The New York Times | https://www.nytimes.com/2022/06/09/nyregion/hudson-valley-farms.html

How 'Fairy Tale' Farms Are Ruining Hudson Valley Agriculture

Farmers are losing properties to wealthy buyers from the city, while leasing land from the new owners can feel like a "modern-day feudal system."

By Elizabeth G. Dunn Photographs by Gabby Jones

June 9, 2022 Updated 8:36 a.m. ET

As first-time livestock farmers, Maddie Morley and Benjamin Roberts had beaten the odds in a profession that is often expensive and grueling for those starting out.

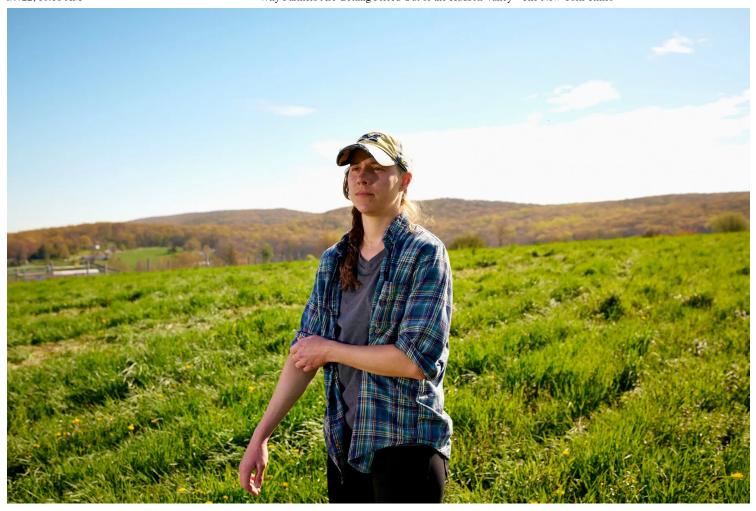
They were making a profit selling their pasture-raised meats, and the next step was to buy a permanent home for their business, Grass + Grit Farm. But then the pandemic hit, followed by a rush of wealthy urbanites seeking fresh-air retreats in bucolic settings.

Their affordable lease in New Paltz, N.Y., negotiated in 2015 with the help of a farming nonprofit, had just ended, and they were suddenly thrust into a market where buyers were paying above asking price. "Folks who were trying to leave the city were making all-cash offers," Ms. Morley recalled.

The Hudson Valley is a prime agricultural region stretching from New York City to Albany, N.Y., home to an eclectic mix of tractor dealerships, twee specialty food shops, dollar stores and high-end furniture boutiques. It has long been a popular destination for secondhome buyers in search of a pastoral lifestyle. But since the pandemic, demand for properties there, especially farms, has surged.

The median listing price for farms, ranches and undeveloped land in Columbia County, an agricultural stronghold in the heart of the Hudson Valley, shot up 62 percent between January 2020 and January 2022, according to data from Realtor.com. Rental homes are also pricier, in part because so many of them have become Airbnbs, a mounting crisis for both farmhands and beginning farmers who don't have places to live. A recent one-bedroom rental unit in Coxsackie, N.Y., in neighboring Greene County, drew over 260 inquiries and 130 applications, said Tracy Boomhower, a local real estate agent.

As a result, farmers are getting squeezed out. Some have tried leasing land from owners new to the area, but those alliances are more challenging than they might appear, farmers said, since many of the new owners don't know what it takes to run a farm.



Maddie Morley and her partner began looking to buy farmland in the Hudson Valley around the time the pandemic emerged and prices started soaring.



Ms. Morley now works for the nonprofit that helped her when she was starting her business, Grass + Grit Farm.



Ms. Morley at the Glynwood Center for Regional Food and Farming in Cold Spring, N.Y., which is dedicated to saving farming in the Hudson Valley.

Such was the case with Ms. Morley and Mr. Roberts, who fell back on the idea of leasing again once they realized they could no longer afford their own farm. They looked for a five-year agreement; anything less would make it hard to cultivate a local customer base and to justify investing in the animals and property.

But what they found instead were newcomers, mostly from the city, who wanted a storybook version of a farm, minus the manure and the noise, and one that fit within their own agendas and schedules, Ms. Morley said. Many of them suggested a "trial one-year run" — an impossibly short time frame for a business like theirs — and seemed to have a scant appreciation of the sights, sounds and smells of farming.

"A good pasture-based livestock operation doesn't look like a well-mowed lawn, and that was a sticking point for many landowners we spoke to," Ms. Morley said. "Or we would hear, 'I want to see goats out on the pasture.' But the thing is, it's hard to make money raising goats." One location they visited included a barn that the owner suggested could be used for both housing animals and holding wedding receptions, depending on the season.

Sophie Ackoff, an executive director of the National Young Farmers Coalition, a nonprofit that supports the interests of beginning farmers, is no stranger to the issue. "We've seen a surge in interest from non-farmer buyers in the Hudson Valley," she said, adding that such bidders often have a buyer's advantage over farmers just starting out. That includes access to speedier loan options, whereas beginning farmers largely rely on slow-moving loans through the United States Department of Agriculture.

Access to affordable farmland is a major challenge nationally, particularly for people of color, who today make up 2 percent of farmland owners. To address this, the coalition has started the One Million Acres for the Future campaign, which calls for Congress to invest \$2.5 billion in the 2023 Farm Bill to facilitate equitable access to land.

According to Holly Rippon-Butler, the land campaign director for the coalition, farmland near cities is especially desirable for small livestock operations and fruit and vegetable growers, because of the greenmarkets and farm-to-table restaurants nearby. Competition is the worst in "places where there's a lot of money and the agricultural land is high quality and aesthetically attractive."

The Hudson Valley tops her list of regions where beginning farmers have the hardest time getting toeholds, along with the outskirts of Atlanta and Austin, Texas, the Bay Area in California and parts of Washington State.

New non-farmer landowners certainly like the pretty views farms can provide, but there is another incentive to ownership. Agricultural land can qualify for property tax abatements, as long as it continues to be farmed. To get the tax break and keep things aesthetically pleasing, many owners simply hire a farmer to grow and harvest hay, which is the easiest and least invasive agricultural option.

Increasingly, though, some wealthy buyers in the Hudson Valley arrive with the intention of embracing farm ownership in more niche ways. Current listings on Farmland for a New Generation New York, a website that matches available farmland with available farmers, include requests from owners who want to start a farm-based brewery and wedding venue, and a center for "farming/nature education, weddings, corporate retreats, foraging experiences and more." There are several calls for farmers to help bring a landowner's vision of sustainable farming to life.

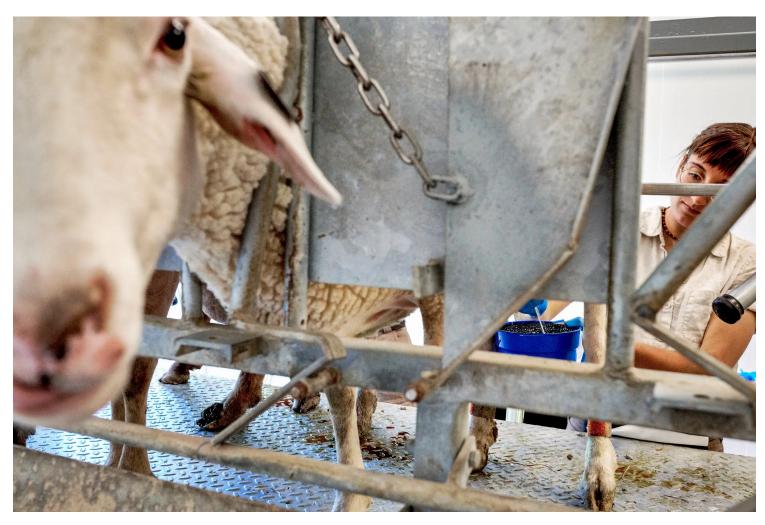
Many farmers find it "traumatic" to navigate the disconnect between what a successful commercial farm demands and what these new landowners envision, said Dave Llewellyn, who leads farmer training sessions at the Glynwood Center for Regional Food and Farming, which sponsored Grass + Grit Farm in its early years.

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One vegetable grower summed up the interaction as a modern-day feudal system, gussied up for Instagram.

In 2020, Fern Steficek set out to raise sheep and grow plants for natural dyes in the Hudson Valley. She began searching for land, visiting one property that had recently been acquired by Brooklyn transplants. But when she described rotational grazing practices to the owners, which involve moving clusters of animals around the pasture using portable fencing, they were put off by the idea, saying they preferred for the livestock to dot the landscape.

"We walked around the property, and they were talking about their vision of, basically, a petting zoo," Ms. Steficek said. They also objected to any of the animals' being slaughtered for meat, she said. "It was frustrating and unrealistic, and not trusting me to know how to process animals humanely, but wanting a fairy tale idea of what farming is."



Ms. Steficek at Willow Pond Sheep Farm in Gardiner, in Ulster County, N.Y.

Mr. Llewellyn works with landowners and farmers to help address some of these "unrealistic aesthetic expectations," he said. "The pasture has gotten too shaggy, can you cut it?" he said, offering a typical landowner request to a farmer. "That can also include wanting it to be unreasonably quiet on the weekend, but maybe it's the first dry day and a farmer needs to cultivate," he said. "These are things we're hoping to tease out."

Perhaps the best example of a harmonious landowner/farmer arrangement in the area is one put in place by Eugene Kwak and Claire Ko, who in 2018 bought a 16-acre dairy farm in Crawford, in Orange County, with the intention of keeping it actively farmed. They extended a rent-free 30-year lease on part of their land to a pair of vegetable farmers just starting out, Melissa Phillips and Jack Whettam, who pay below-market rent to also live on the property. The arrangement is in its fourth year.

When other landowners interested in working with farmers approach Mr. Kwak for advice, he tells them they must offer farmers long-term leases and let them do their work without interfering.

Even Mr. Kwak's arrangement has not been without its challenges. A property tax credit he was counting on did not materialize because he chose to partner with a new farming enterprise without a revenue history, a provision of the tax code that he sees as a barrier to landowners working with beginning farmers.

And deciding who should pay for improvements like greenhouses, electrical lines or fencing can be contentious. "It's like a marriage," Mr. Kwak said. "It takes patience, empathy, understanding, and endurance."

The farmers, Ms. Phillips and Mr. Whettam, agreed, stressing that these arrangements require mutual flexibility and open-mindedness. But Ms. Phillips was also quick to point out that she does not believe that farmers should have to depend on the largess of wealthy property owners for access to land.

Judah Kraushaar, a private investor who sits on the board of Glynwood and owns a farm in Dutchess County with his wife, also used the marriage metaphor when discussing farmers working his land.

"If a landowner is living on the property, you see each other almost every day," he said. "You need to look for people who are resilient and can deal with the stresses of daily life."

For his part, he said that dealing with livestock farmers in particular had been "complicated" and that he had decided it was best to raise the animals himself. "Get a really strong sense of character before you bring anyone on," he said.

If farmers could afford their land to begin with, these alliances might not be so necessary. The most effective long-term solution for preserving farmland across the country and keeping it affordable has been the use of conservation easements: voluntary legal agreements which permanently restrict the level of development on a property.

In the case of working farms, these easements are often purchased by local land conservancies or government agencies, which will pay farm owners the difference between market rate and agricultural rate for their land in exchange for entering into the conservation agreement (farm owners remain on the deed). A little over 10 percent of farmland in the Hudson Valley has been protected this way.

But these deals have a major shortcoming. They prohibit development, but they do not require that the land be put to agricultural use, said Seth McKee, the executive director of Scenic Hudson, a nonprofit that has helped conserve almost 20,000 acres of farmland in the Hudson Valley since the 1990s.



Matt and Trish Southway, shown with their children, bought a farm in Otisville, N.Y., with the help of Scenic Hudson, a nonprofit that uses conservation easements to keep farmland affordable and undeveloped.



For independent farms, a location near urban markets can be crucial. The Southways sell some of the meat and vegetables produced on their property at their own farm store.



Some new owners don't like the mess of agriculture and animals, so they hire farmers to grow hay instead, securing tax breaks and keeping things aesthetically pleasing

To protect more working farms from becoming second homes with lovely views, Scenic Hudson has introduced new provisions in its conservation agreements. One gives Scenic Hudson the right of first refusal to buy the property at its agricultural value in order to ensure its affordability. Another stipulates that the land must be continuously farmed.

Both provisions were put to use when Scenic Hudson and another local land trust stepped in to help a pair of young farmers, Matt and Trish Southway, acquire a 196-acre farm in Otisville, in Orange County, in 2019. Property values in the area had swelled far beyond what the Southways could afford, so they worked with the nonprofits to help fund the purchase. In return, their land now holds permanent conservation restrictions. "Without the easement, farm ownership would not have been in our future," Trish Southway said. "We would have had to do something else, or leave."

Funding for conservation easements comes from federal, state, county or local budgets, as well as private sources. New York State included a record \$21 million to conserve farmland in its 2023 budget.

None of this progress ultimately helped Ms. Morley and Mr. Roberts, the owners of Grass + Grit. "When we paused Grass + Grit, we were turning a profit on every enterprise," Ms. Morley said. "We just needed to sink into a piece of property and scale up what was working."

But toward the end of 2020, after getting priced out of buying land and having several fruitless conversations with landowners, the couple gave up. Last year, Mr. Roberts died after a long battle with cancer.

Ms. Morley said the business was now on indefinite hiatus. She has taken a job managing livestock at Glynwood, the nonprofit, in order to keep farming. "Right now, I'm in a bit of a limbo."



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