 in value of equine sales. In addition to breeding, horse boarding and riding operations have recently become a bigger part of the county's agricultural industry. The growing importance of horse boarding as part of a farm operation is reflected in recent amendments to the Agricultural Districts Law which extend district benefits to commercial horse boarding operations of at least ten horses and a minimum of seven acres. Proposed legislative change in taxation of horse boarding and lobbying for inherent risk legislation, similar to the ski industry, will be beneficial to the expansion of the equine industry.



*No Bar indicates data withheld to avoid disclosing data for individual farms.

The agricultural economy in Allegany County remains weighted more heavily in the area of livestock, but the areas of hay, vegetables and nursery have grown in percentage of sales between 1997 and 2002. A variety of other agricultural products are produced and sold in the county. There are currently a few producers growing tree fruits (e.g. apples, sweet cherries, pears) and brambles or small fruits (e.g. blackberries, raspberries, blueberries, etc.). Some farms supplement their income with the sale of corn for silage, hay, and forest products (timber, fire wood). Other farm products include maple syrup, honey, Christmas trees, and u-pick operations. Other woodland crops (ginseng and mushroom production) are not currently included in Census data, but offer additional income opportunity for landowners.

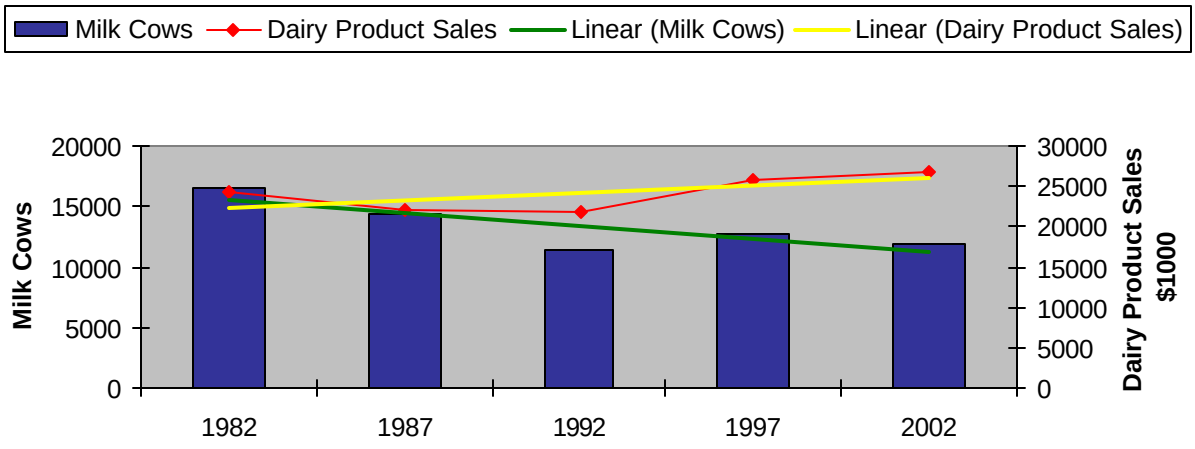
The dairy industry has been a major part of the agriculture industry in Allegany County since the 1890's when small 10 and 15 cow farms supplied milk to numerous cheese plants scattered across the rural landscape. Dairy still accounts for approximately 58% of the farm sales. While milk cow numbers have declined, the total number of dairy cattle within the county has increased, reflecting the farms that have transitioned from milking herds to raising replacement stock. According to the 2002 Agricultural Census figures Allegany County is ranked 20th in number of dairy farms and 27th in milk shipped for sale in New York State.

Dairy is the major farm income generated in Allegany County. Milk is the number one agricultural commodity, with dairy farmers' cull cow sales leading the way in meat products sold by all farmers. Dairy trends in the county are similar to those that have occurred across New York State. The numbers of dairy farms in the county have decreased sharply from the mid 1970's, according to the NASS-USDA, New York Dairy Statistics. Allegany County was credited with 175 Dairy farms in 2002, with 11,946 head of milk cows. The decrease in the number of dairy farms has slowed in recent years, with some new start-up operations focused on rotational grazing and organic milk production. Land prices, while increasing, have remained relatively low compared to farm land of the surrounding area. This may have had a positive influence on the number of new dairy ventures in the county.

Modern agriculture has brought together an interesting blend of trends and concerns in the dairy industry. While most of the trends are not unique to New York State, they do reflect what has been taking place across the United States. Dairy Farmers have benefited from favorable supportive legislation over the past five decades, but this has not prevented the decline in farm numbers or the changing structure of the dairy industry. Agricultural progress in the form of technologies in new machines, plant breeding, genetics, fertilizers, pesticides, animal housing facilities, feed additives, management techniques, and agricultural education have had profound affects on the industry. Technology has provided economic opportunity while at the same time contributed to the decline in dairy farm numbers.

Innovative farmers have always been quick to adopt new technologies to increase productivity and profits per unit of production. As long as commodity prices remain at the same level, net profits rise and total profits increase to the early adopters of new technology. However, as more farmers adopt the new technologies in an effort to raise profits, increased production results in market adjustments and price declines**.** In the longer term, total production rises and market prices fall unless demand increases to consume the increased production. This means that farmer profits per unit of production fall in the longer term. With lower profit per unit of production the farmer finds it difficult to survive unless they can expand their production or in other ways increase family income. Thus, farmers continually face getting out of farming, adding an alternative enterprise, developing a new method of production, or getting larger operations. New York farmers have, through technological developments, brought about increased milk yields per cow of over 2 percent per year and increased herd size by over 3 percent per year on average in the past 25 years.

Dairy Industry Trends



Source: Census of Agriculture

Allegany County dairy industry has experienced much of the same fate as other New York State counties. While farm and milk cow numbers have declined from the early 1970's, New York Agricultural Statistics Census figure show an over all increase in milk production and dairy product sales. Dairy product sales in 2002 exceeded 26.8 million dollars.

One must also consider the substantial multiplier effects connected with farm sales when evaluating the size and nature of an agricultural economy. Farmers typically purchase most of their goods and services from within a 20-25 mile range of the farm, while their product is marketed outside the region. This export of product and import of dollars puts them on the high side of multiplier scales according to a Cornell University study ("Economic Multipliers and the New York State Economy" 1996). That Cornell research, conducted for 1991, indicates the following range of multipliers, by sector of the New York State economy, for both total income and full-time equivalent jobs.

Economic Multipliers for Agriculture and Other Economic Sectors
New York State, 1991

	Total Income	Employment
Production Agriculture Industries		
Dairy	2.29	1.52
Crops	2.28	1.51
Nursery and wood products	1.78	1.39
Poultry and livestock	1.64	1.37
Agricultural Manufacturing Industries		
Dairy processing	2.61	3.53
Grain processing	2.16	2.58
Fruits and vegetables processing	1.67	2.09
Meat processing	1.65	1.99
Other Economic Sectors		
Construction	1.66	1.57
Services	1.48	1.39
Manufacturing (non-food)	1.41	1.62
Retail and wholesale trade	1.40	1.30
Finance, insurance and real estate	1.19	1.54

The data suggests agriculture and forestry generate $143,669,948.10 for the County economy (see Table below), not including dairy processors like Cuba Cheese and Friendship Dairies that pull in milk from the larger region. Nor does it include sales of timber by private landowners.

Total Economic Impacts of Allegany County's Agriculture and Forestry Industries

Industry	Estimated Sales	Multiplier	Total Impact
Dairy	$26,847,000	2.29	$61,479,630.00
Other Livestock	$35,677,000	1.64	$58,510,280.00
Crops	$ 9,887,000	2.28	$22,542,360.00
Forestry-State Forest	$ 267,145	1.78	$ 475,518.10
Forestry-Farm Forest	$ 372,000	1.78	$ 662,160.00
Totals	**$73,050,145**		**$143,669,948.10**

The 2002 Census of Agriculture indicates there were 534 hired employees and 867 operators principally employed in farming. Applying the multiplier of 1.52, agriculture yields 2,129 jobs in production agriculture. These are found not only on farms, but also at accountant offices, feed mills, farm stores, automobile and truck dealers, truckers, veterinarians and the like. According to the 2002 "County Business Patterns" report, there were 83 lumber and wood products manufacturing jobs in the County with a multiplier of 1.39; yielding 115 jobs. Dairy processing accounts for approximately 500 direct jobs with a multiplier of 3.53 which yields 1,765 jobs. Therefore, agriculture accounts for a minimum of 4,009 jobs; 2,129 directly created and 1,880 indirectly created by the industry.

Allegany County farmers own and maintained $64,446,000 worth of farm equipment and machinery. Farm operators purchased over $1,329,000 of petroleum products, $9,516,000 of feed, $4,620,000 of hired farm labor, and expended $631,000 for cash rental on land, building and grazing fees. Fertilizer and lime was applied to 26,933 acres.

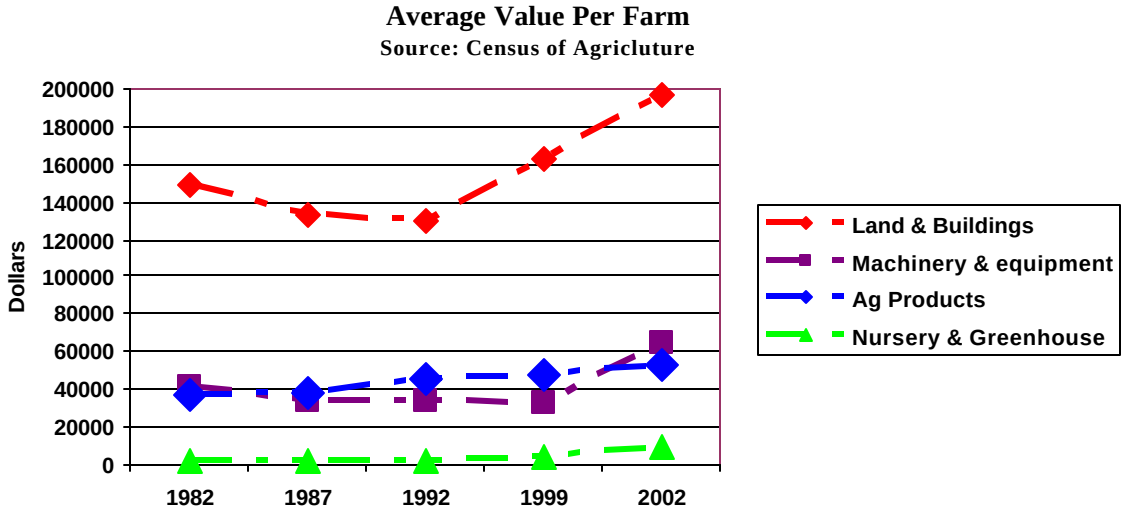
Likewise, various out-of-County businesses serving the regional agricultural community depend on Allegany County farm trade including, for example, slaughterhouses, feed manufacturers and equipment dealers. For these various suppliers to survive and prosper, a core critical mass of farmers must be preserved and vice-versa. Otherwise, competitiveness cannot be maintained.

Cornell University prepares a "Dairy Farm Business Summary" of financial data from participating dairy farms. The 2003 Summary for Western and Central Plateau Region, that includes Allegany County, breaks down average accrued income and expenses for 28 dairy enterprises. This information illustrates the wide range of contributions each farm makes to rural economic activity, supporting suppliers, technicians, service providers, banks and insurance companies. The average dairy surveyed (150 cows) ended the year with assets of $1,183,360 and an average farm net worth, not including non-farm assets and liabilities of $765,716. A detailed comparison of profitability, financial situation and business analysis factors across herd size shows that as herd size increases, the net farm income profitability generally increases. Net farm income without appreciation averaged

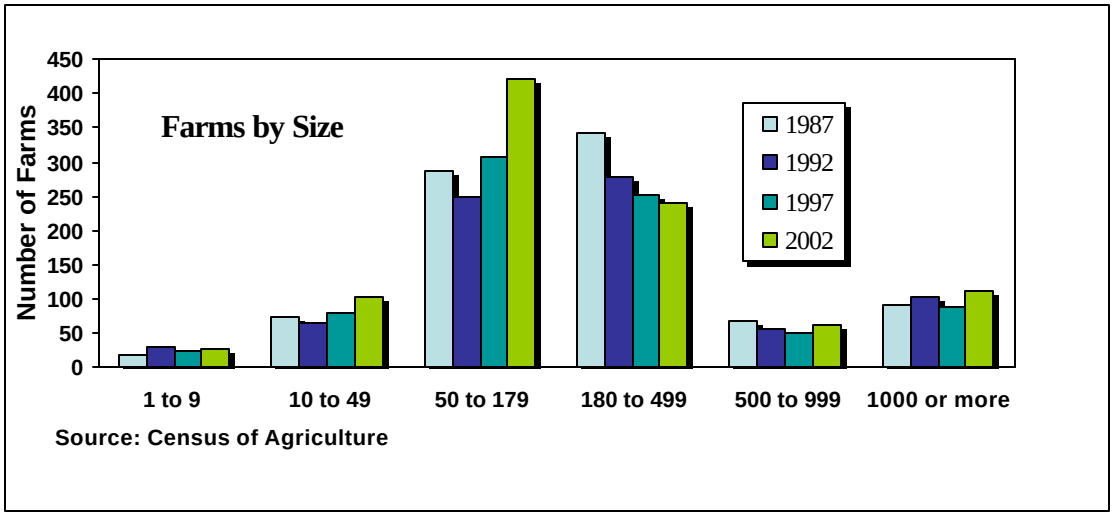
$14,699 per farm for the less than 50 cow farms and $92,702 per farm for those with more than 600 cows. However, net farm income per cow decreases as herd size increases. This may be of increased interest when the average size of Allegany County farms is evaluated. Many of the Allegany County operations are in the 50 to 60 cow range which according to the 1999 Dairy Farm Business Summary hold average assets of $406,242 suggesting an investment in excess of 58.9 million dollars within the county. An investment of this size coupled with that of another 1.2 million dollars, on average for each of the fifteen to twenty larger farms in the county clearly demonstrates the significant contribution (over $77 million) from dairy farms compared to industry or manufacturing.

2.5 Agricultural Innovations and Trends

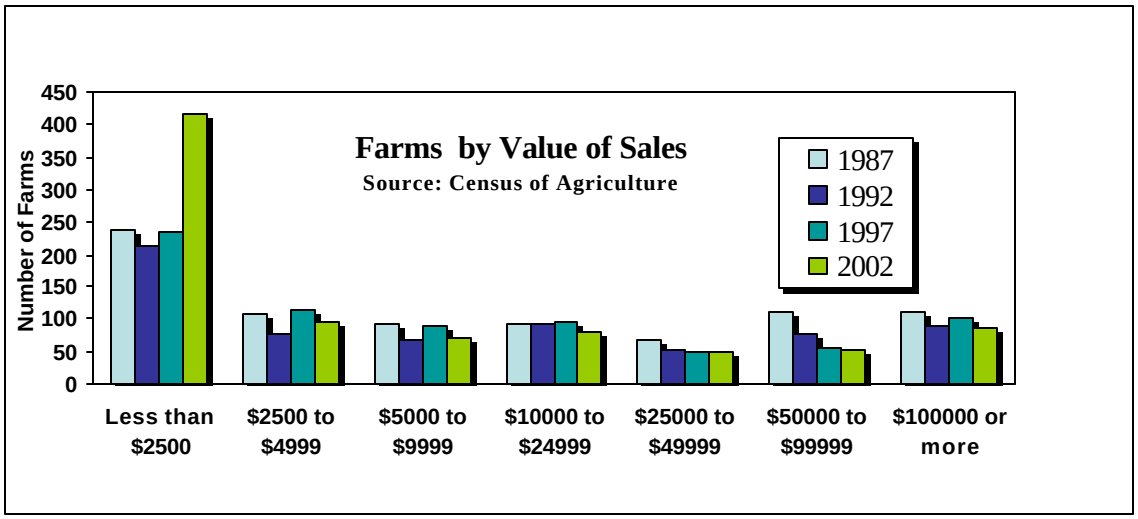
The single greatest challenge facing agriculture today is low profitability. Finding the right niche market in which to make a decent living is every farmer's battle. Some have chosen to leave the farm for other opportunities, but recent innovations and trends offer hope for keeping them on the land.



New generation farm cooperatives are being formed across the country to market agricultural products and purchase supplies. These are taking shape around the original concept of cooperatives, which was to serve the narrow but compelling interests of small groups of producers united by specialized needs. Many of the larger cooperatives have failed in this regard by serving too many interests. Producer cooperatives of this sort can secure growing contracts in advance, advertise and promote using a collective theme and, by operating from a narrow scope, focus their efforts on highly profitable lines of business (Steuben County Farmland Protection Plan).



Small-scale agriculture and farm diversification is also regaining favor in some quarters as farmers realize the opportunities to earn higher margins off small crops and enterprises. Specialization can increase profits and is the answer for many farmers but when it is used solely for the purpose of increasing production without corresponding management to lower the costs of inputs, the market can quickly become flooded with too much product (Steuben County Farmland Protection Plan).



Only price supports and farm consolidations have allowed farmers to earn reasonable incomes under such conditions and they are now ever more subject to the whims of governmental policies and market prices on a relatively few products. Dependence on the market price of a single commodity can lead to financial ruin, but diversity can help to spread the risk and allow a farmer to address niche opportunities. Indeed, specialization can work in synchronization with diversification, for example, a beef stocker who also raises vegetables (Steuben County Farmland Protection Plan).

2.6 The Forestry Sector

Allegany County has a landmass of 659,400 acres. There are 430,900 acres, approximately 65% of the county's landmass, classified as timberland in the County by the U.S. Department of Agriculture.

AREA OF TIMBERLAND BY OWNER CLASS (IN THOUSANDS OF ACRES)

STATE	COUNTY/ MUNICIPAL	FOREST INDUSTRY	PRIVATE OWNERSHIP	ALL OWNERSHIPS
42.8	2.4	4.3	381.4	430.9
10%	.5%	1%	88.5%	100%

An overwhelming 89% of the county's timberland is in private non-industrial ownership. This is a diverse group, which includes farmers, local residents, and absentee landowners. Although statistics are not available, it is known that a significant amount of the county's timberland is owned by the absentee landowner.

Northern hardwood is the predominate type of timber. In its purest form, it consists of sugar maple, beech and yellow birch. Allegany County has an important sub type of the northern hardwood type not mentioned in the Forest Service Report. This is the Allegany hardwood type, which contains white ash, red maple, basswood and black cherry along with the previously mentioned species. Black cherry is the most valuable timer species found in New York State.

The three highest valued species growing in the County are black cherry, sugar maple and red oak. The stumpage price (the value of uncut trees) of these three species has risen dramatically since 1990. A single large high quality red oak tree can now be worth over $400.00. A single large high quality sugar maple tree can be worth more than $600.00. A comparable black cherry can be worth $1,000.00 or more. It must be noted that less than 1% of the individual trees of these species presently have these values. It must also be noted that a large high quality beech tree is only worth about $55.00. However, these high priced examples do show that the County's forest resource has substantial economic value if it is properly managed. (See Appendices 4, 5 and 6 for detailed data on Allegany County forest resources.)

Forestland provides food and cover for wildlife. Among the species found in the forest are deer and wild turkey. These species attract many hunters from outside Allegany County, who spend money in this County during the hunting season.

The attractive mixture of agricultural and forestland brings people to the county for recreation and tourism. Specialty products such as maple syrup, Christmas trees, mushrooms, ginseng, and hunting leases contribute to the economy.

The forest industry as a whole can be described as underdeveloped while currently an economic asset to Allegany County. Like other components of the agricultural sector,

Allegany County's forest industry would benefit by the development of secondary processing and value-added industries that would utilize locally produced wood. Craft-related enterprises that would mesh with the County's tourism industry are a distinct possibility. Other niches could include specialty products for marketing to nearby metropolitan areas (e.g., fence boards, quality dimension lumber, wood flooring, and wooden lawn furniture).

2.7 Wildlife/Tourism

There are a number of possibilities to compliment Allegany County's tourism industry by using its forest land to develop recreational attractions and enhancing wildlife management. The construction of recreational leases has the potential to generate added income for land owners and, thereby, help the industry. Forest land is ideally suited to mountain biking, wilderness camping, hunting and other similar endeavors. If promoted properly in conjunction with area bed and breakfasts and restaurants, such activities can contribute in substantial ways to the economy.

Unfortunately, New York is a high tax state and, while many recent reforms have helped to lower taxes on farmers, seniors and other residents, forest land is still often taxed at rates that exceed the annual income which can be derived from forest management. A recent analysis of real estate taxes on private forest land in the Catskill counties of New York State indicated annual tax rates of $7-$33/acre compared to forest revenues averaging less than $5/acre. Local timber managers indicate the cost is approximately $9/acre and needs to be less than half that. This can produce poor stewardship when farmers and other landowners are forced to do quick harvests to pay taxes. The best approach probably involves encouragement of sustainable forest management practices, combined with right-to-forest protection and positive tax relief.

It is challenging to assess the total added value of Allegany County’s agricultural and forest land for open space and recreation. Beyond the economic and cultural importance, farmland is an important aesthetic resource and has wildlife habitat value. The cultivation of fields, maintenance of pastureland, management of woodlands, development of pond, protection of rivers and wetlands are important elements in the County’s “Quality of Life”.

The contributions to the local economy from recreation and tourism are dependent on the existence of these resources. A study of rural Sullivan County, Pennsylvania in 1965 found that each dollar of expenditure by tourists was estimated to have generated $0.35 in earnings for the local economy after multiplier effects. The figures for hunter-fishermen and summer home owners were $0.48 and $0.50, respectively. The Bureau of Economic Analysis estimates that hotels, lodging places and recreation services in Allegany County produce earnings of $0.46 per dollar of direct expenditures (St. Lawrence County Agricultural Development Plan).

Strengths/Weaknesses/Opportunities/Threats

In the course of preparing the Agricultural Development and Farmland Enhancement Plan, the strengths, weaknesses, opportunities and threats applicable to the County's agricultural/forestry industry were analyzed. These are reflected in the recommendations of this report.

3.1 Strengths:

Allegany County has a higher involvement in extractive sectors of agriculture, forestry and mining (clay and gravel) than New York State or the nation as a whole. For this segment to be maintained or expanded, in an increasingly global economy it is essential for this rural county to move from a commodity based agriculture toward a value added industry. This move will allow for a larger percentage of food dollars to be retained by local producers, strengthening the local community to create an economic environment to provide for higher paid employment opportunities to retain workers.

The reaction of communities, rather than action, can be a result of uninformed citizenry. In order to allow for effective involvement in decision making, raising public awareness becomes a key factor as well as creating a vision for the future (Building Liveable Communities 2001).

Sustainable Community Development requires a balance of the economic, social and environmental factors within the municipality in order to define the future of the community. Through long range planning, communities can avoid reacting to situations, or trying to overcome negative effects, of unmanaged growth or development. If communities address the question of what the areas will be like 5 years, 10 years or 20 years from now, the issue of how today's decisions effect us and what they mean for the next generation will bring us closer to building sustainable, livable communities.

The development of sustainable agricultural production systems will be an asset to those communities seeking to develop sustainable communities. The adoption of integrated systems, which require lower costs of inputs, result in overall farming profitability. These systems require a shift from the conventional agriculture that has created economic setbacks associated with over production, increased energy use and decreased farm income (Edwards 1989).

Taxes were, for many years, the greatest concern of farmers and a competitive disadvantage for New York State farmers. Agriculture Value Assessment helped but in rural communities it did not solve the problem. Several recent tax laws, however, have had a significant positive impact in lowering farm taxes and actually creating a marketable advantage for New York State. There is, for example, a Refund of School Taxes program for farmers which provides for a full refund of school taxes paid on farmland and buildings for farms of 250 acres or less and a prorated refund for in excess of 250 acres, (not including the residence). The refund is received on farmers' New York State Income Tax returns. While small and part-time farmers who could be a source of

future agricultural expansion may not always qualify, this is of extraordinary benefit to production agriculture. The Law was also modified in 1999 and more farms qualified for the program.

The STAR Program, too, provides reduced assessment for school tax on those portions of the property not subject to refund or for farmers not eligible for the school tax refund. This includes substantial tax relief for farmers over age 65 (with an average farmer age of 52.6 years, many Allegany farmers are in this "Enhanced STAR" program) and a $30,000 assessment break for farmers under age 65. There is need of an educational program to ensure all farmers are getting maximum benefit from the STAR and Refund of School Taxes programs as well as other farm tax incentives. These include a 10 year exemption on all real estate tax on new farm buildings, a requirement that assessors use depreciated values for farm buildings and the exception of certain classes of farm structures from real estate taxation. This applies to silos, manure storage facilities, bulkhead tanks and greenhouse structures (including those used for raising calves). There is also a New York State Investment Tax Credit on new capital purchases equal to 4% of the purchase price. Many young farm families have large carryovers of Investment Credit and the Board should work with Farm Bureau and others to achieve legislative changes which would make these dollars refundable.

Allegany County, because of its relative proximity to Buffalo, Rochester, and other urban areas, has access to special markets. These include substantial ethnic populations wanting Kosher, Halal and other comparable goods. There is also a demand among new immigrants for foods traditional to their cultures such lamb and goat and certain breeds of poultry. Likewise, a market is gaining strength for organic products and anything which can be "green-labeled."

Allegany's dairy industry has much strength to its credit. Much of the land resource is well suited for the production of hay and corn crops. The Genesee Valley and other valley acreage are among some of the most fertile soils in New York State. The hill land is suited to grass farming, rotational grazing and increasing organic dairy production. The county is home to two strong milk processing facilities at Friendship and Cuba. Dairymen of the county are skilled and knowledgeable of modern dairy herd management practices and marketing practices. The combination of small, medium and large farms work well to compliment each other while making the best use of the varied soils and topography of the county. New and young farmers can still find an opportunity to start dairying in this area. New start-up operations have, in recent years, replaced the number of dairy farmers retiring or moving to dairy heifer enterprises; thus keeping Allegany County dairy farm numbers nearly stable.

3.2 Weaknesses:

Low profitability: Agricultural enterprises have been subject to low profitability and this has had a particularly serious impact on Allegany County's dairy farmers. The 2003 Cornell University "Dairy Farm Business Summary" for the Western and Central Plateau Region, indicates the 28 dairy farms surveyed (representative of Allegany County)

received a return on average total capital of only.3% before asset appreciation, after deducting an average of $47,025 for unpaid family labor and management income. The return was 2% with asset appreciation considered. Attracting new operators to farming under such circumstances is difficult, though not impossible. Many existing dairy farmers unfortunately have been living off their equity and adjusting to the volatility of milk prices caused be changes in milk marketing policy.

There is a wide range of management abilities among Allegany County dairy farmers. It is clear that good management can make an extraordinary difference in profit potential. Managers that control cost while maximizing production, negotiating premium prices for quantity, quality and components can increase margins by 10% or more with no change in costs to the operation.

Agribusinesses are a vital part of a farming community which needs to be maintained by a viable business structure. The loss of agribusiness and agriservices, in many cases is related to the decline in the number of farms. With the loss of each supporting business, the costs to operate increase and profits decline. Maintaining the critical mass of farms to support agribusiness is an essential component in growing the industry. Currently many services and products have limited availability within the County.

3.3 Opportunities:

There is room for expansion in agribusiness, agriforestry, ceramics, food processing, metal fabrication, technical support services, telecommunications, tourism and wood processing. These sectors effectively clustered with existing enterprises, present immense opportunities. The community capitalism model affirms the positive benefits to communities made up of small, locally owned businesses. Large numbers of small firms correlate to higher median family income, less income inequality, and reduced rates of poverty in non-metropolitan counties within the United States (Tolbert, Charles M., Thomas A. Lyson, Michael D. Irwin 1998). Integrating local foods systems into economic development plans allows greater control over economic stability (Lyson, Thomas A.). The county's natural resource bases for both agriculture and forestry are currently underutilized. The natural clay soils form the foundation for the Ceramic Corridor paving the way for glass and advanced materials production.

The Farm Business Summary data indicates dairy farms can be very profitable and do have a future if farmers want it. Specialization in herd management, custom work, high-protein milk, breeding stock and similar ventures can produce the added cost control and value that permit success. This will be even more important in the future with component pricing of milk. For others the answer may be to diversify into related but complementary fields of agriculture or to grow larger. Still others will need to update practices to increase production using the same overhead. Dairy farms utilizing rotational grazing have proven to be potentially profitable businesses suited to Allegany County topography and climate. Work by Jim Grace, Farm Business Management Educator, Cornell Cooperative Extension, looking at eight year average (1996-2003) shows grazing farms with $441.00

net income per cow verses non-grazers at $347.00. Likewise, the percent return on equity for grazers was 3.28% verses .56% for non-grazers.

Each operation has its own set of challenges. While farm management and operating decisions play a major role in the success of the business, in many cases creating a positive business climate within the industry and the community can go a long way toward insuring that productive farms and their land base stay in agriculture. Individual farm resources can have wide variations. Soils vary in type, drainage, fertility, and crop producing ability, in many cases from one side of the farm to the other. Microclimate patterns follow the drastic changes in elevation. Farm buildings were often constructed well before the implementation modern farming practices making them obsolete. Matching farm resources with suitable enterprises will build the opportunity for success in an operation.

National policies regarding food production and farm income have shifted from price supports, production controls, and agricultural subsidies to reduced federal programs and more market-oriented agricultural pricing. As a result there is more volatility in dairy and other commodity prices and the need for the producer to assume greater responsibility for price and production risks. Allegany County dairy farmers face the challenge of positioning their business to take advantage of times of relatively high milk prices and insulating the business from income lows. Lobbying for deregulation will create more opportunities for direct to consumer sales within local communities. This will meet consumer demand for local products and retain more dollars within the community thereby expanding the multiplier effect of agricultural.

3.4 Threats:

New technologies continue to be developed in crop and livestock management. Both quantity and quality of production are important. Forage quality is of utmost importance to the high producing dairy herd, specialty livestock, and horses. The optimum harvest window is a narrow time-frame which is often difficult to achieve. Meeting the challenge also involves questions of adequate, but not extra, equipment and machine capital investments, labor force, and management. Farmers are challenged to adopt new technologies or risk sliding behind others in productivity and profitability. Complex production efficiencies are a challenge to be faced in remaining competitive in the industry. The farmer must also cope with unpredictable weather. One of the challenges faced by farmers is getting the information they need to make sound management decisions.

Agriculture has become the focus of increased attention from environmental regulations and environmentalists. Environmental quality is now a major management concern for producers. National policies previously directed toward industrial and other sources of pollution are now targeting agriculture. Producers face increased costs of doing business not only from capital investments and permitting requirements but from added record keeping and timely filing mandates.

Conventional farming requires a high investment of capital. Farms in the Cornell Cooperative Extension Dairy Farm Business Summary Program have an average capital investment of over $6,000 per dairy cow in land and buildings, equipment and livestock. Farmers utilize borrowed capital to operate and expand their business. All aspects of financial management from record keeping to operating business decisions and expansion require high financial management skills. Not all farmers are able to receive the level of financial servicing that they need in the county since there has been a decline in financial institutions serving agriculture.

As farms increase in size and productive units, the number of family members involved often increases as well as the need for non-family labor. Many farm manages find them selves in need of "people management" skills as well as being primarily a physical producer of food. In most cases people management skills are a learning process for farmers transitioning from owner-operator to owner-manager.

There has been a dramatic shift in public policy in the dairy industry in the past decade. No longer does the government dictate minimum milk prices through price support programs. Now the marketplace is the principal mover of milk and dairy prices. This has resulted in much greater volatility and swings in milk prices than historically experienced. Moreover, the value of the farmer's milk is no longer simply a volume question. Milk is now increasingly priced on the amount of protein it contains, the butterfat content, and the somatic cell content (quality) as well as volume.

The legal demands on farm businesses today have become even more cumbersome and challenging than in years past. Farmers now face more complicated business ownership arrangements involving partnerships, share-lease arrangements, corporations, trusts etc. Transferring the business to family members or new owners is more complicated. At the same time the challenges of food safety, non-farmer complaints, environmental laws, labor issues among others threaten the future of many farm businesses. As the average age of farm owners and operators increases there is an increasing concern that local farms may not be able to continue as farm operations. Retiring farmers need to be able to sell at the farm's value, while new farmers need to be able to obtain and manage a large capital debt. This dilemma often forces farm acreage to be parceled out for recreational and nonagricultural uses.

Producers operate their individual farms in a broader world where many factors are beyond the control of influence of one individual. Economic, political, and social forces of change are continually acting on the individual farm. Allegany County is not alone when facing many of these external challenges.

Farms require a good system of roads and bridges on which to transport feed and supplies, but to also ship the large volumes of product to market, particularly in the dairy industry. Large farm equipment can contribute to the high cost of highway maintenance and bridge repair. Farmers may need to better understand the negative affects that over-loaded farm traffic may have on local roads and bridges as well as the cost in tax dollars.

Farmers continue to carry a large portion of the property tax burden while, as previously noted, requiring only a small portion of dollar services for each dollar generated. This holds true even with exempt taxes related to Agricultural Value Assessments and construction some new farm buildings.

3.5 Conclusions:

Agriculture has experienced many years of technological advancements. Today's advancements are occurring at an accelerated rate with the development of genetically altered crops and livestock, satellite guided "precision farming" technologies, irradiated foods, and powerful new communications systems. Opportunities for the future are numerous, but so are the risks. Producers will need to assess the positive and negative reactions of consumers to the unknown and the significant potential to affect profit.

Through education, landowners can focus both on identifying their natural resource base and how to best utilize these resources to the full potential. This will result in the development of management practices for agricultural enterprises to be used by farmers, foresters, and rural landowners. These management practices will afford the opportunity to maintain and grow enterprises suited to their land resources and management level; a foundation on which to build sustainable communities.

Recommendations

4.1 Reaffirm Importance of Agriculture and Its Attributes in Allegany County.

The future of Allegany County's agriculture and farmlands depends upon improving the profitability and competitiveness of the agricultural sector and providing needed safeguards and supports for agriculture. Agriculture should be recognized as consisting of much more than just the farm production sector. It also includes a vast array of farm input and service providers to farmers as well as the processing and marketing of farm produce. It is important to reaffirm public commitment to enhance opportunities for the growth and development of agriculture and agribusinesses and the preservation and protection of viable farmlands in Allegany County.

The adoption of the Allegany County Agricultural Development and Farmland Enhancement Plan will serve as a blueprint to be used in retaining farmland and building an economically strong local agricultural industry for future generations. Acceptance of this plan by the Allegany County Legislature is vital to securing future state funding for the implementation of recommended actions to preserve Allegany County farmland. In addition, continued legislative and community support is needed for inclusion of currently non-agricultural district farmlands into agricultural districts. Producers need to be encouraged to take advantage of new rules allowing the inclusion of farmland into an agricultural district once each calendar year.

Continue support of the New York State and Allegany County "Right to Farm" laws. "Right to Farm Laws" should be passed by each town or village and correspond with the existing County "Right to Farm Law". This would show the farm community that there is a general support for agriculture throughout the non-farm community. It is also essential to continue to lobby and support state-level efforts that will benefit local farmers through reductions in Workers Compensation Insurance fees, support for agricultural research and promotion, and reduction of property tax burdens. The Farm Bureau of Allegany County is one of the organizations that support these types of efforts. County legislators and our local state legislators need to also be involved since much of the need for lobbying and support is at the state level.

4.2 Help Producers Stay In Business and Be More Profitable

Sound agricultural and farmland protection strategies are built on the premise that farms must be profitable and competitive with those in other areas. County and local governments can strengthen the direct support they provide to agriculture. It is in the public interest for land grant universities to conduct research and educational programs for the agricultural industry and to extend that knowledge to the agricultural community.

- Increase the understanding and use of new technologies in crop production, animal production, business management and communications by dairy, livestock, and crop producers.
- Increase human resource management skills by farm operators in carrying out farm personnel management practices.
- Increase herd production and management skills in farm employees through pre- and post- hiring training programs so that the farm production sector has a skilled labor force.

Cornell University through its State School of Agriculture and a variety of programs associated with the school provide many learning opportunities for the farm community, including services from Cornell Cooperative Extension in Allegany County.

- **Education Opportunities:**
  - Increase the understanding and knowledge of agricultural production, economics and application to enterprise management in the farm business.
  - Encourage producer participation in the Lead New York program as a means to develop future agricultural oriented community and business leaders.
  - Provide opportunities for high school students to explore careers in the field of agriculture.
  - Support existing vocational agricultural training programs in schools such as the ones in Fillmore, Cuba-Rushford and Wellsville and encourage other school to offer agricultural training where there is viable agricultural land and a strong farm community.

- **Farm Management:**
  - Increase the use of whole farm business analysis, financial management, and visioning in farm business management decision making.
  - Increase the use of more formalized management functions for planning, organizing, directing, and controlling the farm business.

- **Financing Mechanisms & Sources of Capital:**
  - Assist farmers in developing capital investment, expansion and business transition strategic plans.
  - Identify sources of capital. New farm operations specifically need access to capital. Legislation was signed into being October 7, 1999, creating the New York State Agricultural Economic Development Program. Part of this program is the development of financing mechanisms for the establishment, retention, diversification and expansion of new and existing value added products.
  - Develop a better understanding by local lending sources of the agricultural sector needs and requirements of borrowed capital.
  - Encourage a dialog for the development of farm real estate sales by land contract including a system similar to the loan guarantees that are offered through FSA.

- Assure that there are adequate financial institutions for the farming and agribusiness industries in the county and that they appropriately serve the agriculture industry. Lending institutions must be given incentives to make capital available to the agricultural community.
- Assist producers by providing opportunities to learn financial planning and fulfilling the requirements of lending institutions which will help assure financial assistance.

Sharing of Knowledge:

- Encourage and assist producers to network and learn from one another through sharing their technical and management experience and knowledge such as the "Farmer to Farmer Learning" projects promoted through Cornell Cooperative Extension.
- Encourage agribusiness professionals and consultants to work as teams in their efforts to assist farm producers.

Value-added processing:

- Adding value to farm and forest products before they leave the County is also a method increasingly being used by farmers and others to increase profitability. With proper marketing and exploitation of access to the nearby urban markets, this could offer farmers a means of becoming "price-makers" rather than "price-takers."

- The development of a buy local program, which brings together multiple agricultural/natural resource enterprises and ties them together with tourism, will create an environment to build a network within the county to enhance all aspects of the County's economy.

Agricultural Market Development Initiative:

- An Agricultural Market Development Initiative should be developed in Allegany County in an effort to market more farm products and develop the skills needed within the farm community. The Agricultural Marketing Development should include, but not be limited to: Development of new markets, both within and outside the County, Allegany County's farm products; providing training to farmers and agri-businesses in marketing practices; identifying opportunities for adding value to existing farm products before they are sold; and disseminating information on market opportunities; promoting sales of existing Allegany County farm products.

- There is a need to work with surrounding counties in the promotion of Allegany County's major farm products. Regional branding should be linked with quality to establish a marketable advantage.

This type of promotion should also be extended to milk by helping to promote New York State cheeses and, specifically, those cheeses produced in Allegany County. Promotion

of them is a means of selling all of Allegany County's agricultural products. The milk supply continues to grow (despite loss of individual farms) and can only be sustained by increasing demand through these types of efforts. This should be a central focus of the county's Market Development Initiative.

Growing the agricultural economy demands a core of support businesses. Farmers need competitive outlets for products as well as the purchase of inputs. There are also opportunities for selected agri-businesses now largely missing in the County that are needed to fill particular demands. Agri-business recruitment should be a priority of the Agricultural and Farmland Protection Board. This might include advertisements targeted at needed industry sectors, requests to universities to assign student interns to explore new agricultural processing ideas (where adequate supplies of raw product exist) or holding an "Agri-business Fair" for interested processors where they would be introduced to the supply, the community and economic development assistance they could expect from Allegany County.

Allegany County's agricultural industry needs to continue to both diversify and develop niche initiatives. There are opportunities in various new products that can be produced on-farm or in cooperation with other organizations. On-farm dairy processing of artisan cheese and yogurt is a viable option for small to medium sized dairies. Organic dairying has distinct possibilities and is already being pursued. Agricultural tourism also offers potential. Other farmers can specialize in raising newborn calves and heifers, growing forages, renting out pasture, custom harvesting and similar ventures. Corn silage and total mixed ration (TMR) sales to smaller farmers offer profit potential for larger operations. Niche marketing is essential for smaller farmers to achieve profit margins needed to survive at their reduced scales of operation, even though the niches may have to be changed from time to time.

Strategic alliances between small and large farmers and grain and dairy farmers also need to be furthered. Grain farmers need to be encouraged to grow crops for dairy farms as part of their rotation program.

4.3 Help Producers Meet the Environmental Challenges

Environmental concerns increase regulations on the farm producer. Regardless of whether the operation is contributing to a pollution problem or not, farmers will increasingly be required to adopt preventive practices. Some of these mandates may require considerable capital outlays and changes in operating practices. Some could even force farmers to move their farmsteads or go out of business. Educational, technical, and financial assistance are needed to meet these challenges.

- **Raising Awareness Through Education:**
  - Provide education to livestock producers to raise their awareness of New York State's Agricultural Environmental Management (AEM) Initiative

and the federal Concentrated Animal Feeding Operations (CAFO) Regulations.

- Assist producers in meeting other initiatives of the AEM effort. Farm organizations such as the Farm Service Agency (FSA) and Natural Resource Conservation Service (NRCS) along with Cooperative Extension need to lead in this area. Assessments of risk in the legal and health context need to be emphasized.

- **Technical Assistance:**
  - Provide technical assistance to dairy and livestock producers in development of farm nutrient management plans, barnyard runoff control, milk house wastewater disposal, silage leachate control, and manure storage to meet CAFO regulations.

- **Financial Assistance:**
  - Continue to assist producers in obtaining grants and financial assistance to meet CAFO regulations. Seek Environmental Quality Incentive Program (EQIP) grants for Allegany County to assist dairy and livestock farms in meeting environmental challenges.

4.4 Help Enhance Infrastructure and Support for Agriculture in Allegany County

A vital county infrastructure is needed to supply farms with needed inputs for production and business operations and to transport produce to processing and marketing channels. Farmers should benefit more equitably from the real property taxes they pay. Generally farms receive less in services than they pay in taxes since the nature of their business involves considerable real property and the payment for many services is based upon real property taxes.

- **Infrastructure:**
  - Maintain roads and bridges. At the local level of influence, the town and county maintenance of roads and bridges affects farming activities. It is important to have roads and bridges of sufficient widths, weight carrying capacity, and finished surface that provide adequate access to farmsteads and fields. There are several types of infrastructure required to serve agriculture.
  - Enhance transportation systems to facilitate market access, support to individual agriculture sectors such as processing, storage and distribution facilities, and waste management systems to deal with environmental constraints.

- **Property Taxes:**
  - Reduce property taxes on farm property. Farming involves large acreage and amounts of real property. Some of the burden of real property taxes have been eased by the New York Farmer's School Tax Credit, new farm

buildings exemption, silo exemption, and the Agricultural Value Assessment program. Ownership of farmland does not mean great wealth, income or ability to pay taxes. Thus, control of the real property taxes and the shifting of the tax burden to income tax or other more equitable means of raising revenues must be pursued.

- Encourage and provide for continuing educations of real property assessors on agricultural assessment valuations. New York State, which regulates all NYS assessors, has a required continuing education program that includes a farm appraisal and valuation component along with a component on property tax exemption administration. The farm community must exercise its right to these real property tax exemptions by applying for them.

Funding for Agricultural Service Providers:

- Assure adequate funding for Allegany County Cornell Cooperative Extension and the Soil and Water Conservation District, whose services are provided to agricultural producers. In order to assure dissemination of researched based education and facilitate conservation programs in the County, it is essential to maintain funding for agricultural service providers.

4.5 Education of the General Public and Decision Makers Regarding Agriculture

It is imperative to raise awareness and understanding of the importance of the agriculture industry (including horticulture and forestry) to Allegany's local economy including our quality of life, and our future sustainability. Residents and the business community need to understand why the community should continue to support and invest in agriculture. Prosperity generated in agri-business spreads to the wider community. When a manufacturing firm is in trouble or considers relocating, the resources of the entire community are pulled together to help retain that business. Agriculture's numerous producers are scattered about the county, often their needs are less visible, and their losses and changes occur more quietly. Efforts to retain and support similar to those devoted to manufacturing should be applied to agriculture.

Conflict Resolution:

- The issues of farm odors and farm noise have existed since people decided to expand non-farm activities, such as residential housing throughout the countryside. A recent increase in residential development in agricultural areas has added to the frequency of complaints. Improved relations and understanding between farm and non-farm people need to be addressed as a means to resolving conflict before they become serious and litigation is required.
- Education of the non-farm community by way of press releases about farming in general is another way to help ease any tension that might develop. Making the farmer aware of practices that might cause a dispute

might help. The realtors in the county should be a partner in the education process.

- **Educational Tours:**
  - Encourage educational tours for schools and children to improve understanding of the dairy and livestock food production sector. Strengthen agricultural vocational education programs and Ag-In-The-Classroom programs. School administrators and teachers must present agriculture in a very positive light and support vocational programs.
  - Host farm tours for non-farm people to gain a better understanding of the realities of modern dairy and livestock farming activities. Events must be coupled with the concerns for farm biosecurity and participant health safety designed into the planning.

- **Buying Local:**
  - Encourage consumers to 'buy local' produce and products from our farms and from farmers at roadside markets or in stores. Purchase of dairy and meat products that are produced from Allegany milk and livestock enhances the market for these farm goods.
  - The Farm Fresh Guide for Allegany County should be expanded and promoted so everyone knows what they are buying.

- **Raising Awareness Through Education:**
  - Residents should be provided opportunities to see first-hand how the agricultural industry conducts business, what products are produced within the county, and the challenges the industry faces in production and marketing.
  - There should be a coalition of farmers that act as facilitators to keep our legislators and local government officials up to date on issues.

- **Allegany County Fair:**
  - The Allegany County Fair is another way to educate about agriculture. It has been held every year since 1844. This is a cooperative effort by many organizations in the county. Children from many parts of the county have their first close encounter with farm animals at the county fair and they get to see what it takes to care for those animals.
  - The general public enjoys displays by various farm organizations and product competitions. It makes them ever mindful of the rural nature of our county.

- **Forestry:**

  Landowners, the general public and political leaders need to know the benefits of forestland and long term forest management. This can be done by forestry organizations such as the Master Forest Owners and the New York Forest Owners Association. Cooperative Extension plays an important role in the education process. It should be adequately funded to carry out this function.

There is no doubt that forest is the main land use in Allegany County. Over 65% of the county is forested. Some of this forest is owned by New York State for multiple-use. Some is owned by farmers as part of their agri-business. Some is owned by forest product or oil and gas companies for commercial use. However, looking at the tax rolls, the majority of land, and forestland, in the county is owned by individuals, presumable for recreation. Many parcels are owned as hunting or multi-seasonal camps. Management for wildlife or forest products is often incidental to simply owning a piece of "open space". Recreation can be a desirable land-use, especially since part-time recreational landowners demand little in the way of county services. But, too much of a good thing can ruin it. Fragmentation can make active forest/wildlife management unprofitable. Too many landowners can eventually convert a rural into an urban or sub-urban setting. Eventually services have to catch up to high population density – especially when well and septic systems need to be upgraded to municipal water and sewer systems.

Therefore, in order to preserve the open space character of Allegany County, we should work towards keeping the number of recreation camps at a reasonable level. Too much sub-division will negatively impact the quality of life in the entire county. To mesh with our Forest District Proposal and to keep the rural nature of the county intact, we recommend a minimum parcel size of ten (10) acres. Forest and wildlife management can be done on that sized parcel, and water and sewage problems can be avoided by municipalities.

4.6 Enhance the Farm Inputs, Processing, Marketing and Agribusiness Sectors

Agricultural economic development efforts should be strengthened and included with other county economic development plans. Dairy farms might require other types of income to make the farm viable.

- **Opportunities for Value-Added Products:**
  - Support the opportunities for cheese; dairy manufacturing and other value added processing and marketing facilities in the county.
  - Explore alternative agriculture ventures for dairy and livestock producers wishing to exit or expand their farming business. This could include specialized mini manufacturing plants.

- **Promotion and Marketing:**
  - Assist in agricultural promotion and marketing.
  - Expand agritourism business opportunities and networking.
  - Marketing assistance should come from local government, county government, the various agriculture organizations, agribusiness, and other businesses (their best interest is to promote all kinds of business), state and national grant monies.

- **Farm Woodlot and Woodlands Enhancement:**
  - Enhance the on-farm management of forest woodlands to improve this additional source of revenue for dairy and livestock producers.
  - Promote best marketing strategies which will provide maximum returns over a long period of time.
  - Help woodland owners realize the true long term value of their woodlands.

- **Agritourism Opportunities:**

  Professional marketing is needed to package these attractions with local bed & breakfast offerings, visits to farm markets, farm tours and the like. One of the most important assets in this regard is the fact most farms are family operations. Family history is a great marketing device of much interest to visitors who like to take home products they can tell others they purchased at a family-owned farm. Professional marketers, therefore, are required to sell the tours at both ends - to visitors and to the businesses that could benefit from their visits. Visitors want to not only buy farm products but also to see how they're made and know who's making them. They want to know the family and associate with those individuals.

  The County needs more activities for youth to complement the adult attractions and create a family tourism image for the area. These might include corn mazes, equine activities, pond or fee-fishing and farm visits. Other farm-related tourism could include tours of a modern high-tech farm. There is great interest in how working dairy farms, for example, operate today.

  The Agricultural and Farmland Protection Board should provide the initial leadership in developing and expanded agricultural tourism program by assembling a task force of representatives from the farm community, Chamber of Commerce and local lodging places to identify the best opportunities and the measures needed to stimulate interest by providers. From this a conceptual plan for promotion purposes can be developed. Providers can then be solicited and an advertising campaign launched. This is the type of program Allegany County needs and the Chamber has already established the foundation.

4.7 Land Use Planning

Long term planning of land uses should incorporate industrial growth while maintaining the beauty of the surrounding landscapes. Agricultural entrepreneurial efforts should be considered a viable economic strength in the region. Sustainable small scale farming operations throughout the county would benefit the local economy, keeping lands in production agriculture, and providing open spaces. This effort should begin with the implementation of the Farmland Protection Plan for the county.

- **Comprehensive Planning and Zoning**
  - The county has a wealth of natural resources to develop and support both industry and agricultural enterprises. The lack of comprehensive planning and zoning has created a hap-hazardous approach to development.
  - Stronger leadership development within local municipalities along with support from county agencies is needed to promote smart growth and environmentally sound land uses. A disconnect between agricultural leaders and industry leaders compounds the planning issues.
  - Collaboration is needed between agencies to address training for skilled positions thereby establishing a labor force to meet the demands of existing businesses (industrial & agricultural) and provide a strong workforce for the future.

  Existing infrastructure must be improved to meet changing demands and the development of new infrastructure (water, wastewater, natural gas, electricity, telecommunications, technology, access roads, etc.) to support business retention and expansion. This will require planning and prioritization of infrastructure development in order to provide adequate public facilities required for growth.

- **Land Preservation/Conservation:**
  - Educate communities about various land uses and related mechanisms available to direct development away from important dairy farmland to areas more appropriate for such use. The Allegany County Planning Department together with the Cooperative Extension would spearhead this type of education in the County.

- **Wildlife Enhancement/Land Management:**

  Section 480(a) of the Real Property Law provides a measure of relief for participating landowners. This program should be promoted because of the tax savings to individual landowners. There are however strings attached in terms of management which landowners must be educated about. Wildlife enhancement and land management by private land owners in essential to maintaining the "quality of life" within our county. Currently 50 contiguous acres are required to be eligible for this program; a reduction in the acreage requirement would still meet management goals. State lobbying efforts should be pursued to expand opportunity for participation by landowners with fewer acres.

- **Development of Allegany County Open Space Policy:**

  The preservation of prime, active agricultural land is encouraged for its environmental attributes, along with the importance of prime farmland with respect to the continued viability of the rural economy and of rural lifestyles. The maintenance of scenic resources, including working landscapes, is promoted. These working landscapes are defined as actively maintained agricultural and/or forest lands that typically involve relatively large, contiguous acreages. The maintenance and enhancement of aesthetic quality along scenic routes is promoted. The "Dairy of Distinction" program is specifically cited as an example

of how to implement this policy. Natural resources, including agricultural lands, forests, clean water and open space are recognized as significant economic resources.

The value of the County forest system in terms of fiber production, wildlife, recreation, environmental education, watershed protection and other natural resource values is recognized. Wildlife is recognized as an extremely valuable resource whose conservation and management is the shared responsibility of both government and private individuals. It is further noted that the key is conservation of habitat.

- **Deregulation Initiative**

There has been increasing emphasis from the Federal level in letting private markets direct the future of agriculture. While some of this legislation has resulted in wide price fluctuations that have been detrimental to the industry, there can be no doubt that Federal policy will continue in this general direction. Allegany County, like others will have to adapt. However, it should use this opportunity to press for further deregulation so as to allow the development of a true market-based agricultural economy.

New York State Department of Agriculture and Markets and Federal Order rules governing the operation of on-farm and other small-scale milk processing facilities also need to be streamlined. The present rules have caused some on-farm processors to give up milk bottling because they require excess milk to be sold to a cooperative. State cheese processors suffer similar problems from Federal Order requirements to give up 20% of their supply to fluid milk processors during certain periods when the supply is low. Lifting of these requirements would allow a true private market to develop where farmers would get paid higher prices during those periods and adjust production accordingly in response to the incentive, thereby eliminating the problem and the need for any regulation. The Agricultural and Farmland Protection Board should press the Department to examine this possibility.

Time periods for complying with federal regulations regarding Concentrated Animal Feeding Operations (CAFO's) needs to be extended and additional funding is required to design and install the necessary farm improvements. More equitable distribution of funds from USDA's Environmental Quality Incentive Program (EQIP) is essential. Funds should be made available to farmers, not just those with farms located in priority watersheds. EQIP requires greater Federal funding and priorities for the Northeast should include erosion control, nutrient management, and rotational grazing. The planning assistance through Cornell University and the Soil and Water Conservation District needs strengthening by allocation of additional resources to this task. The Agricultural and Farmland Protection Board should work with Farm Bureau to encourage the appropriate changes in these funding formulas.

Overall, the government role in revitalizing agriculture should be restrained to education, research, promoting some financial and tax incentives and start-up assistance with new enterprises. The private sector has to carry the major part of the burden. Indeed, government's most import role may be to stay out of the way, once things are going. The various recommendations contained herein are oriented in this direction. Proposed governmental roles are largely transitional or educational in nature with some additional attention to agricultural economic development incentives.

4.8 Formation of "Forest District" Category of Land Taxation

Property taxes are very detrimental to the forest resource. Some of the problems threatening the forest land base originate at the state and federal level. The problems of inheritance taxes, high cost of liability insurance (tort reform) and unfunded mandates cannot be solved at the local level.

Implementing a forest district taxation system will help at the local level. We understand the financial crises facing our taxing jurisdictions. We need to get away from the common experience of Allegany County landowners who compare New York Land taxation to others states' and are astonished at how high New York State land taxes are, and how few services the land/landowner gets for their taxes.

A forest landowner may own his land for ten years or more before he is able to receive income from the land. Yet he must pay the property tax every year. The tax must also still be paid even if something occurs which diminishes the landowner's ability to pay. One way the landowner has of defraying the cost of the property tax is to let others use his land for hunting or recreation for a fee. Often the exorbitant cost of liability insurance prohibits the landowner from doing so.

The majority of landowners harvest their timber before it reaches its economic maturity. This is done out of necessity, ignorance, or a desire to get a little money now instead of a lot more money later. There is a rapid turnover of forestland, especially those parcels owned by the absentee landowner. The average length of ownership for a forestland parcel is only seven years. The seller of forestland will not get any more for his land if it has timber on it, than he would if the timber has been cut. Therefore, the seller usually cuts any timber on the parcel before he sells it. If not, the new owner will usually sell it in order to get back some of his investment at the time of purchase.

County policies should encourage long-term ownership of parcels ten acres or more. If meaningful; economically viable, long-term forest ownership is to be maintained in the county a better land taxation system needs to be developed.

4.9 No Net Increase of Taxation on Forest Lands

Develop financial incentives/tax policies that permit economically viable, long-term landownership. We recommend that forest products and wildlife be included for Agricultural District purposes. A special Forest District category should be created for qualifying forestlands and as much land as possible should be enrolled in these county Forest Districts.

When a landowner has ten or more acres of forest land capable of growing a forest or wildlife crop, taxation should be based on a fair appraisal of that land's productivity and ability to pay for its own upkeep.

Education, corporate assistance, professional help, and group buy-in all have their role to play in fostering sound conservation on county land. In their open-space preservation plans, other counties have stressed public outreach, education, lobbying, promotion and marketing and group efforts.

4.10 Generation Development

Even more important is the attraction of additional secondary processors of agricultural and forestry products who will provide markets for local farm and forest products. Processing, storage and distribution infrastructure is needed to support the cheese, grain and meat industries in the County. The County has long produced cheeses. Pasteurization and processing infrastructure is also needed for some of the smaller Amish farms and goat farms interested in doing specialty cheeses. Waste management infrastructure and planning will become ever more important as the size of Allegany County's farms increases. Larger farms require either more acreage for manure disposal or new methods of management that reduce their acreage requirements per cow.

Perhaps the most critical challenge is maintaining a vibrant agricultural economy is producing a next generation of farmers and farm workers, to take over the operation of the industry and maintain the critical mass of agricultural activity needed to attract and retain support businesses. Allegany County has a great deal of vacant farmland that could be put back into production. Farmers have found it extraordinarily difficult to attract and retain farm workers. The work is sometimes unappealing, the hours can be long and benefits have typically been limited or not available. Those Allegany farmers who have taken the time to learn labor management skills have invested in their workforce and have had little difficulty keeping good help.

Success in farming often demands either enlarging and/or modernizing to achieve economies of scale and other efficiencies or specialization in particular types of agriculture to improve margins and/or cut costs. Adding cows, switching to rotational grazing, developing niche products and specializing in heifer growing are all viable strategies depending on the needs and capacities of individual farmers.

The best strategy for some, however, may well be to leave farming and pursue different opportunities. The County Agricultural and Farmland Protection Board should recognize these realities by co-sponsoring financial planning seminars aimed at this group of farmers emphasizing such things as how to dispose of debt, equipment and other assets. It should also work with the county's Workforce Development Board to develop job training programs for the farmers leaving the business who are still young enough to seek alternative employment. Even more important is working with employment services (public and private) to ensure that such farmers are aware of other job opportunities and that potential employers are likewise aware of the skilled labor pool available in the farm community. Ex-farmers make excellent employees for a multitude of businesses because they generally develop skills in a wide range of areas (mechanical, horticultural, animal science, etc.) These skills should be marketed by developing lists and conducting educational events.

Appendix 1

Appendix 2
LOCAL PROPERTY TAX
1996 – 2004

New York	2439	North Dakota	721
New Jersey	1591	Maryland	711
New Hampshire	1555	Montana	672
Connecticut	1500	Georgia	662
D.C.	1311	Michigan	617
Rhode Island	1233	California	612
Vermont	1212	Arizona	607
Maine	1190	Idaho	593
Massachusetts	1084	Washington	591
Illinois	1061	Nevada	573
Alaska	1046	South Carolina	553
Wisconsin	992	Utah	537
Nebraska	962	Missouri	518
Minnesota	915	North Carolina	517
Indiana	869	Hawaii	512
Texas	852	Delaware	467
Iowa	813	Mississippi	454
Florida	793	Tennessee	436
Wyoming	788	West Virginia	420
Oregon	787	Oklahoma	332
Kansas	784	Louisiana	324
Virginia	780	Arkansas	321
Colorado	770	Kentucky	286
Ohio	745	New Mexico	283
Pennsylvania	732	Alabama	210
South Dakota	729		

Kiplinger Washington Editors Inc.
Data was collected by the Tax Foundation
States ranked from high to low based on the amount of local property taxes per capita

Appendix 3

	1990 Tax Freedom Day	1995 Tax Freedom Day	2000 Tax Freedom Day	2004 Tax Freedom Day	Rank in 2004
U.S.	April 21	April 24	May 02	April 11	-
Alabama	April 12	April 13	April 20	April 01	49
Alaska	April 22	April 11	April 18	March 26	50
Arizona	April 23	April 26	April 30	April 09	22
Arkansas	April 13	April 17	April 24	April 04	39
California	April 19	April 23	May 08	April 13	10
Colorado	April 21	April 22	May 01	April 11	14
Connecticut	April 23	May 06	May 21	April 28	1
Delaware	April 14	April 18	April 25	April 05	33
Florida	April 17	April 24	May 01	April 08	25
Georgia	April 20	April 23	April 29	April 09	21
Hawaii	April 27	April 21	April 30	April 08	23
Idaho	April 17	April 20	April 26	April 05	35
Illinois	April 24	April 25	May 02	April 11	13
Indiana	April 18	April 20	April 25	April 07	28
Iowa	April 22	April 24	April 24	April 03	41
Kansas	April 21	April 22	April 28	April 06	30
Kentucky	April 16	April 20	April 23	April 05	36
Louisiana	April 14	April 11	April 23	April 02	44
Maine	April 19	April 26	May 07	April 15	6
Maryland	April 21	April 23	May 03	April 11	15
Massachusetts	April 20	April 27	May 10	April 18	4
Michigan	April 22	April 21	April 29	April 10	20
Minnesota	April 25	May 02	May 05	April 12	12
Mississippi	April 13	April 16	April 21	April 02	45
Missouri	April 15	April 19	April 24	April 04	40
Montana	April 19	April 20	April 24	April 04	37
Nebraska	April 20	April 24	April 27	April 05	34
Nevada	April 26	May 01	May 05	April 13	9
New Hampshire	April 16	April 21	April 29	April 07	27
New Jersey	April 27	May 02	May 12	April 19	3
New Mexico	April 19	April 19	April 30	April 10	18
New York	May 02	May 04	May 14	April 27	2
North Carolina	April 16	April 18	April 24	April 06	32
North Dakota	April 16	April 23	April 23	April 03	42
Ohio	April 16	April 20	April 26	April 10	17
Oklahoma	April 14	April 14	April 20	April 02	46
Oregon	April 24	April 22	April 26	April 06	31
Pennsylvania	April 16	April 21	April 27	April 06	29
Rhode Island	April 20	April 24	May 07	April 16	5
South Carolina	April 16	April 18	April 23	April 01	47
South Dakota	April 15	April 20	April 22	April 02	43
Tennessee	April 13	April 14	April 18	April 01	48
Texas	April 21	April 21	April 27	April 07	26
Utah	April 21	April 24	April 28	April 08	24
Vermont	April 24	April 27	May 04	April 10	16
Virginia	April 18	April 20	May 02	April 10	19
Washington	May 01	May 03	May 09	April 15	7
West Virginia	April 15	April 14	April 22	April 04	38
Wisconsin	April 26	April 30	May 05	April 13	11
Wyoming	April 26	April 27	May 10	April 14	8
District of Columbia	May 04	May 02	May 18	April 27	-

Appendix 4

Area of Timberland by Forest Type Groups (in Thousands of Acres)

White/ Red Pine	Spruce/ Fir	Oak/ Pine	Oak/ Hickory	Elm/Ash/ Red Maple	Northern Hardwood	Aspen/ Birch	All Groups
21.9	10.4	5.1	88.3	15.3	264.7	25.1	430.9

Source: Table 140 – Forest Statistics for New York: 1980 and 1993, USDA Forest Service

There is several forest types found in Allegany County. According to the Forest Service, there are three types with conifer elements. Although there is a small amount of native white pine, most of the trees in these types are species not native to the County. They have been planted on abandoned agricultural land for reforestation purposes. More than half of the conifer acreage occurs on state and county land in large plantations. The remaining conifer acreage is scattered throughout the County, mostly in small plantations. When harvested, the vast majority of these plantations will revert back to hardwoods.

The elm/ash/red maple and aspen/birch types also occur mostly on abandoned agricultural land. However, these are native species that seeded in naturally in a process called natural hardwood succession. This process is continuing as more marginal agricultural land continues to go out of production.

There is an oak/hickory type in the County. Oak is a fire-related species in western New York. There is a history of fire in any stand of trees that contains a high percentage of oak. Without fire, oak occurs as a minor component in a stand of trees. Oak stands are often found near old railroad beds and oil leases.

The predominate type of timber is the northern hardwood type. In its purest form, it consists of sugar maple, beech and yellow birch. Allegany County has an important sub type of the northern hardwood type not mentioned in the Forest Service Report. This is the Allegany hardwood type, which contains white ash.

The three highest valued species growing in the County are black cherry, sugar maple and red oak. The stumpage price (the value of uncut trees) of these three species has risen dramatically since 1990. A single large high quality red oak tree can now be worth over $400.00. A single large high quality sugar maple tree can be worth more than $600.00. A comparable black cherry can be worth $1,000.00 or more. It must be noted that less than 1% of the individual trees of these species presently have these values. It must also be noted that a large high quality beech tree is only worth about $550.00. However, these high priced examples do show that the County's forest resource has substantial economic value if it is properly managed.

Appendix 5
Approximate Values of a High Quality Tree by Species at Different Sizes

Species	9" DBH*	14" DBH	18" DBH
Black Cherry	$5.00	$112.00	$675.00
Sugar Maple	$5.00	$53.00	$315.00
Red Oak	$5.00	$45.00	$200.00
Beech	$5.00	$7.00	$35.00

*DBH means diameter at breast height (4 ½ feet above the ground)

Area by Stand-Size Class (in Thousands of Acres)

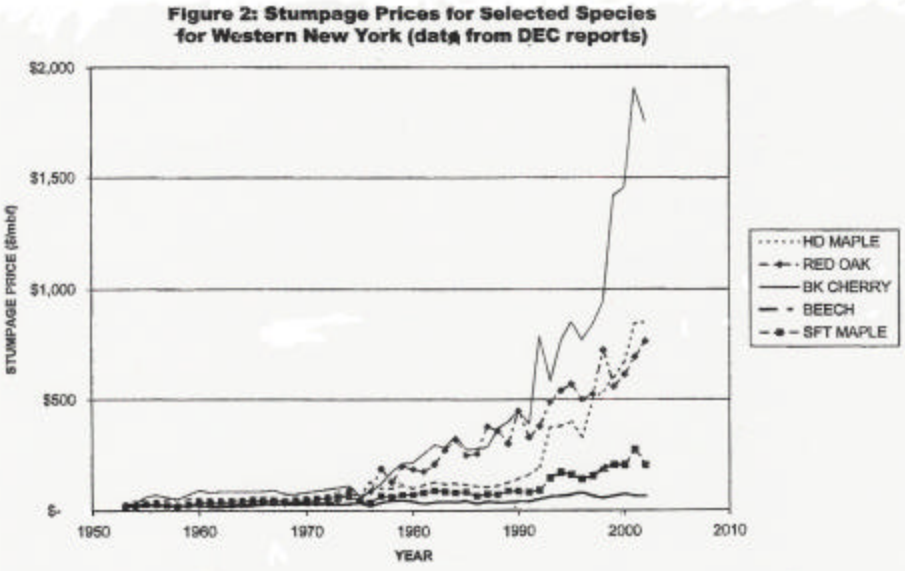
Sawtimber	Pole Timber	Sapling/Seedling	All Classes
175.6	173.6	81.8	430.9

*Source: Table 141 – Forest Statistics for New York: 1980 and 1993, USDA Forest Service

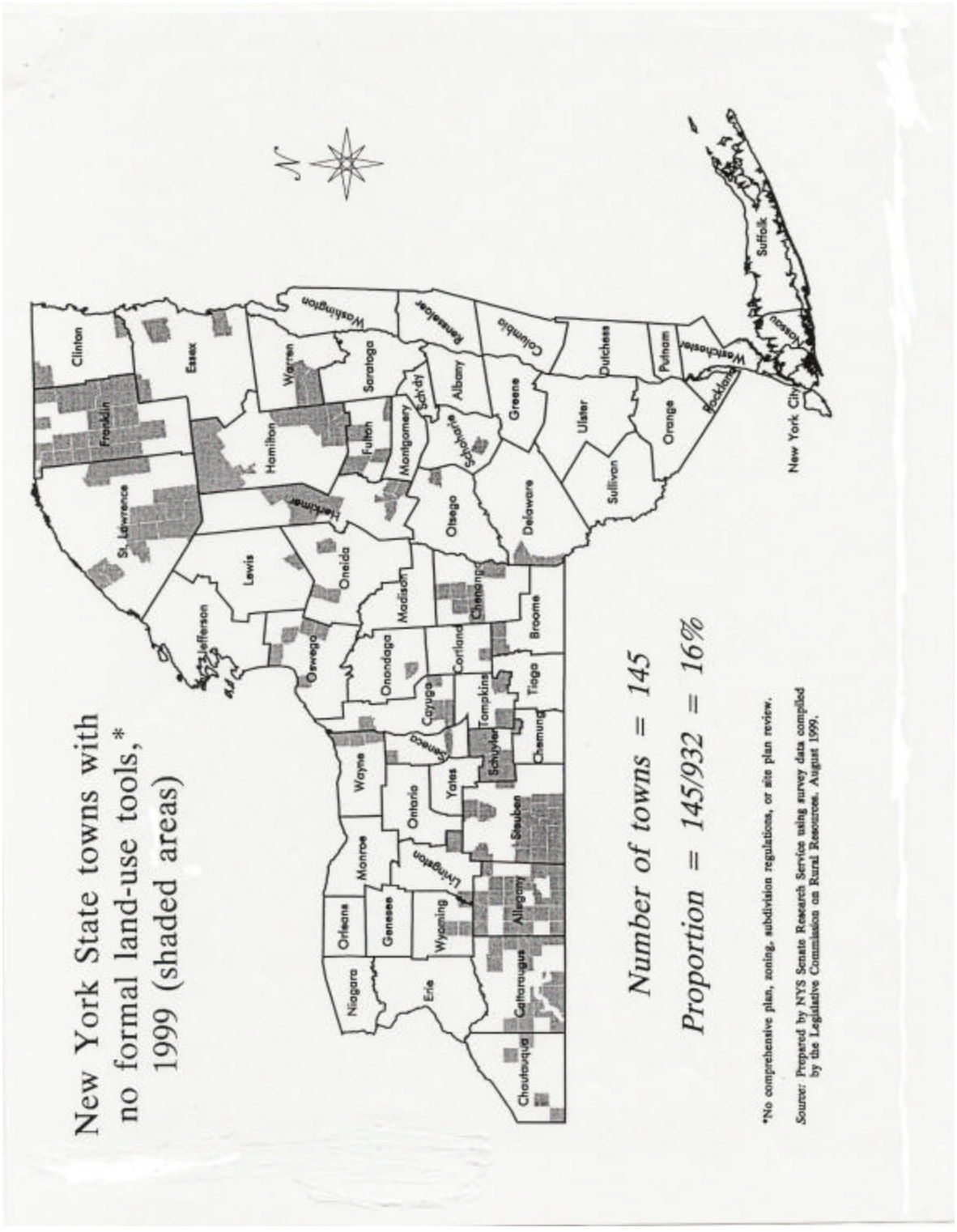
A Sawtimber tree in this report is a hardwood tree 11 inches or over in diameter measured 4 ½ feet above the ground (DBH). A softwood tree has to be 9 inches DBH or over to be a sawtimber tree. A pole is a tree that is 5 inches DBH or more but smaller than a sawtimber tree. Saplings and seedlings are smaller than a pole.

According to this report, the acreage of sawtimber and pole timber is almost equal. This indicates that there are enough younger trees to replace timber trees that are harvested, so the number of timber sized trees could be maintained for the next 50 years. With proper management, Allegany County's forests could provide an even flow of timber products for the forest industry for that time period. There will also be enough large trees continuously producing seed for wildlife food.

Appendix 6
Stumpage Prices for Selected Species
For Western New York (data from DEC reports)



Appendix 7


New York State towns with no formal land-use tools,* 1999 (shaded areas)
Number of towns = 145
Proportion = 145/932 = 16%
*No comprehensive plan, zoning, subdivision regulations, or site plan review.
Source: Prepared by NYS Senate Research Service using survey data compiled by the Legislative Commission on Rural Resources. August 1999.
Clinton
Essex
Franklin
Hamilton
Warren
Washington
Saratoga
Schenectady
Albany
Rensselaer
Columbia
Greene
Dutchess
Putnam
Westchester
Rockland
Ulster
Orange
Sullivan
New York City
Suffolk
Nassau
St. Lawrence
Lewis
Jefferson
Oswego
Herkimer
Oneida
Madison
Onondaga
Cayuga
Fulton
Montgomery
Schoharie
Otsego
Delaware
Chenango
Cortland
Broome
Tioga
Tompkins
Schuyler
Chemung
Seneca
Wayne
Yates
Steuben
Ontario
Livingston
Allegany
Monroe
Orleans
Genesee
Wyoming
Niagara
Erie
Cattaraugus
Chautauqua

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