

RANDOLPH COUNTY

Agriculture and Farmland Protection Plan

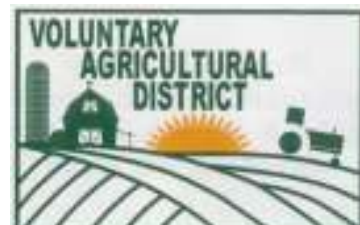
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In conjunction with the Randolph County Voluntary Agricultural Board and the
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Agricultural Development and Farmland Preservation Trust



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EXECUTIVE SUMMARY

Randolph County has more farms than any other county in North Carolina and is one of the state's top ten producers of broilers, beef cattle and dairy. In 2008, agriculture contributed \$535 million of value to the county's economy, which was 16 percent of the total value produced by businesses in the county.¹ Covering 70 percent of the land area, farms and forest also play an important role in defining the character of the county's rural areas. Unfortunately, Randolph County lost 82 farms and 9,388 acres of farmland between 2002 and 2007.²

County leaders and citizens are concerned that unchecked development could result in further losses and the deterioration of the county's rural character and values. However, landowners value their property rights and want to accommodate residential growth. They prefer to protect farms and forests without resorting to regulations. The Randolph County Voluntary Agricultural District Board created a vision of the future of agriculture in the county that includes four primary features:

- Widespread rural areas characterized by active farms and forests.
- Farms achieve and maintain long-term profitability and contribute to the local economy.
- Residents are aware of the scope of agriculture in the county and appreciate its contribution to their quality of life and well being.
- Agriculture is a respected and desirable occupation.

Key Findings

Economic forces external to the region are putting pressure on profit margins and development forces internal to the region are impacting land availability, prices and operating conditions. More specifically, the challenges to agriculture include:

- Loss of farmland.
- Conflicts with non-farming neighbors.
- Rising costs of farmland and equipment.

¹ Michael Walden. *County Agribusiness Values*. NC State University, Dept. of Agricultural and Resource Economics. 2008.

² U.S. Department of Agriculture, National Agricultural Statistics Service.

- Declining interest in farming as an occupation.
- Complexities of the Present-Use Value Tax program.

Despite these challenges agriculture in Randolph County is strong and has the potential to continue to be a major economic and land use presence. The geographic location and natural resources of the county are well suited for the production of many farm and forest products that are likely to be in great demand for the unforeseeable future.

Agricultural Protection and Support

Randolph County provides a significant amount of support for the agricultural community through the voluntary agricultural districts, Cooperative Extension, the Soil and Water Conservation District, career education and training at the high schools, and the policies and rules associated with the rural growth areas. Opportunities to further enhance the long-term viability of agriculture include:

- Increasing participation in land protection and agricultural support programs.
- Promoting the public's awareness and appreciation of agriculture.
- Expanding youth education programs in the county's schools.

Recommendations

This plan has been developed to serve as a guide for government, industry and community leaders in their efforts to preserve Randolph County's farms and forests and enhance the viability of the agricultural industry. The county and community leaders should work together and follow five strategies that were designed to achieve the vision and to be compatible with the 2009 Growth Management Plan.

- Enhance efforts to protect farmland and forests.
- Expand business develop assistance to farmers.
- Promote agricultural awareness and appreciation.
- Expand agricultural education programs for youth.
- Improve communication and networking within the agricultural community.

The Voluntary Agricultural District Board serves as a link between Randolph County government and the agricultural community and will assume the primary responsibility for implementing and updating this plan.

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INTRODUCTION

Agriculture is many things to Randolph County: farms, forests, business, family income, rural character, and affordable food. Farmers and other residents can take pride in the fact that Randolph County has more farms than any other county in North Carolina and that it is one of the state's top ten producers of broilers, beef cattle and dairy. There are also a growing number of small farms raising fruits, vegetables and specialty products for sale at local markets. Timber from the county's vast forests are used to manufacture furniture, construction lumber and other quality products.

Covering 70 percent of the land area, farms and forest also play an important role in defining the character of the county's rural areas. Fields and pastures enhance open space and scenic beauty while barns and silos mark the heritage of farming communities. Because forests are renewable, they serve multiple landscape, ecological, recreation, and economic purposes from harvest to harvest. Farmland and forests provide many ecological benefits to the public, such as storm water retention and filtration, carbon sequestration, air purification, and wildlife habitat. Producers continue to reduce their environmental impacts by implementing best management practices (BMPs) to protect soil, water, and air resources.

Unfortunately, according to the 2007 Census of Agriculture,³ Randolph County lost 82 farms and 9,388 acres of farmland between 2002 and 2007. County leaders and citizens are concerned that unchecked development could result in further losses and the deterioration of the county's rural character and values. However, landowners value their property rights and want to accommodate residential growth. They prefer to protect farms and forests without resorting to regulations.

In addition to farm and timber production, agricultural industries include manufacturers, processors, wholesalers and retailers. In 2008, the industries created a combined \$535 million of value to Randolph County's economy, which was 16 percent of the total value produced by county businesses. Farm and timber activities contributed \$219 million, or seven percent, of the county's total economic value.⁴

³ U.S. Department of Agriculture, National Agricultural Statistics Service.

⁴ Michael Walden. *County Agribusiness Values*. NC State University, Dept. of Agricultural and Resource Economics. 2008.

METHODOLOGY

The design of this plan was specified to meet the requirements of the North Carolina Agricultural Development and Farmland Preservation Enabling Act.⁵ The statute states that an approved countywide farmland protection plan must contain the following elements:

1. A description of current agricultural activities and agricultural land in the county.
2. A list of existing challenges to continued family farming in the county.
3. A list of opportunities for maintaining or enhancing small, family-owned farms and the local agricultural economy.
4. A description of how the county plans to maintain a viable agricultural community.
5. A schedule for implementing the strategic plan that identifies possible funding sources for the long-term support of the plan.

At the onset of the planning process, the Randolph County Voluntary Agricultural District Board described the fundamental need for the plan, created a vision for the future of the agricultural community and identified key issues.

Need for the Plan

- Rural development patterns and loss of farmland.
- Food security.
- Farm families losing interest in farming; especially younger generations.

Vision

- Widespread rural areas characterized by active farms and forests.
- Farms achieve and maintain long-term profitability and contribute to the local economy.
- Residents are aware of the scope of agriculture in the county and appreciate its contribution to their quality of life and well being.
- Agriculture is a respected and desirable occupation.

⁵ N.C.G.S 106-744(e)

Key Issues

- Development pressure
- Conflicts with non-farm neighbors
- Farm profitability
- Increasing government and non-government regulation
- Competition for water
- Participation in the Present-Use Value tax program
- Farmer education and training
- Agricultural support agencies: funding and resources
- Agricultural events center: need and feasibility

The state of agriculture in Randolph County was assessed by researching and analyzing statistical data, literature, and local plans and programs; and through interviews and group discussions with local stakeholders, experts and community leaders. A survey was developed and completed by over 200 farmers, landowners, residents, and agricultural support professionals. Between January 31 and March 3, five public meetings were held around the county—New Market, Liberty, Farmer, Ramseur, Asheboro—with the participation of 318 farmers and forestland owners. Additional meetings were held with Cooperative Extension’s agricultural advisory committee, the Randolph County Water Task Force, and agriculture education teachers from Randolph County Schools. Twenty-eight individual interviews were conducted with farmers, landowners, government and agency staff, and business professionals.

Following the assessment the Voluntary Agricultural District Board identified and discussed the major findings. Goals, strategies and actions were then developed based on all the findings. The Voluntary Agricultural District Board reviewed the recommendations and set priorities for the strategies and actions.

SUMMARY OF FINDINGS

Agriculture in Randolph County is strong and has the potential to continue to be a major economic and land use presence. The geographic location and natural resources of the county are well suited for the production of many farm and forest products that are likely to be in great demand for the unforeseeable future. Local farmers have been successful because of their entrepreneurship and managerial skills; attributes that should continue as they are passed down to the next generation of farmers, and as the allure of farming attracts new farmers who bring new visions and problem solving skills.

Entrepreneurship and problem solving skills are necessary because there are increasing challenges in agriculture that threaten small and mid-size farms. Economic forces external to the region are putting pressure on profit margins and development forces internal to the region are impacting land availability, prices and operating conditions. Fortunately, current economic conditions offer profit-making opportunities for some farmers and development pressure has slowed as a result of the global recession.

Land use policies and regulations in Randolph County provide substantial protection to farmland even in the face of population growth. There are a substantial number of agricultural support agencies and organizations that operate in the county and region providing educational, technical, financial, and conservation programs and services. Government budget constraints will likely cause a reduction in the programs they offer, but farmers can help themselves by becoming more active as a community and utilizing private organizations. In fact, the greatest potential for enhancing agriculture and preserving farmland and forests rests within the agricultural community itself.

Urban Expansion

Rural residential development is often cited as the greatest threat to farmland. There are numerous factors that lead to the conversion of farmland to development uses, and often it is a farmer who makes the final decision. The impact of development on farmland is threefold.

- The most immediate and significant impact is the direct **loss of farmland**. Once the land has been subdivided and built on it is highly unlikely that it will be reclaimed during our civilization.

- With development comes rising land values and an indirect loss of farmland. When farmers retire without a farm successor, the escalated land values are an incentive to heirs to sell the land rather than lease it to a neighboring farmer. Although farming can be profitable, it typically cannot compete with relocating homebuyers. A family's lack of interest in **farming as an occupation** is probably more of a threat to farmland than development.
- The third impact brought about by urban expansion is more insidious. Agricultural activities generate noise, dust, odors, and other unpleasantities and public roads are used to move slow-moving equipment between fields and facilities. Newcomers are generally of an urban mindset, and although they are attracted to the openness of their surroundings, they are not prepared for the realities of rural living. The dichotomy between rural and urban mindsets can cause tension and **conflicts over land use** activities such as logging, manure spreading, and late night harvesting. Responding to complaints distracts farmers from their operations, adds stress to their already stressful occupations, and in general lowers their quality of life. In some instances conflicts lead to voluntary or involuntary changes to farm operations. Farmers, like most people, do not want to be in conflict with their neighbors even if they believe that they are in the right. Persistent conflict is likely a contributing factor in farm families' decision to stop farming and sell out.

Economic Conditions

The current situation and outlook for the various agricultural industries in the county are mixed. The prices of commodity crops, like corn and soybeans that are used as feed for livestock, have opposite effects on their growers and buyers. Growers in the county have been generally pleased with prices, although the rising revenues have been partially offset by increased production costs. The dairy, beef cattle and poultry producers all cited rising feed costs as a concern. In general, farmers in the county and elsewhere in North Carolina have complained in recent years about declining profits. Because they vary greatly across farm types and sizes, a comprehensive analysis of farm profits was beyond the scope of this study. However, summary figures and national reports support the claims about farm profitability.

- Prices for **corn, soybeans and other field crops** have been at historically high levels and are expected to remain high over the next ten years.⁶ Rising operating costs partially offset higher prices. Larger farms can achieve economies of scale and improve their profits but a lack of available rental land and the high cost of equipment are barriers to expansion.
- **Beef cattle** producers have also been experiencing rising prices and rising costs. Net returns were strong in 2010 but are expected to decline in 2011 before rising again in 2012.⁷ Aside from industry-wide conditions, local producers are mostly affected by droughts and land constraints. Healthy pastures and hay yields are critical to operations, both depend on adequate rainfall. Local producers indicated that net returns can be improved by making sales in lots of 50—the level needed to transport by tractor-trailer directly to the buyer—thereby eliminating transaction costs incurred at a sales barn. To achieve this level an operation needs approximately 300 acres to support a minimum herd size of 75 brood cows.
- **Poultry** producers in the county are experiencing a great deal of uncertainty. Broilers, layers and pullets are all raised on contract for integrators like Townsends and Allen's. Declines in exports and overall demand in 2009 coupled with high feed costs weakened integrators, forcing Townsends into bankruptcy and Allen's to be put up for sale. Still recovering from the loss of Pilgrim's Pride in 2008, producers are facing cutbacks in production in 2011, falling net returns, and uncertainty about the fate of Allen's.⁸ Among other concerns is the debt owed by farmers. Poultry houses cost between \$200,000 and \$300,000 to build and require periodic upgrades that can cost \$50,000. Many farms and farm families would be seriously impacted by a protracted or permanent contraction of production.
- Nationally, the **dairy** industry continues its structural changes that include an overall decline in cow numbers and small farms, increases in large farms and milk production per cow, and shifts to western states where a combination of number of factors result in lower production costs relative to other regions.⁹ Low milk prices over the past several years have added to the challenges of local dairies. Nominal milk prices are expected to increase

⁶ USDA, Office of the Chief Economist. *USDA Agricultural Projection to 2020*. February 2011.

⁷ *ibid.*

⁸ Townsends was purchased by a firm from Ukraine during the writing of this plan. They are working with all of Townsends' producers but at levels below capacity.

⁹ James J. Miller and Don P. Blayney. *Dairy Background*. USDA, Economic Research Service. July 2006.

over the next ten years but real prices—nominal prices adjusted for inflation—are expected to decline. Investments in facilities and herds will likely be needed to lower production costs per unit and realize net profits.¹⁰

- **Nursery, greenhouse and floriculture** sales have declined with the housing market. One local producer said that operations that can withstand the recession will come out lean and in good shape for the future. Another local producer said that the structure of the industry is shifting to larger operations and that small and mid-size operations will continue to decline.
- Farmers at the public meetings cited the **high fixed costs** of land and equipment as barriers to farm expansion, a strategy for addressing falling profits. Those same farmers, and agricultural support professionals who were interviewed, also said that high fixed costs make it difficult if not impossible for a young person to start a farm.
- **Forest products** are healthy from a landowner's perspective. Competition and hardwood exports are helping to maintain a high price level and there a substantial number of sawmills in the area, including two in Randolph County. That is in contrast to the eastern part of the state where the number of buyers are declining. There has been a noticeable increase in logging over the past five years indicating the maturity and desirability of local inventories. Logging is not healthy from an operator's standpoint. The business is capital intensive and yields marginal profits. There have not been any new entrants into the logging business recently, but when the number eventually declines the law of supply and demand should bring better prices attracting the next generation of loggers.

Other Findings

- Farmers are concerned about new and potential **regulations**, particularly related to food safety and water use. Similarly, limitations on burning have reduced landowners ability to use prescribed burns as a forest management tool.
- **Present-Use Value Taxation** is arguably the most valuable program for small and mid-size farms. It is simple in concept but complex in application. Regardless of what county one is in, anecdotes and complaints are rarely in short supply when the subject of PUV arises.

¹⁰ USDA, Office of the Chief Economist. *USDA Agricultural Projection to 2020*. February 2011.

Most of the participants at the public meetings knew about the program and more than half of them were either enrolled in the program or had no comment. However, complaints were made at each meeting about how the program is implemented. Further investigation revealed that in many cases the issue centered on a lack of landowner knowledge about the program's requirements. Improvements could be made helping landowners prevent and solve qualification problems, and in assessing the qualification of unique situations.

- There are numerous opportunities for farmers and landowners to get land use and business **education and support**. Unfortunately many are unaware of them or elect not to participate. Disseminating information is difficult because the potential audience is large and widespread throughout the county, and because there is competition for their time and attention. Getting farmers and landowners to participate in programs can also be challenging because of the complex relationship between personal and financial objectives, which can be aggravated by economic forces.
- Participants in the public meetings were unequivocal in the value they placed on **agricultural support agencies** like Cooperative Extension and the Soil and Water Conservation District. However, the compliments were often accompanied by complaints that there are not enough agents. In other discussions—e.g. present-use value taxation—proposed solutions involved an expanded role for these agencies, especially in helping to coordinate and disseminate information. To make matters worse, state and local budget constraints will likely lead to a reduction in resources for these agencies.
- **Randolph County Schools** provide agricultural education programs at each of the five high schools and in three of the middle schools. Farmers, landowners and community leaders strongly believe that these programs need to be strengthened and that parents, advisors and teachers need to recognize the legitimacy and value of agriculture as an occupation. They also believe the elementary schools need to provide more opportunities for children to learn about farming and the production of the foods they eat.
- Prior to the start of this plan an ad hoc group of citizens began to explore the idea of building an **agricultural events center** in the county. The movement was subsequently put on hold because of disagreements over the scope of the center and a lack of funding needed to conduct a feasibility study. Participants in the public and group meetings were generally in favor of an events center designed especially for agriculture. Although most people realized that developing such a center is not currently feasible given the economic

state of the county, they thought it should be a long-term goal. When asked what the purpose of the center should be or how it would be used, the most common responses were as a place to hold education events and large meetings, and to house all of the agricultural support agencies that operate in the county. Another common statement was that it should be centrally located in the county. Although far from consensus, the majority thought the center should be owned and operated independently of the county. Others thought it should be operated as a partnership between a non-profit organization and the county. A few believed it should be fully owned and operated by the county.

AGRICULTURE IN RANDOLPH COUNTY

In 2007 there were 1,501 farms in the county, more than any other county in the state. Randolph County is one of North Carolina's leading producers, ranking in the top ten in many products; Table 1 provides a sample of those products. The county ranked first in broiler production,¹¹ which is the state's leading income activity. Randolph County ranked second in the production of beef cattle, dairy and goats.¹² Overall, the county ranked eighth in the value of livestock, poultry, and their products sold in 2007; and ninth in the total value of all agricultural products sold. This section contains an analysis of agricultural activities in the county as reported in the 1987, 1992, 1997, 2002, and 2007 Census of Agriculture.¹³

| Activity | No. of Farms | Production |
|-----------------|--------------|------------|
| Broilers | 3 | 1 |
| Beef Cattle | 1 | 2 |
| Dairy | 2 | 2 |
| Forage | 1 | 5 |
| Corn for silage | 4 | 6 |
| Goats | 1 | 2 |

Table 1. State Rank for Selected Products, 2007

Farms and Farmland: Status and Trends

Farmland represents 29 percent of the county's land base and totaled 147,316 acres in 2007, 14th most in the state. Figure 1 illustrates the allocation of farmland by land use type. Cropland is the predominant land type accounting for 43 percent of all farmland. Woodland and permanent pasture are the other two major land types, each representing approximately a quarter of all farmland. The remaining 9,866 acres are used for purposes such as roads, buildings, ponds, and other uses not classified as pasture, cropland or woodland. Farmland is not always used according to its type: in 2007, 13,761 acres of cropland and 11,344 acres of

¹¹ Number sold.

¹² Number sold, value of products sold and number sold, respectively.

¹³ U.S. Department of Agriculture, National Agricultural Statistics Service.

woodland were used as pasture or for grazing livestock. When measured by use, pasture accounted for 40 percent of all farmland while cropland and woodland accounted for 34 percent and 19 percent, respectively.

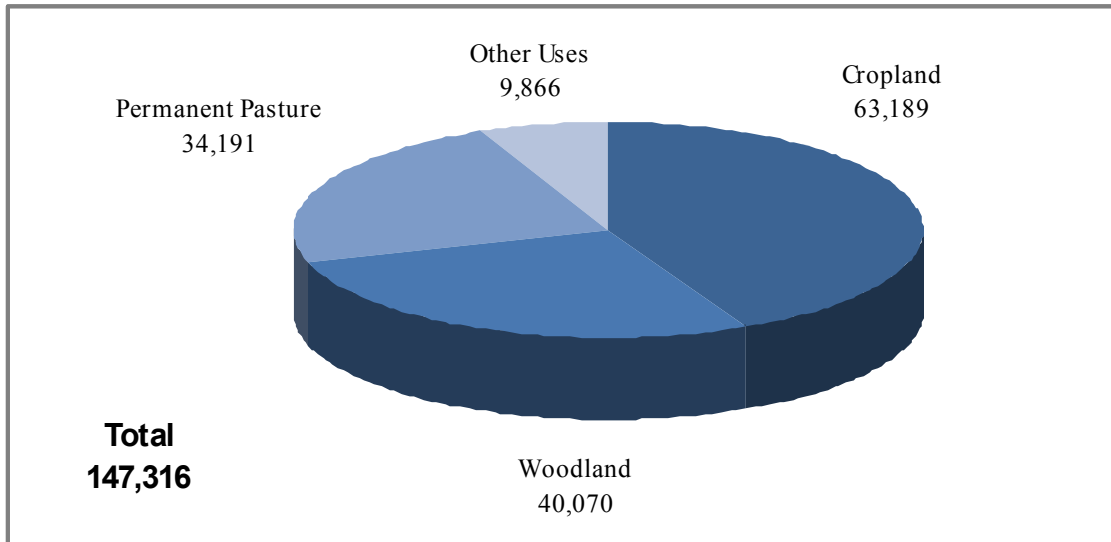


Figure 1. Land in Farms (acres), 2007

Figure 2 shows the distribution of the county's farms and farmland in 2007 according to farm size. Farms between 50 and 179 acres accounted for 37 percent of all farms and all farmland in the county. Larger acreage farms account for a relatively small percentage of total farms in the county but account for a majority of farmland. Only 13 percent of all farms are larger than 179 acres but combined they account for 52 percent of all the farmland. Furthermore, the seven farms that are each 1,000 acres or larger, when combined, represent less than one percent of all farms but five percent of all farmland. In 1987 there were 1,350 farms in the county with an average size of 114 acres.

Figure 3 shows the number and average size of farms in the county between 1987 and 2007. After 1987 the number of farms declined, and then rose to 1,583 in 2002 before declining again to 1,501 in 2007. The average farm size declined each period, from 114 acres in 1987 to 98 acres in 2007, reflecting an increase in the number of small farms. Between 1987 and 2007 farms between 10 and 49 acres increased in numbers by 235, and as a proportion of total farms from 30 percent to 42 percent.

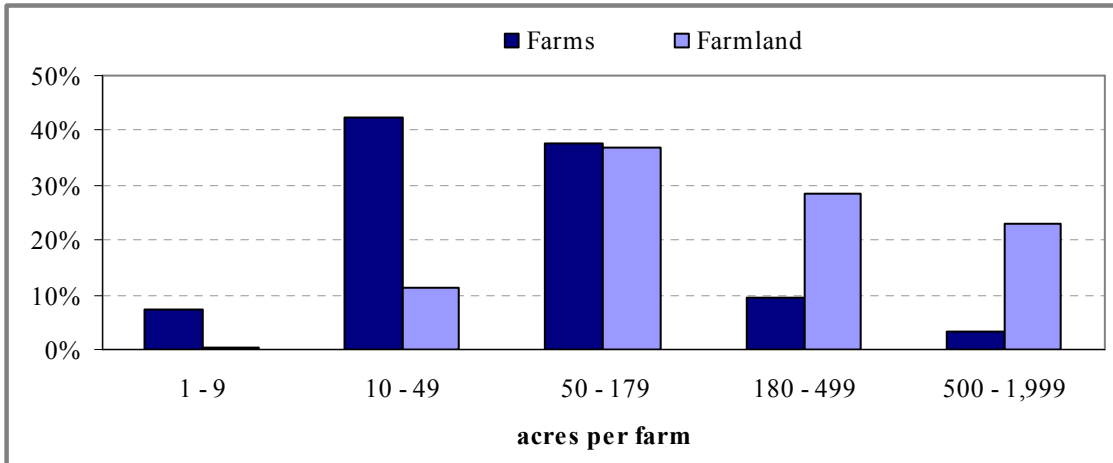


Figure 2. Proportion of Farms & Farmland by Farm Size, 2007

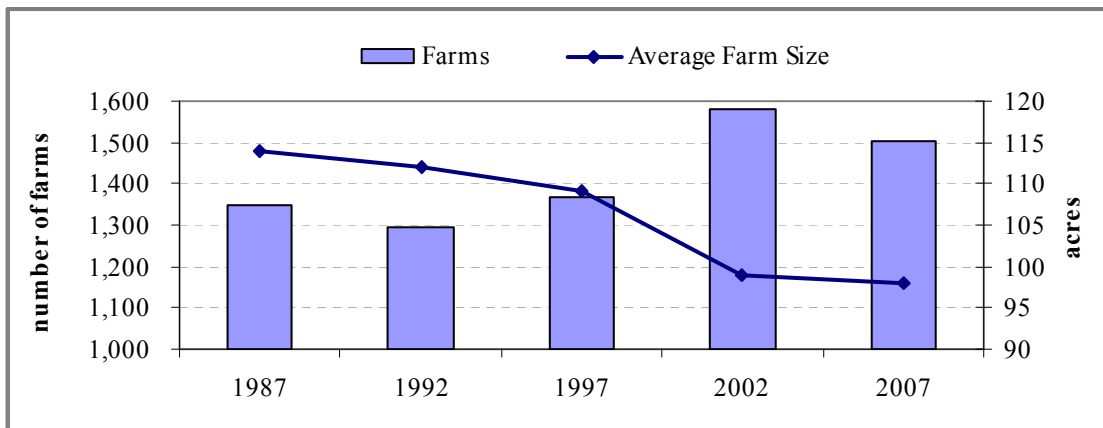


Figure 3. Farms: Number and Average Size, 1987-2007

Figure 4 shows the acres of farmland in the county from 1987 to 2007. Farmland peaked in 2002 at 156,704 acres but has since dropped below the 20-year average of 150,306. The 20-year trend suggests that the county is losing an average of 352 acres of farmland every year, which equates to three and one-half average size farms. Woodland declined by nearly 16,000 acres over the 20-year period and cropland declined by 13,000 acres; pasture, on the contrary, increased by 22,000 acres.

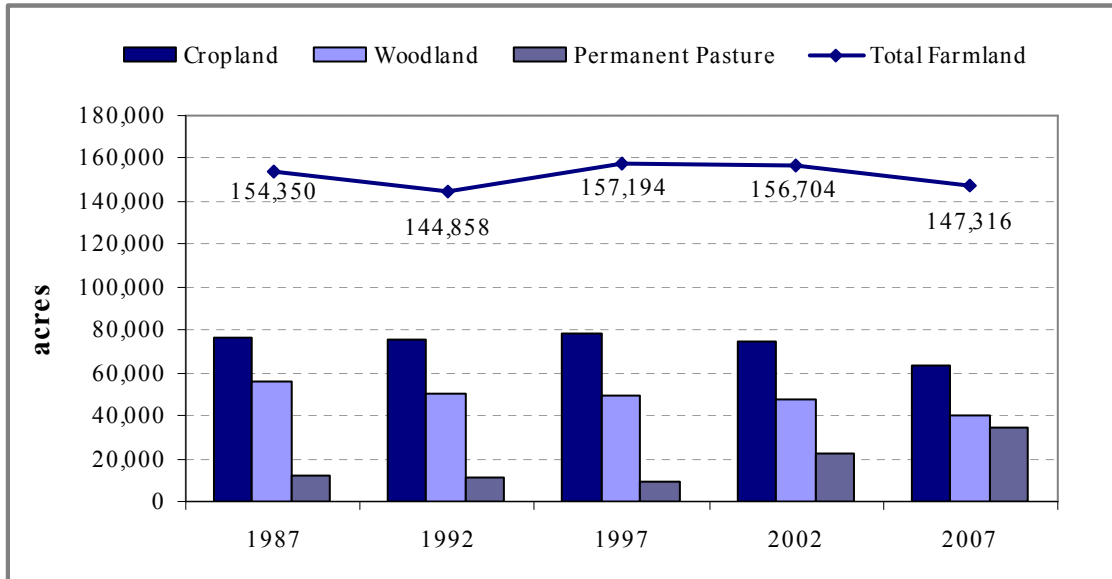


Figure 4. Land in Farms, 1987 – 2007

Production, Sales and Net Income

Table 2 lists the leading crop and livestock activities conducted in 2007. More than 1,000 farms raised livestock or poultry, and more than half of all farms in the county raised cattle. Forage— hay and other products used as feed for livestock—was by far the leading crop activity in terms of farms and acres. Corn for silage, grown on nearly ten percent of all harvested cropland, is also fed directly to livestock. Soybeans and corn for grain are grown and sold to nearby feedmills where they are processed and used as feed for poultry and livestock. Other livestock activities include hogs, sheep, and a variety of other species. Farmers also grow numerous food, ornamental and commodity crops, including nursery and greenhouse plants, tobacco, fruits, vegetables, and Christmas trees.

| Crop Activities | Farms | Acres |
|------------------------|--------------|---------------|
| Forage | 696 | 21,846 |
| Soybeans | 66 | 8,321 |
| Corn for grain | 107 | 5,878 |
| Corn for silage | 31 | 4,239 |
| All Crops | 836 | 43,460 |

| Livestock Activities | Farms | Inventory |
|-----------------------------|--------------|------------------|
| Cattle | 822 | 40,563 |
| Horses & ponies | 408 | 2,081 |
| Poultry | 289 | 9,152,283 |
| Goats | 218 | 3,893 |
| All Livestock | 1,018 | (X) |

(X) Not applicable

Table 2. Leading Agricultural Activities, 2007

Sales are concentrated among a small number of farms. Figure 5 illustrates this point by charting farms and sales according to sales per farm. Ten percent of the farms in the county had sales over \$500,000 in 2007. They averaged \$1.2 million per farm and accounted for a combined 82 percent of total sales from the county. Eighty-one percent of the farms had less than \$50,000 in sales that combined for \$6.7 million, or three percent of total sales from the county. More than a quarter of all farms earned less than \$1,000. In 2007 there were 90 farms with sales between \$50,000 and \$250,000 and 54 farms with sales between \$250,000 and \$500,000. Combined, these groups of mid-size farms represented ten percent of all farms and 15 percent of total sales.

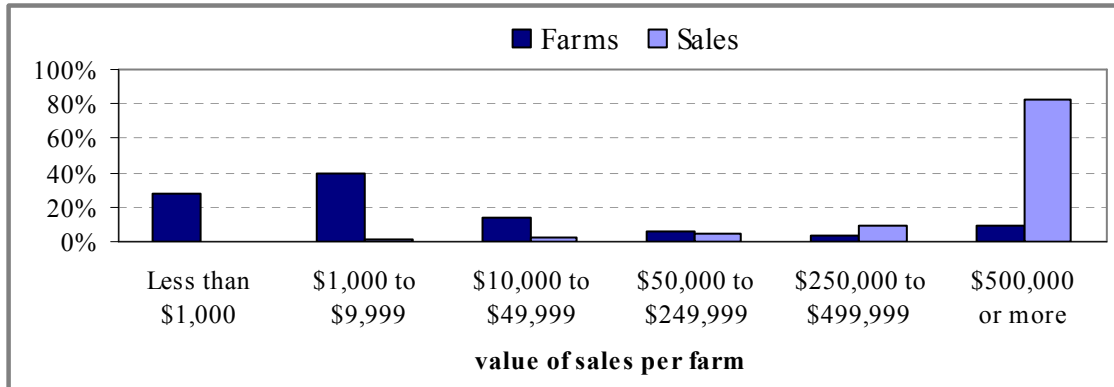


Figure 5. Proportion of Farms & Sales by Sales Category, 2007

Sales figures represent the gross market value before taxes and production expenses of all agricultural products sold or removed from farms in 2007 regardless of who received payment. It does not include \$418,00 of government payments received or \$3,430 received from farm-related sources such as customwork. The effects of expenses, production contracts, government payments and farm-related sources of income are reflected in net cash farm income figures. Most of the poultry and hogs sold in 2007 were produced under contracts whereby the farmers were paid fees to raise the animals for integrated meat companies. Under these contracts the farms do not take ownership of the animals and the sales value accrues to the contracting companies.

Just as in production, the values of products sold are concentrated around poultry and livestock. The value of all agricultural products sold in the county totaled \$206 million in 2007, ninth most among North Carolina counties. Ninety-four percent of that value came from the sales of livestock, poultry and their products, and at \$194 million, Randolph County ranked eighth in the state in the category. Figure 6 illustrates the value of sales for the leading products in 2007. Sales from all segments of the poultry sector had a value of \$159 million and accounted for 77 percent of the total value of sales from the county. The next three highest products were dairy, cattle and hogs. Crops sold in 2007 had a value of \$12 million. Ornamentals such as nursery and greenhouse plants led all crop sales, and when combined with corn, soybeans, other grains, and tobacco, accounted for five percent of total sales. Fruits, vegetables, hay and other crops accounted for the remaining one percent.

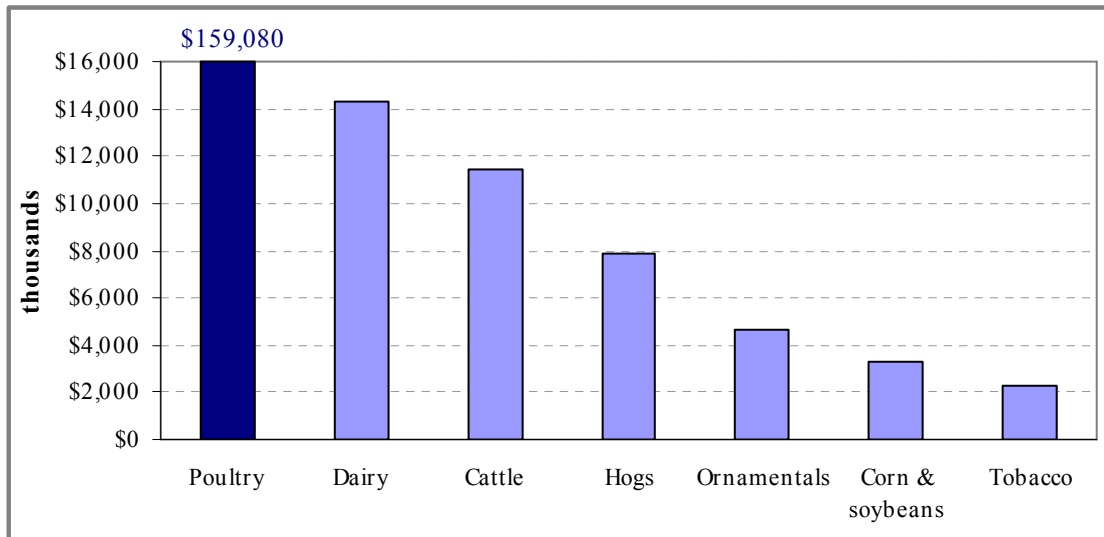


Figure 6. Leading Products for Value of Sales, 2007

Net cash farm income of operations is derived by adding total sales, government payments and other farm-related income, and subtracting farm expenses. In 2007 net cash farm income from operations totaled \$47.4 million and averaged \$31,565 per farm. Although this figure considers all sources of income and expenses for activities conducted on farms, it does not distinguish between contracted farmers and the integrators. Net cash farm income of operators is the total revenue minus total expenses received and paid by farm operators. Total revenue includes production contract fees, total sales made outside of production contracts, government payments and other farm-related income. In 2007 net cash farm income of operators totaled nearly \$18 million and averaged \$11,990 per farm. Table 3 shows net cash farm income figures for 2007. Sixty percent of operations and operators realized a net loss in 2007 while only 40 percent realized a net gain. The net income of all operations equaled 23 percent of the value of agricultural products sold and the net income of operators equaled nine percent.

| | Operations | Operators | Difference |
|--------------------------------|------------|------------|------------|
| Net cash farm income (\$1,000) | 47,380 | 17,998 | 29,382 |
| Average per farm (dollars) | 31,565 | 11,990 | 19,575 |
| Farms with net gains | 604 | 599 | 5 |
| Average gain (dollars) | 90,809 | 42,917 | 47,892 |
| Total gains (\$1,000) | 54,849 | 25,707 | 29,141 |
| Farms with net losses | 897 | 902 | -5 |
| Average loss (dollars) | 8,327 | 8,547 | -220 |
| Total losses (\$1,000) | 7,469 | 7,709 | -240 |

Table 3. Net Cash Farm Income, 2007

Farm Ownership & Operator Characteristics

In 2007 there were 1,501 farms in Randolph County. Each farm has a principal operator who is the person primarily responsible for the on-site, day-to-day operations of the farm business. A farm can also have one or more secondary operators who do the work or make day-to-day decisions about things like planting, harvesting, feeding, and marketing.¹⁴ The majority of farms in the county, 60 percent, were run by a single operator. Thirty-four percent had a second operator, who was probably a spouse or other member of the family. Only 85 farms, or six percent, had more than two operators. The typical principal operator in Randolph County is a 57 year-old male who owns and lives on his farm that he operates as a secondary occupation.

Although farming is dominated by males, there were 621 female operators on 592 farms in 2007. That equates to 28 percent of all operators and 39 percent of all farms. Table 4 shows the number of operators and principal operators according to gender. Twenty-eight percent of the female operators were principal operators, which represented 12 percent of all principal operators in the county. In contrast, 84 percent of all male operators were principal operators. Males tended to operate larger farms. The average farm size of male principal operators was 105 acres in 2007 and the average for female principal operators was 46 acres.

¹⁴ Operator definitions from 2007 Census of Agriculture

| | Male | Female |
|-------------------------------------|---------|--------|
| Operators | 1,588 | 621 |
| Principal Operators | 1,326 | 175 |
| Principal Operators - Acres | 139,195 | 8,121 |
| Principal Operators - Average Acres | 105 | 46 |

Table 4. Farm Operators: Gender Characteristics, 2007

Farmland can be either owned or rented by a farm operator. Land ownership has significant benefits for farmers but the availability of rental land is equally important. The costs (interest, taxes, insurance) of land owned remain relatively fixed; long-term plans and investments regarding production, capital purchases, soil and water conservation and health, can be made; and the land can be used as collateral to borrow funds for investments in equipment, buildings and additional land. When land is rented, long-term access is uncertain, making decisions regarding production and investments riskier. However, farmers need access to rental land. Because land is expensive, the operator of a new or expanding farm may not have the ability to purchase land. Additionally, a farmer may want to experiment with a new product or take advantage of short-term opportunity; in either case, renting would be preferable to buying.

Figure 7 illustrates land ownership characteristics for 2002 and 2007. In 2007, 66 percent of all farms were fully owned by their operators and 30 percent were partly owned. Seventy-one percent of all farmland in the county was owner-operated in 2007, which is significantly higher than the 58 percent rate for all of North Carolina. The ability to rent land may have helped ameliorate the loss of farmland between 2002 and 2007. Owner-operated farmland decreased by 10,444 acres but rented land increased by 1,056 acres during that period.

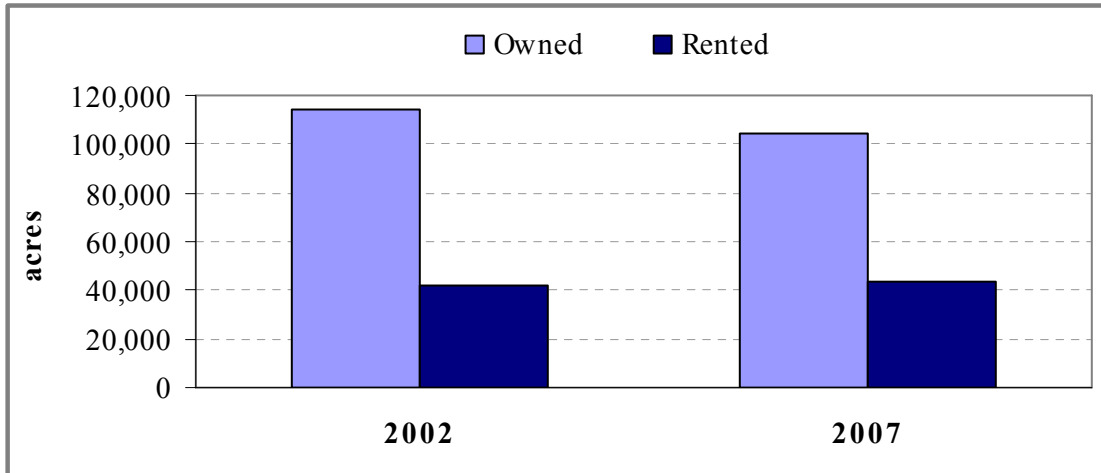


Figure 7. Farmland Owned & Rented, 2002 & 2007

Other characteristics of principal farm operators include place of residency, primary occupation, duration of the operations, and age, which are summarized in Table 5 and compared to the state averages. Not all farmers live on their farms even if they do own all or part of it. In 2007, 85 percent of all farmers lived on the farm they operated, which was more than the state average of 79 percent. Farming is commonly done on a part-time basis; in fact, less than 50 percent of all farmers in the United States and in North Carolina consider it to be their primary occupation. With 44 percent of all its farmers calling farming their primary occupation, the Randolph County is typical in this regard. Randolph County farmers are also typical of their peers throughout the state in terms of average years on their current farm and their age. The average farmer in the county is 57 years old and has been on his current farm for 22 years; identical to the state averages. The aging of the farm population is an often cited concern for the future of farming and the protection of farmland in urbanizing counties. More alarming than the average age of farmers in the county is that the number of farmers in the 35 to 44 years age group decreased by 89 between 2002 and 2007 without any increase to the 45 to 54 years age group. This implies that many early middle-aged farmers stopped farming during the period. Randolph County did gain six farmers who were under 25 years of age in 2007 and six who were between 25 and 34 years of age.

| | Randolph County | North Carolina |
|-----------------------------------|----------------------------|---------------------------|
| Farming is the primary occupation | 44% | 46% |
| Farm is place of residence | 85% | 79% |
| Average years on the current farm | 22 | 22 |
| Average age | 57 | 57 |

Table 5. Principal Operator Characteristics, 2007

An additional way to examine the composition of farms is by a classification called farm typology, which was developed by USDA’s Economic Research Service in order to group farms by similar characteristics, namely those having to do with sales, ownership structure, and primary occupation. There are two major categories: Small Family Farms, which have sales of less than \$250,000; and Other Farms. Small family farms are divided into five subcategories, described below along with the other farms.

- Small Family Farms
 - **Limited-resource farms** have sales of less than \$100,000 and the principal operator’s total household income of less than \$20,000
 - **Retirement farms** have sales of less than \$250,000 and the principal operator reports being retired
 - **Residential/lifestyle farms** have sales of less than \$250,000 and the principal operator reports his/her primary occupation as other than farming
 - **Farming occupation/lower-sales** have sales of less than \$100,000 and a principal operator who reports farming as his/her primary occupation
 - **Farming occupation/higher-sales** have sales between \$100,000 and \$249,999 and a principal operator who reports farming as his/her primary occupation

- Other Farms
 - **Large family farms** have sales between \$250,000 and \$499,999
 - **Very large family farms** have sales of \$500,000 or more
 - **Nonfamily farms** are organized as nonfamily corporations or are operated by hired managers

Table 6 shows information about the farms in Randolph County in 2007 grouped by farm typology: number of farms, total acres, and average farm size. Unfortunately the 2002 Census of Agriculture did not include a farm typology table, so comparisons between the two census periods is not possible. Given the evaluation of farms based on sales (see Figure 5), it is not surprising that small family farms make up a large majority of farms in the county. Residential/lifestyle farms form the largest group of farms in terms of both number and acres of farmland. At 65 acres per farm they are relatively small in size—only limited-resource farms are smaller on average—but combined they account for 25 percent of all the farmland in the county. The 28 farming occupation/higher sales farms are of particular importance and vulnerability. These mid-size farms often typify the notions of a family farm and rural character but they are losing their competitiveness in the commodity markets where very large farms are achieving efficiencies of scale and because they are too large to participate in the direct-sales markets where higher profit margins can be realized.

| Farm Typology | No. of Farms | Acres | Avg. Acres |
|----------------------------------|---------------------|--------------|-------------------|
| Small Family Farms | | | |
| Limited-resource | 283 | 17,720 | 63 |
| Retirement | 250 | 22,340 | 89 |
| Residential/ Lifestyle | 572 | 37,231 | 65 |
| Farming occupation: lower sales | 152 | 16,104 | 106 |
| Farming occupation: higher sales | 28 | 11,280 | 403 |
| All small family farms | 1,285 | 104,675 | 81 |
| Large family farms | 52 | 9,012 | 173 |
| Very large family farms | 139 | 31,094 | 224 |
| Nonfamily farms | 25 | 2,535 | 101 |

Note: Farm size refers to the value of sales; see text above for definitions.

Table 6. Farm Typology, 2007

Forestry

Privately-owned forestland comprises 246,998 acres,¹⁵ which is almost half of the county's total land area. Figure 8 shows the distribution of forestland by forest type group.

¹⁵ USDA, Forest Service. 2010 Forest Inventory Analysis.

Oak/hickory is the most common of the five groups with 159,118 acres, followed by oak/pine and loblolly/shortleaf pines with 18 percent and 12 percent, respectively. Those groups are found primarily in rolling uplands while the small proportion of forests that are elm/ash/cottonwood and oak/gum/cypress groups are found in floodplains. Forests that are efficiently managed for timber production have trees that are optimally spaced for their size and are classified as fully stocked. Medium stocked forests have fewer trees than what would be optimal but are still considered to be well managed. Using these classifications it is estimated that 74 percent of the private forests in the county are being managed for commercial production.

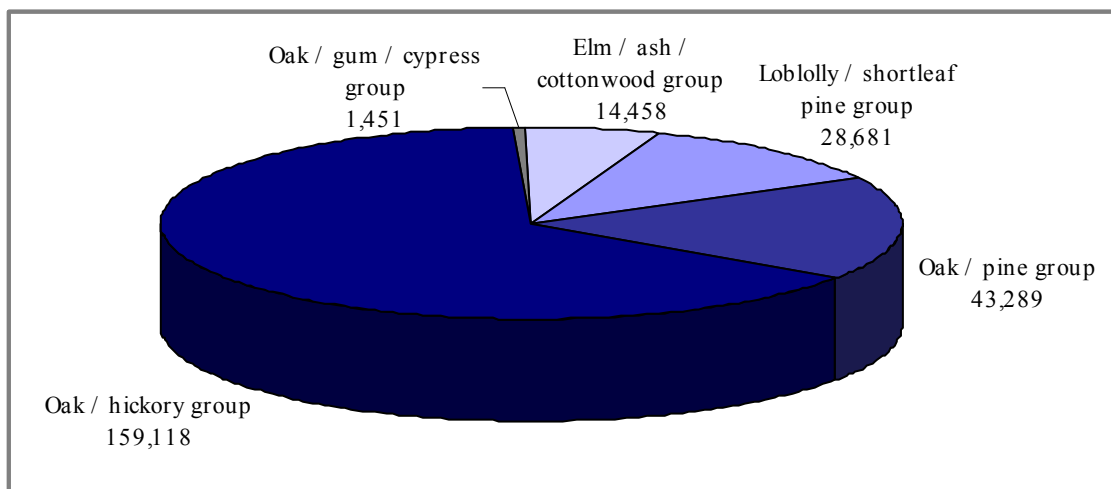


Figure 8. Privately-Owned Forestland by Forest Type Group, 2010 (acres)

Non-industrial forest owners generally sell their timber to a buyer who works for either a wood processing mill, wood suppliers, loggers or timber brokers. Figure 9 shows the income generated by timber from 2007 to 2009. Private, non-industrial landowners received an average of \$8 million each year for harvested timber, which had an average value at sawmills of \$14.2 million.¹⁶ Loggers, haulers and other intermediaries received the \$6.2 million difference between the values. Timber is used to manufacture a wide range of industrial and consumer products. The log, bolt or other round section cut from the main stem of a tree is called roundwood and is harvested for one of five primary groups of products: saw logs, pulpwood, veneer logs, composite panels and other industrial products. Figure 10 shows the output of industrial timber products from timber harvested in the county in 2007. Randolph County was

¹⁶ Jeuck, James and Robert Bardon. 2009 *Income of North Carolina Timber Harvested and Delivered to Mills*. NC Cooperative Extension Service. Raleigh, NC.

the top producer of hardwood saw logs in North Carolina, which are milled into lumber and other structural products. Saw logs comprised 78 percent of the products derived from Randolph County timber in 2007—60 percent hardwood and 18 percent softwood. The remainder of the timber harvested in 2007 was used to produce composite panels, veneer and pulpwood.¹⁷

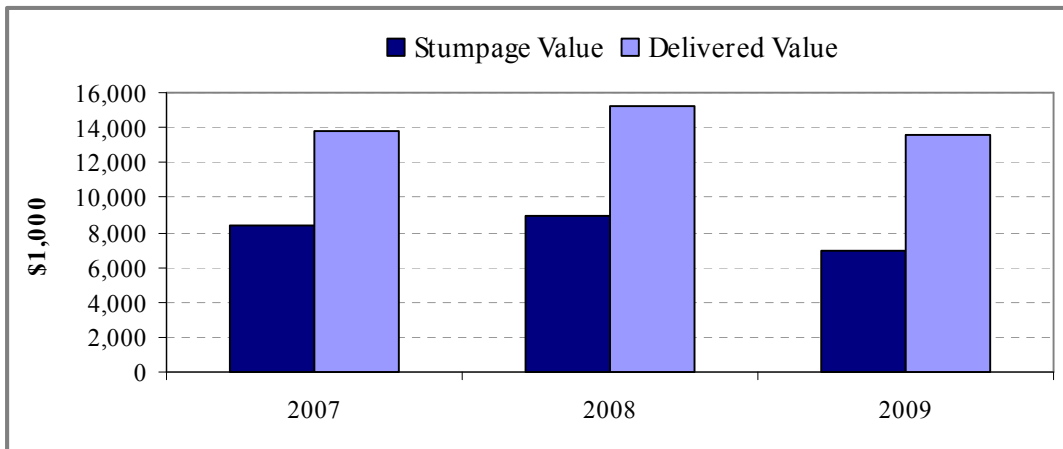


Figure 9. Value of Timber Sales, 2007-2009

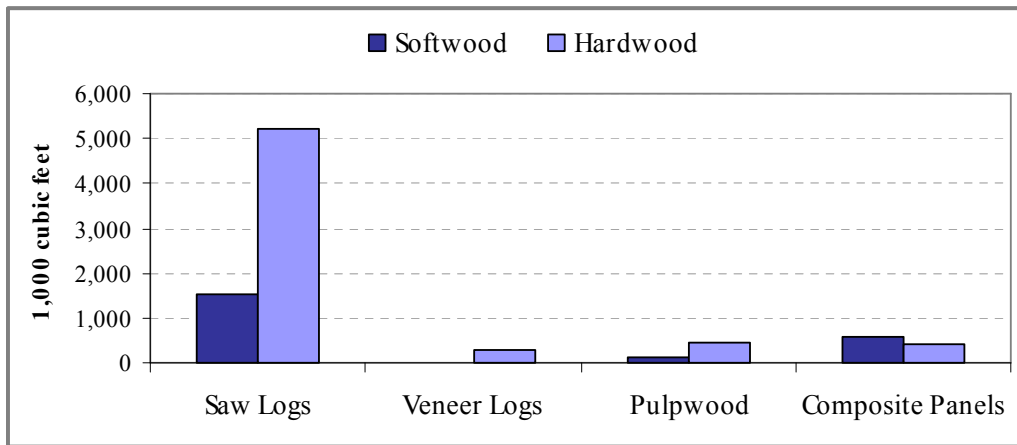


Figure 10. Roundwood Timber Product Output, 2007

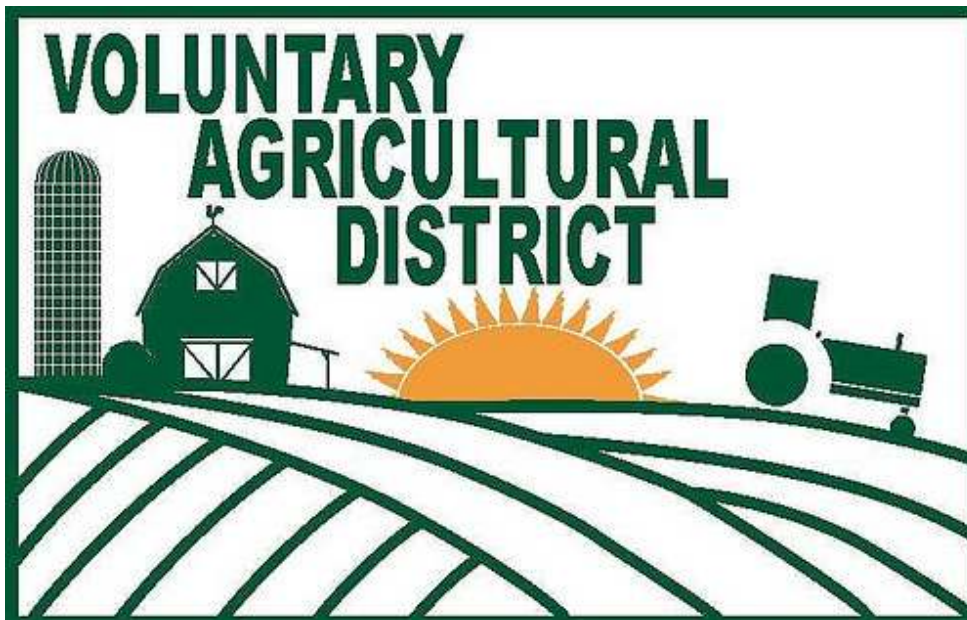
¹⁷ Cooper, Jason A. and Michael C. Mann. *North Carolina's Timber Industry: An Assessment of Timber Product Output and Use, 2007*. Resource Bulletin SRS-156. U.S. Department of Agriculture, Forest Service. Southern Research Station. Asheville, NC. 2009.

AGRICULTURAL PROTECTION AND SUPPORT

Voluntary Agricultural Districts

The purpose of the Voluntary Agricultural District program is to promote agricultural and environmental values and the general welfare of the county and, more specifically, increase identity and pride in the agricultural community and its way of life, encourage the economic health of agriculture, and increase protection from non-farm development and other negative impacts on properly managed farms.¹⁸ Qualifying farms are subject to a ten-year conservation agreement that prohibits non-farm use and development. The landowner retains the right to build three homesites and can withdraw from the program with a 30-day written notice. Signs (shown below) are posted to identify participating farms and increase public awareness. Farms have the option of joining an Enhanced Voluntary Agricultural District which provides additional benefits in exchange for an irrevocability condition to the ten-year conservation agreement. The program is administered by the Voluntary Agricultural District Board with assistance from Cooperative Extension. Currently there are 118 farms with 14,677 acres enrolled in the two programs: 103 farms with 13,451 acres in VAD and 15 farms with 1,226 acres

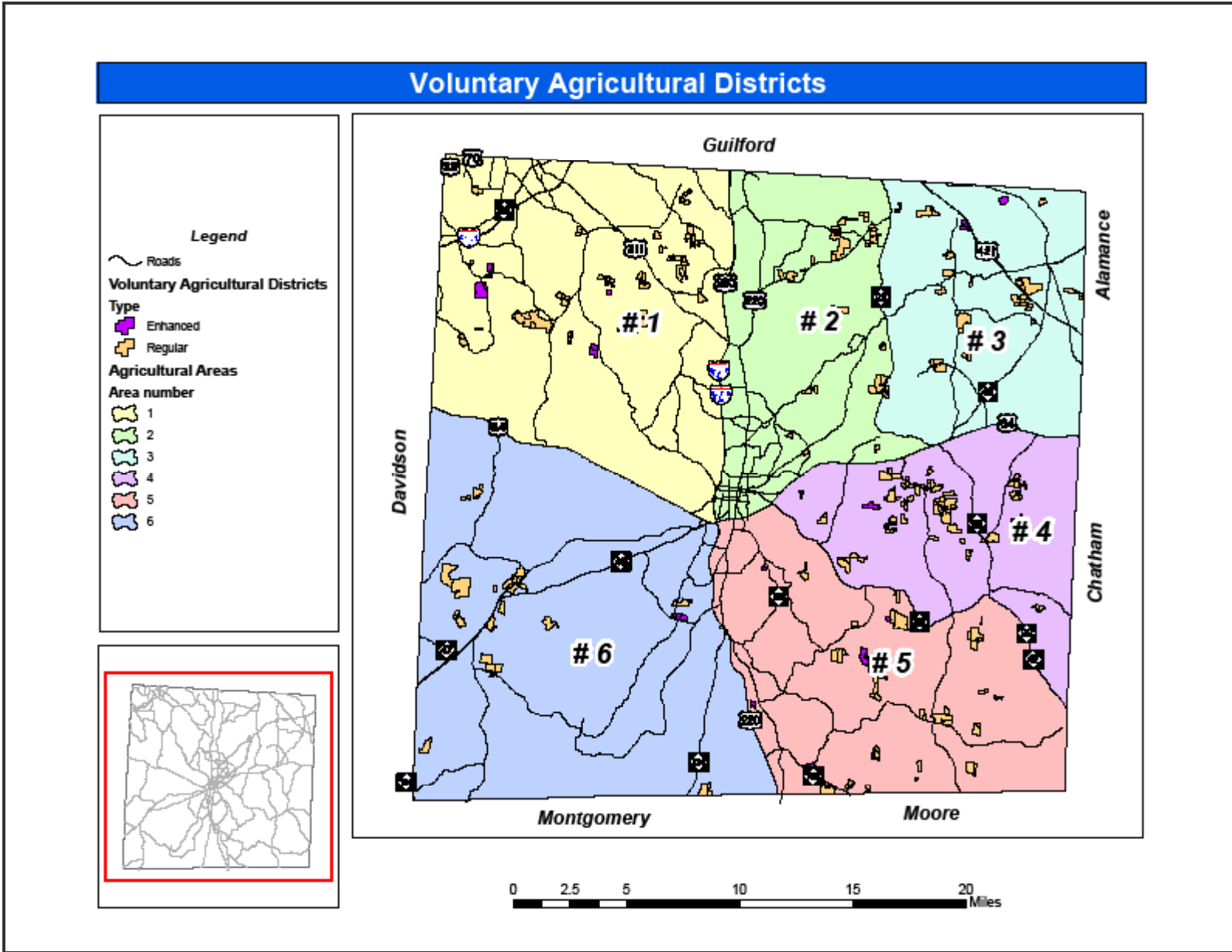
in
Map
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EVAD.
1 shows
location of
voluntary

¹⁸ Randolph County Voluntary Agricultural District Ordinance

agricultural districts in the county.



Map 1. Voluntary Agricultural Districts

Present-Use Value Taxation

Present-Use Value Taxation (PUV) is a state program administered by the county tax department through which qualifying property can be taxed based on its use as agricultural, horticultural, or forest land rather than for its “highest and best” use. The objective of the program is to keep farmland in the hands of family farmers and is arguably the most important program for protecting farm and forest land. The present-use value of a parcel is determined by the quality of its soils, is set by the North Carolina Use-Value Board, and is based on the rent a parcel could receive given its use for agriculture, horticulture or forestry. Qualifying property is assessed at its present-use value rather than its market value. Deferred taxes are the difference between the taxes due at market value and the taxes due at the present-use value. Deferred taxes for the current year plus the previous three years (rollback taxes) will become due and payable with interest when a property loses its eligibility in the present-use value program.

The fiscal impact of PUV on a county is frequently misunderstood. Because agricultural lands are uninhabited (farm residences cannot be enrolled in PUV), a county expends little to provide them with public safety, education, human and other community services—cows and tractors don’t go to school, jail or the senior resource center. As a consequence, the revenues from *ad valorem* property taxes typically exceed expenditures for public services by a median ratio of \$1.00 to \$0.37. Residential land use, conversely, demands more services from a county than they pay in taxes and have a median revenue to expenditure ratio of \$1.00 to \$1.19. Chatham County commissioned a cost of community services study in 2007 to evaluate revenues and expenditures by land use type. Expenditures associated with agricultural lands amounted to 58 cents for each dollar of related property tax, while expenditures associated with residential properties (including farm houses) amounted to \$1.14 for each dollar of revenue.¹⁹ So even with the “discount” given through PUV, agricultural lands are typically net contributors to county budgets.

¹⁹ American Farmland Trust. Cost of Community Services. Farmland Information Center Fact Sheet. Washington, D.C. 2007.

North Carolina Right to Farm Laws

“It is the declared policy of the State to conserve and protect and encourage the development and improvement of its agricultural land and forestland for the production of food, fiber, and other products.”²⁰ North Carolina law implements this policy by establishing limits on the circumstances under which an agricultural or forestry operation may be deemed a nuisance. A properly run agricultural or forestry operation is not a nuisance if it has been in operation for more than one year, and was not a nuisance when the operation began.²¹

The state authorizes counties to adopt zoning and development regulation ordinances. However, properties used for bona fide farm purposes are exempt from those regulations.²² Bona fide farm purposes include the production and activities relating or incidental to the production of crops; fruits; ornamental and flowering plants; dairy; livestock; poultry; sod and other crops; trees and timber; horses, bees, and other animals; and aquaculture produced for individual and public use, consumption and marketing.²³

Land Use and Growth Management

The Randolph County Growth Management Plan and the county’s Unified Development Ordinance (UDO) provide substantial protection for farm and forest lands while also preserving the rights of individual property owners. Map 2 shows the locations of the six growth management areas designated by the growth management plan: primary growth, secondary growth, rural growth, watershed environmental, zoological park environmental, and municipal. Forty-seven percent of the county (235,619 acres) is designated as rural growth management areas “...where significant high-intensity residential growth is discouraged or not anticipated for ten to 15 years.” These areas are known to have prime agricultural operations and large undeveloped tracts, which “...are valued for their contributions to the county’s quality of life and recognized as an integral part of the county’s open space system.”

The policies of the growth management plan are implemented through the zoning districts and regulation established by the UDO. The residential agricultural district is the

²⁰ G.S. §106-700

²¹ G.S. §106-701(a)

²² G.S. §153A-340

²³ G.S. §153A-340(b)(2) and G.S. §106-581.1

primary designation of rural areas and encompasses 78 percent of the county (394,332 acres). Residential agricultural districts are similar to other residential districts in terms of the dimensional requirements of lots—the minimum size is 40,000 square feet (0.9 acre)—but differs in permitted land uses. Farm supply sales, livestock sales, temporary sawmills, and veterinary clinics are a few notable agriculture-related uses that are permitted in residential agricultural districts that may not qualify as a bona fide farm activity.

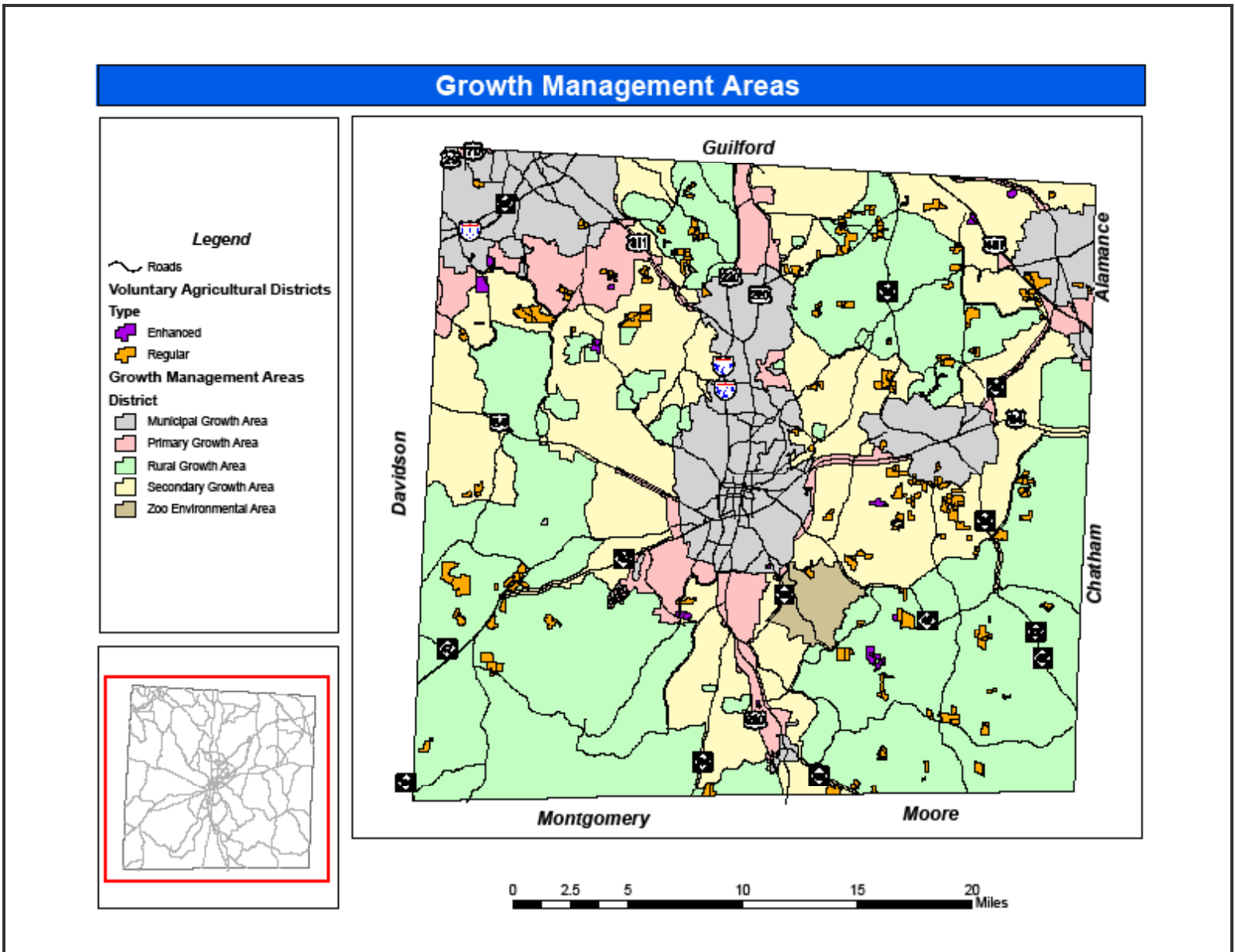
The purpose of the [residential agricultural] district is to provide a place for agricultural operations; forestry; scattered nonfarm residences on traditional rural lots while preserving rural open space and natural heritage assets. To maintain rural character only minor conventional residential subdivisions are allowed in this District. Requests for higher intensity residential use are considered through standards established in this Ordinance and found to be in accordance with the Randolph County Growth Management Plan.

Randolph County Unified Development Ordinance

A significant element of the UDO that is uncommon in other counties is the exclusion of the right to major subdivisions. A parcel can be subdivided into a maximum of three new parcels and qualify as a minor subdivision. The creation of four or more lots is a major subdivision and requires approval by the County Commissioners. It is through the major subdivision approval process that the UDO serves as the primary tool for implementing the policies set by the growth management plan. The growth management plan identifies “cluster” and rural lot subdivision as preferred options in rural growth areas. Special overlay districts for these options are established in the UDO and were designed for rural growth areas.²⁴ The rural lot subdivision overlay district requires a minimum lot size of three acres and prohibits additional subdivisions. The cluster subdivision overlay district also has a three-acre minimum lot size and also requires that 50 percent of the total development area be maintained as open space.

²⁴ The cluster subdivision overlay district was also designed for secondary growth areas; there the minimum lot size is one acre.

The growth management plan and UDO also provide for commercial and industrial uses important to rural living and economic development. In particular, the rural industrial overlay district was created to accommodate activities such as the production of forest and agriculture related goods. In order to ensure that the policies of the growth management plan are followed and to encourage long-term planning among landowners, developers and local governments, a development impact analysis is required for all major subdivision requests. The technical review committee conducting the analysis must note adjoining active working farms on development plans, and ensure that all well locations are setback at least 100 feet from a farm's property lines and are documented on subdivision plats.



Map 2. Growth Management Areas

Agricultural Conservation Easements

A conservation easement is a restrictive deed placed voluntarily by a landowner for the purpose of protecting valuable resources such as farmland, wildlife habitat, historic sites and scenic views. A conservation easement also includes a partner such as a land trust or soil and water conservation district. The conservation partner holds the conservation easement and is granted the right to monitor activities on the land and enforce the terms of the easement. Agricultural conservation easements typically restrict subdivision and non-agricultural development, and other activities that are incompatible with commercial agriculture. They usually also require that production activities be conducted in accordance with a soil and water conservation plan, or forest management plan, and make use of best management practices. Such requirements ensure the long-term viability of the natural resources while providing flexibility to the landowner as activities, technologies and natural circumstances on the land change.

Conservation easements have a pecuniary value based on the change in the market value of the property after the easement has been placed. It is possible for a landowner to sell the conservation easement and programs to buy them are sometimes called Purchase of Development Rights (PDR) or Purchase of Agricultural Conservation Easements (PACE). Funding for conservation easements is highly competitive and landowners usually “donate” some or all of the easement’s value—they place the easement without receiving a payment for the full value. Landowners donating any amount of an easement’s value may receive a federal income tax deduction and a North Carolina income tax credit—each requires that the easement meet certain criteria. There may also be estate tax benefits that accrue to the landowner’s heirs.

Piedmont Land Conservancy and The Land Trust for Central North Carolina are local land trusts that work with private landowners to preserve rural landscapes and natural resources in and around Randolph County. Piedmont Land Conservancy has been working with farmers on an initiative called the Liberty-Randleman Farmland Protection Corridor. Farmers from Liberty, Gray’s Chapel and Randleman approached the conservancy with a vision of protecting 3,000 acres along an eight to ten mile corridor along Old Highway 49. To date seven farms and 1,232 acres have been protected. The conservancy does not limit their work to the Liberty-Randleman corridor and has protected one other farm with about 200 acres.

Economic Development

Farmers often say that the best way to protect farmland is to make farming profitable. Farms are business organizations that utilize land, labor and capital to produce and sell agricultural products. Using the tools described in the previous section to protect farmland is an investment in agriculture's infrastructure, but just as land use decisions are made by thousands of individuals, so are business decisions. Business decisions relate to product selection, production and handling, marketing and distribution, and financial management, all which must be done under various legal and regulatory conditions. The long-term viability of farms will ultimately depend on the entrepreneurial vision and business skills of the farmers themselves, but just as with any other type of business owner, individual farmers are typically highly skilled in some areas of business management and less skilled in others. Therefore, economic development strategies are based primarily on business support tools geared to help farmers and other agribusinesses overcome their weaknesses, and to help them identify and access the resources needed to maximize their potential.

- Writing a **business plan** can help a new or existing farmer organize and examine all of the elements of the farm business in an objective and critical manner. A business plan can help assess the feasibility of a business and serve as an operational and management roadmap. It can also serve to determine critical elements such as the minimum resources to start and operate the business, (e.g. time, money, land, equipment), the scale needed to make a profit, and customers and competitors. Additionally, a business plan provides essential information to potential customers and creditors.
- **Diversifying** product output can help some farms mitigate the environmental and economic risks associated with a single product. It can also help farmers develop new skills, discover new opportunities and enable them to be more adaptable to changing conditions.
- Farmers can also seek to improve profitability through **value-added enterprises**. Value added refers to differentiated products and services that go beyond standard expectations, and to improvements in the physical state of the raw product. Products can be differentiated by their tangible traits (appearance, texture, taste, etc.), method of production (organic, pasture raised, etc.), geographic origin (local, regional, NC, etc.), and other unique features. Physical improvements can include minor processing that leave the product in its fundamental state to major processing into entirely new products.

- Expanding production to achieve **economies of scale** is a common, or at least commonly desired, response to falling profit margins by traditional farm operations. With excess capacity in equipment, a farmer can maintain sufficient levels of total net income by increasing acres or animals in production.
- Minimizing costs is a necessary condition for maximizing profits. **Innovations** in production and marketing, and the adoption of new **technologies** can mean lower variable costs to some farms. However, the fixed cost of new technologies are greater than the reductions in variable costs. In those situations a farm would also need to increase in scale.
- Identifying and pursuing the best **marketing** strategy for a farm is dependent upon many factors. There are fewer marketing options for commodity producers because commodities are intermediate goods—products used as inputs for other goods—and there are typically only a few buyers in a region. However, there may be opportunities for smaller farms to reduce transaction costs by coordinating their sales. Farms that produce consumer goods—products that receive no further processing—have a range of marketing outlets including:
 - Direct to consumers through farm stands, the Asheboro Farmers Market, other farmer/tailgate markets, and the internet
 - Community supported agriculture
 - Direct to retailers and restaurants

The North Carolina Department of Agriculture and Consumer Services offers several marketing services through their Goodness Grows in North Carolina²⁵ program including North Carolina Farm Fresh²⁶ a directory of pick-your-own farms, roadside farm markets and farmers markets; and NC Fresh Link,²⁷ an online directory of major growers, packers and shippers.

- **Agritourism** is a segment of agriculture that blends traditional production with entertainment, recreation and education services such as farm tours, corn mazes, event hosting, and dining. Agritourism enterprises are truly entrepreneurial ventures and are not for everyone. They involve a high degree of interaction with the public and can be

²⁵ <http://www.ncagr.gov/markets/gginc/index.htm>

²⁶ <http://www.ncfarmfresh.com/>

²⁷ <http://www.ncfreshlink.com/>

subject to additional regulations. However, agritourism activities serve as an alternative source of revenue and a way to promote farm products to new customers.

Education, Technical Assistance & Support

There are a variety of federal, state, local, and private agencies and organizations that exist to provide support to the agricultural industries. The services they provide range from educational to financing to political advocacy. Furthermore, at each level—federal, state, local, and private—there are programs and organizations for nearly every conceivable land owner and business operator.

- The **U.S. Department of Agriculture (USDA)**²⁸ provides a wide range of programs and services that apply to individual operators and the aggregate national agricultural sector. Most of the programs available to individual farm and forest owners—credit, commodity, emergency assistance, conservation—are administered by the Farm Service Agency, which has an office in Randolph County.²⁹
- The **N.C. Department of Agriculture and Consumer Services (NCDA)** also provides many valuable services to the agricultural industry and individual farmers in areas such as agronomy, animal health, commodity distribution, marketing and promotion, grading, seed and fertilizer inspection, nursery and plant pest eradication. NCDA also operates the five state farmers markets, 18 state research stations and farms, and the two state fairs.
- **Cooperative Extension** and the **Soil and Water Conservation District (SWCD)** are county-state partnerships that provide educational and technical assistance programs. Cooperative Extension’s agricultural and forestry programs focus on production and marketing systems and are based on research conducted at NC State University and NC A&T State University. Cooperative Extension also serves over 7,000 youth in the county through its 4-H programs, many of which emphasize agriculture and the environment.³⁰ The Soil and

²⁸ www.usda.gov

²⁹ 847 Curry Drive, Asheboro, NC 27205; (336) 629-4449

³⁰ <http://randolph.ces.ncsu.edu/>; (336) 318-6000; 112 West Walker Avenue, Asheboro, NC 27203

Water Conservation District programs focus on natural resource conservation and include technical assistance and cost-share funding.³¹

- There are numerous **other government agencies and quasi-government organizations** that provide education, technical and funding support to the farming and forestry industries. Examples include: N.C. Rural Economic Development Center,³² Biofuels Center of North Carolina,³³ Center for Environmental Farming Systems,³⁴ and the N.C. Division of Forest Resources.³⁵
- **Randolph County Schools** provide agricultural education programs at each of the five high schools and in three of the middle schools. The standard course of study provided by the North Carolina Department of Public Instruction is designed to focus students on careers in the food, fiber and environmental systems; and is delivered through classroom/laboratory instruction, supervised agricultural experience programs, and FFA activities.³⁶ In addition to technical skills, students who go through the program learn public speaking, leadership, problem solving and other professional development skills. Three of the county's FFA chapters conduct an outreach program to eight elementary schools teaching third graders about the food supply system and other issues that create awareness about farms and the agricultural industry.
- Agriculture and forestry are supported by a multitude of **private** trade associations and advocacy organizations. Their geographical scope ranges from international to county and their topical scope ranges from rural life to specific livestock breeds. Many of the larger organizations have state affiliates and regional or county chapters. Farm Bureau, Randolph County Livestock and Poultry Improvement Association, and the North Carolina Emu Association are just a few of the organizations active in the county. Whether new to agriculture or a fourth generation farm business, participation in industry organizations can yield a multitude of benefits.

³¹ http://www.co.randolph.nc.us/soil_water/default.htm; (336) 318-6490; 2222-A South Fayetteville Street, Asheboro, NC 27203

³² <http://www.ncruralcenter.org/>

³³ <http://www.biofuelscenter.org/>

³⁴ <http://www.cefs.ncsu.edu/>

³⁵ <http://www.dfr.state.nc.us/>

³⁶ <http://www.ncpublicschools.org/cte/agricultural/curriculum/scos/>

RECOMMENDATIONS

This plan has been developed to serve as a guide for government, industry and community leaders in their efforts to preserve Randolph County's farms and forests and enhance the viability of the agricultural industry. Every effort has been made to make the strategies and actions compatible with the Randolph County Growth Management Plan. The recommendations are not exhaustive and they should be reviewed and revised periodically as needs, opportunities and resources change. The strategies and actions are organized around the vision created by the Voluntary Agricultural District Board:

- Widespread rural areas characterized by active farms and forests.
- Farms achieve and maintain long-term profitability.
- Residents are aware of the scope of agriculture in the county and appreciate its contribution to their quality of life and well being.
- Agriculture is a respected and desirable occupation.

Long-Term Goals

Input received through the public meetings, interviews and surveys indicate that the fundamental challenge to realizing the vision is education and information. Policies, regulations, institutional support and infrastructure are substantial, but they are not being fully utilized by farmers and landowners. Eight goals have been established to focus the vision and improve the use of existing opportunities:

- Farmland and forest owners have the knowledge and resources to make decisions that result in the preservation of farmland and forestland.
- Farmland and forest owners are active within their communities, share information and participate in public decision making processes.
- Farmers have the knowledge, managerial skills and resources needed to make prudent business decisions.

- Farmers are active within their communities and industries, share information and resources, and collaborate with one another.
- Residents understand the relationship between active farms and forests and the rural landscape.
- Residents understand the food system and the role of local farms.
- Residents understand about the production of wood products and the role of local timber.
- Parents, teachers and students understand that agricultural occupations involve science, technology, natural resources, finance, marketing, human resources, and other facets that present challenges and rewards, and offer opportunities for creativity and innovation.

Strategies and Actions

Expand Efforts to Protect Farmland and Forests

- **Education and Outreach.** Cooperative Extension, with assistance from other agencies and organizations, should develop a farmer/landowner education curriculum to promote the opportunities available to farmers and landowners for protecting their land and enhancing their operations.
 - Topics should include the VAD and PUV programs, agricultural conservation easements, business development assistance, forest management, and estate and farm transition planning. Also consider providing guidance and resources on conflict resolution.
 - A directory of farmer/landowner resources should be developed that includes individuals, agencies and organizations with expertise, existing programs, websites, and printed materials.
 - An outreach schedule should be created that includes a variety of venues and formats for conducting education to groups. Formats can range from a stand-alone, half-day workshop provided by Cooperative Extension to a ten-minute presentation at a producers association meeting.
 - Local experts from the private sector should be sought to give education and training.

- **Rural Land Use Decision Making.** The county Planning Department, with the assistance of the County Manager, should work with the VADB to notify VAD members of re-zoning and other land use issues.
 - The Planning Department should notify the VADB when an application has been made to rezone a tract of land within one mile of a VAD. Notification should include details of the development plan, and the steps and timeline of the review process.
 - The VADB should inform VAD members of the development plan and process, including opportunities for public input.
 - The Planning Department should appoint a member of the VADB to the Technical Review Committee.

- **Present-Use Value Tax Program.** The county Tax Administrator, with the assistance of the County Manager, should work with the VADB to provide education to existing and potential participants in the PUV program, and to resolve issues with landowners. The goal of this strategy is to ensure that, to the greatest extent allowed by state statute, bona fide farms and forest tracts that are managed for commercial production are included in the PUV program. The VADB will serve strictly in an advisory capacity and not as an arbitrator between landowners and the Tax Administrator. In order to protect the independence and authority of the Tax Administrator and the integrity of the VADB, the goal, objectives and procedures of this cooperative effort should be described in a memorandum of agreement.
 - Reduce the number of incomplete and non-qualifying applications by providing education, resources and assistance to landowners making initial applications.
 - Ensure that unique and unusual farm operations and activities are evaluated correctly by applying local agricultural knowledge when interpreting the program's rules and guidelines.
 - Provide education, resources and assistance to landowners who, upon submitting initial applications, are determined to be unqualified.
 - Prevent involuntarily removals from the program by helping landowners who have had a disqualifying event identify and take corrective actions.
 - Prevent disqualifying events by creating a brochure that outlines the requirements of the program and provides guidance about ownership and operational actions that

can lead to disqualification. The brochure should be given to landowners at the time of initial enrollment and after compliance reviews.

- **Agriculture on the Web.** An agriculture website should be developed and used to interact with both the agricultural and non-agricultural communities. The home page should be designed to provide a general overview of agriculture in the county and the resources available throughout the site. Other pages should be designed to provide specific information to target audiences.
 - A VAD notification page should be created to inform non-farm residents about the location of voluntary agricultural districts, the characteristics of farm and timber activities, and North Carolina’s right to farm laws.
 - Pages should be created to provide information to landowners about the VAD and PUV programs.
 - A page should be developed that describes the nation’s food supply chain and demonstrates how the crops, livestock and poultry make their way to local grocery stores.
- **VAD Notification on GIS.** A notification window should be created for the county’s GIS map site that pops up when the VAD layer is activated. The notification should be written to inform non-farm residents about the voluntary agricultural districts and the characteristics of farm and timber activities; for example:

Randolph County has established voluntary agricultural districts to protect and preserve agricultural lands and activities. These districts have been developed and mapped by the county to inform all purchasers of real property that certain agricultural and forestry activities—including, but not limited to, pesticide spraying, manure spreading, machinery and truck operation, livestock operations, sawing and other common farming activities—may occur in these districts any time during the day or night.

Expand Business Development Assistance to Farmers

- Enhance and expand the **business development network** of the Small Business Center at Randolph Community College, financial advisors, consultants, small business development counselors, and attorneys familiar with small business and agricultural law who are willing to provide education and training assistance.
- Create a **directory of business development resources** that includes the members of the business development network, websites, programs, and published materials.
- Create a **business development program** directed at farm and agribusiness owners. Include education and training on the use of business plans, farm transition plans, and other business management tools.

Promote Agricultural Awareness and Appreciation

- **Publicize this plan** and the county's commitment to agriculture.
- Continue to provide **education and information** to the public about agricultural issues.
 - Utilize the county's internal and external communication systems.
 - Maintain a relationship with the media, inviting them to cover the events and stories about the county's farms, the food supply industries and other relevant issues. Encourage members of the community to submit guest columns and letters to the editor.
 - Give presentations to civic clubs and other groups, and at public gatherings.

Expand Agricultural Education Programs for Youth

- **Coordination.** Cooperative Extension, the Soil and Water Conservation District, Farm Bureau, Randolph County Schools, and other agencies and organizations should hold an annual forum to develop and coordinate their youth education programs.
- Local agencies and organizations, with the assistance of the Superintendent of **Randolph County Schools**, should work with teachers and other staff to expand programs and opportunities for teaching students about agriculture in the county.
 - Provide **training and resources to teachers** including case studies, examples, problems, and other media to incorporate agriculture with other topics (e.g. math, science, history).
 - Develop farm tours, demonstrations and other **experiential learning opportunities**.
 - Create supervised agricultural education (SAE) opportunities for FFA members.
 - Develop a program to **educate administrators, guidance counselors, teachers and parents** about the value of agriculture as a career and the life skills taught in the agricultural education program.
- Cooperative Extension, with the assistance of other agencies and organizations, should develop **mentoring programs** to link established farmers in the community with high school and college students pursuing agricultural careers.

Improve Communication and Networking Within the Agricultural Community

- **Agricultural Coalition.** Create a coalition of local agricultural organizations to help promote and deliver the programs and initiatives outlined above.
 - Hold a forum to initiate the creation process.
- **VAD Area Networks.** Develop community networks in each of the six VAD areas and utilize them to promote the programs and initiatives outlined above, encourage the exchange of ideas and resources, and foster economic growth and community unity.
 - Hold periodic meetings designed to attract a wide range of participants.³⁷
- **Beginning and Retiring Farmers.** Develop a program to link beginning farmers with retiring farmers who do not have successors but who want to keep their land in farming.
- **Agricultural Events Center.** Continue to pursue the establishment of an agricultural events center in the county.

³⁷ Other counties have held monthly or bimonthly breakfast meetings that feature a short program delivered by a guest speaker. Breakfast is sometimes financed by a sponsor and prepared by volunteers. These meetings provide an opportunities for farmers and other individuals to socialize and exchange information.

IMPLEMENTATION

The Voluntary Agricultural Advisory Board will assume the primary responsibility for implementing and updating this plan. The VADB serves as a link between Randolph County government and the agricultural community and will provide leadership and oversight as the two groups work together to accomplish the long-term goals set forth herein. The success of this plan will be contingent upon the efforts and participation of many individuals throughout the county. However, it is critical that the staff and resources of the local agricultural agencies—Cooperative Extension, Soil and Water Conservation District, etc.—be maintained or the goals will not be reached. Following is a tentative schedule for initiating the strategies and actions. Because many of them will take more than one year to develop, the schedule represents the order in which the strategies and actions will be taken with target years for their initiation.

Year 1 (2011 – 2012)

The first year will be devoted to developing resources and strengthening relationships between the VADB, Cooperative Extension and other departments within the county's government.

- The VADB and Cooperative Extension will begin to develop the farmer/landowner education agenda and resource directory.
- Cooperative Extension will organize a forum with other local agencies and organizations to coordinate their agricultural education curricula.
- The VADB will begin working with the Tax Administrator to develop the resources and procedures related to the Present-Use Value program.
- The Planning Department will begin notifying the VADB of rezoning actions near voluntary agricultural districts.
- The VADB will begin notifying VAD members of rezoning actions.

Year 2 (2012 – 2013)

Community leaders and the county will expand on the efforts made in the first year and initiate other strategies. The top priorities will be to implement the specific actions related to PUV and to start developing the communication networks within the agricultural community.

- The VADB will begin coordinating the agricultural coalition and hold a forum with all of the potential members.
- The VADB will hold meetings in the six VAD areas and begin to develop the area networks.
- Cooperative Extension will begin working with Randolph County schools to expand agricultural education programs.
- The Planning Department will appoint a member of the VADB to the Technical Review Committee.
- The Information Technology department will create the VAD pop-up notification window for the county's GIS.

Year 3 (2013 – 2014)

Continuing the efforts started in years one and two will be the top priority in year three. In particular, the VADB and other community leaders will devote time and resources to developing the agricultural coalition and VAD area networks. New actions will include:

- Develop the agricultural website.
- Enhance and expand the business development network.
- Create the directory of business assistance resources.

Year 4 (2014 – 2015)

By the beginning of the fourth year community leaders should have accumulated the resources needed to implement each of the strategies. Relationships between agencies, departments and organizations should be well developed and the community networks should be active. At this stage community leaders and all the participants should be fully engaged in many new programs and efforts. In the fourth year they will build on those efforts and initiate two additional programs for new and aspiring farmers.

- The mentoring program for students.
- The program to link new and retiring farmers.

Year 5 (2015 – 2016)

Two final strategies/actions remain to be initiated in the fifth year.

- Create the business development program.
- Evaluate the feasibility of an agricultural events center.

Potential Sources of Funding

Funding the implementation of this plan will be significant and ongoing. A dedicated source and/or minimum appropriation from the county will improve long-term management plans and the ability to match and receive external funds. In addition to financing the plan's specific actions, funding will be needed to cover staff time and resources needed to coordinate the various activities. The county and other partners should seek funding from multiple sources including, but not limited to:

- Rollback taxes collected each year from properties leaving the Present-Use Value program.
- N.C. Agricultural Development and Farmland Preservation Trust Fund
- N.C. Clean Water Management Trust Fund
- U.S. Department of Agriculture
 - Agricultural Marketing Service
 - Farm Service Agency
 - National Institute of Food and Agriculture
 - Rural Development
- Golden LEAF Foundation
- N.C. Tobacco Trust Fund
- Southern SARE (Sustainable Agricultural Research and Education)
- RAFI-USA (Rural Advancement Foundation International)