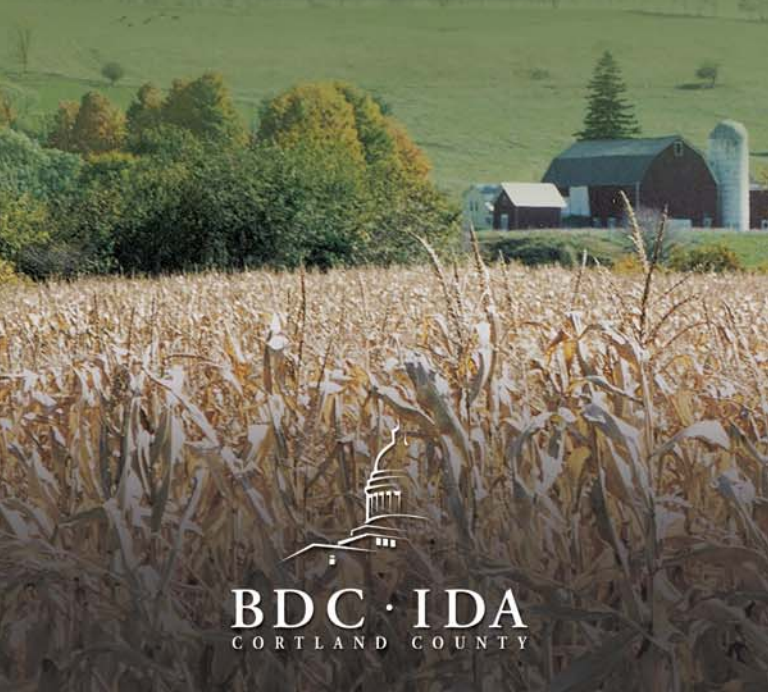


CORTLAND COUNTY

*Agribusiness
Resource Guide*



BDC · IDA
CORTLAND COUNTY

THE CORTLAND COUNTY AGRIBUSINESS RESOURCE GUIDE

*A*griculture is the leading economic sector in New York State, and a mainstay of the Cortland economy. That's why the Cortland County Business Development Corporation (BDC) /Cortland County Industrial Development Agency (IDA) have created a new focus on agribusiness, partnering with federal, state, regional and local partners to deliver services.

This resource guide is meant to help guide you through some of the agribusiness assistance programs available through the BDC/IDA. In addition, agribusiness here is fortunate to have some of the finest dairy and field crop programs available anywhere through Cortland's Cooperative Extension Service supported by Cornell University. Another major resource for agribusiness is the Cortland County Soil & Water Conservation District, which is one of the top programs of its kind in New York State.

Located just 30 minutes away, Cornell is the world's leading agri-research institution and this proximity provides Cortland farms and agribusinesses with unique access to both state of the art agri-programs and some of the top agricultural researchers in the world. Programs include the NYS College of Agriculture and Life Sciences, NYS College of Human Ecology and the NYS College of Veterinary Medicine at Cornell University. Cornell's own livestock research farm is in the town of Harford, Cortland County.

Cortland is also fortunate that the New York State headquarters of the USDA is located in nearby Syracuse, and the USDA is actively involved in a large number of projects in the county. The New York State Grange headquarters is located in Cortland, along with a beautiful New York State Grange Museum.

All of these assets combine to make Cortland County one of the most important agricultural corridors in New York State.

Cortland County's Agricultural and Farmland Protection Plan, prepared in 1998 for the Cortland County Agricultural and Farmland Protection Board under the auspices of the Cortland County Planning Department lays out a strategy for agri-development. The cornerstone of the plan is the creation of "agricultural districts" and the development of local initiatives to maintain the economic viability of the agricultural industry, protect its land base and preserve the values associated with agriculture. The Cortland BDC/IDA works closely with the Agricultural and Farmland

Protection Board and Cortland County Planning to implement some of the recommendations of the County's Farmland Protection Plan. We also enjoy a close working partnership with the American Farmland Trust and the New York State Department of Agriculture and Markets.

The BDC/IDA recently created a new nonprofit organization specifically to help support agribusiness. The Cortland County Agricultural Local Development Corporation is the only entity of its kind in New York State developed by an economic development organization as a tool for agri-business assistance. We're proud to say that with the introduction of this program, Cortland truly is a model for economic development — from large scale manufacturing, to Main Street merchants, to the farms that are the backbone of our rural communities.

But the best news of all is that agriculture is growing in Cortland County. The number of farms actually increased recently in Cortland, and all statistics point to greater agricultural output, with the market value of farm products increasing substantially over the last decade. As the County's Farmland Protection Plan notes, "Agriculture is a foundation for community identity, culture and scenic open space. Continuing to enhance the agricultural sector will help sustain past investments, expand the economic potential of farming, and maintain the quality of life in Cortland County. If we support local agriculture, we can reap long lasting benefits from it."

Profitable farming will always be the most effective means of maintaining and protecting farmland. We look forward to working with agribusinesses in Cortland County to keep growing this important sector of our economy.

Call us ... We're here to help.

Linda Dickerson Hartsock
Executive Director

Cortland County Business Development Corporation
Cortland County Industrial Development Agency
Cortland County Agricultural Local Development Corp.
PO Box 549 - 26 North Main Street
Cortland, NY 13045
(607) 756-5005
www.cortlandbusiness.com
grow@cortlandbusiness.com

Updates and revisions to this guide are available on-line at:
www.cortlandbusiness.com

AGRIBUSINESS RESOURCES AT A GLANCE

These Cortland County agencies provide direct technical assistance and can help link agribusinesses to a myriad of federal, state, county and local programs that support many sectors of the agriculture industry:

Cornell Cooperative Extension

Cortland Office
County Office Building
60 Central Avenue
Cortland, NY 13045
(607) 753-5077
www.cce.cornell.edu/scnyag

Cortland County Soil and Water Conservation District

100 Grange Place
Cortland, NY 13045
(607) 756-5991

Cortland County Agricultural and Farmland Protection Board

Cortland County Planning Department
4 Lincoln Avenue
Cortland, NY
(607) 753-5043

Cortland County Farm Bureau

(A non governmental, volunteer organization financed and controlled by member families for the purpose of solving economic and public policy issues challenging the agricultural industry.)

Robert Fouts, President, Cortland Chapter
(607) 756-6669

Additional technical resources at the regional level include:

The Central New York Regional Planning and Development Board

126 North Salina Street - Suite 200
100 Clinton Square
Syracuse, NY 13202
(315) 422-8276

Southern Tier East Regional Planning Development Board

375 State Street
Binghamton, NY 13901
(607)724-1327

NYAgriDevelopment Corporation
Metropolitan Development Agency
109 South Warren Street, Suite 1900
Syracuse, NY 13202
(315) 422-8284

State programs may be accessed through:

**New York State Department of Agriculture and Markets
Agricultural Protection Unit - Purchase of Development
Rights Program**
One Winners Circle
Albany, NY 12235
(518) 457-2713

**New York State Department of Agriculture and Markets
Agricultural Business Development Assistance Division -
Agricultural Ombudsman Services**
One Winners Circle
Albany, NY 12235
(518) 457-7076

**New York State Legislative Commission on Rural
Resources**
Legislative Office Building
Albany, NY 12247
(518) 455-2544 or (518) 455-3999

American Farmland Trust, Northeast Field Office
110 Spring Street
Saratoga Springs, NY 12866
(518) 581-0078

*Federal resources for rural development and agribusiness
projects requiring financing or technical assistance are
available through:*

**US Department of Agriculture - New York Rural
Development**
The Galleries of Syracuse
441 South Salina Street - Suite 357
Syracuse, NY 13202
(315) 477-6430

**US Department of Agriculture - Natural Resources
Conservation Service**
Cortland Office
100 Grange Place
Cortland, NY 13045
(607) 756-5991

US Farm Service Agency

Cortland Office
100 Grange Place
Cortland, NY 13045
(607) 753-0851

US Department of the Interior - Fish and Wildlife Service

Cortland Office
3817 Luker Road
Cortland, NY 13045
(607) 753-9334

New York State agriculture statistics can
be accessed on line: www.nass.usda.gov/ny

SUPPORTING CORTLAND COUNTY'S STRONG AGRIBUSINESS BASE

Agriculture is actually Cortland's earliest industry, with the first farm settled in 1789. Nearly 47% of the land in the County is still used for agriculture, making it an important sector of the county's economy today. According to recent statistics from the Cornell Cooperative Extension the number of farms in Cortland actually increased from 173 up to 182 from 2000 - 2001. Regionally, there are 450 farms. There are 15,000 cows in Cortland and 40,500 cows regionally.

The sales of locally produced milk, beef, maple syrup and cash crops generate revenues of \$45 million per year according to recent US Census of Agriculture data. Long recognized as one of New York State's most productive agricultural areas, Cortland County's commercial farms are a source of great community pride. The market value of agricultural products sold per farm has also increased from \$22,734 in 1969 to \$90,386 in 1992. Milk receipts to Cortland County farmers are \$35.6 million annually, and \$94.6 million regionally.

Dairy farming is a major agricultural enterprise in the County, with dairy enterprises generating revenues in excess of \$38 million annually. Well known for their superior production, Cortland's dairy cattle have been sold throughout the world to farmers who place a premium on high production potential. Livestock production generates in excess of \$4 million annually in the county and livestock products including fluid milk production along with the growing of feed and raising of cattle represent 94% of the

County's agricultural activity. Cortland dairy farms are among the leading milk producers in New York as well. Dairy and dairy products are New York's leading agricultural product, and the State ranks 3rd nationally in terms of milk production.

Livestock production is also another large industry sector in New York, with the State being the leading veal producing state in the country. Livestock production in Cortland County is near the top of agri-economic activities in New York State.



Supporting this activity are equipment dealers, feed and fertilizer suppliers, breeders, veterinarians, farm building suppliers, farm chemical and animal health suppliers, milk handlers, processors and milk transport service coops, dairy equipment retailers, service personnel and lend institutions. For example, local farmers spend over \$12 million per year to purchase feed for their livestock and poultry.

In addition to dairy, Cortland County boasts a number of other agribusiness sectors. There are approximately 158,000 acres of commercial forest land within the County, producing an estimated 15 million board feet of lumber per year at a value of \$1.5 million. There are also numerous greenhouse operators in the County who produce a wide variety of crops. These crops include trees, flowers, shrubs, plants and vegetable transplants, producing revenues of more than \$200,000 per year. Cortland County farmers are well known for their crop production which produce close to \$1.5 million in revenues per year. Cortland soils rank as some of the most fertile and rich in New York State.

Apples are a sector where New York ranks second only to Washington State in terms of production, with one billion dollars a year in sales. While Cortland does not have an apple industry (the State's production is concentrated along the southern shores of Lake Ontario, the Hudson Valley and the Lake Champlain Valley where over half of New York's apples are produced), Cortland apples remain a brand name known around the world. Cortland apples, regarded for their fragrant freshness and snowy white flesh, were developed at the New York State Agricultural Experiment Station in Geneva in 1898. They are sweet, with a hint of tartness, juicy, and excellent all purpose apples for eating, salads, sauce, pies and baking. They are especially notable because they do not turn brown quickly when cut.



New York State produces nearly 80 million dozen eggs annually with a value of \$50 million, and a number of Cortland farms are involved in that activity, particularly pasture poultry and organic eggs. Some of them have interesting ties to regional restaurants, as well as plans to combine their operations with agritourism and farm market retail.



Grapes are another unique regional asset, with New York ranking 3rd nationally in production behind California and Washington. Last year's crop was valued at more than \$38 million.

Locally, Cortland vintners Rosemary and Gary Barletta are producing an award winning series of wines under the label Long Point Wintery from their beautiful estate winery with a sweeping view of Cayuga Lake. Their wines include Merlot, Red Zinfandel, Syrah, Cabernet Sauvignon, Ciera, Cambrie, Chardonnay and Vidal Blanc.

Cabbage is a \$50 million annual business in New York, a state that ranks second nationally in cabbage production. Cabbage farming in northern Cortland County is still a strong sector. Sweet corn, produced primarily in the western and central regions of New York, is a \$64 million annual industry, and last year's crop of 350,000 tons made the State 4th nationally. Local sweet corn can be found at many farm markets around the county.

Central New York — the home of the Marathon Maple Festival which attracts tens of thousands of people each year — is the second largest producer in the nation behind Vermont of maple syrup. More than 231,000 gallons produced last year were valued at nearly \$6 million. Cortland County is the heart of maple syrup country, with more than 40 regional maple producing enterprises.



The economic impact of state, regional and local supply and production chains that go with New York's \$3 billion annual agribusiness economy is astounding. The ripple effect of Cortland's agribusiness economy is hundreds of million dollars.

CORTLAND COUNTY AGRIBUSINESS AT A GLANCE

Square miles	503.3
Agricultural annual sales	\$45 million
Acres in active farming	321,000
Percent of farm land used for crop production	30%
Percent of farm land used for forestry	43%
Market value of ag products sold per farm	\$90,386
Dairy farming annual sales revenue	\$38 million
Number of farms	182
Number of dairy cows	15,000
Annual milk receipts to Cortland County farmers	\$35.6 million
Acres of commercial forest	158,000
Annual value of lumber board production	\$15 million
Annual crop production sales	\$1.5 million
Amount local farmers spend on feed each year	\$12 million
Number of regional maple syrup producers	40 enterprises producing 10,000 gallons annually
Miles of rivers in Cortland County	22
Miles of streams in Cortland County	130
Lakes and ponds in Cortland County	25
Acres of state forest land	30,000

GENERAL AGRIBUSINESS ASSISTANCE PROGRAMS AVAILABLE THROUGH THE BDC/IDA

The mission of the BDC is to provide technical assistance to companies in Cortland County for the purposes of business expansion, retention, and marketing the County to attract new businesses. The BDC works across many sectors of the economy, with companies large and small. The BDC also works with farmers, offering technical assistance and identifying opportunities ranging from purchase of development rights programs and historic barn grants, to the development of agritourism and agritechnology enterprises.

The Cortland County IDA was established through New York State legislation that governs Industrial Development Agencies. An IDA is a public benefit authority that can deliver financial incentives to companies for larger scale projects that produce significant investment and job creation. These incentives are delivered in the form of payments in lieu of taxes (PILOTS) to companies. These PILOT agreements must be approved by the local municipalities. In general, these projects are manufacturing related, although the IDA has the ability to select projects in other sectors — for example, in technology or other enterprises — that will produce significant positive economic impact. By law, IDAs cannot offer these PILOTS to farms, since agriculture already receives favorable tax status.

There are a number of other ways in which the BDC/IDA can work with agribusinesses in Cortland County:

- Promoting the agricultural industry in the county
- Promoting agribusinesses in the county
- Working with farms on agribusiness initiatives and agricultural-related commercial activities such as the sale of farm produce and related products, the packaging of farm produce, home-based or “cottage” businesses such as a farm retail market, bed and breakfast, crafts production, farm tours, agricultural classes and other education programs
- Assisting in obtaining grants or other funding to promote economic development of the agricultural industry or to aid in farmland protection
- Networking with governmental, agricultural and nonprofit organizations to expand resources for agriculture

- Linking agribusinesses to financial resources to secure capital for startup, expansion and retention of agricultural businesses that produce, market and process agricultural products
- Facilitating private investment of capital in the agricultural industry
- Maintaining a directory of agribusiness resources
- Monitoring new federal and state agribusiness assistance programs targeted for rural economic development
- Marketing these services to agricultural enterprises in the county

CORTLAND COUNTY'S PURCHASE OF DEVELOPMENT RIGHTS (PDR) PROGRAM AND NEW YORK STATE'S FARMLAND PROTECTION PROGRAM

Administered by the Cortland County Agricultural Local Development Corporation

PO Box 549

Cortland, NY 13045

(607) 756-5005

farmland@cortlandbusiness.com

www.cortlandbusiness.com

The Cortland County BDC/IDA works with the Cortland County Agricultural and Farmland Protection Board and the Cortland County Planning Department to implement a Purchase of Development Rights (PDR) Program in Cortland County. The Cortland County Agricultural Local Development Corporation, managed by the staff of the Cortland County BDC/IDA, administers the PDR program. The IDA board of directors serves as the board of directors for the Agricultural LDC, which is incorporated as a separate nonprofit organization.

Both the BDC and IDA are partners in administering the PDR program. The BDC can offer technical assistance to farmers developing applications, and the IDA serves as the conduit for the purposes of the contract. The nonprofit Agricultural LDC or the IDA can hold the conservation easement. Formal applications to the New York State PDR Program/New York State Department of Agriculture and Markets, must be made by the Cortland County Agricultural and Farmland Protection Board through the Cortland County Planning Department.

New York State's Agricultural and Farmland Protection Program, Article 25-AAA, was enacted in 1992 as part of the Agricultural Protection Act. That program encourages counties and towns to work with farmers to promote local initiatives that help maintain the economic viability of agriculture and protect the industry's land base.

Under this program, funds are available from New York State to develop county agricultural and farmland protection plans, and implement farmland protection projects. In 1996, the State amended Article 25-AAA to provide counties that have approved farmland protection plans with implementation grants to purchase development rights (PDR) on farmlands. Purchase of development rights (PDR) is a voluntary farmland protection technique that pays farmland owners for permanently protecting land for agriculture. Since 1996, New York State has committed more than \$40 million to its Farmland Protection Program for the purchase of development rights on thousands of acres around the state, helping keep viable farms in production. Funding for New York State's Farmland Protection Program comes through the New York State Environmental Protection Fund and from the Governor's Clean Water/Clean Air Bond Act.

Cortland County is one of the few places in New York State where the county's economic development organization has stepped forward and taken an active role in a farmland PDR program, and promoted it as an economic development strategy. Because it is so unique for an economic development agency to take a leadership role in farmland protection, The Cortland County model was featured at The American Farmland Trust's Third Annual New York Farmland Protection/PDR Conference.

The intent of the New York State Farmland Protection Program, while it reinforces open space protection, is to keep farms as part of the working landscape. The real goal of New York's Farmland Protection PDR program is to keep farms viable and functioning, and to help assure their continuation into the next generation. This is a different intent than open space protection programs which are administered and funded by national, state and regional organizations such as The Open Space Institute or the New York State Department of Environmental Conservation which is charged with New York State's open space conservation program. In addition, many nonprofit groups and nature conservancies around New York State also administer open space and land conservation programs.

The intent of the New York State Farmland Protection PDR Program is to stimulate reinvestment back into the farm for purposes of production and facilities improvement, to keep the farm working, and to encourage the transfer of the farm as a viable economic activity to the next generation. Essentially, it is a very competitive grant program. Applications to the grant program can be submitted annually by the Cortland County Agricultural and Farmland Protection Board, representing farms who are interested in having their properties considered for the PDR program.

In the 2000-2001 funding cycle, New York State received more than \$63 million in PDR requests, and made \$12 million in PDR commitments to 16 farms across New York State, including a grant of up to \$865,000 to the Intervale Farm in the Homer-Preble agricultural corridor. In the previous 1999-2000 funding cycle, New York State made a commitment to a grant of up to \$1 million for the Cobblestone Valley Farm, also in the Homer-Preble agricultural corridor. In that funding round, Cortland was one of just 15 municipalities in New York State to share in a total of \$12 million.

Taken together, this means that New York State has allocated up to \$2 million in the past two years toward Farmland Protection PDR programs in Cortland County. This is a recognition by New York State of the significance of Cortland as an important agricultural corridor in New York State.

When New York State purchases the development rights to a farm, farm owners retain all other rights of ownership and continue to farm their land as they did before. Farms that sell their development rights to New York State through this program remain private and on the tax rolls.

How are farms selected for the New York State Department of Agriculture and Markets Farmland Protection PDR Program?

Because funding is limited and competition is intense, farmers must put a great deal of work into their applications. Applications from across New York State are reviewed, and farmers must demonstrate that their property has merit for funding based on criteria such as:

- Good soil resources
- Significant acreage
- High percentage of land in production
- Near other protected properties
- Property under significant development pressure
- Property serves as an environmental buffer
- Good level of farm management present
- Good likelihood of the farm's succession as a farm
- Commitment of the farmer to the program
- Willingness to put agricultural interests first in the development of a conservation easement

The BDC can work with farmers interested in the program to help make sure that their applications are as competitive as possible.

What happens if a farm is selected for the PDR program?

If a farm is selected for funding, New York State enters into a contract with a government entity who can directly administer the program or contract a designated nonprofit organization to administer the program. The farmer selects the entity to hold and maintain the conservation easement into which the farm must be placed, forever restricting it to agricultural uses. That entity must be either a municipality or a nonprofit corporation.

In the case of Cortland's PDR program, the county has designated the IDA to be the lead government agency for the program. Because Cortland County does not have a land conservancy or other similar organization to hold the conservation easement, the BDC/IDA created a new nonprofit entity, the Cortland County Agricultural Local Development Corporation, or the Cortland County Agricultural LDC. Quite simply, the LDC is designed to be a tool for farmers to utilize a local nonprofit entity to hold and maintain the development rights and conservation easement for their farms, as well as to administer the extensive monitoring required by New York State. Farmers can also choose to go to nonprofit land trusts, conservancies or other agencies outside of the area and request that they hold the conservation easements, and do the extensive monitoring required of the program.

The Cortland County Agricultural LDC was incorporated as a single purpose, domestic, nonprofit, type C corporation organized under New York State Not-For-Profit Corporation Law, specifically as a "Local Development Corporation" to serve as a holding mechanism for conservation easements and the purchase of development rights through farmland protection plans. Its filing receipt, articles of incorporation and by-laws are registered with the New York State Department of State.

If a farm opts to work with the Cortland County Agricultural LDC, the LDC can hold and maintain the conservation easement for the property, which will forever restrict its use to farming. The LDC also serves as the monitoring agent and steward, and can work with the farmer to help update operations through machinery and equipment purchases, and to utilize the capital funds through the grant program to ensure the sustainability of the farm.

What is a conservation easement, and what does it do?

Agricultural easements are different than scenic or open space easements in that they recognize that farms are working landscapes. Agricultural easements are designed to allow farmers to adapt over a very long period of time to the demands of their industry through new farming practices.

A conservation easement on a farm is essentially a deed restriction. The farm continues to be held in title by the owner, but a restriction is placed on the property that forever restricts its use to common agricultural practices. These are typically defined in New York State Agriculture and Markets Law and interpreted by local zoning. Most significantly, it is the language of the conservation easement itself that spells out what is and isn't permitted on the property.

A conservation easement is required by the New York State Farmland Protection Program. A conservation easement is a restriction on the property which means that the property can only be used for agricultural purposes, ranging from activities like crop farming to dairy production. It also allows for agritourism enterprises like farm markets.

The farm is put in a conservation easement, the terms of which are pursuant to Article 49 of the New York State Conservation Law, upon closing on the purchase of development rights. The Deed of Conservation Easement must be approved by the New York State Department of Agriculture and Markets. To be eligible for the program the land must be used in bona fide agricultural production, as defined in New York State Agriculture and Markets Law 301 which took effect on March 24, 1981. The landowner is informed of the requirements of the program and the property restrictions through the contents of the conservation easement.

Prior to purchase, the site is inspected and a survey is made to ensure that the property meets the requirements of the program, and to determine the condition of the land, including existing structures. This is known as a baseline study, and it becomes the basis for future annual inspections to determine site conditions.

What can a farm do, or not do, once it is in a conservation easement?

Conservation easements typically need to include four areas of consideration:

- Means to accommodate sound agricultural practices consistent with law
- Means to accommodate agricultural structures
- Means to accommodate farm employee and farm support housing
- Means to accommodate resource protection areas such as wetlands, stream corridors or habitat areas

Farming conservation easements are subject to federal and state laws, as well as local zoning.

In the model conservation easement being utilized by the Cortland County Agricultural LDC, the following uses are permitted:

- The right to produce crops, livestock and livestock products (i.e., milk, cheese, etc.), and conduct farm operations pursuant to Agricultural and Markets Law
- The right to establish and maintain cultivated fields, orchards and pastures
- The right to maintain, repair and enlarge or improve existing buildings with the Farmstead Complex
- The right to construct new structures solely for agricultural purposes with the Farmstead Complex for the purposes of the sale of farm products, in accordance with sound agricultural practices pursuant to law
- The right to repair or replace existing fences, or construct new fences where required on the Farmstead Complex for the purposes of management of livestock and wildlife, and to prevent trespassing on the property
- The right to repair or enlarge existing single-family residential dwellings on the Farmstead, with the provision that under no circumstances shall the land with the single family dwellings ever be subdivided into separate or individual lots
- The right to repair or improve farm employee housing
- The right to establish and carry out agricultural-related commercial activities that include the storage and sale of farm produce and related products, the packaging of farm produce, and farm machinery repair
- The right to establish home-based business or “cottage” business such as a professional office within the home, a bed and breakfast, or crafts production
- The right to use the land for recreational and educational uses that the owner chooses such as farm tours, agricultural classes, nature interpretation and other education programs
- The right to improve water sources and bodies, including the construction of ponds
- The right to construct and repair utilities such as driveways, water lines, sewer lines, electric lines, wells and septic systems
- The right to harvest wood within the farm area in generally accepted forest management practices that will not result in significant soil degradation, provided that any cleared areas be immediately converted to farmland

These uses are consistent with most other conservation easements being used around New York State. It should be noted that the conservation easement must be approved by the New York State Department of Agriculture and Markets, and is still subject to local zoning. A farmer must receive advance written permission from the New York State Department of Agriculture and Markets to construct any building or make any improvement that is outlined above as being allowable. At the same time, the farmer must go through local permitting and code processes.

A number of activities are prohibited by the model conservation easement being utilized by the Cortland County Agricultural Development Corporation:

- No building, structure or improvement can be made to the property, except as expressly permitted by the easement
- No commercial or mining activities will be permitted
- No feed mills or other similar commercial activities will be permitted
- No internally lit or neon signs will be permitted to be erected or displayed
- No billboards shall be erected or signs displayed that are larger than defined in the easement; billboards installed to date shall be permitted to remain as long as they are in accordance with local zoning laws
- No permanent storage of trash, refuse or debris shall be permitted; the temporary storage in receptacles for off-site disposal is permitted
- After the property is placed in the conservation easement, no further subdivision will ever be permitted for residential, commercial or industrial use

What assurances does a community have if a farm is funded through a PDR program and is placed in a conservation easement?

If a farm does not go through the process mandated, managed, reviewed and approved by New York State it will not receive funding. If the farm does not agree to place itself in a conservation easement, it will not receive funding.

The process also involves a monitoring plan that must be approved by New York State. A monitoring plan typically includes:

- A monitoring team is created that must be approved by New York State
- The monitoring team must annually visit, inspect and assess the property against a baseline study that includes documents and photographs of the property

taken at the time the property was placed in the easement; these maps and photographs must be extensive, and must include major features, structures, uses, and resource protection areas; the inspectors look for any changes in the land, use of land, and any new structures that are violation of the terms of the conservation easement

- The monitoring team is obligated to notify the grantee in writing within 48 hours of any violations
- In addition, properties can be inspected if there is a complaint received alleging noncompliance.

If any violations are found to exist, appropriate enforcement action is taken pursuant to the remedial provisions set forth in the conservation easement. Typically this involves notifying the grantor in writing of the infraction, and if the issue cannot be resolved through negotiation, formal legal action will be taken. In that regard, if landowners breach the terms of the easement they risk losing funding and can incur legal liability. This creates safeguards in the system to protect against development of the property for any purposes other than the agricultural uses permitted in the easement.

Can the farmer resell the property?

A farmer can sell the property, but the conservation easement will continue in place as a permanent deed restriction. If the property is ever resold, the new owner is subject to the same terms and conditions of the conservation easement, meaning the land can only be used for agricultural purposes in perpetuity. The grant dollars are not transferred to the new owner.

Who determines the value of the property? How is it appraised?

As a component of the program, New York State requires an appraisal by a New York State Certified Appraiser to help establish the value of the land for the purposes of establishing a price for the development rights. New York State requests two copies of an appraisal prepared by a New York State Certified Real Estate Appraiser, along with four sets of values: 1) Appraised fair market value; 2) Agricultural value; 3) Development value; and 4) 75% of the development value (which establishes the actual final amount of the grant award). Land does not need to be rezoned to be in a PDR program.

In essence, while the state allocates up to a certain announced amount for an award, the actual amount received by the farmer is usually far less, since the State's actual cash award is 75% of the development value, and capital gains tax usually takes up to another 25% off the top of the cash

award amount. In reality, farmers usually see about 50% of the grant announcement award in cash, after adjustment are made by New York State for the reduced percentage of development value, and the impact of federal and state income taxes.

Since New York State only provides funding for 75% of the total project costs, there is an obligation to come up with the remaining 25% from other sources. Typically the 25% match comes from a combination of federal farmland protection funds, in-kind services contributed locally in the form of the development of a farmland protection plan, implementation of a local farmland protection board, baseline documentation and continued stewardship and monitoring in perpetuity, and other in-kind services. The match can also include a “bargain sale” by which the farmer accepts a reduced cash award, but receives more favorable capital gains tax considerations. In Cortland’s case, a combination of these factors produces the 25% match. New York State can help facilitate a grant application to the federal farmland protection program to help with the 25% match requirement, since federal funds are allowable as part of the 25% match. An administrative credit up to \$25,000 is allowed.

Where can I obtain more information on New York State’s PDR program?

Cortland County Agricultural and Farmland Protection Board

Cortland County Planning Department
4 Lincoln Avenue
Cortland, NY 13045
(607) 753-5043

New York State Agriculture and Markets, Agricultural Protection Unit

1 Winners Circle
Albany, NY 12235
(518) 457-2713
www.agmkt.state.ny.us

American Farmland Trust, Northeast Field Office

110 Spring Street
Saratoga Springs, NY 12866
(518) 581-0078
www.farmland.org



FINANCING FOR AGRIBUSINESS ACTIVITIES

THE SBDC

The Small Business Development Center (SBDC) based out of Binghamton University can help agribusinesses with one-to-one counseling in the following areas:

- Startup assistance
- Feasibility assessments
- Business plan development
- Bookkeeping, accounting and financials
- Sources of financing
- Marketing
- Business expansion
- Exporting
- General research

There are no fees for direct confidential counseling. Several times each month the Binghamton SBDC conducts business startup information sessions held at the Cortland BDC office. Call the BDC at (607) 756-5005 to schedule an appointment.

For more information on SBDC programs:
(607) 777-4024
www.sbdc.binghamton.edu

The SBA

Certain agribusiness activities may be eligible for assistance through the SBA's primary business loan program, the 7(a) Loan Guaranty which helps secure loans to businesses who cannot otherwise obtain financing on reasonable terms. There are a number of loan programs under the 7(a) program that address specific needs. For small business loans of \$150,000 or less, a low documentation loan features a one-page SBA application, cutting the paperwork burden for both small businesses and lending institutions. If approved, the SBA guarantees up to 85% of the loan with a quick turnaround to the lender. Other specialized SBA programs include loans for short-term working capital, export working capital financing, international trade loans, and micro loans under \$35,000 for small-scale financing purposes such as inventory and supplies.

For more information on SBA programs:
(607) 734-8130 or (315) 471-9393
www.sba.gov/ny

The NYBDC's Agribusiness Lending Program

The Cortland County BDC/IDA is working with the

New York Business Development Corporation (NYBDC) to promote a new agribusiness lending program designed to enhance growth in upstate farm communities.

Appointments to discuss loan inquiries or other issues related to the NYBDC Agribusiness Lending Program can be made by calling the BDC at 756-5005. NYBDC loan specialists meet monthly with Cortland businesses at the BDC offices, 26 North Main Street, Cortland. The NYBDC is a privately owned and managed corporation in which 156 New York State commercial and savings banks, shareholders and the New York State Common Retirement Fund pool resources and share risks to help diverse small business enterprises expand in New York State. Functioning in partnership with the banking community and the public sector, NYBDC provides a means of access to capital for small to mid-sized businesses for the purposes of economic development.

For more information on NYBDC's agribusiness lending programs:

**New York Business Development Corporation,
Agribusiness Division**

(518) 463-2268

www.nybdc.com

USDA - Rural Development Programs

The mission of the Rural Business-Cooperative Service (RBS) of USDA Rural Development is to enhance the quality of life for rural Americans by building competitive businesses and cooperatives that can prosper in the global marketplace. To meet business credit needs, RBS Business Programs are usually leveraged with the resources of commercial, cooperative, or other private-sector lenders.

Business Programs of RBS include:

COMMERCIAL LENDING

Business and Industry Guarantee Loans

The Business and Industry (B&I) Guarantee Loan Program helps create jobs and stimulate rural economies by providing financial backing for rural businesses. This program guarantees up to 80% of a loan made by a commercial lender. Loan proceeds may be used for working capital, machinery and equipment, buildings and real estate, and certain types of debt refinancing. The primary purpose is to create and maintain employment and improve the economic climate in rural communities. This is achieved by expanding the lending capability of private lenders in rural areas, helping them make and service quality loans that provide lasting community benefits. This program represents a true private-public partnership.

B&I loan guarantees can be extended to loans made by commercial or other authorized lenders in rural areas. Generally, authorized lenders include Federal or State

chartered banks, credit unions, insurance companies, savings and loan associations, Farm Credit Banks or other Farm Credit System institutions with direct lending authority, a mortgage company that is part of a bank holding company, and the National Rural Utilities Finance Corporation. Other loan sources include eligible Rural Utilities Service electric and telecommunications borrowers and other lenders approved by RBS who have the designated criteria.

Assistance under the B&I Guaranteed Loan Program is available to virtually any legally organized entity, including a cooperative, corporation, partnership, trust or other profit or nonprofit entity, Indian tribe or federally recognized tribal group, municipality, county, or other political subdivision of a State. The maximum aggregate B&I Guaranteed Loan(s) amount that can be offered to any one borrower under this program is \$25 million.

Business and Industry Direct Loans

The Business and Industry (B&I) Direct Loan Program provides loans to public entities and private parties who cannot obtain credit from other sources. Loans to private parties can be made for improving, developing, or financing business and industry, creating jobs, and improving the economic and environmental climate in rural communities, including pollution abatement.

Eligible applicants include any legally organized entity, including cooperatives, corporations, partnerships, trusts or other profit or nonprofit entities, Indian tribes or federally recognized tribal groups, municipalities, counties, and other political subdivision of a State, or individuals. Loans are available to those who cannot obtain credit elsewhere and for public bodies. The maximum aggregate B&I Direct Loan amount to any one borrower is \$10 million.

Ineligible Loan Purposes

There are some uses for which B&I Loans *cannot* be used. The major restrictions are that funds cannot be used to:

- Relocate jobs or to expand a business where there is already an excess of supply of the goods or services
- Pay any distribution to an owner or beneficiary who will continue in business
- Transfer the ownership of a business unless the transfer is necessary to keep the business from closing or will expand job opportunities
- Finance charitable, religious or fraternal organizations
- Finance agricultural production unless the business is also processing agricultural products

RURAL BUSINESS OPPORTUNITY GRANTS

Rural Business Opportunity Grant funds provide for technical assistance, training, and planning activities that improve economic conditions in rural areas. Applicants must be located in rural areas. Nonprofit corporations and public bodies are eligible. A maximum of \$1.5 million per grant is authorized by the legislation. RBS is designing the program to promote sustainable economic development in rural communities with exceptional needs.

RURAL BUSINESS ENTERPRISE GRANTS

The Rural Business-Cooperative Service offers a business development grant program which is available through local USDA-Rural Development (formerly Farmers Home Administration) offices. Rural Business Enterprise (RBE) grants are to be used to support the development of small and emerging private business enterprises in rural areas. The grant programs are coordinated with other federal, state, regional and local development programs to achieve rural development objectives.

RBE grants are made to public bodies and private nonprofit corporations serving rural areas. Public bodies are States, counties, cities, townships, and incorporated towns and villages, boroughs, authorities, districts, and Indian tribes on Federal and State reservations and other Federally recognized Indian Tribal groups in rural areas. There is no limit placed on the size of grants other than the amount of funds available. New York State has historically been allocated approximately \$750,000 each year for these grants. If all other factors are equal, a higher priority is given to grant requests of less than \$100,000.

RBE grants may be used to finance and/or develop small and emerging private business enterprises in rural areas. These are defined as having 50 or fewer new employees, less than \$1 million in projected gross revenues; and has, or will utilize, technological innovations and commercialization of new products that can be produced/manufactured in rural areas; and new processes that can be used in such production.

Grant funds can be used for:

- Purchase and development of land, easements, and rights-of-way
- Constructing or converting buildings; acquisition of machinery, equipment, utilities, pollution control and abatement facilities, etc.
- Loans for startup operating cost and working capital
- Technical assistance for private business enterprises
- Establishing a relending fund to provide financial assistance to third parties

- Training when necessary, in connection with technical assistance
- Refinancing of debts in certain limited circumstances
- Reasonable fees and charges for professional services necessary for the planning and development of the project
- Production of television programs to provide information on issues of importance to farmers and rural residents

For more information:

US Department of Agriculture - New York Rural Development

The Galleries of Syracuse
441 South Salina Street - Suite 357
Syracuse, NY 13202
(315) 477-6430
www.rurdev.usda.gov/ny

NEW YORK STATE DEPARTMENT OF AGRICULTURE AND MARKETS

GROW NEW YORK'S ENTERPRISE PROGRAM

The Grow NY Enterprise Program is a joint initiative of the Governor's Office for Small Cities (GOSC), Empire State Development Corporation (ESDC) and the Department of Agriculture and Markets (NYSDAM), which dedicated \$3 million to increasing the demand for and expanding the use of New York's agriculture and forest products. The primary objective of the fund is to provide funds to local governments who in turn assist qualifying businesses focused on producing, processing, marketing or expanding New York produced agricultural products. Funds can be use for financing of machinery and equipment, building construction, working capital or real property acquisition. Business development and marketing assistance is also available with financing for project development costs. Funds can also be used to construct publicly owned facilities or infrastructure which are necessary to accommodate production agriculture and agribusiness development. Funds provided cannot exceed 40% of total project costs.

For more information:

**New York State Department of Agriculture and
Markets Grow New York Enterprise Program**

1 Winners Circle

Albany, NY 12235

(518) 457-0752

www.agmkt.state.ny.us

GROW NEW YORK TECHNICAL ASSISTANCE AND GRANT PROGRAMS

Agricultural Research and Development Grants

The New York State Department of Agriculture and Markets has initiated a Grow NY Food and Agricultural Industry Research and Development Grant Program that will fund the development and implementation of innovative low risk approaches to the research, development, production, processing and distribution of agricultural products and foods that capitalize on New York's unique resources and location near major consumer markets. The grant program is open to public and private agencies, organizations, businesses and industry, educational institutions, local governments and individual researchers.

Farmland Viability Grants

Designed to help maintain farmland as a working landscape, this program funds the development of farm viability plans the implementation of projects which contribute to farm profitability and sound environmental management. Grant funds may be used by a county to implement a portion of its agricultural and farmland protection plan or may be used by an individual farm to develop or implement a business management plan.

Farmers' Market Development Grants

To encourage the creation of new farmers' markets or the improvement of existing ones, this grant program can be used to help with the construction, rehabilitation, improvement or expansion of a farmers' market, including assistance for engineering or architectural designs.

For more information:

**New York State Department of Agriculture and Markets
Division of Agricultural Services**

1 Winners Circle

Albany, NY 12235

(518) 457-2713 or

(800) 554-4501

www.agmkt.state.ny.us



Agricultural Ombudsman Services

This unit seeks to facilitate communication and improve the working relationship between the agricultural/food-processing industries and environmental and other regulatory agencies. Services include:

- Evaluating laws, rules, and regulations to determine impact on the industry and to assure their implementation in a manner that does not place unnecessary hardship on agricultural producers or food processors;
- Assisting individual businesses in the permitting process;
- Assisting businesses with the implementation of cost-saving procedures while maintaining regulatory compliance and competitiveness; and
- Promoting an information exchange process between the agricultural/food-processing industry and the regulatory agencies.

New York State agricultural businesses and food processors are eligible. Businesses should contact the NYS Department of Agriculture and Markets for assistance. Assistance is available on a continuing basis.

For more information:

New York State Department of Agriculture and Markets
1 Winners Circle
Albany, NY 12235-0001
(518) 457-7076
Fax (518) 457-2716

Agricultural Business Development Assistance

This program provides technical assistance to help food processors and agricultural producers locate public and private funding for business development or expansions. The program also provides assistance and information for the preparation of business plans and loan application.

The project must be related to food or agriculture production. A project seeking funding sources should already have a minimum 10% equity. Assistance is available on a continuing basis.

For more information:

New York State Department of Agriculture and Markets
1 Winners Circle
Albany, New York 12235
(518) 457-7076
Fax (518) 457-2716

Business Plan and Marketing Assistance

The Department of Agriculture and Markets can provide a business plan and marketing assistance to agribusinesses to help expand, seek access to new and improved technologies or become more competitive and

efficient. Technical assistance is available to help agricultural producers and food processors identify public and private funding for business development. The Department can also help guide agribusinesses through the permitting and regulatory process, and deal with compliance issues.

A domestic marketing program administered by the Department assists New York food and agricultural producers obtain representation for their products at state and national trade shows. In addition, an international marketing program helps provide buyers with information about sourcing products in New York State. Through the Market Access Program (MAP) Branded Program, the Department can help secure matching funds for international market development and promotion, helping New York State agribusinesses advertise and promote their products around the world.

Agricultural Workforce Training

The New York State Agricultural Workforce Certification Program (AWCP) has enhanced the skills of agricultural workers in New York State by providing training and employment placement to individuals seeking farm employment. Curricula include dairy management, crop management, landscape technician, nursery specialist, equine specialist, milker, sheep shearer and equipment repairer. Workforce training typically includes 30-40 hours of instruction.

For more information:

New York State Department of Agriculture and Markets
Division of Agricultural Services
1 Winners Circle
Albany, NY 12235
(800) 554-4501

The Pride of New York Program

Created by the New York State Department of Agriculture and Markets, the Pride of New York is a brand identity marketing program for New York State produced products that benefits consumers, growers, processors and retailers. A Pride of New York logo helps consumers identify products grown or processed in New York and provides New York farmers and food processors with a brand for their products, as well as assists retailers in highlighting New York State food products. To carry the Pride logo, products must be grown in the State, processed in the State, and meet quality standards. Currently, the product line includes dairy products, fruits and vegetables, Christmas trees, jams, jellies and relishes, maple syrup, poultry products, wines, baked goods and candies and beef and meat products. Farmers and food processors wishing to become members of the Pride of New York Program can call the New York State Department of Agriculture and Markets.

For more information:

New York State Department of Agriculture and Markets
Pride of New York Program
1 Winners Circle, Albany, NY 12235
(800) 554-4501

HISTORIC BARN PROGRAMS

New York State Barns Restoration and Preservation Grant Program

The New York State Office of Parks, Recreation and Historic Preservation administers a historic barns grant program that funds up to 80% of the cost of repairs, up to \$25,000, with the recipient contributing the remaining amount through cash, in-kind service, to repair roofs, foundations, sills and framing systems for barns that will continue in active agricultural use and qualify for historic registry status. In the first funding round, \$2 million in grants were shared among 113 historic barns statewide. A second funding round is anticipated.

The program goes beyond the existing tax credit program and provides an additional incentive for the restoration and preservation of agricultural landscapes that are a vital part of heritage tourism in New York State. Priority is given to buildings that contribute to a scenic landscape and are visible to the public. Eligible structures can be a barn, shed, silo or farm outbuilding that is at least 50 years old. Proposed work projects must be compatible with the historic character of the building and work on properties that are listed on or eligible for the State and National Registers of Historic Places must meet the Secretary of the Interior's Standards for Historic Preservation Projects.

For more information:

New York State Office of Parks, Recreation and Historic Preservation
(518) 474-0463
www.nysparks.state.ny.us

New York State Historic Barn Rehabilitation Tax Credit

Beginning in 1997, New York State allows a credit for qualified rehabilitation expenditures for any barn in New York State built prior to 1936 or certified historic structure listed in the National Register of Historic Places. The barn must be a building originally designed and used for storing farm equipment or agricultural products, or for housing livestock. Barns that have been converted to a residence, or whose historic appearance has been altered, are not eligible. To qualify for the credit, a barn must have been substantially rehabilitated, and not merely enlarged. A certified historic structure must have a rehabilitation certified by the federal Secretary of Interior of the New York State Office of Parks, Recreation and Historic Preservation.

For detailed information concerning qualified rehabilitation expenditures, qualified rehabilitated buildings, alteration of the historic appearance of a barn, certified historic structures, or other issues, contact the NYS Department of Taxation and Finance and refer to TSB-M-97. Detailed instructions are contained in Form IT-212-ATT.

For more information:

New York State Department of Taxation and Finance

(518) 457-7027

www.tax.ny.us

National Trust for Historic Preservation's Barn Again! Program

Barn Again! is a national program to preserve historic farm buildings sponsored by the National Trust for Historic Preservation. The program provides up-to-date information to help owners of historic barns rehabilitate them and keep them in productive uses. Technical assistance is available in the form of a telephone hotline that provides information, advice and referrals, as well as rehabilitation guides, demonstration projects, workshops and other programs. The program is designed to help adapt older historic barns for new farming uses. A website offers information, a barn preservation bibliography and an application for Barn Again! Preservation awards.

The National Trust for Historic Preservation also offers a comprehensive rural heritage program focusing on resources for small rural communities.

For more information:

National Trust for Historic Preservation

www.nationaltrust.org

www.ruralheritage.org

Barn Again!

Technical assistance hot line: (303) 623-1504

www.barnagain.org

AGRIBUSINESS AND THE EMPIRE ZONE

Agribusinesses and farms may be eligible for benefits through the Empire Zone program which was developed by New York State to foster the creation of jobs, enhance the property tax base and encourage investment into Zone businesses and properties. Cortland County was recently named a new Empire Zone community and has the ability to bring Zone benefits to enterprises throughout Cortland County that are making a significant investment resulting in new jobs. State and local benefits include investment and wage tax credits, sales tax exemptions and refunds, property tax abatements and other incentives. Cortland has successfully certified agribusiness and farm enterprises in the County, working with farmers to obtain investment tax credit for livestock which are considered production equipment in New York State.

For more information:

Cortland County BDC/IDA - Empire Zone Program

PO Box 549 - Cortland, NY 13077

(607) 756-5005

www.cortlandbusiness.com

OTHER NEW YORK STATE INCENTIVES AND TAX BENEFITS

New York State Law provides tax savings for farmers which can help lower their cost of doing business.

Income tax incentives include:

- **Farm Property School Tax Credit** (NYS Form IT-217) which is a credit against personal income tax or corporate franchise tax equal to school property taxes paid on certain farm property
- **Investment Credit** (NYS Form IT-212) which is a tax credit for qualified structures, equipment, livestock and other tangible property and personal property

Real property tax benefits include:

- **Agricultural Assessment** (NYS Form RP-305) which is a property tax reduction program that assesses agricultural property based on its value for farming versus development
- **Commercial, Business or Industrial Real Property** (NYS Form RP-485-b) which is a 10-year exemption for farm processing and marketing buildings
- **New Farm Buildings** (NYS Form RP-483) which is a 10-year exemption for newly constructed or reconstructed agricultural buildings
- **Orchards and Vineyards** (NYS Form RP-305-e) which is an exemption for agricultural land used solely for replanting or crop expansion in an orchard or vineyard
- **Historic Barns** (NYS Form RP-483b and IT-212-ATT) which is an exemption and credit for reconstruction or rehabilitation of barns that were constructed prior to 1936
- **Storage Facilities** (NYS Form RP-483-a) which is an exemption for silos, commodity, milk and manure storage facilities
- **Greenhouses** (NYS Form RP-483-c)
- **Woodlots** over 50 acres (NYS Form-480-a)

Sales tax exemptions include:

New York State exempts certain property and services used in agricultural production (NYS Form ST-125).

For more information about income tax incentives and sales tax exemptions:

New York State Department of Taxation and Finance

(518) 457-7027

www.tax.state.ny.us

For more information about real property tax benefits:

New York State Office of Real Property Services

(518) 486-7027

www.orps.state.ny.us

or

Cortland County Real Property Tax Services

(607) 753-5040

AGRIBUSINESS DISASTER RELIEF LOANS

Agriculture-dependent businesses and small agricultural cooperatives that suffered from severe weather may be eligible for federal disaster loans of up to \$1.5 million through the US Small Business Administration. The loans carry a 4% interest rate with terms up to 30 years. The program is not available to farms themselves, but for businesses that sell goods or services to agricultural producers. (Farms that suffer disasters are eligible for loans through the Farm Services Agency.) For applications and to determine eligibility, contact the Small Business Administration Disaster Office at 800-659-2955 or 1-800-U-ASK-SBA.

A great source for the latest news about federal and state new agri-business and farm assistance, as well as information about new grant rounds, is available on-line at:

www.ny.farmnet.org

Another source for historic preservation resources related to agriculture is available on-line at: www.nai.usda.gov/ricl/ricpubs/preserve.html

NEW YORK STATE'S RURAL ECONOMIC REVITALIZATION PROGRAM

A new Rural Economic Revitalization Program was signed into law in November 2001 which will assist rural communities in New York State develop the capacity to plan and organize for economic development and provide rural residents with economic opportunities. The legislation is intended to be a catalyst to stimulate and encourage innovative economic development alternatives supporting

agriculture, forestry other enterprises in rural areas. A special focus of the program will be to help farmers become more competitive in national and international markets.

Administered by Empire State Development, components of the new Rural Economic Revitalization Program will include:

- Rural revitalization assistance grants
- Rural enterprise extension services
- Agricultural job training for farm workers
- Grants to establish or expand farmers' markets
- Grants to establish incubator facilities for rural entrepreneurship
- Agricultural industry competitive assistance loans
- Loan guarantees and interest subsidy grants

Funds for the programs will come from the existing Empire State Economic Development Fund. Financial assistance in the form of loans, loan guarantees, and interest subsidy grants to subsidize loans from federally chartered and state and private lending institutions, including agricultural cooperative corporations, will be provided, not to exceed one-third of the total project cost or four hundred thousand dollars, whichever is less. This assistance will be available to agricultural enterprises seeking to implement the following agricultural projects:

- Replanting vineyards consisting of native American varieties of grapes or hybrid varieties with other varieties that are in greater demand, to enhance the national and international competitiveness of New York State winegrowers replanting fruit orchards that have reached the end of their natural life cycles, with preference to replantings in the more popular varieties which have national and international markets
- Making the transition from dairy farming to crop or livestock farming or specialty wood production in order to keep farmland in production by producing products in local, national or international demand
- Startups of new agribusinesses or expansions or upgrades of the facilities, technologies and operations of existing agribusinesses

Funds may also be used to undertake feasibility studies to determine the projected local, national, and/or international demand for the proposed crop or product to be financed and the suitability of the land and climate for such production. In the case of a proposal to replant a vineyard, ESD will consult with the New York State Wine and Grape Foundation and the agricultural extension service of Cornell University to determine the appropriateness and feasibility of the proposed project.

Funding will also be available for community economic development programs and activities, including value-added small business growth, agricultural, agribusiness and forest products and other projects that promote the family farm, increase or retain employment opportunities and otherwise contribute to the revitalization of local rural areas which are economically distressed. Rural revitalization matching grants up to \$100,000 will be available to local nonprofit agencies, public benefit corporations, agricultural cooperative corporations and educational institutions serving rural areas for grassroots technical assistance for value-added small businesses in these sectors.

Matching grants up to \$50,000 will be available for the creation of local “Rural Enterprise Extension Services” to existing providers of technical assistance services, enabling them to hire circuit riders to reach small businesses in sparsely populated rural areas.

Matching grants to municipal corporations, local development corporations, business improvement districts, nonprofit corporations, and agricultural cooperatives are available for the startup or expansion of farmers’ market projects. Empire State Development is authorized to contract with the New York State Department of Agriculture and Markets to administer the farmers’ market grant program.

For more information:

Empire State Development - Regional Office

620 Erie Boulevard West, Suite 112

Syracuse, New York 13204

(315) 425-9110

www.empire.state.ny.us

REGIONAL RESOURCES

SOUTHERN TIER EAST RURAL MICRO LOAN FUND

The purpose of this program is to encourage small business development, primarily in the agricultural sector, in order to maintain and expand employment and income opportunities in the Southern Tier Region. It is administered through Tier Information and Enterprise Resources, Inc., c/o Southern Tier East Regional Planning Development Board, 375 State Street, Binghamton, NY, 13901-2385, (607) 724-1327.

Eligible applicants are sole proprietorships, partnerships, or corporations with proposed business activities in Cortland County. Loan ranges are:

- Maximum: \$50,000
- Minimum: \$20,000 except \$10,000 in urbanized areas not eligible for assistance under TIER's Rural Micro Loan Program

Loans may be made for fixed assets and/or working capital. Availability of funds for working capital is limited pursuant to Economic Development Administration rules affecting the program.

The interest rate will be set at the time the loan is made at a rate not less than 4 percent below the prime rate, whichever is higher, and in no case below 4 percent. Unsecured working capital loans shall have an interest rate equal to prime. Projects must usually involve at least 10 percent equity participation.

The maximum length of term for loans will be as follows:

Buildings, structures and permanent facilities	7-15 years
Machinery and equipment	4-8 years
Working capital	2-6 years

Loans may be able to be renegotiated for additional terms.

Loans may not exceed the economic life of the assets used to secure the loan.

Priority is given to loans which can demonstrate a job creation or retention ration of one job per \$5,000 federal investment and address the goals and objections of the Southern Tier East Regional Economic Development Revolving Loan Fund Program and the Comprehensive Economic Development Strategy program goals for the Southern Tier East Region. *Funds are currently targeted to agricultural or ag-related enterprises or to activities intended to sustain or enhance such enterprises.*

For more information:

Tier Information and Enterprise Resources, Inc.

c/o Southern Tier East Regional Planning Development Board

375 State Street

Binghamton, NY 13901-2385

(607) 724-1327

SOUTHERN TIER EAST REGIONAL ECONOMIC DEVELOPMENT REVOLVING LOAN FUND

The primary objective of this loan program is to encourage small business development, particularly in

agriculture, in order to maintain and expand employment opportunities in the Southern Tier East Region. Tier Information and Enterprise Resources, Incorporated (TIER, Inc.) Administers the program through the Southern Tier East Regional Planning Development Board.

Funds may be used for any legitimate business purpose, including acquisition of real property, new construction, renovation, leasehold improvements, purchase of machinery or equipment, working capital expenses (e.g. purchase inventory, startup costs, etc.), business acquisition, and refinancing of existing business debt. *Funds are currently targeted to agricultural or ag-related enterprises or to activities intended to sustain or enhance such enterprises.*

Loan ranges are:

- Maximum loan size: \$25,000
- Minimum loan size: \$10,000

Rates are set at the time a loan is made, at a rate not less than 4 percent or 4 percentage points below prime, whichever is higher. Unsecured working capital loans have a rate equal to prime.

Terms are as follows:

Buildings, structures and permanent facilities	7-15 years
Machinery and equipment	4-8 years
Working capital	2-6 years

In general, applicants will be required to provide up to 10 percent of the project cost through their own cash or other acceptable form of equity contribution. Any exceptions to this rule will be based on an analysis of the individual borrower's needs and circumstances.

For more information:

Tier Information and Enterprise Resources, Inc.

c/o Southern Tier East Regional Planning

Development Board

375 State Street

Binghamton, NY 13901-2385

(607) 724-1327

AMERICAN FARMLAND TRUST - NORTHEAST FIELD OFFICE

The American Farmland Trust is the largest private, nonprofit conservation organization dedicated to protecting the nation's strategic agricultural resources. Founded in 1980, AFT works to stop the loss of productive farmland and to promote farming practices that lead to a healthy environment. The AFT works with farmers, municipalities, nonprofits, economic development organizations and other groups on issues ranging from setting up agricultural and

farmland protection boards, advisory councils on sound agricultural practices, agricultural districts law, planning grants, PDR programs and conservation easements, and tax and estate planning implications for farmers.

For more information:

American Farmland Trust

Northeast Field Office

110 Spring Street, Saratoga Springs, NY 12866

(518) 581-0078

www.farmland.org

CORNELL UNIVERSITY AGRIBUSINESS PROGRAMS

Nearby Cornell University has established many programs to foster the development of agriculture and rural economies across the state. *The following information on those programs was created by the American Farmland Trust.*

Agricultural Industry Development, Enhancement and Retention (AIDER)

This program helps local communities integrate agriculture into comprehensive economic development strategies. Program participants survey the concerns and hindrances of agribusiness in their communities, and then develop into strategies to encourage their growth. Depending on the community, the AIDER process takes approximately two years. The program places special emphasis on strengthening already existing agriculturally related firms. Implementation teams may provide a variety of support measures for such agribusinesses, including business management seminars, technical training, creation of new market opportunities, reducing costs and workforce quality issues.

For more information:

Cornell Cooperative Extension

7 Kennedy Hall

343 Roberts Hall, Ithaca NY 14853

(607) 255-2231

www.cce.cornell.edu/spc/aider/index.html

Farming Alternatives

As Cornell's "Agriculture Development and Diversification Program," Farming Alternatives works with cooperative extension field staff and a growing number of community-level groups to develop agricultural economic development strategies including agritourism, direct and cooperative marketing, and ethnic market opportunities. The program also conducts study tours for leaders of community-based agricultural development efforts, who often can benefit greatly by witnessing firsthand how other communities are addressing such issues.

In 1998, Farming Alternatives launches the Northeast Training and Support Network for Agriculture Development in conjunction with the Northeast Sustainable Agriculture Working Group. The network helps professional agricultural development specialists strengthen their skills, share their knowledge and improve their professional networks of contacts.

For more information:

Cornell University

Department of Rural Sociology, Warren Hall

Ithaca, NY 14853

(607) 255 9832

www.cals.cornell.edu/dept/ruralsoc/fap/fap.html

Entrepreneurship Training Network

The network uses a nationally recognized curriculum (NxLevel) to offer training for entrepreneurs seeking to development their business skills. They offer a specialized courser for farmers titled “Tilling the Soil of Opportunity: A guide for Agricultural Entrepreneurs.” The network utilizes training sites around the state. Call to locate the site nearest you.

For more information:

Cornell University

307 Warren Hall

Ithaca, NY 14853

(607) 255-8047

NY FarmNet

As an information, referral and consulting program, NY FarmNet provides a free, confidential helpline for members of New York’s farm community. NY FarmNet consultants are located across the state and are available to work with farmers and their families on issues related to personal or business transactions and challenges. They provide financial consulting and also offer farmers help dealing with farm changes, farm transfer and exit planning.

NY FarmNet also administers the NY FarmLink program, a transition network designed to help farmers get into or out of farming. For a processing fee of \$30, the network provides an application and access to the FarmLink database for young farmers looking for a business or for older farmers looking for a business for older farmers looking for someone to take over their business. FarmLink then provides comprehensive farm transfer assistance. For more information, call the toll-free number listed above.

For more information:

Cornell University

414 Warren Hall, Ithaca, NY 14853

(800) 547-FARM

www.nyfarmnet.org

New York State Food Venture Center (FVC)

The center is a resource for entrepreneurs interested in starting small-scale food processing enterprises. The FVC supports food-processing entrepreneurs by offering technical and business assistance. Services include library and literature searches, laboratory analyses and pilot plant development. The center also provides support in business planning, and helps companies negotiate the maze of licensing requirements and regulations.

For more information:

Cornell University/NYSAES

Department of Food Science and Technology

Geneva, NY 14456-0462

www.nysaes.cornell.edu/fst/fvc/

Pro-Dairy

A joint venture of Agriculture & Markets, Cornell's College of Agriculture and Life Sciences and participating agriservice organizations, this educational program works to increase the profitability and competitiveness of New York's dairy industry. To do so, it offers opportunities for members of the industry to increase their management skills. Since 1988, more than 3,900 farms have participated in PRO-DAIRY workshops. The organization estimates that participating farms have demonstrated an improvement of \$11,000 in annual farm income.

For more information:

Cornell University

272 Morrison Hall, Ithaca, NY 14853

(607) 255-4285

www.ansci-cornell.edu/prodairy/index.htm

OTHER STATEWIDE RESOURCES

NY Agridevelopment Corporation

This new private sector organization was founded in 1999 to work on specific projects and opportunities for agribusiness growth across New York. They seek to increase the number and profitability of agribusiness companies, the number of people employed by those companies, the level of investment in agricultural projects and ventures, and the viability of agriculture in New York. The corporation is affiliated with the Metropolitan Development Association (MDA) of Syracuse and Central New York, a state economic development, planning and research organization.

For more information:

Metropolitan Development Association

1604 State Tower Bldg., Syracuse, NY 13202

(315) 477-0184

Agri-Edge Development

The goal of this program is to help agricultural operations start up, expand, diversify or improve their businesses. Agri-Edge helps promising agriculture ventures (with solid business plans already in place) identify and secure financing, plan and structure projects and business relationships, and locate management expertise. Agri-Edge will review a proposed project and determine what kind of assistance, if any, can be provided.

For more information:

Dairylea Cooperative

PO Box 4844, Syracuse, NY 13221

(315) 433-0100 or toll-free (888) 858-7811 x507

Farmers' Market Federation of New York

The federation's mission is to offer services and programs that support and promote New York's farmers' markets. The federation offers members a newsletter, sponsors conferences on direct marketing and holds regional meetings. As of 1999, August 1-7 had been proclaimed New York State Senate; during this week the Farmers' Market Federation sponsors celebrations and agricultural appreciation events at markets around New York.

For more information:

Farmers' Market Federation

2100 Park Street,

Syracuse, NY 13208

(315) 475-1101

www.NYFarmersMarket.com

NY Farms!

This diverse, statewide coalition-farmers, agricultural organizations, businesses, educational agencies, nonprofit organizations, environmentalists, consumer groups, community planners, economic developers and public entities such as Cornell Cooperative Extension-promotes farming, protects New York farmland, and fosters consumer loyalty to New York farm products. The organization provides mini-grants for "Buy NY" projects and works with various groups to develop regional product identities.

For more information:

NY Farms!

PO Box 1491, Auburn, NY 13201

(315) 255-9267

or toll free 1-888-NYFARMS (693-2767)

APPENDIX:

Useful Contact Information

Federal agencies

- Community Development Institute (202) 708-2298
- Department of Commerce/EDA (315) 448-0838 or (215) 597-4603
- Department of Commerce/NOAA (518) 474-6000
- Department of Energy (215) 656-6954
- Department of Health and Human Services (212) 637-4306
- Department of Housing and Urban Development (212) 264-0771 or (518) 464-4200
- Environmental Protection Agency (212) 637-4313
- Federal Housing Finance Board (212) 441-6821
- Federal Information Center 1-(800) 688-9889
- HHS Urban Grant Applications 1-(800) 998-9999
- HHS Rural Grant Applications 1-(800) 645-4712
- Housing and Urban Development: HHS Community Initiative Program (202) 401-9349
- National Council for Urban Economic Development (202) 223-5950
- Small Business Administration (516) 454-0764
- USDA/Rural Development (315) 677-3565
- US Department of Commerce, Upstate NY Regional Office (716) 551-4191

State government

- New York State offices general information (518) 474-2121
- Agriculture and Markets (518) 457-3880
- Attorney General's Office (212) 416-8050 or (518) 474-8050
- Attorney General's Central New York Regional Office (315) 448-4800
- Banking (518) 474-7667
- Budget Director (518) 474-2300
- Civil Service (518) 457-3701
- Community Affairs (212) 417-2121
- Comptroller, Economist's Office (212) 417-5444
- Comptroller, Intergovernmental Affairs (518) 486-3135 or (518) 473-0005
- Comptroller, Department of Audit and Control (518) 474-4044
- Comptroller, Division of Municipal Affairs (518) 474-4037
- Economic Development/Empire State Development (518) 474-4100 or (212) 930-0200
- Economic Development/Empire State Development Corporation, Central New York Regional Office (315) 425-9110
- Employee Relations (518) 474-6988
- Environmental Conservation, (518) 474-2121
- Environmental Conservation, Central New York Regional Office (315) 426-7400
- Environmental Conservation, Cortland Office (607) 753-3095
- General Services (518) 474-5991
- Governor's Office for Intergovernmental Relations (518) 486-6672
- Governor's Office, General Information (518) 474-8390 or (212) 681-4580
- Governor's Regional Representative (315) 428-4337
- Health Department (518) 474-2011

- Human Rights (212) 961-8400
- Housing (518) 486-3370
- Insurance (518) 474-4550
- Intergovernmental Relations (518) 486-6672
- Labor (518) 457-2741
- Labor/Research and Statistics, Central New York (315) 479-3390
- Labor, Central New York Office (315) 479-3370
- Labor, Cortland County Office (607) 756-7585
- Legislative Affairs (212) 370-9494
- Legislative Commission on Rural Resources (518) 455-2544
- Lieutenant Governor's Office (518) 474-8390
- Motor Vehicles (518) 474-0841
- Parks, Recreation and Historic Preservation (518) 474-0463
- Public Service Commission (518) 474-2523
- Regulatory Reform (518) 473-8197
- Secretary of State (518) 474-0050
- Small Cities (518) 474-2057
- State Department, Coastal Resources (518) 474-6000
- State Department, Local Government Services (518) 473-3355 or (518) 474-6740
- Social Services (518) 474-9475
- State Police (518) 457-6721
- Transportation Department (518) 457-4422
- Transportation Department, Central New York office (315) 428-4325
- Tax and Finance (518) 457-2244
- Veteran's Affairs (518) 474-3572

Legislative offices

United States Senate

Regional Offices (315) 423-5471 and (315) 448-0470

United States Congress — 25th District

Regional Office (315) 423-5657

Cortland Office (607) 758-3794

New York State Senate — 50th District

Regional Office (607) 432-5524

Cortland Office (607) 758-9005

New York Assembly — 125th District

Regional Office (607) 277-8030

New York Assembly — 126th District

Regional Office (315) 255-3045

National, state and regional organizations

- American Economic Development Council (847) 692-9944
- American Farmland Trust, Regional Office (518) 581-0078
- Business Council of NYS (800) 358-1202
- Central NY Regional Planning Board (315) 422-8276
- Land Trust Alliance of New York (914) 868-1425 or (518) 587-0774
- New York State Business Council Public Policy Institute (518) 465-7511
- New York State Planning Federation (518) 432-4094 or 1-800-336-nypf

- New York State Small Business Development Center (518) 443-5555
- New York State Thruway Planning and Policy Office (518) 471-4305
- New York State Data Center/Southern Tier Office (607) 724-1327
- New York State Data Center/Central New York Office (315) 422-8276
- Open Space Institute (212) 505-7480
- Preservation League of New York State (518) 462-5658
- Rural Opportunities, Inc. (716) 343-4670
- SBA, Southern Tier Regional Office (607) 734-8130
- SBDC, Regional Office (607) 777-4024
- Southern Tier East Planning and Development Board (607) 724-1327
- The Government Law Center of Albany Law School (518) 445-2329
- The Trust for Public Land (212) 677-7171

Utilities — economic development offices

- CSX, Central New York Region (800) 525-5696 or (518) 767-6326
- New York Power Authority (212) 468-6893
- Niagara Mohawk (315) 428-5140
- Norfolk Southern, Central New Region (914) 632-7771
- NYS Electric and Gas (607) 761-7720 or (607) 761-7721
- NY Susquehanna & Western Railway (607) 547-2555 or (800) 366-6979
- Verizon, Community Affairs (315) 459-5691

County agencies and organizations

- Cortland County Access to Independence (607) 753-5165
- Cortland County Area Agency on Aging (607) 753-5060
- Cortland County Attorney (607) 753-5095
- Cortland County Budget Office (607) 753-5047
- Cortland County Business Development Corporation (607) 756-5005
- Cortland County CAPCO (607) 753-6781
- Cortland County Chamber of Commerce (607) 756-2814
- Cortland County Clerk of the Legislature (607) 753-5049
- Cortland County Clerk Registrar (606) 753-5021
- Cortland County Convention and Visitors Bureau (607) 753-8463
- Cortland County Cornell Cooperative Extension Service (607) 753-5077
- Cortland County Environmental Health Department (607) 753-5035
- Cortland County Empire Zone (607) 756-5005
- Cortland County General Information (607) 753-5052
- Cortland County Health Department (607) 753-5036
- Cortland County Highway Department (607) 753-9377
- Cortland County Housing Assistance Council (607) 753-8271
- Cortland County Housing Authority (607) 753-1771
- Cortland County Historian (607) 753-5360
- Cortland County Industrial Development Agency (607) 756-5005
- Cortland County Legislature (607) 753-5049
- Cortland County Planning Board (607) 753-5043
- Cortland County Planning Department (607) 753-5063
- Cortland County Real Property Tax Services (607) 753-5040

- Cortland County Sheriff (607) 753-3311
- Cortland County Social Services (607) 753-5248
- Cortland County Soil and Water Conservation District (607) 756-5991
- Cortland County Solid Waste Management (607) 756-8077
- Cortland County Tourism (607) 753-8463
- Cortland County Treasurer (607) 753-5070
- Cortland County Veterans Service (607) 753-5014
- Cortland County Youth Bureau (607) 753-5067

Municipal offices

These numbers are also a good point of contact for local municipal boards, including planning and zoning issues, as well as local ordinances and code issues.

- Town of Cincinnatus, Supervisor's Office (607) 863-4220
- City of Cortland, Mayor's Office (607) 753-0872
- City of Cortland, Administration and Finance Office (607) 756-7312
- Town of Cortlandville, Supervisor's Office (607) 756-6091 or (607) 756-5725
- Town of Cuyler, Supervisor's Office (607) 842-6340
- Town of Freetown, Supervisor's Office (607) 849-6372
- Town of Harford, Supervisor's Office (607) 844-9908
- Town of Homer, Supervisor's Office (607) 749-4581
- Village of Homer, Mayor's Office (607) 749-3322
- Town of Lapeer, Supervisor's Office (607) 849-3808
- Town of Marathon, Supervisor's Office (607) 849-3960
- Village of Marathon, Mayor's Office (607) 849-3812
- Village of McGraw, Mayor's Office (607) 836-6294
- Town of Preble, Supervisor's Office (607) 749-3199
- Town of Scott, Supervisor's Office (607) 749-7907
- Town of Solon, Supervisor's Office (607) 836-6246
- Town of Taylor, Supervisor's Office (607) 863-3716
- Town of Truxton, Supervisor's Office (607) 842-6357
- Town of Virgil, Supervisor's Office (607) 835-6174
- Town of Willet, Supervisor's Office (607) 863-4877

Public libraries

- Cincinnatus (607) 863-4300
- Cortland (607) 753-1042
- Homer (607) 749-4616
- Marathon (607) 849-6135
- McGraw (607) 836-6767

School districts

- Cincinnatus Central School District (607) 863-3335
- Cortland City Enlarged School District (607) 753-6061
- Homer Central School District (607) 749-7241
- Marathon Central School District (607) 849-3251
- McGraw Central School District (607) 836-3600
- OCM BOCES (607) 753-9301

State University of New York College at Cortland (607) 753-2001
Tompkins Cortland Community College (607) 844-8211



BDC · IDA
CORTLAND COUNTY

Cortland County Business Development Corporation
Cortland County Industrial Development Agency
Cortland County Agricultural Local Development Corp.
PO Box 549 - 26 North Main Street, Cortland, NY 13045 • (607) 756-5005
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