

Caswell County Farmland Protection Plan



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Cover design and photos by Jerry Dorsett

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Acknowledgements

The authors thank the farmers, forestland owners, public officials, businesses and others who gave their time and input through interviews and meetings towards the success of this document. Key organizations providing information include the Caswell County Cooperative Extension, Caswell County Tax Office, Division of Forest Resources, Caswell County Schools, U.S. Department of Agriculture Farm Service Agency, Caswell County Chamber of Commerce, Caswell County Soil and Water Conservation District, Caswell County Planning Department and Bartlett Yancey High School Future Farmers of America.

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This document was made possible by the following contributions:

Grant administration—Piedmont Conservation Council, Inc.

Matching funds—Caswell County Farm Bureau

In-kind support—Caswell County Government

The N.C. Department of Agriculture and Consumer Services provided funding for the Caswell County Farmland Protection Plan through the N.C. Agricultural Development and Farmland Preservation Trust Fund.



Executive Summary

Farms provide economic, environmental, cultural, fiscal and aesthetic benefits for all citizens. As part of a proactive effort to support farming, forestry and land conservation, Caswell County leadership, including the Farmland Protection Advisory Board, Cooperative Extension Service, Soil and Water Conservation District, Forest Service and Farm Bureau, have joined together to support development of the Caswell County Agricultural Development and Farmland Preservation Plan. This plan is intended to coordinate future efforts to sustain local agriculture. The Piedmont Conservation Council received a grant from the N.C. Department of Agriculture's Agricultural Development and Farmland Preservation Trust Fund (ADFPTF), which was matched by the Caswell County Farm Bureau, to hire consultants Gerald "Jerry" Dorsett, former N.C. Department of Environment and Natural Resources Working Lands Coordinator, and Gerry Cohn, former Southeast Director with American Farmland Trust, to help develop this plan.

Caswell County is positioned to be an agricultural mecca for more than 1 million people. A combination of good soils, farming tradition, a lack of development pressure and close proximity to urban areas in North Carolina and Virginia are components that are already in place for agricultural economic success.

Tobacco has been an agricultural mainstay throughout the county for more than 150 years, but with the end of the tobacco buyout program in 2014, land is being transitioned into many other uses including livestock, produce and trees. This period of transition is not an easy one for many people, but as landowners gain access to technical and financial assistance on alternative uses for their land, they can find ways to ensure that land remains eligible for present-use value taxation through farming and forestry.

In 2007, there were 562 farms covering 102,299 acres or 38 percent of the land in Caswell County. Thirty-seven percent (37,941 acres) was in crops, 44 percent (44,808 acres) was in woodland and 12 percent (12,713 acres) was in pasture. The top agricultural crops by land area include hay (17,500 acres) and tobacco (2,600 acres). Half of the farms sell under \$2,500 worth of product annually. Poultry, cattle, hay, tobacco and forestry are the primary agricultural income generators. Crops account for \$13 million of farm-gate revenue, and the animal industry accounts for \$9 million. Farming as a whole generates \$27 million of income while forestry generates another \$4 million. Those \$31 million change hands many times in the local economy before leaving the county.

In the past decade, there have already been a number of farmers who have tapped into new and profitable markets with grass-fed beef, organic produce, heritage varieties and locally grown

herbs, which offer marketing opportunities outside the county. Other farmers have started dedicating more of their land to raising trees.

To gather information to complete this plan, Dorsett and Cohn took the following steps:

- Coordinated map and baseline data collection on land use, agricultural production and natural resource stewardship;
- Reviewed current land-use plans, ordinances and regulations to identify any potential conflicts with farming;
- Conducted 26 interviews of leadership representing farms, forestry, tourism and the business sectors;
- Met with four groups representing more than 60 people to discuss this project and secure ideas from the Cattleman's Association, Voluntary Agricultural District Board, two Future Farmers of America classes and the project advisory group;
- Determined infrastructure needs and marketing opportunities for increased profitability and viability of the agricultural community;
- Developed this local agricultural development and farmland preservation plan, quantifying baseline data, identifying threats and opportunities, organizing recommendations, and outlining action steps, priorities and an implementation schedule for the project;
- Incorporated feedback to refine the plan and presented the final plan to the County Commissioners for adoption as official county policy.

One of the last steps in pulling this plan together was follow-up on a Caswell County Agricultural Work Group recommendation. Following review of the draft plan, an additional fifteen farmers were interviewed for additional perspectives. These citizens from various agricultural sectors have resided in the county for decades. They were two most telling statements that came from these interviews. The first statement was one of optimism, "Caswell County agriculture is doing well and has a bright future, so many things are right and pointing in that direction." The other insight was one of concern regarding a cultural change in the farming community. "Farming in Caswell County was once commonplace, it was a way of life that transcended generations and replicated itself through the desires of young people who wanted to follow in the farming footsteps of parents and grandparents." The pursuit of agriculture and forestry as a livelihood is no longer a part of everyday life for the majority of Caswell County's youngest generation. The resulting impact is an increasingly smaller pool of potential future farmers.

There were other questions, concerns and ideas expressed that are captured below.

- Who will take the lead in helping our farmers get ready for the future?
- Are there a sufficient number of young people interested in farming?
- Will the next generation of Caswell County farmers be able to make a profit?
- What is the best way to bring new ideas for agriculture into the county?
- How do we deal with the input of farmers opposed to trying new ideas?
- What is the best way to get farmers in the county to work together?
- What is the most effective way to market Caswell County agricultural products to people in other places?
- How do we start a coop in the county?
- Most land lease deals in the county are based upon an annual handshake.
- There is good potential for an expanded horse industry in the county, but the last time it started to take hold, it was sidelined by an economic downturn.
- It is less expensive to keep land farmed, as opposed to clearing new land.
- Many older landowners in the county are gatekeepers of successful farming, their knowledge will be lost if it is not passed down to their grandchildren during the next decade.
- Marketing must remain positive: whether it's food delivery to customers, or those who make a day trip into the county to buy food, it must be a good agricultural experience that is repeatable.
- Farming is a second income opportunity for most, which is the reason many Caswell County farmers are active in agriculture today.

Present Use Value

In a county such as Caswell County with relatively limited commercial and industrial activity, a thriving farming sector is crucial to keep property taxes low for all citizens. Cost of Community Services (COCS) studies by NC State University in nine North Carolina counties (including Alamance, Guilford, and Orange) have shown that farm, forest and open lands receive an average of \$0.63 in services for every dollar of revenue they provide, while residential land uses require \$1.31 in services for each dollar paid in property taxes. Residential properties actually cost counties more in needed services than they provide in revenue, while farm and forestland owners pay more than their fair share of taxes, even while being taxed at Present Use Value (PUV). Maintaining land in agriculture in the county depends strongly on the continuation of the Present Use Value taxation program. The county should continue to support the PUV program with appropriate rates for farm and forestland, as well as ongoing landowner education about the rules for eligibility. If agricultural landowners begin to sell their farms for residential development, this could have significant negative implications for the county budget bottom line.

Infrastructure and Marketing

Some farmers in the county are already transitioning out of tobacco, and others will be making that change during the next few years. A few landowners have already been successful with organic, locally grown and value-added marketing of farm products that are new to Caswell

County. As in almost any other county, farmers here know about farming ventures that were tried but failed to be profitable. This is a major barrier to change in Caswell County. Many farmers here will have to see, experience and believe the potential for success is a sure bet before they will invest in making a change in their operations. Farmers could benefit from entrepreneurial and business management training, and they should investigate working together in collaborative ventures to tap into new opportunities.

Farm Transition and the Next Generation

Few farm kids seem to be taking over their parents' farming operations. However, there is a strong interest in the way of life in the county, and the desire is strong to hold onto family land. Both landowners and their children are interested in learning about options that will make it both feasible and affordable to hold onto their land and for the next generation to farm profitably. An annual conference to keep landowners updated on policy developments, a database of available farmland and a recruitment program for aspiring farmers would help connect the generations.

Development Pressure

Currently development pressure to convert Caswell County farmland into other uses is not high. However, once the economy starts to improve, this situation could quickly change. Currently there is limited funding to preserve farmland even though farmers regularly ask for information and resources to protect their land. Caswell should be proactive in expanding conservation incentives, such as creating local funding for the Purchase of Development Rights that could leverage significant state and federal dollars. The county should also expand its outreach to landowners to raise awareness of existing conservation and stewardship programs, such as Voluntary Agricultural Districts.

Farm Profitability

Many of the farms in Caswell County have been based upon multiple generations in the same family growing one cash crop—tobacco. In 2014, the Tobacco Buyout Program ends, which essentially will spur landowners to make decisions on how they will generate future income from their land. More than 1.5 million people live within a two-hour drive of Caswell County, and a few local farmers have been able to successfully tap into this market. Caswell County farmers are looking for ideas, information and resources for achieving this same level of success. A staff position focused on agricultural economic development and a monthly farm breakfast are two ways to explore opportunities and to expose farmers to options.

Leadership To Make Progress

More than 100 people were interviewed during the course of pulling this plan together and they were asked what is needed to enhance the future of Caswell County agriculture and forestry. Many farmers expressed praise for ongoing agency efforts with individual success stories. However, most of the folk who were interviewed, also indicated that a lot more needs to be done to help agriculture. A lot of concern was expressed for farmers who either have not been reached, or have not found a new approach to agriculture that works for them. Caswell County

residents made it clear that agriculture and forestry in the county is looking for the next step into the future. This desire seems to be pointing to a more structured process including partners who can fill the gaps with focused leadership and additional resources.

This is where the idea for a monthly or quarterly Agricultural Breakfast originated. The thought behind this approach is to maximize the existing strength of agencies and leaders that are already in place, by bringing new partners to the table to share ideas that will serve Caswell County well into the future. This group should be composed of representatives from agencies, organizations, and the general public. Nontraditional partners such as the health department with their access to healthy eating grant funding should be included. Other groups to consider for inclusion would be the food pantry, master gardeners and community garden interests. The primary objective of this effort should be to bring new opportunities and resources to the county in a manner that will be accepted and result in expanded and profitable farming. It should always be remembered that some ideas presented at these breakfasts will be a good fit for the county, while others will not. Regardless, this is an excellent forum to get new ideas out for discussion, while sharing the needs of agriculture with the broader community.

Forestry Opportunities

Caswell County is rich in forestry resources and tradition. The Caswell Area Forestry Association is a real plus for increasing and ensuring success and future profitability. However, additional components such as an improved market, processing infrastructure and expanded staff resources are needed to maximize potential.

Introduction and Methodology

Agriculture and forestry have been deeply rooted in both the soil and traditions of Caswell County for two centuries. These activities continue to be a standard bearer for the residents and their way of life today as demonstrated by two key statistics: forest land covers 67 percent of the county's land today¹, and agriculture provides 20 percent of local economic activity².

There are many reasons why much of the Caswell County landscape has been dedicated to agriculture and forestry. The agricultural economy has been on a steady and profitable course for many decades predominately because of the success of tobacco, cattle, poultry and hay. Farm and forestry acreage that meets certain criteria also qualifies for a lower tax rate under Present-Use Value (PUV). Many of those who were interviewed stated that PUV encourages landowners to stay the course and avoid roll back taxes.

Development has not yet begun to take a strong hold, but the age of the average farmer has risen to 58 years of age. A significant number of young people are looking to leave the county for work in something other than agriculture. Federal tobacco program buyout payments will

¹ <http://ncforestservice.gov/contacts/Caswell.htm>

² <http://www.ces.ncsu.edu/depts/agecon/counties/caswell.pdf>

end in 2014, and for several years there has been a trend of farms transitioning into forestry. In addition, the cost of farming and land continues to rise while the market for locally grown agriculture has yet to take hold in Caswell County.

Well-managed farms and forests bring a range of amenities that all citizens enjoy. Agriculture and forestry contribute to the local economy, create jobs, provide entrepreneurial opportunities, help to keep the environment clean, benefit wildlife and maintain a sense of community around a quality of life that is good in many ways.

Farms have important fiscal benefits. More than a half dozen Cost of Community Services studies have been conducted in North Carolina, and each one has demonstrated that privately owned farm and forestlands generate more in local tax revenues than they cost in services.³

Landowner interviews repeatedly breach the topic of concern for the future of Caswell County farms. Farms are equated with a slow pace of life, low crime and a high quality of life for families. Many citizens and leaders in Caswell County expressed concern about the future and the potential for farms to go into other land uses.

Several landowners who were interviewed have heard about the purchase of development rights in adjoining counties, including Alamance County, that have received federal, state and private funds. At this time Caswell County does not administer a farmland protection program, but the county does have a Voluntary Agricultural District Ordinance in place. This ordinance brings focus to the importance of promoting agriculture and helping it stay in place and be profitable.

A few Caswell County farms have found niche markets that are proving to be quite profitable through community supported agriculture. These niches include locally grown beef, organic vegetables, strawberries and goat cheese. There are many other opportunities that could be implemented if farmers were aware of them, understood how they work and were willing to give them a try.

The Agricultural Advisory Board and Caswell County Farm Bureau took the lead role in creating this plan. The purpose of this plan is to help Caswell County take a proactive approach in support of farming and forestry by coordinating future efforts for new types of agriculture that will bring sustainability and profitability to the county. The Piedmont Conservation Council, Inc. received a grant from the N.C. Department of Agriculture & Consumer Service's (NCDA&CS) Agricultural Development and Farmland Preservation Trust Fund (ADFPTF). Caswell County Farm Bureau invested matching funds, the Caswell County Board of Commissioners approved moving forward and Caswell County government provided in-kind services as a match for this grant. These funds were used to hire consultants Jerry Dorsett and

³ <http://www.cals.ncsu.edu/wq/lpn/cost.html>

Gerry Cohn to help develop the plan. Now that this plan has been adopted by the county and certified by NCDA&CS, all future applications to the ADFPTF will be awarded extra points.

The objectives of an effective planning process to help the county achieve farm and forestland sustainability goals included:

- Gathering data and securing community input on current trends, challenges and opportunities;
- Creating a customized local agricultural and forestry development plan with local buy-in;
- Advising Caswell County leadership on land-use planning and economic development policy initiatives that can help support the success of local agriculture and forestry;
- Developing specific milestones and target dates for implementing the plan's recommendations, thus ensuring continued and measurable accountability that will result in successful outcomes.

To achieve these objectives, Cohn and Dorsett took the following actions, beginning in January 2012:

- Worked with the agricultural advisor group and identified agricultural and forestry components along with key contacts in the county;
- Coordinated map and baseline data collection on land use, agricultural production and natural resource stewardship;
- Reviewed current land-use plans, ordinances and regulations to identify potential conflicts with farming;
- Conducted more than interview activities involving approximately 100 individuals, including county officials and leaders from farming, tourism and the business sector;
- Determined infrastructure needs and marketing opportunities for increased profitability and long-term viability of the agricultural and forestry communities;
- Held four outreach events to garner input from rural landowners on needs for agricultural profitability and the continuation of farmland ownership;
- Looked at landowner opportunities, met with young people as well as older leaders for ideas on the future of agriculture and forestry in the county;
- Developed a farmland protection plan, quantified baseline data, identified threats and opportunities, organized recommendations and outlined action steps, priorities and an implementation schedule for the project;

- Incorporated feedback from partners, local leaders and stakeholders to revise and refine the plan;
- Presented the final plan to the Caswell County Board of Commissioners for adoption as official county policy.

Data for this plan was collected from numerous sources. The bulk of statistical data for agriculture and farming was collected from the Census of Agriculture, which is compiled from farmer surveys through a joint effort of the U.S. Department of Agriculture's National Agricultural Statistical Service and the N.C. Department of Agriculture and Consumer Services. This report provides a detailed snapshot of agricultural-related information by county, and is published every five years, the most recent year being 2007.

The authors recognize the rapidly changing nature of agricultural production, but the Census of

Agriculture is widely accepted as the most thorough, accurate and consistent source of statistical information about farming. Thus, it demonstrates important trends over time and in comparison with other counties.

Other data sources included websites from the Caswell County government, the N.C. Department of Transportation, the N.C. Division of Forest Resources, Caswell County Cooperative Extension Service and the Piedmont Triad Regional Council of Government. Other data was collected anecdotally through interviews with farmers, landowners and other participants in Caswell County's agricultural and forestry economy.



Photo by Jerry Dorsett

Key Issues Facing Caswell County

Agriculture

Caswell County agriculture and forestry have faced more than two centuries of challenge. Some of these challenges have led to innovation and profitability. One of the most notable of these innovations was the first bright leaf tobacco, which came out of Caswell County in the 1800s. Today's times are no different, Caswell County is at a major crossroad where the decisions and investment made over the next decade will determine in many ways the future sustainability of Caswell County agriculture and forestry.

Caswell County faces a large number of issues and opportunities to address the long-term viability of its farming future. Below are several key themes found throughout this Farmland Protection Plan.

The market for locally grown vegetables and other agricultural products continues to expand but at a slow pace in Caswell County. Due to a smaller population than the surrounding counties, attempts at establishing roadside markets in the county have seen limited success. However, there has been success with community supported agriculture where homeowners contract to buy vegetables that are delivered to their home or place of business for an agreed upon number of weeks. New high-income homeowners are within a short driving distance in several of the counties that border Caswell County. Many of these families live busy lives where both parents work, they tend to be well educated, have good incomes, and they care about the quality of the food that they eat. These families often have the desire and income to purchase high-quality, organic and locally grown food, but they have limited time to shop and seek convenience. Home delivery and drop-off points for community agriculture can be appealing to these families.



Photo by Gerry Cohn

The end of the federal tobacco supply control program in 2004 has brought about big change in crop mix, land tenure relationships and farm profitability. Some farmers have retired while others have sold their land or transitioned into forestry. The end of program payments in 2014 will result in a significant loss of cash flow to farmers and landowners. Caswell County farmers are already seeing change in rental rates and new demands for use of the land. At the same time some tobacco farmers have decided to increase the size of their operations, and a few are including burley tobacco along with their traditional crop of flue-cured tobacco.



Photo by Jerry Dorsett

For the majority, living off the land in Caswell County has meant tobacco and forestry. As discussed earlier in this plan, tobacco has changed, and other traditional forms of agriculture face many challenges. However, Caswell County can have a bright future in both agriculture and forestry. There are many residents with a multi-generation tradition of living off the land. These are families who have land and equipment to pass down to the next generation. There are also new residents who are moving into the county. Many of them come with resources and a desire to own land that provides a relaxing place to live and the capability to generate income. These new residents face a set of challenges that most Caswell County farmers have not dealt with in the past. Profitable farming in Caswell County today and in the future will involve selling product where demand and pricing are greater (such as locally-grown marketing and selling to school systems in neighboring counties) as opposed to accepting prices from worldwide commodity markets. This new agriculture often requires different equipment and skills in a wide range of disciplines.

Caswell County is seeing interest from young prospective farmers seeking land and older newcomers who see farming as a possible second career. A targeted effort is needed to translate these interests into more commercial farming operations.

The recent economic slowdown has given the agricultural community a bit of breathing room, but there is ongoing concern about the future of land use in the county. The majority of the residents and leaders who were interviewed talked about the high value they place on the way of life in Caswell County—a slow pace and without many of the problems that urban areas face. At the same time, some of Caswell County residents' concerns include farmers' ability to continue generating income and pay land taxes, and young people's leaving the county to seek a job in something other than farming. While Future Farmers of America students at Bartlett Yancey High School have the most potential for pursuing a future in Caswell County agriculture, the majority who were interviewed mentioned two things—leaving the county and getting a job in something other than agriculture. Another issue of interest is the fact that farmland continues to transition into forestry. There is also a great deal of concern about the potential for land-use change when the economy improves and developers are reminded of the comparatively low land prices in Caswell County.

The average age of the farmer in Caswell County in the 2007 Census was 58. There are more farmers over 70 years old than under 45. From 2002-2007, the number of farmers in their 60s grew by 40 percent. A wave of new young farmers in Orange and Chatham County has yet to find their way to Caswell County. Due to relatively affordable land and farming-friendly attitudes and the regulatory landscape, the county should begin an aggressive recruitment program to attract new farmers.



Photo by Jerry Dorsett

Caswell County maintains a strong agricultural identity with family ties to the land alive and well amongst leadership. County Commissioners and staff of the Register of Deeds, Planning, Chamber of Commerce, Forestry Resources, Cooperative Extension, and the Soil and Water Conservation District offices expressed interest and strong support for the farming and forestry sectors. Each of these individuals is seeking new ways to support farmers and eliminate barriers to success. The will and desire is in place to meet needs and bring future success to Caswell County agriculture.

When tobacco settlement income ends in 2014, many landowners who have been using these payments to pay for taxes may consider selling their productive farmland for other uses. The poultry business is also undergoing rapid structural changes, with major integrators declaring bankruptcy and major shifts in priority production areas. This puts the county's other primary agricultural income-generator at enormous risk. County leadership must move quickly to help farmers develop new potentially profitable agricultural enterprises.

The county's primary agricultural moneymakers – tobacco and confinement poultry – both have firmly established contract systems that require minimal marketing efforts on the part of farmers. The county soils and land ownership patterns will prevent it from ever being a major player in commodity field crops. New enterprises will require entrepreneurial energy and creativity that may be beyond the interests and skills sets of experienced and traditional farmers. The county should consider the creation of a staff position in Cooperative Extension to focus primarily on facilitating market development for retail and wholesale sales of locally produced products.

Many Caswell County farmers expressed concerns about the cost and availability of farm labor. They discussed the difficulty in finding local people interested in doing farm work and the rising barriers to employing migrant or H-2A⁴ workers. Farmers could use some assistance coordinating labor needs among different types of farming operations in the county to assure full-time work throughout the year. And the high school agricultural program and Piedmont Community College job link center should include farm employment as part of their work plan.

Many landowners are planting trees as an alternative to tobacco and other crops that require more input costs and ongoing management. The county has strong support for forestry through the Caswell Area Forestry Association and the N.C. Forest Service. Educational outreach efforts should be expanded to encourage the planting of high-value species, widespread sustainable forestry certification, and the creation of biomass or clean fuel processing capacity.

Caswell County should market its peaceful rural nature as a drawing card to daily and overnight tourists. With help from the N.C. Agritourism Networking Association Stronger, Caswell County could create stronger links between farms, historical sites, local businesses and

⁴ <http://www.dol.gov/compliance/guide/taw.htm>

the Chamber of Commerce that could spur development of new supplemental enterprises on the farm and bring more dollars into the county.

Farmers and leaders report that most of the newcomers and new investment in the rural landscape are for recreational purposes that compete for land with farmers and generally don't generate the same annual revenue as production agriculture. However, since this is the new economic reality in the county, farmers should look for ways to tap into these new residents by looking for ways to provide services based on their skills and equipment. Land preparation, fencing, equipment lease and repair, and custom planting and harvesting are all potential supplemental income sources.

Caswell County is like many other counties with the challenges and opportunities that are facing agriculture. The greatest challenges were detailed in the first part of this section. Below are other concerns and opportunities that were identified through the interview process while putting this plan together.

Challenge: Many farmers in the county know someone who has lost money through farming.

Solution: Most every multi-generation farmer in the county has either tried a new farming venture or knows someone else who has made such an investment that did not succeed. All forms of business leave behind a trail of failures, but there are also success stories. The same is true for agriculture. A large number of farmers are trying new things and making a profit in this state and across the nation. A lot of the leaders and landowners who were interviewed talked about the fact that many farmers in Caswell County feel no level of support at the local or state level. Due to years of focusing on failures, these feelings in some instances have become ingrained and they will not disappear overnight. Polk and Rutherford are examples of counties in Western North Carolina where pessimism had become a barrier to success for both new farmers and those who had been in business for many generations. However, the completion of a county farmland protection plan set the stage for a new strategic approach that included creating an office of agricultural economic development (<http://www.polkcountyfarms.org>) and working with farmers and consumers to develop new markets in urban areas (<http://www.foothillsconnect.com>). Building positive feelings within the agricultural community can and should have a very basic start. There must be a core group promoting this effort by starting at a very basic level, assessing current assets and opportunities and eventually orchestrating bigger change in the county's agricultural economy.

The agricultural agencies, organizations and businesses can come together and set goals as laid out in this plan. A good place to start would be getting farms that have been held by the same family for more than 100 years enrolled in the NCDA&CS Century Farms Program. The next step would be to have a celebration, tied into a tour of successful farming operation in the



Photo by Gerry Cohn

county such as the Byrd Farms CSA and Mac Baldwin's Beef Operation. Programming could be implemented to introduce new ideas. This could include a tour of farms outside the county to see successful agricultural ideas that could be brought back to Caswell County.

Challenge: Farmers relish the past, but some feel it is being forgotten. Caswell County farmers need to do a better job of pulling together in support of local agriculture.

Solution: Caswell County agriculture has a lot to celebrate and has a bright future if farmers pull together. There are three things that can be done to celebrate the past and pull farmers together for the future. First, recognize the past by signing up all farms that have been held in the same family for at least a century through the N.C. Department of Agriculture and Consumer Services Century Farm

Program. NC Century Farm program information and enrollment forms are available via the NCDA&CS web site and Cooperative Extension Service staff. Second, look forward by conducting public forums annually to sign up farm and forest landowners in the Present-Use Value program looking forward public forums to sign-up farm and forestland owners in PUV. Third, hold an annual celebration with a speaker each year to recognize Caswell County agricultural heritage and to bring all the farmers together.

Caswell County Century Farms

Helen Aldridge	Otis F. Saunders	William McNeill Turner
Jimmy Allred	Betty M. Smith	David C. Vernon
Bessie M. Bradsher	Charles Smith	Luna Pointer Hollett
Novella Earp	W. Osmond Smith	
Spencer T. Richmond	William L. Tompson	

Challenge: Who will go first and risk it all? In Caswell County, there are limited examples of new types of farming and niche markets that have been profitable over the long term. There will always be some who are afraid to try new things and will discourage others by saying it will not work. But new types of farming mean breaking away from tried and true traditional agriculture.

Solution: A few farmers have already found success with new types of agriculture. Several of the farmers in these businesses have expressed a willingness to share their knowledge and to encourage others to try new things. Every farmer who was interviewed expressed an interest in seeing Caswell County remain strong. Each of the agencies that were interviewed

talked about cost-share programs and good sources of know-how that can be brought to Caswell County to teach farmers about new ways to farm. Efforts are ongoing across North Carolina and the United States to give farmers the know-how in all aspects of farming. There is also a lot of grant money for bringing in experts and mentors to get farmers started.

Many organizations offer training to farmers on how to run a business in the most efficient and effective manner. One option that is available to Caswell County farmers is the Farm Credit University "Ag Biz Planner" which is provided through Farm Credit and their office in Caswell County.



Photo by Jerry Dorsett

Challenge: Transportation infrastructure and market potential. No interstate highways, a low number of commuters through the county, no large urban center, relatively low wages, a small population, past roadside market failures and a limited number of stores and restaurants.

Solution: These statistics point to a place that can produce agricultural products with lower development pressure on the land, less pressure to convert farms but also lower potential for selling goods in the county. This situation points to the fact that every county bordering Caswell County has a larger population, larger urban centers and almost unlimited potential for food. A farmers co-op, a Caswell County logo such as "Caswell County Fresh," and a marketing campaign can make this county a food destination for a market that include more than 1.5 million potential customers within a two-hour drive. It will require local coordination to make these things happen, but there is local support, there are skill sets on the ready, and there are multiple sources for grant funding to pay for capability, staffing and infrastructure.

Challenge: Citizens raising their own food equates to low demand. Many residents raise a garden, which decreases their need and want to purchase produce from others.

Solution: Sometimes new residents, especially those who come from urban areas, do not understand agriculture and are surprised by realities of living in the country--getting caught in traffic behind slow moving farm equipment, hearing a tractor operate after dark, smells associated with livestock operations, seeing someone spray chemicals and other things. Residents who grow up on or around farms and forestry operations and those who stay close to the land with a garden tend to understand and value agriculture. Citizens with farm-related experiences may be less likely to frequent a farmers market, but they also have a

strong appreciation for farms and forestry staying in the county and are less likely to have conflict with their farmer neighbors.

Challenge: Land transition is not easy to pull off. Concerns with land transition between generations, tax issues, understanding how to educate a new generation on land holding and management while treating all heirs with fairness is a complex set of issues. The intent of absentee landowners is also a well-founded concern in Caswell County.

Solution: Agricultural and forestry agencies can help to find a solution. The Piedmont Land Conservancy, which is based in Greensboro, has employees who are experienced in working with rural landowners and have skill sets and knowledge that they are willing to share to help make successful farm transition happen in Caswell County. Local leaders and agency representatives in Caswell County can form a work group to bring these resources to the table and share their expertise with Caswell County landowners.

Challenge: Farming wages are not a living wage. Many farmers in Caswell County have experienced and view most agriculture as having low income potential.

Solution: Any business that holds the potential to be profitable holds equal potential to lose money without the proper investment and expertise. There always will be landowners who struggle, and there always will be farmers who make a good living. Farming is a good way to lose money or to make minimal income. Many farmers view farming only from the perspective of a way to hold on to the land and to qualify for PUV. However, there are farmers in Caswell County who have found a way to make a good living on the farm. Many farmers in and near Caswell County are willing to share their expertise to help other farmers. And for those farmers who feel they can make a go of it, there are federal and state grants available as well as private entities such as Piedmont Farm Credit that have money to loan.

There needs to be a group in Caswell County that brings in new ideas and is willing to assist landowners who want to expand, are willing to try new ideas and want to farm for the first time. The agricultural and forestry agencies and private companies, and local leadership need to form a focus group that will work together to get this type of initiative started, maintained and on the cutting edge of new ideas.

Challenge: Caswell County agriculture has not been marketed. Caswell County agriculture is not sold and recognized in many markets outside of the county.

Solution: Caswell County farmers live and operate within a one-hour radius of 500,000 people. Within a two-hour drive the population reaches 1.7 million people. Supplying two percent of



Photo by Jerry Dorsett

this market would mean 34,000 customers or about 11,000 people more than the total population of Caswell County today. One way to help Caswell County farms be successful is to establish a farmer co-op with a logo (such as "Caswell County Fresh") that ensures a high-quality product. There are agricultural agencies in place to help with this effort, and there is grant funding from the state and federal government to get initiatives going.



Photo by Jerry Dorsett

Challenge: Insufficient forestry staff levels. Forestry encompasses almost two-thirds of Caswell County and accounts for a large share of the local economy. The potential to properly manage acreage and maximize income requires sufficient forestry staffing levels. The local forestry staff, which is funded by both the state and the county, manages one of the largest workloads per staff member of any county in the state. Caswell County is blessed with a lot of forestry landowners who request assistance and a lot of landowners who will make call requesting assistance in the future. But insufficient staffing at the Caswell County Forestry Resources office sometimes makes it difficult for them to properly service all landowner requests in a timely manner.

Solution: The Caswell County Area Forestry Association should take the lead on looking into options for increasing forestry staff numbers in Caswell County. The N.C. Division of Forest Resources is now based in the N.C. Department of Agriculture and Consumer Services, and Commissioner Steve Troxler lives just to the southeast in Guilford County. The association could start by asking about the state's plans for investment in Caswell County forestry and then determine the actions required to make these plans happen.

Challenge: Where is our timber market? There is no large forestry, timber or wood processor in the county.

Solution: The Caswell County Area Forestry Association should take the lead on initiating research options within the forestry industry to help maximize the Caswell County timber market. Seeking the help of N.C. State University in concert with the capable staff in the Caswell County Forest Resources Office would be a good place to start.

Chapter 1:

Caswell County Profile

Caswell County sits along the northern tier of the North Carolina Piedmont, bordered on the east by Person County, on the west by Rockingham, on the south by Alamance and Orange and on the north by Virginia's Pittsylvania and Halifax Counties.

Caswell County was formed in 1777, when the newly independent state of North Carolina divided Orange County to make county services more accessible to residents. The county was named after Richard Caswell, the first governor of North Carolina. At the end of the Revolutionary War, Caswell was the second most populous county in the state, with 9,839 people. In 1792, the county was divided again, with the eastern half becoming Person County and the western half remaining as Caswell. At this time, the county seat was moved from Leasburg, near Person County, to its current location in Yanceyville. The period before the Civil War was a prosperous time for Caswell County, with tobacco, cotton, lumber and flour leading the way. With mills, foundries and factories throughout the county, it was a place of both raw material production and processing.

At the time of the 2010 U.S. Census, the Caswell County had a population of 23,719, which was an increase of 0.9 percent since the 2000 census. During this same period, North Carolina saw an 18 percent rate of population growth, indicating that the rapid growth and population pressure seen statewide bypassed Caswell County. Since 1980, Caswell has experienced a 14.6 percent rate of growth, lagging far behind the 62.2 percent statewide growth during this time. The N.C. Office of Management and Budget projects that Caswell County's population will remain below 24,000 through 2030.⁵

In Caswell County, 62 percent of residents are white, 34 percent are black and 3 percent are Hispanic. Three-fourths of the residents are high school graduates while only 11 percent have completed college. Caswell County ranks 88th in the state in education. The median income of the 9,190 households is \$37,115, and 21 percent of the population lives below the poverty line. The median age of 44 is significantly higher than the statewide average of 37 years.

⁵ <http://www.nwpcog.org/modules/showdocument.aspx?documentid=686>

Yanceyville, the county seat, has a population of 2,039. Milton, the only other incorporated town, has 166 residents.

Other significant unincorporated communities are Prospect Hill, Semora, Casville, Leasburg, Pelham, Blanch, Cherry Grove and Purley. With 93 percent of the population living outside of city limits, Caswell qualifies as one of the most rural counties in North Carolina.



Photo by Gerry Cohn

The unemployment rate in 2010 was 11.9 percent, only slightly higher than the statewide average. Health care and social assistance is the sector with the most jobs, at 590 employees. Next are retail and manufacturing with about 300 apiece.⁶ The main employers in the County are the Caswell County government system, the Department of Corrections and Piedmont Community College (PCC).

On a daily basis, 6,185 people commute out of the county while only 1,410 drive in from surrounding counties, and 2,775 remain within county borders. This net deficit of 4,775 commuters on a daily basis results in a significant loss of local economic activity and sales tax revenue.⁷ Because of its distance from major transportation corridors and the lack of major employers, Caswell County likely will continue to be a bedroom community to the Burlington (N.C.) and Danville (Va.) areas in the foreseeable future. The Chamber of Commerce advertises that "Caswell County is uniquely situated only 45 minutes from Greensboro and an hour from Chapel Hill and the Research Triangle Park."⁸

Median household income in 2010 was \$37,115, a 17 percent drop since 2000 and ranking 60th among N.C. counties. The Chamber of Commerce also reports that the average weekly wage standard is \$417, one of the lowest in the state.

⁶ <http://accessnc.commerce.state.nc.us/docs/countyProfile/NC/37033.pdf>

⁷ <http://www.nwpcog.org/modules/showdocument.aspx?documentid=689>

⁸ http://caswellchamber.com/index.php?option=com_content&task=view&id=28&Itemid=69

The county, nearly square in shape, covers approximately 425 square miles. Elevation is highest (775 feet) in the southwestern corner near Matkins and lowest along the Dan River in the northern part of the county.

Caswell County's R. Wayne Bailey Caswell Game Lands surrounding Yanceyville includes 17,788 acres designated as public hunting territory.

The county receives an adequate average rainfall of 44.8 inches per year, and the average temperature is slightly cooler than the statewide average. Accordingly, the county is capable of growing a wide variety of agricultural products.

Although there are no interstate highways in Caswell County, the county is blessed with good roads leading to the primary outside sources of jobs and commerce. Highway 86 runs north to Danville and south to Hillsborough and Chapel Hill. U.S. Highway 29 runs west to Reidsville and Greensboro, and Highway 62 leads southwest to Burlington. U.S. Highway 158 leads east to Roxboro and west to Reidsville. There are no notable points of congestion or geographic barriers to easy travel and transport.

The Caswell Chamber of Commerce supports the development of new businesses. The chamber receives no county funding, so it relies on fundraisers and small membership fees to survive. Unlike most other county chambers of commerce, there are no large corporate members to shoulder a large share of the budget.

There are industrial parks in Yanceyville and Pelham. Tenants in Yanceyville include Sun Valley Foods, which bottles sauces and dressings, Royall Textile, Energy Dynamics and Chem Tek Solutions. The Pelham industrial park includes a racing facility associated with the Virginia International Speedway and a shipping company that sends packages overseas.

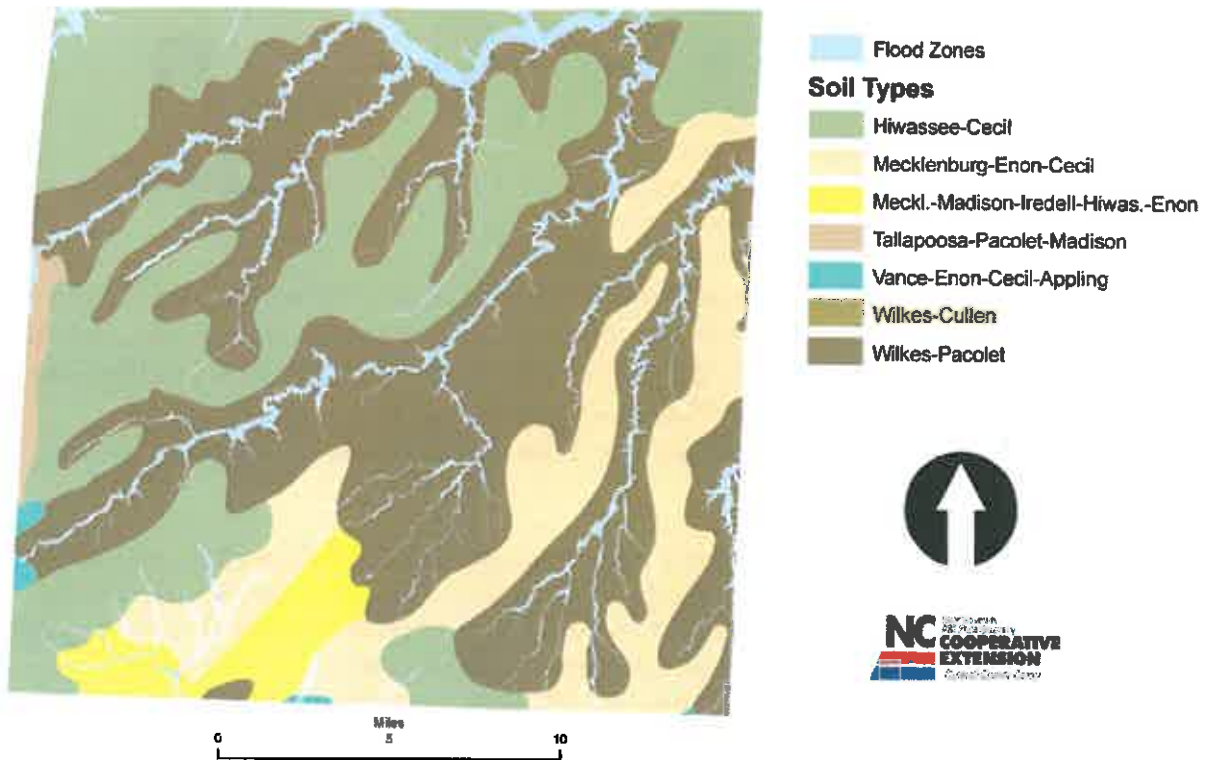
A 1908 Soil Survey of the county describes Caswell County's natural resources in glowing terms:

Caswell County has a splendid climate. The rolling character of the land, the high elevation, the good drainage, and the excellent drinking water supplied from wells and springs make it a healthful section in which to live.⁹

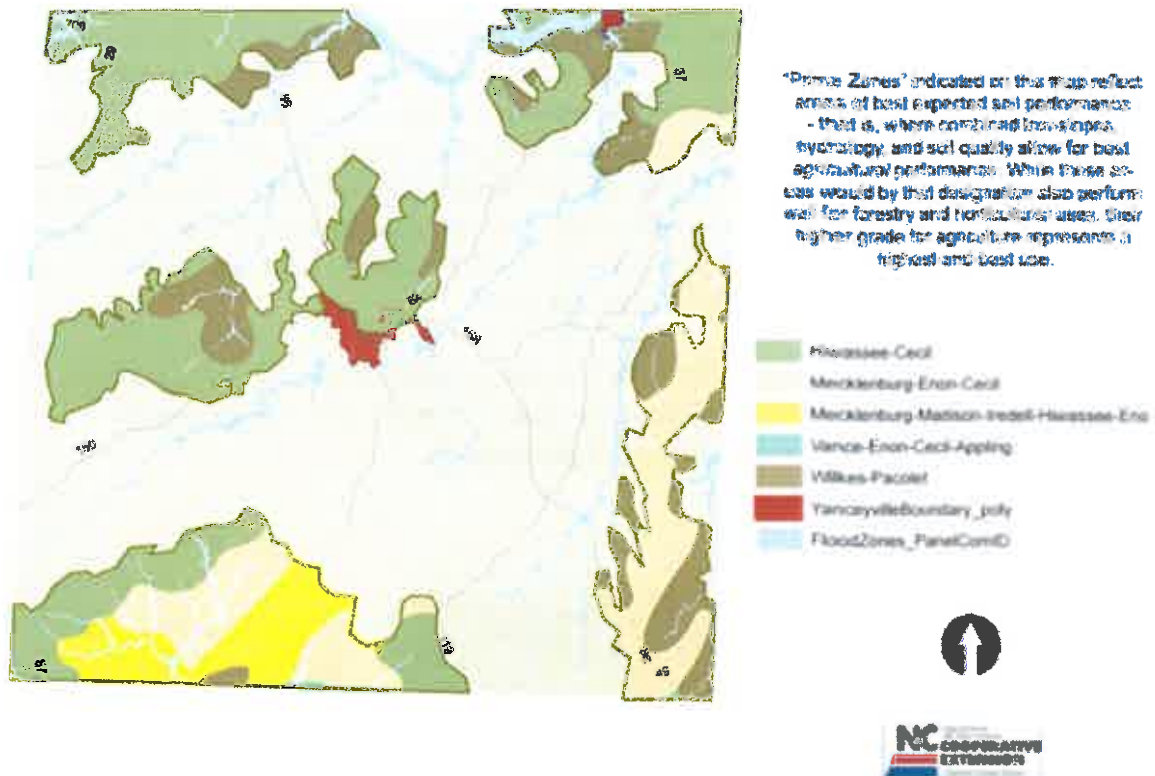
⁹ http://soils.usda.gov/survey/online_surveys/north_carolina/caswellNC1908/caswellNC1908.pdf

The county's soils have formed from the underlying rock layers, primarily granite, gneiss and schist. Primary soil classifications are the Cecil sandy loam (39 percent), Iredell sandy loam (23 percent), Caswell sandy loam (15 percent), Durham coarse sandy loam (11 percent), Cecil clay (6 percent), Meadow (5 percent) and Congaree loam (2 percent). The Cecil sandy loam is suited to a wide variety of crops, and the Cecil clay is capable of growing grains and grasses. The Durham sandy loam is particularly well suited to tobacco, as well as potatoes and truck crops. The Caswell sandy loam is best used for pastures, and the Congaree loam along the Dan River is well adapted to corn and grass.

All soil types in the county are rated Grade II or lower, which is considered of average productivity, at best. Soil types also change frequently across a field, increasing the challenges of intensive management for high productivity.



Caswell County Prime Agricultural Zones



The Dan River runs from east to west along the northern edge of the county. Many creeks flow throughout the county and enter into the Dan River in the north. Farmer Lake, built in 1983 as a water supply reservoir for the town of Yanceyville, totals 366 acres, in addition to the critical surrounding watershed. There is a water line that runs up Highway 86 to Providence. The county buys a small amount of water from Danville, Va. for the Pelham area.

Even with an adequate water supply for the citizens and farmers of Caswell County, farmers must remain vigilant about the thirst of the growing Piedmont region for the waters of the Dan River. The town of Roxboro continues to seek a reclassification of the Dan River, which would allow water to be removed and either used by Roxboro or sold to neighboring municipalities. This could have an impact on both irrigation rights and farming practices along the watershed of the Dan, particularly in the area between Yanceyville and Milton, resulting in a new set of rules similar to what has been enacted in the watersheds of Jordan and Falls Lake.

Hyc0 Lake was built in 1965 to provide cooling water for the Carolina Power & Light Company Roxboro Steam Plant. It covers 3,780 acres in the northeastern part of the county and serves a variety of recreational purposes.

Chapter 2:

Caswell County Land-Use Planning

Caswell was not North Carolina's first county, but it was the first one established directly by the state. This action was taken in 1777 from lands that were a part of Orange County. Throughout two centuries of existence, the economy has been based upon living off the land, with heavy reliance upon agriculture and forestry. Roads have long been in place to accommodate rural commerce, but to this day there are no interstate highways or large population centers in the county.

Caswell County landowners are proud of their county's heritage and history. This pride is reflected in land use that has been managed in a consistent manner for many generations. Gaining a true perspective of Caswell County land-use planning today and in the future requires an examination of the county's past.

Preserving the Past, Embracing the Future is a motto that is on the county website and posted on signs throughout Caswell County. The sentiments of this motto are supported by many citizens and elected officials alike, who have long supported landowner rights with minimal government interference.

There is a rich history of agriculture in Caswell County and a strong sentiment of respect for the past. Almost every citizen who was interviewed for the farmland protection plan stated that it is important to them that Caswell County remain a place that is uncongested, low in crime and a good place to raise a family. There is also strong support for continued agriculture and forestry, there is concern about the need to create jobs that will bring higher wages into the county.

Many questions were raised about what the future holds for tobacco farms as tobacco program payouts end in 2014. Some tobacco farmers have already converted their land to forestry. Staff with the N.C. Forest Service, other agencies and landowners all said that they expect additional farmland to be converted into managed forests. However, many agricultural landowners have still not decided what they will do once the payouts stop. The one thing that appears certain is that a lot of the current tobacco land in Caswell County will either transition into other uses or sit idle. This is land that will continue to incur property tax assessment, and if it is not farmed or used for forestry, it will lose Present-Use Value taxation eligibility. This would lead to a higher tax bill, which would increase pressure to sell the land or to convert it to other nonagricultural uses.



Photo by Gerry Cohn

Privately owned working lands provide fiscal benefits, helping keep property taxes low due to their minimal need of public services. Cost of Community Services (COCS) studies by NC State University in nine North Carolina counties (including Alamance, Guilford, and Orange) have shown that farm, forest and open lands receive an average of \$0.63 in services for every dollar of revenue they provide, while residential land uses require \$1.31 in services for each dollar paid in property taxes.¹⁰ Thus, residential properties actually cost counties more in needed services than they provide in revenue, while farm and forestland owners pay more than their fair share of taxes, even while being taxed at Present Use Value (PUV). There is a simple explanation for this surprising result: crops don't go to school, and cows don't dial 911. Farms don't require much from their counties, while new homes spread out across the countryside require a great deal of public funds for new infrastructure and services.

Findings of COCS studies have important implications for policymakers charting a future course for their communities. They do not suggest that communities should pursue a single type of land use for fiscal health, but that they should balance various community goals that

¹⁰ <http://www.cals.ncsu.edu/wq/lpn/cost.html>

include a range of housing and employment options, as well as open space and working lands. With good planning, these goals can be pursued together for the benefit of all citizens. However, in a county such as Caswell County with relatively limited commercial and industrial activity, a thriving farming sector is crucial to keep property taxes low for all citizens. Maintaining land in agriculture in the county depends strongly on the continuation of the Present Use Value taxation program. The county should continue to support the PUV program with appropriate rates for farm and forestland, as well as ongoing landowner education about the rules for eligibility. If agricultural landowners begin to sell their farms for residential development, this could have significant negative implications for the county budget bottom line. If county leadership wants to measure the exact contributions of various land uses to the budget, they could seek to have NCSU or an outside organization conduct a Cost of Community Services specifically for Caswell County.

Caswell County is close in land area to the size of the four counties on its North Carolina boundaries, and it is about half the size of the two bordering counties in Virginia. Each of the six border counties has a higher total population and a greater population density than Caswell. A lack of proximity to urban areas and a lower population has shielded Caswell County from the development pressure that has brought about change in many of the adjoining counties. It appears that these conditions will remain in place well into the future.

Caswell County land use and the economy are dominated by farm and forestland. Conversion of land to nonagricultural uses has been slow to occur in the county. During the interviews and meetings that were held to get input for this document, landowners shared their opinions about the future use of farm and forestland in Caswell County. Most landowners expressed concern about the loss of farmland (in contrast to forestland, which is expanding). This land loss results from two factors: (1) the end of the tobacco buyout program and (2) a dismal outlook by some farmers regarding future opportunities to make a profit on the land.

Caswell County land-use planning oversight is provided by a citizens' planning board, the county Planning Office¹¹ and ultimately the Board of Commissioners¹². Staff resources and planning tools are available to Caswell County as one of 12 counties with membership in the Piedmont Triad Regional Council of Government.¹³

¹¹ <http://www.caswellcountync.gov/county/depts/planning.htm>

¹² <http://www.caswellcountync.gov/county/boardcomm.htm>

¹³ <http://www.nwpcog.org/>

Caswell County developed a draft land-use plan around 2004, but it was never adopted by the Board of Commissioners. During 2012, the county commissioners agreed to issue a contract to have a Unified Development Ordinance completed in 2013.¹⁴

Zoning currently exists in two locales: the town of Yanceyville and the immediate area around Hycy Lake. At most meetings and interviews that were held during the data collection phase of this project, participants discussed zoning. Many citizens expressed concerns with bringing additional zoning into the county, but at every meeting there were some present who spoke up in support of implementing some additional zoning in the future. These landowners talked about the current inability to restrict undesirable businesses and new land uses that could push farm and forest interests out of the county.

The Caswell County Voluntary Agricultural District Ordinance (see Appendix A) includes one provision that states, "Developers of major subdivisions or planned unit developments shall designate on preliminary development plans, the existence of the Districts within one-half aerial mile of the proposed development." While this provision does not control land use, it will help to protect existing farms from being negatively impacted by new residents who move into the county.

Yanceyville and Milton are the only two incorporated municipalities in Caswell County. Each of these towns was established as centers for commerce. They now attract some tourism as well, but neither of these towns has expanded much beyond their original boundaries. No incorporated areas in adjoining counties are positioned to annex land within Caswell County, and there has been no talk about forming any new towns in the near future.

Milton was established in 1796 as a center for warehousing and inspecting tobacco and flour. It currently has a population of just over 100 residents and occupies less than one-half of a square mile. There appears to be no interest in expanding the town boundaries in the near future.

Yanceyville was established in 1833. It is the county seat and the only municipality with zoning in place. The town currently covers 4.7 square miles and has a population of just over 2,200 residents. While new businesses continue opening up over time, there is minimal development pressure. There is a water system, but it does not extend much past the boundaries of Yanceyville and West Yanceyville. This town has shown little interest in increasing its land area in recent years. However, it is interesting to note that on the northeast boundary, there are several farms enrolled in the Voluntary Agricultural District program.

¹⁴ <http://www.caswellcountyudo.com/>

Towns in North Carolina have the ability under general state statute to add controls to surrounding land through establishment of extra territorial jurisdiction and annexation. However, due to recent changes in state law, citizens and farmers have a greater say about how much land municipalities will be able to annex in the future.

The process of compiling data for this plan included discussions with community leaders and elected officials and examining N.C. Department of Transportation planning documents to gauge new development potential. Caswell County is in a unique position among N.C. counties, especially those in the Piedmont, which are among the fastest growing in the state. There have been years of pent up anticipation for coming change in the form of new roads, new businesses, additional housing and other associated land-use changes in Caswell County.

The combination of large tracts of undeveloped land, reasonable prices, a low cost of living, and low property tax rates should make Caswell County an attractive place for developers and new companies. Since relatively little zoning is in place, the lack of land-use regulation would also seem to be attractive to some outside businesses. However, these amenities are countered by the lack of a large population center, a limited number of established retail businesses and no interstate highway, which has apparently kept land-use change to a minimum. The result has been a county that has seen limited growth and few changes in the landscape in recent decades.

N.C. Department of Transportation daily vehicle counts reveal two important findings about Caswell County: (1) there are relatively low daily vehicle counts compared to adjoining counties, and (2) most of the commuters are headed to destinations outside the county, as opposed to coming in for the purchase of goods and for employment. These statistics point to a consistent future with minimal development pressure to convert farm and forestland into other uses.

Below is a table of commuter traffic counts compiled from N.C. Department of Transportation and the Piedmont Triad Regional COG data. Highway 29 near Pelham in the northwestern part of the county sees the highest daily traffic count of any road in the county with 14,000 cars a day. This information is from the N.C. Department of Transportation website County Area AADT Maps for the year 2011.

29	Near Pelham, south of NC 700	14,000
86	North of Yanceyville	9,100
158	North of Orange County Line	5,300
86	South of Yanceyville	5,000
86	Near Rockingham County Line	2,400

Increased transportation capacity in the form of new and expanded roads, along with increasing water and sewer capacity, often accompany new development and bring about land-use change. Sections of six different highways in Caswell County have been identified by the N.C. Department of Transportation as needing improvements, with four in close proximity to Yanceyville. However, no major road improvement projects are on the N.C. Department of Transportation near-term construction priority list.

There are two water systems in the county, one in Yanceyville and another that extends from Danville (Va.) into the Pelham community for a business park. Yanceyville has sewer that covers much of the same area as the water system. Very little in the way of new infrastructure has been built in recent years, and none is planned for the near future.

The predominant threats to Caswell's productive agricultural soils will come from outside the county, rather than internal forces of development. Primary amongst these will be the Prospect Hill area (Chapel Hill), the Highway 150/87 SW corner (Greensboro), the northern border with Danville, and the Highway 158 corridor between Yanceyville and Roxboro.

The Piedmont Land Conservancy has identified two priority areas of the county that merit special conservation attention. The Colonial Heritage Byway¹⁵, running from 150 into

¹⁵ http://www.ncdot.gov/download/travel/scenic_byways.pdf

Yanceyville, up 62 to Milton, and then thru Semora, Leasville, and Hightowers and down 86 into Prospect Hill, highlights the rich historical tradition and scenic beauty of the county, with the potential to play a valuable role in bringing tourist dollars and new customers for farm products and services into the county. PLC's Dan River Watershed Protection Initiative attempts to support the outstanding natural values of the river to boaters and fishermen, while pointing out the unique plant and animal species supported by the river and riparian habitat.

Several small businesses, including some restaurants with the potential to purchase local farm products, have come to Caswell County over the past decade, but not all of them have stayed. The difficulty of operating a small business in Caswell County is hampered by a lack of potential customers. New business development and marketing opportunities are two components that are needed to make Caswell County an agricultural destination for citizens of the surrounding towns and counties.

In the near future, it appears that impacts to farm and forestland are more likely to occur in surrounding counties than Caswell County. However, it should be noted that rapid land-use change could happen in a short amount of time. One large infrastructure project, a new four-lane road or a large employer locating in Caswell County would quickly bring about pressures that could result in rapid land-use change.

Chapter 3:

Caswell County Agriculture

From the start, tobacco was king in Caswell County. The bright leaf curing process was discovered by Stephen Slade in 1839 when he fell asleep while tending the tobacco curing fire and threw charcoal from his blacksmith forge onto the dying embers. This produced a unique brightening effect on the green tobacco, and the dry heat turned the tobacco slightly acidic and milder, which allowed consumers to take the smoke deep into their lungs. This accidental discovery transformed Caswell County into a technical leader in tobacco curing for the next century.

In 1926 The [Caswell Messenger](#) waxed poetic on Caswell County's bright leaf tobacco:

[W]heat and oats find in the soil of Caswell an excellent place for maturity...but tobacco [is] the county's pride. Everywhere in the county the superlative golden leaf has a history of beauty [and Caswell was indeed] the native home of the golden weed. The story of the Caswell County cutter is known

everywhere in the bright belt while tobacco men for years, seeking the last word in the leaf, have looked with admiring eyes upon the Caswell County linger wrapper which had caught into its being all the radiant gleams of the Caswell sunrise and the golden glow of the Caswell sunset.¹⁶

Tobacco was the dominant force in local farming through the end of the 20th century, playing a large role in determining land use, input cost and availability, and rotation crops that supported the golden leaf. With the end of the federal supply control program in 2004, N.C. tobacco production has moved increasingly out of the Piedmont to the eastern part of the state, where the farms are larger, the land is flatter, and economies of scale provide a comparative advantage. Although tobacco continues to be the leading crop in agricultural sales, it no longer plays the primary role it did for over a century.



Photo by Gerry Cohn

¹⁶

The challenge today for the Caswell County agricultural sector is to develop a new diversified vision of the future, utilizing existing resources, skills and marketing opportunities. This section explores how local farming has changed over time, the current composition of agricultural production and some potential growth areas to consider.

Farm and forestland use covers 102,299 acres or 38 percent of Caswell County. Of that, 37,941 acres (37 percent) are in crops, 44,808 acres (44 percent) are in woodland, 12,713 acres (12 percent) are in pasture, and the remaining acres are in other uses such as farmsteads, ponds and other on-farm infrastructure.

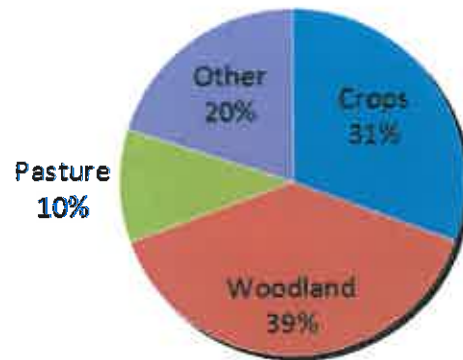
In the last one hundred years of Caswell County agriculture, the average size of a farm grew from 131 to 182 acres, while the number of farms declined by 72 percent. The 1910 Census of Agriculture reported that 99.4 percent of the land was agricultural, with 26 percent in crops, 33 percent in woodlands, 9 percent in pasture, and 17 percent in other uses, among 2,002 farms.¹⁷ In 1950, the county reported 3,051 farms covering 244,036 acres (approximately 88 percent of the county), with 26 percent in crops, 50 percent in woodlands, 14 percent in pasture, and 10 percent in other uses.¹⁸ Over the subsequent 40 years, however, the number of farms and farm acreage dropped precipitously, to 870 farms in 1992 (covering 141,480 acres), to 601 farms in 1992 (125,428 acres) to 517 farms in 2002 (116,753 acres).

¹⁷ <http://usda.mannlib.cornell.edu/usda/AgCensusImages/1925/01/26/1556/Table-01.pdf>

¹⁸

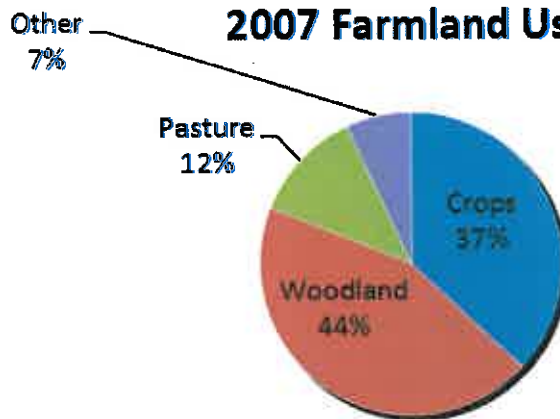
http://www.agcensus.usda.gov/Publications/Historical_Publications/1950/vol1%20North%20South%20Carolina/41656297v1p16ch2.pdf

1910 Farmland Use



As of the 2007 Census of Agriculture, the number of Caswell County farms rose to 562 covering 102,299 acres, or about one-third of the county's land base. Considering that the census period between 2002 and 2007 saw the beginning of the tobacco buyout program, which led to a significant drop in the number of farms producing tobacco, it is encouraging that the total number of farms rose. Considering overall acreage in farms has decreased, this points to more farms growing crops for direct markets.

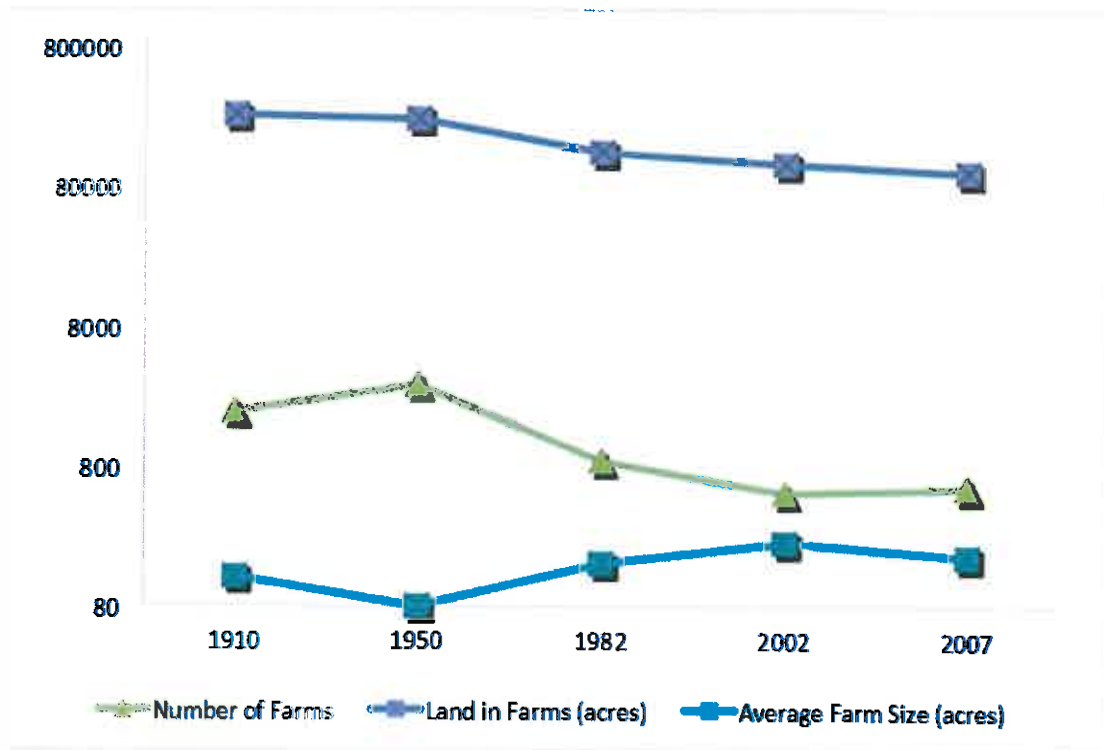
2007 Farmland Use



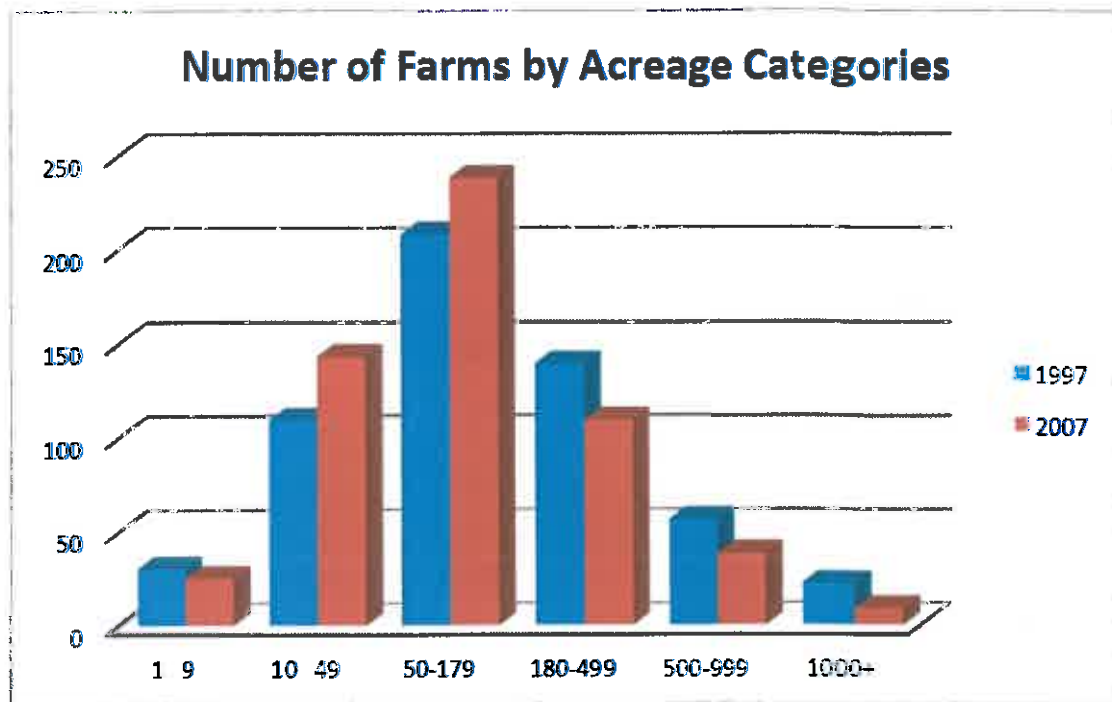
Trends in farm size and number of farms are consistent with other counties in the Piedmont. As numbers have moved up and down over the past century, farmers continue to tend less land altogether. Whether this decline is due to development pressure, lack of prospective farmers or a failure to find profitable alternatives to tobacco, county leadership must find a way to reverse the trend and grow the agricultural sector once again.

Caswell County is also among the top five counties in North Carolina for underused farmland. The N.C. Agricultural Statistics reported in 2009 that nearly 86 percent of the county's farmland is unharvested.¹⁹

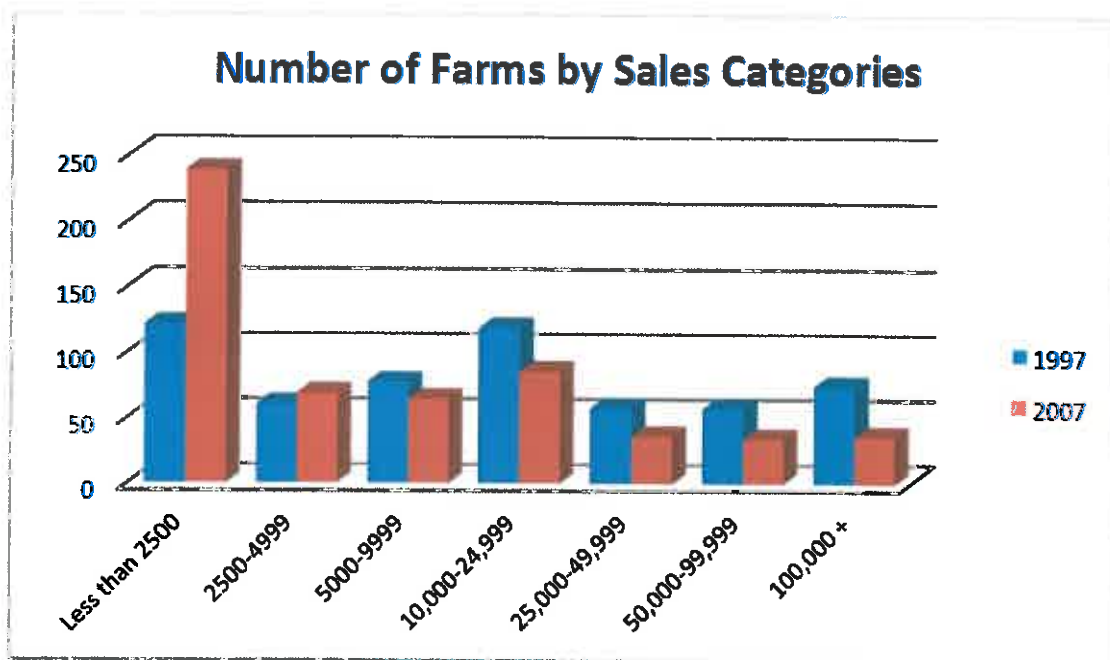
For more analysis of what is happening to farms in the county in the aftermath of the end of the federal tobacco program in 2004, we can compare farms broken down by categories of acreage and gross sales between 1997 and 2007, when total farm numbers were comparable (564 vs. 562). What we see from this data is that, in the past decade, the number of small and midsized farms has increased while larger farms have declined significantly. This runs counter to the national trend of farm size, where we see a growth in both small and large farms, while agriculture in the middle is most threatened.



¹⁹ An Agricultural Inventory of Caswell County, North Carolina. Caswell County Cooperative Extension with support from The University of North Carolina Community Campus Partnership. September 2010.



Of greater concern is the rapid movement towards farms with less than \$2,500 in sales and a significant decline in the number of farms in every category of sales from \$5,000 and above. This indicates that Caswell County may be moving predominately towards hobby farm status. Although these farms preserve the rural character, their production expenses are less significant and may not provide enough critical mass to support farm input and service businesses which commercial scale farms need to survive. These small farms are also less likely to borrow money or generate employment opportunities that can provide locally grown income and cultivate the next generation of farmers. It presents a challenge for how to provide support for these farms to propel them into greater investment and expansion on a commercial scale.



The good news is that Caswell remains a very affordable place to farm. The N.C. Ag Statistics Service's 2009 report of Cash Rents Values²⁰ reports land rental rates below most neighboring counties. Costs per acre for high (\$49.90), medium (\$30.90) and low (\$19.20) productivity land is below Alamance, Person and Rockingham counties, though higher than Guilford or Orange counties.

Land ownership is even more affordable in Caswell County, where the average value of land and buildings per acre (\$3,122) is less than that of any of its neighbors, including Guilford (\$5,245), Orange (\$5,612), Rockingham (\$3,878), Person (\$3,404), or Pittsylvania, Va. (\$3,157). The county should highlight this data as a way to attract potential new commercial farming operators to the county.

Nonetheless, farmers remain concerned about land prices, which are too expensive to buy and pay for with most farm enterprises, yet annual land lease arrangements are too uncertain to justify major investment in equipment and infrastructure. Land leasing also operates on traditional patterns based on long-term relationships, rather than on the open market with full information. In addition, some landowners are being offered attractive new leasing offers by a company seeking to establish solar power farms in the county. Together, these present a significant barrier to entry for new farmers, at the same time that everyone concedes that the county needs to find a younger generation to take over.

²⁰ <http://www.ncagr.gov/stats/economic/2009CashRentValues.pdf>

Net cash farm income in 2007 was \$3.6 million, down from \$11.1 million in 2002. Forty-four percent of farms reported gains in 2007, and the average gain on these operations was \$27,585, down from \$49,703 for farms reporting gains in 2002. During this same period, the average loss for farms reporting cash losses grew from \$3,921 in 2002 to \$10,584 in 2007. So, although more farms are becoming part-time operations, the risk of financial loss is growing.

Caswell County remains one of the most diverse farming counties in North Carolina in terms of racial and gender characteristics of principal operators. The 60 farms with African-American operators (11 percent) is the fifth-highest number in the state, and 66 farms (12 percent) are operated by women. Latinos operate six farms.

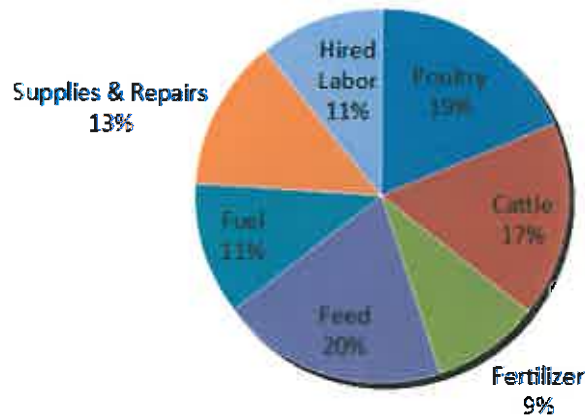
Forty-seven percent of all operators list farming as their principal occupation. The average age for the Caswell County farmer is 58 years, with more farmers over 70 years than under 45.

Even with the decline in farm acreage and tobacco production, agriculture remains a powerful engine of local economic activity. Total farm production expenses in 2007 were over \$22 million, a slight increase from 2002. This includes \$3.4 million in poultry purchased, \$3.1 million in cattle, \$1.7 million in fertilizer, \$3.6 million in feed, \$2.1 million in fuel, \$2.4 million in supplies and repairs, and \$2 million dollars in hired farm labor.

In Caswell County, 144 farms employ 787 workers, with 22 farms employing at least 10 individuals each. Income generated from value-added products in Caswell County in 2008 equaled \$233,238,248. The worth of value-added agriculture and food in the county in 2008 was \$42,248,356.²¹

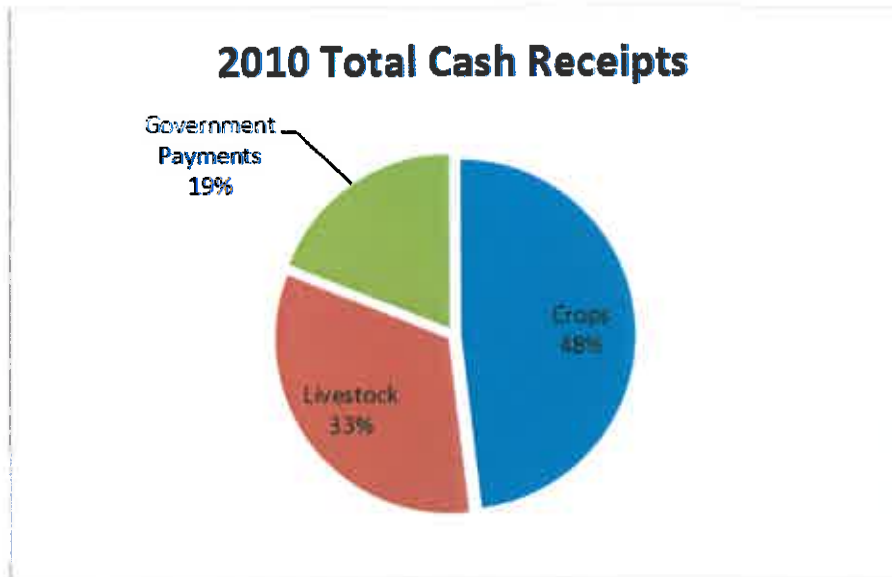
²¹ Walden, Mike. County and Regional Agribusiness Values. 2008. Agricultural and Resource Economics, North Carolina State University. Retrieved from <http://www.ag-econ.ncsu.edu/faculty/walden/counties.htm>.

Farm Production Expenses



A 2012 study by the University of North Carolina found that activities by Caswell County Cooperative Extension, the leading agricultural education organization in the county, had a 2.73 million dollar economic impact in the county.

Currently, Caswell County has a remarkably well-balanced agricultural sector. Data from 2010 show total cash receipts of \$27.4 million with 33 percent coming from livestock, 48 percent from crops and 19 percent from government payments. This is an increase from \$20.7 million in 2007 though still below the height of the tobacco economy in 1997 when \$28.5 million in receipts were heavily dependent on crops (77 percent) and only a fraction (less than 1 percent) on government payments. In 1987, the \$14.5 million in receipts was composed of 77 percent crops, 23 percent livestock and a miniscule amount from government payments. In 1949, the \$5.5 million in sales were 93 percent from crops, so there has been an impressive diversification of the agricultural sector over the past 60 years. During the past decade, livestock sales grew steadily while crops flattened after an initial decline in the tobacco revenue once the quota program came to an end. The great increase in government payments since the tobacco buyout indicates how heavily the current farm economy depends on this temporary source of income, which will end in 2014.



The history of agriculture in Caswell County has long revolved around tobacco. Following the enactment of the Tobacco Transition Payment Program in 2004, farmers now grow tobacco under contract with a cigarette leaf manufacturer. Prior to the buyout, as reported by the 2002 Census of Agriculture, Caswell County had 172 farms producing on 3,059 acres and yielding \$11.4 million in sales.

Within only five years, the number of farms producing tobacco dropped to 91 farms that absorbed a large percentage of the acreage farmed by exiting tobacco farmers. This kept 97 percent of the land in tobacco production. The reduction in number of farms undoubtedly has had an impact on the local farm supply infrastructure. The contracting companies buying tobacco leaf directly from the farmers provide technical assistance based on their preferred specifications. Thus, the relatively few remaining farms do not need much production assistance from the county.



Photo by Jerry Dorsett

One appealing aspect of tobacco production under the federal quota program was the autonomy and independence it gave the grower. Leaf was sold through an auction system with multiple buyers bidding on each pile of tobacco based on quality. If no bidders offered a minimum price, the tobacco would be purchased by a farmer-owned cooperative for storage and sale to another buyer later. Individual farmers felt they had bargaining power and would be rewarded for their attention to detail in producing a quality crop. The current system of contract production with a single buyer leaves farmers feeling vulnerable to the fortunes and whims of a large corporate entity. This follows the model of poultry and pork production, in which virtually all-commercial sales require a contract with an integrator who sets specifications for all aspects of production and marketing.

Caswell County has passed through seven seasons without the tobacco quota system, and the transition from a tobacco-dependent economy still continues. The USDA describes the Tobacco Transition Payment Program (TTPP), also called the "tobacco buyout," helps tobacco quota holders and producers transition to the free market through 10 years of annual payments. Production has dropped dramatically in acreage (55 percent), sales (45 percent) and in the number of tobacco operations (85 percent) since its heyday in 1982. Longer-term trends remain uncertain. There has been some new production of burley tobacco, but with only 130 acres grown in 2010, it is unlikely that Caswell will become a major burley production center.²²

There is wide speculation about what effect the end of payments will have on farms and landowners. Some believe it will accelerate the availability of farmland on the market as upkeep costs such as property taxes become difficult to cover on fixed incomes. Others foresee stress on larger commodity operations that have used the buyout income stream to subsidize an expansion of tobacco or other crop production. Caswell County boasts several examples of operations that have used tobacco payments to finance a change in direction in their farming enterprise. Indeed, it is impossible to track for this report exactly how the buyout funds have supported and to what extent they have been reinvested into Caswell County's farming system.

2012 was a banner year for tobacco production in Caswell County, with growers reporting excellent yield, quality, and price. Long-time growers report expanded acreage and aggressive buyers, fueled by strong foreign demand and the weak dollar. With some farmers retiring and very few newcomers entering the tobacco business, tobacco companies are aggressively courting the remaining producers, encouraging current growers to expand production and offering a range of marketing options. One grower reports that he sold last year's crop to five different buyers, including 1 year and 3 year contracts, as well as some sales on the spot market based on quality and top prices. This alleviates the fears mentioned above that the post-quota contract period would leave growers at a marketing disadvantage, with limited options for sales in a given county.

²² <http://www.ncagr.gov/stats/codata/caswell.pdf>

Most tobacco growers interviewed say that the strong profits of 2012 were part of the natural fluctuation of every crop, and that contract volumes and prices have gone up and down since the end of the quota program. They also realize that the barriers of entry are great for newcomers considering tobacco, with high costs of labor and equipment, along with significant paperwork and long-standing tenant relationships tying up land suitable for tobacco production. Although this situation has worked well for current farmers, there is concern about how to cultivate the next generation that will grow tobacco, which remains by far the most important agricultural activity in Caswell County.

	16,221	16,017	20,370	11,413	6,341	8,952
	5,688	5,024	6,095	3,059	2,960	2,650
	605	362	303	172	91	N/A

Grains and beans play a relatively minor role in terms of total sales income, yet are very important in agricultural land use and as a rotation crop for tobacco. In 2007, these field crops were grown on 6,431 acres of the county, producing \$765,000 in sales. Since these commodities are now such a global commodity, Caswell will never be highly competitive producing these products—farm fields are smaller, soils are poorer, and yields are lower in Caswell than in counties in Eastern North Carolina, and production expenses are high in comparison with Canada, Brazil and China. While commodity prices have been strong over the past few years, production is becoming increasingly unsteady. In the midst of a strong overall growing season and record corn prices, growers report poor yields over the past few seasons. They blame these on the increasing variation of weather patterns, with more intense spring rains and hotter, drier summers. This makes pollination of the corn crop difficult and increases the need for irrigation. Farmers and researchers will need to continue adapting to changing weather patterns, seeking cultivars and techniques that thrive under local conditions.²³



Photo by Jerry Dorsett

²³ http://www.usda.gov/oce/climate_change/effects_2012/effects_agriculture.htm

However, given the location and the availability of affordable land and grain infrastructure, there may be opportunities in Caswell County to fill specialized grain niches for Piedmont area food entrepreneurs²⁴ and small-scale livestock producers.²⁵

Fruit and vegetable sales have grown dramatically over the past decade, from \$70,000 in sales in 1997 to \$694,000 in 2007 to \$1.2 million in 2010. Fifty-five farms reported fruit and vegetable sales on 233 acres in 2007, doubling the number from just five years earlier. With the county's location close to the relatively large and affluent population base in the Triad and Triangle, direct market produce sales offer strong possibilities for growth. Local farmers have developed successful new enterprises in heritage apple varieties, diversified produce for sales at the Greensboro farmers market and organic vegetables for wholesale sales.

With a relatively small local population, most Caswell County produce is marketed directly to consumers through farmers' markets in either Guilford or Alamance. There have been several attempts to start local farmers markets, but participants report that there aren't enough producers or consumers for this to be a reliable option.

Although the local market is too small to establish a major new crop, individual farmers have found niches that can diversify the income stream and add cash flow at a slow part of the growing season: pick-your-own-strawberries, potted tomato plants, and asparagus are just a few of the enterprises that have been added as a sideline by local farmers willing to try something new and travel in search of new marketing opportunities.

Greenhouse and nursery production have shown a parallel growth similar to that seen in the produce area, with 13 farms' sales rising from \$219,000 in 1992 to \$645,000 in 2002 to \$855,000 in 2010. The declining building boom has slowed landscape and bedding plant sales, but opportunities remain for entrepreneurially minded producers to fill niches.

In 2007, Caswell County harvested 9,463 acres of hay, down from 10,700 acres in 2002. This is the largest single agricultural land use, covering 10 percent of the land in farms.

²⁴ <http://ncobfp.blogspot.com/>

²⁵ <http://www.northcarolinaorganicfeed.com/>

²⁵ http://www.usda.gov/oce/climate_change/effects_2012/effects_agriculture.htm

One relative newcomer to the local farming community who was interviewed for this report stated that he had land that could be hayed, but he didn't have the equipment or knowledge to put up quality hay. With the transfer of farms to inexperienced landowners and the decrease of row crops grown as part of a tobacco rotation, there should be land available that could be used to grow more hay for the horse and cattle producers in the region. For the entrepreneurial farmer with haying equipment and skills, there might be opportunities for low-cost land leases and custom harvest of underutilized hay ground.

Livestock has been a strong growth area for the county over the past decade, with total sales of \$11.4 million surpassing crop sales in 2007.



Photo by Gerry Cohn

With 219 farms raising cattle, beef cattle sales reached 4.7 million in 2007, making it the third-largest income generator in the farm sector. Signs for Baldwin Beef, Caswell County's most visible product, can be seen all over the Piedmont and up into Virginia. Eight farms report milk sales, although only two of these have Grade A status.

Eight farms raise hogs on a very small scale, while 18 farms raise sheep or goats with reported total sales of only \$26,000. The one commercial goat dairy, Sleepy Goat Farm, received a USDA Value Added Producer Grant in 2012, indicating an expansion in production and marketing of goat cheese.

There are 39 farms that have chickens for eggs, including eight confined breeder layer farms, with an inventory of more than 200,000 laying birds. Another two raise meat chickens. Together, poultry produces \$5.4 million in sales, which is more than one-fourth of total agricultural income and second only to tobacco among individual commodities. The growth of poultry operations in the county also indicates that there should be affordable fertility

available in the form of layer litter, which is high in calcium, nitrogen, phosphorous and potassium.

Of significant concern, however, is the lack of a local poultry integrator or processing plant. Pilgrims' Pride's bankruptcy and the closing of the Townsend plant in Chatham County left almost 200 area poultry farmers without production contracts. This demonstrates the risk of relying too fully on one industry or production and marketing model.

According to the 2007 Census of Agriculture, 19 farms reported income from horses. A 2009 Equine Impact Study conducted by the N.C. Rural Center counted 710 horses in the county with an estimated value of 4.3 million dollars.²⁶ The Caswell County Cooperative Extension Service estimates that there are 250 horse owners in the county. Fifty of them belong to the Caswell County Horseman's Association, which meets monthly and includes members from Rockingham, Alamance and Pittsylvania (Va.) counties.

There are no public horse facilities in Caswell County. The closest facility is located in Raleigh. From 2004-2010, Rockingham County was planning to develop the Horse Park of the South in Reidsville. It would have been the largest equestrian facility in the region, with 300 stalls and four outside show ring. With rising cost estimates and declining public sources of funding, the proposal was dropped in 2011. The Horseman's Association explored the creation of an equestrian facility with a farm museum and restaurant along Highway 86 but found similar financing barriers in the current economic climate.

Some trail rides have taken place on private lands, and the Horseman's Association believes that there is opportunity for more of these. An effort using prison labor to create public riding trails at the Boy Scout Camp began but stopped with the economic slowdown. The state Gamelands allow riding on limited days and hours.

One major asset in Caswell County is Matkins Meat Processing. Located in the Southwest corner of the county, Matkins processes cows, pigs, sheep, goats, buffalo, beefalo, water buffalo, ostrich, emu and deer under USDA inspection, which allows products to be sold to retail or wholesale customers. A Golden Leaf Foundation Grant obtained by the Caswell County Cooperative Extension Service in 2010 allowed Matkins to expand their value-added capabilities. An example of the payoff on these improvements is new packaging technology that has enabled Baldwin Beef's private label ground beef sales through the Ingles Supermarket chain. In the picture below, you can see the comparison between the beef packaging used for direct sales and those required to meet the supermarket specifications.

²⁶ <http://www.ncagr.gov/markets/livestock/horse/documents/equinestudy050809.pdf>

Caswell is the envy of agricultural economic development personnel around the region with the existence of the 50-year-old Matkins facility in such a convenient location. Durham and Franklin are just two of the Piedmont counties that have prioritized the creation of a meat processing facility as part of their Agricultural Development and Farmland Preservation Plans, but the regulatory hurdles and need for critical mass of customer volume creates huge barriers to entry for additional plants. The local cooperative extension office has estimated that 30 of Matkins' 150 processing customers are from Caswell County.

Independent poultry producers looking to have their birds processed must travel to Siler City or Marion. However, state law allows producers to slaughter 1,000 birds on their farms annually if they are to be sold directly to individual customers.



Photo by Gerry Cohn

The opening of the Piedmont Food & Agriculture Processing Center (PFAP)²⁷ in Hillsborough in 2011 created another value-added opportunity within a reasonable distance of Caswell County farmers and food entrepreneurs. This facility offers a certified kitchen, commercial grade cooking and cutting equipment, and storage facilities for local food-based businesses. It is available on an hourly rental fee. The PFAP provides an affordable option for small-scale entrepreneurs who can't afford the major capital investment or regulatory burden to create certifiable facilities in their own homes. The PFAP also provides technical assistance and consultation to startup operations. Caswell farmers and budding entrepreneurs can partner to develop new businesses based on the PFAP services and facilities.

²⁷ <http://www.orangecountyfarms.org/pfap/index.asp>

The growth of the local food movement presents wonderful opportunities for Caswell farmers in the Triad and Triangle markets. Direct market sales rose from \$81,000 in 2002 to \$387,000 in 2007, and 2012 figures are expected to show even more dramatic growth. Grassfed/ free-range meats, organic produce, herbs and nursery plants, and market garden vegetables lead the way for direct marketing opportunities. But this should not limit other farms from developing creative enterprises that tap into the consumer's desire to know their farmer.

Community Supported Agriculture (CSA) is one marketing innovation that might be a good fit for Caswell farmers. The CSA model is a basic concept where customers subscribe to a share of a farm's seasonal production. At the beginning of a growing season, customers pay a specified sum up-front for weekly deliveries of farm produce to a pre-selected site in an urban area throughout the summer and early fall. In this model, the farmer essentially passes the risk of crop-loss (due to drought, hurricane, etc.) to the customer and has his or her operating capital at the start of the growing season. CSA began in the produce market, but has since spread to meat, fruit, seafood, bread or other products a farm (or group of collaborating farms) chooses to grow and market. Suzanne Byrd of Byrd Farms is finding success with a local vegetable CSA. The Mid-Chatham Farmers Alliance has an excellent model of a collaborative CSA offering a diverse set of products <http://www.harlands-creek-farm.com/2012-mid-chatham-farmers-alliance-csa>.

Customers in the local community are often organized through a church, doctors office or health clinic. Alternatively, farms can find CSA subscribers in semi-distant locations by targeting urbanites who want to find a direct connection to a local farm. The N.C. Cooperative Extension Service maintains an excellent resource page for farms and consumers who are interested in CSA: <http://www.ces.ncsu.edu/chatham/ag/SustAg/csafarms.html>.

With the small population base in Caswell County, there are currently minimal sales opportunities for direct sales to local food preparers. The Yancey House Restaurant, located in the historic Bartlett Yancey home, was known statewide for gourmet cooking and drew customers from across the region. However, it closed in August 2011, and there have been no indications of its revival.



Photo by Gerry

With the opening of the PFAP (discussed above under Processing Opportunities), new partnership opportunities could arise for caterers who work with local farmers. Cooperative Extension, community college, economic development and Chamber of Commerce personnel should brainstorm ways to cultivate these new enterprises.

The Caswell Parish is the primary organization providing food assistance to needy local citizens. Their food provisions are primarily sourced from the Second Harvest Food Bank in Winston-Salem and Food Lion donations. A recent grant allowed the Caswell Parish to purchase a one-ton truck for use as a mobile food bank.

The Parish also intends to establish a community garden in 2013. The Caswell Senior Center currently operates a community garden in conjunction with students from Dillard Middle School. Interest has been expressed in establishing a community garden at other schools in the county.

Agritourism is a potential growth area for Caswell County. Several interviewees mentioned that they thought this was an area in which the county had a competitive advantage, where they could emphasize the traditional rural character, though in close enough proximity to attract urban families looking to get a taste of the N.C. countryside. One respondent suggested marketing Caswell as the Vermont of the Piedmont, a place where urbanites could retreat for peace and beauty, the changing of the seasons, farm life, traditional skills and crafts, and historic buildings and homesteads. Local farms, restaurants and hotels could develop joint promotions and discounts. The Chamber of Commerce could also provide assistance with organization and outreach; the Chamber could take a lead role in organizing an annual farm tour to raise awareness of local agriculture.

The N.C. Agritourism Networking Association (NCANA) is an excellent resource for legal and promotional assistance for farms looking to expand their on-farm offerings: <http://www.ncagr.gov/markets/agritourism/ANAmision.htm>. The NCANA lists three local farms that provide opportunities to visit: Baldwin Family Farms, Sleepy Goat Dairy, and Halls Strawberry and Vegetable Farm. Century Farm Orchards also offers an annual tour and open house.

The 2007 Census of Agriculture lists 25 farms with 120 bee colonies. Fourteen of the farms collected 4,715 pounds of honey that year. Caswell County has an active, though small, beekeeping association. These beekeepers operate primarily on a hobby, rather than

commercial, basis. The market for local honey is very small, and competition from inexpensive imports keeps prices suppressed. In addition, there is no significant acreage of horticultural crops that would merit hiring of hives for pollination. Finally, much of the land is in tobacco and pine trees, neither of which provides good nectar for bees and honey production.

Carolina Farm Credit, the primary agricultural lender in the county, reports very few of the new loan requests they get are for commercial farming enterprises. Instead, people are borrowing money primarily for hunting, fishing and retirement properties. While these types of activities may involve some capital expenditures for fencing, water and buildings, they seldom have the type of annual operating expenses that circulate regularly through the local economy.

There are no primary agricultural supply operations remaining in the county. Although Ace Hardware, and Hooper and Sons sell a few supplies locally, farmers report doing the majority of their business with Southern States in Danville, Va., or Rockingham County, N.C. With the average farm in the county generating production expenses of almost \$40,000 per year²⁸, this represents a significant leakage of income and tax revenue out of the county.

There are many needs that can be addressed by establishing a monthly Agricultural Breakfast. This group should be composed of representatives from agricultural agencies and organizations, along with nontraditional partners such as the health department, Chamber of Commerce, and community college. Cooperative Extension and NRCS personnel do a good job of assisting landowners. Organizations such as the Cattleman's Association and the Caswell Area Forestry Association work on behalf of specific agricultural and forestry interests. However, there is no single forum that can brainstorm new ideas and help agricultural interests share issues of concern with the non-farming community, identifying training, finance, and infrastructure needs. This group could also cultivate young people for new leadership opportunities for the long-term strength of local agriculture.

The N.C. Forest Service²⁹ estimates that two-thirds of the county land base is forested.

²⁸

http://www.agcensus.usda.gov/Publications/2007/Full_Report/Volume_1_Chapter_2_County_Level/North_Carolina/st37_2_003_003.pdf

²⁹ <http://www.ncforestservice.gov/>

The Caswell Area Forestry Association has 300 members. Typically, 50-75 people attend their field days held twice a year. The Association works with the local offices of the N.C. Forest Service, Cooperative Extension and Soil and Water Conservation to educate landowners about forestry practices and resources. There are 20 certified Tree Farms in the county.³⁰

Forest landowners praise the county for their supportive policies, including the Present-Use Value program and the lack of ordinances restricting forestry management practices such as prescribed burning and a full range of timber harvest options. Landowners and staff also noted a cooperative approach among forestry service providers in the county.

There has been a reduction in state and federal funding programs for management plans and practices. The Forest Development Program cost shares for reforestation and timber stand improvement, and those funds are being depleted within the first half of the fiscal year. In addition, the N.C. Agricultural Cost Share Program will cost share for the conversion of highly erodible land to trees.

Any programs that paid for forestry carbon sequestration practices would be well received by local landowners. Biomass is also an emerging market not yet accessible to local landowners. Old Dominion Power in Virginia has converted from coal to wood chips to satisfy federal clean fuel requirements. Wood currently goes to Morehead City to be processed for this use. A nearby facility would increase the demand for local timber.

There are no lumber mills in the county, so any timber harvested must be hauled to the Georgia-Pacific or Louisiana Pacific facilities in Person County or to Blue Ridge Lumber in Covington, Virginia. The lumber industry is currently experiencing depressed prices with the slowdown of demand connected with the building trades. One niche that can be explored is the expansion of lands certified for using sustainable forestry practices, offering a value-added opportunity in the marketplace.

Interesting work is also occurring in North Carolina exploring markets for other forest-based products that merit investigation in Caswell County.³¹ There are several portable sawmill owners in the county doing custom work, and the firewood business is reported to be thriving with rising energy costs.

³⁰ <http://www.nctreefarm.org/>

³¹ <http://wncforestproducts.org/>
<http://nac.unl.edu/forestfarming.htm>

Chapter 4:

Farmland Protection

In Caswell County, the conversion of farmland into other uses is often caused by one of three things: a lack of profitability, conversion from tobacco to trees or the retirement of farmers who don't have a transition plan. The loss of farmland impacts other farmers, the local economy and quality of life for neighbors.

In an area such as Caswell County where a large percentage of the land is in farms and forests, the impacts from the loss of a single farm can pretty much go unnoticed. There is no exact number of farms necessary to keep agriculture viable. However, continued loss of farms and forestland will reach a tipping point where the impact accelerates and future farmland loss increasingly diminishes the agricultural integrity of a community. There can be a silver lining to the accelerated loss of farms in the form of increased public awareness and support for efforts to protect the remaining farmland.

While there is no silver bullet that will protect all farmland, many tools are being used in counties across the state to help protect farms. These tools for the most part are implemented by agencies and nonprofit organizations. Funding comes through grants and loans, with the largest portion being provided by government programs. The various programs change almost every year with regard to title, funding levels, rules and objectives. So while some details will be included in this section, many of the specifics will be left out, to avoid confusion between the information that is printed here and future program guidelines. The following section of this document details many of the stewardship and conservation entities that are in place for Caswell County.

The Caswell County Soil and Water Conservation District provides technical assistance and program funding to landowners through administration of various state and federal programs. Cost-share dollars are made available through a competitive application process. New and limited resource farmers can apply for advantageous cost-share program rates.



Photo by Gerry Cohn

The Caswell County Agricultural Advisory Board, which is administered by the Caswell County Planning Department, oversees the Voluntary Agricultural District (VAD) program. This board of local citizens is appointed by the county commissioners and assigned three responsibilities: (1) evaluating the status of agriculture and forestry in the county, (2) approving VAD applications and (3) advising the commissioners on the needs of agriculture. This board oversees the development of this plan and is responsible for issuing an annual report on the VAD program to their county commissioners and the N.C. Commissioner of Agriculture. The activities are focused on strengthening agriculture in the county.

The Caswell County Health Department is the lead agency for the Community Transformation Grant Project (CTGP), which includes funding for every county in North Carolina over a five-year time period beginning in 2012. Several focus areas of this effort mirror items that are identified in the county farmland protection plan. These areas include promoting and developing new farmers' markets, mobile markets, farm stands and community supported agriculture. A local work group is in place and meeting on a monthly basis. Local agencies, nonprofits and landowners are encouraged to participate in this effort. The CTGP can provide funding that will help to make Caswell County agriculture successful well into the future.

The Cooperative Extension Service – Caswell County Center is associated with the two state land grant universities, North Carolina State University and North Carolina A&T. Technical assistance and educational programming are provided to farmers and landowners on a wide range of agricultural and homeowner issues.

The N.C. Department of Environment & Natural Resources (DENR) is the primary state agency for environmental stewardship. DENR is responsible for technical assistance and regulatory oversight of land, air, and water resources.

The Clean Water Management Trust Fund (CWMTF) is one of 12 special program agencies with the N.C. Department of Environment and Natural Resources. The purpose of this fund is to provide water quality grants that can be used in certain circumstances to protect farm and forestland.

The N.C. Department of Agriculture & Consumer Services (NCDA&CS) houses the N.C. Forest Service and the N.C. Division of Soil and Water Conservation with staff in each of the state's 100 counties. There are multiple programs administered through NCDA&CS to assist landowners with protecting farmland, marketing products, technical assistance and liability protection. The following program areas can help farms be both competitive and sustainable:

- Agriculture Cost Share Program to fund installation and maintenance of water quality best management practices and to address water quantity issues
- Agricultural Development and Farmland Preservation Trust Fund
- Agritourism Networking Association
- Agronomic Services
 - Forestry Cost Share Programs
 - Marketing Assistance, including listings in a statewide Agricultural Directory
 - State Farmer Markets
 - Technical Assistance

The Yanceyville Office of the N.C. Forest Service provides technical assistance and cost-share funding to forest landowners. This office assists with site planning and prep, timber production goals and wildlife habitat improvement, all with a focus on protecting soil and water resources.

The Tobacco Trust Fund (TTF) provides grant funding to government entities and non-profit organizations to help farmers transition from tobacco farming into other types of agriculture. Many of the county agencies that are listed in this report can assist with applications to the TTF for financial assistance.

The Farm Service Agency supports farmers by administering cost-share programs and offering loans, payments and disaster relief to farmers.

The Natural Resource Conservation Service (NRCS) provides conservation technical assistance to private landowners and administers a variety of cost-share programs. New and limited-resources farmers can apply for advantageous cost-share program rates.

The Piedmont Land Conservancy (PLC) based in Greensboro, is the primary non-profit organization working on Caswell County land protection and preservation. PLC uses charitable donations from individuals and businesses, as well as grants from foundations and government programs for landowner outreach and conservation projects in a nine-county region. Their efforts are focused on protecting a wide range of special places, including farms. PLC uses public education, the purchase and donation of conservation easements, and fee simple purchase of land to achieve their conservation mission.

The Caswell County Farm Bureau represents policy interests of farm and rural families as a local chapter of the N.C. Farm Bureau, one of the state's largest advocacy organizations and insurance providers. Farm Bureau board members discuss key agricultural issues at monthly meetings and fund educational outreach activities, including agricultural opportunities for young people.

The Caswell County Cattleman's Association is a membership organization composed of landowners and agency representatives. This organization meets several times a year and coordinates educational opportunities that are geared to help farmers make good management decisions. This group also sponsors agricultural opportunities for young people.

The Caswell County Area Forestry Association is a membership organization composed of landowners, forestry professionals and agency representatives from a multi county region. This organization holds two to three meetings a year and sponsors educational activities that are designed to help landowners make good woodland management decisions.

Successful agriculture and forestry sustainability depends on a variety of programs. Program components can include setting land protection priorities, educating the public, implementing land protection tools, tax breaks, funding, landowner assistance and partnership. The following information is provided as guidance and is not to be treated as legal advice. It is always recommended that any landowner who wants to minimize tax liability should seek the counsel of a qualified accountant or tax attorney.

Property Tax

Present-Use Value taxation (PUV) allows for agricultural and forested land to be taxed at use value rather than at the higher rates for commercial and residential properties. The minimum acreage requirements to participate in this program are five acres for horticultural land, 10 acres for agricultural land and 20 acres for forestland. There is also an option for PUV enrollment of some wildlife land. There are specific program participation requirements relating to ownership, income generation and management requirements. Landowners apply to the county tax assessor to receive this special assessment. At the time that this report was compiled, applications for PUV enrollment could only be submitted during the month of January each year.

Any PUV parcel that loses eligibility is subject to payment of a rollback penalty. Payback entails a penalty that includes the year of disqualification and the three preceding years plus interest. This penalty can be avoided by new land purchasers who make application for continuation status within 60 days of property purchase, as long as PUV qualification continues to be met. The county property tax office staff is willing to make public presentations on the program and to work with individuals on PUV participation.

An area land-use attorney has observed that Caswell County is unusually customer-friendly in their PUV program. He gave an example of the ease of continued PUV status during a deed transfer from individual ownership to a Limited Liability Corporation. Most counties automatically institute a rollback penalty, which is a deterrent to wise farm transfer and estate planning.

Sales Tax

Commercial farms are eligible to apply for an N.C. Department of Revenue exemption number to qualify for sales tax exemption on certain items that are used in their farming operation.³²

Income Tax

Farm income is reported on an IRS Schedule F, which incorporates options for decreasing one's tax burden. The amount of tax owed can be decreased through the donation of conservation easements, rehabilitation of historic properties and taking a credit for paid farm machinery property tax.³³

³² <http://www.dornc.com/practitioner/sales/bulletins/section8.pdf>

³³ <http://www.dornc.com/taxes/sales/FarmNotice.pdf>

All donations for permanent conservation easements including those for farm and forestland can qualify any landowner for a state tax credit and federal income tax deduction.³⁴

The National Park Service offers a federal tax credit for the cost of historic building restoration. Information on this program can be obtained from the N.C. Historic Preservation Office.³⁵

Voluntary Agricultural District Program

The Caswell County Voluntary Agricultural District is one of 83 such programs in the state. This VAD was established through an ordinance adopted by the county commissioners in accordance with N.C. General Statute 106: 735-744 March of 2001. Under state law, both counties and cities are permitted to adopt a VAD ordinance.



The Caswell County program is administered by the Caswell County Planning Department through the local Agriculture Advisory Board. It is the board's responsibility to report on challenges to agriculture and to give

recommendations for encouraging future sustainability of agriculture in the county. In 2012, the board reported to the county commissioners and N.C. Commissioner of Agriculture that there were 100 farms covering 9,800 acres enrolled in the program.

There is a small processing fee of \$10 to enroll land in the VAD. Once approved, owners can purchase VAD signs to place on their property. Additional homes and farm buildings can be built on enrolled land at any time, but landowners agree not to develop their land commercially for 10 years. Participants may withdraw from the program at any time without penalty.

Benefits of the Caswell County VAD are:

- The availability of signage to alert the public of an enrolled farm

Photo by Gerry Cohn

³⁴ <http://www.ctnc.org/land-protection/landowners/tax-incentives/>

³⁵ <http://www.hpo.ncdcr.gov/>

- Public educational initiatives on the value of VAD-enrolled land
- A VAD farm locations map layer on the county GIS ³⁶
- Added protection from nuisance suits via a computerized record notification system that alerts land buyers of all VAD enrolled farms within one mile of any tract of land in the county
- The public hearing requirement for any VAD-enrolled land that is proposed for condemnation
- A Farmland Board that advises county leadership on threats to the agricultural sector and opportunities for future sustainability
- Additional VAD benefits can be added at any time.

Caswell County does not operate a water or sewer authority, so there is no opportunity for utility fee abeyance as in some counties. VAD maps are available to the public in various county offices including County Planning, Property Tax and the Cooperative Extension Service.

According to the N.C. Department of Agriculture and Consumer Services statistics, approximately 10 percent of the farmland and about 18 percent of the farms in Caswell County are enrolled in the VAD. These figures do not account for much of the forestland that is in the county. Greater effectiveness of the VAD can be achieved by getting more land enrolled and by exploring options for the county to enhance program benefits. In addition, the towns of Milton and Yanceyville could adopt their own ordinance (such as Wentworth's), sign onto the county ordinance (which Saluda has done), or sign a Memorandum of Understanding (which Clayton has done) agreeing to support the VAD within their city limits.³⁷

Enhanced Voluntary Agricultural Districts

House Bill 607, adopted by the N.C. General Assembly in 2005, authorized an Enhanced Voluntary Agricultural District (EVAD) option that counties and cities can add to their local farmland preservation toolbox. The EVAD offers landowners additional benefits in exchange for an irrevocable 10-year program participation agreement. Having an EVAD ordinance in place has no impact on those who choose to participate in the VAD. Caswell County should consider the advantages and disadvantages of adopting an EVAD ordinance.

Following is a list of EVAD program components that are permitted by state statute:

- Both city and county governments can adopt an EVAD ordinance.

³⁶ <http://arcims.webgis.net/nc/caswell/default.asp>

³⁷ <http://www.cals.ncsu.edu/wq/lpn/ncordinances.htm>

- Enrolled farms can receive up to 25 percent of revenue from the sale of non-farm products and still retain their bona fide farming classification.
- Enrolled farms can be granted a lower N.C. Agricultural Conservation Cost-Share Program match requirement.
- Counties and cities may hold all utility assessments in abeyance for enrolled farms that choose not to connect.
- The EVAD is an effective way to cut down on inquires from land speculators and development interests.
- Additional EVAD benefits can be added at the local level.

Conservation Easements

In past years, it was common to hear the statements like this one: "Landowners are not interested in protecting land, they just want to be left alone." However, thinking among landowners has begun to change. Many times during the interview process of pulling this plan together, statements were repeated such as: "Farmers in Virginia and Alamance County have been paid to put land into easements, with the goal of generating income and preventing farmland loss. We would like to see a similar program in Caswell County to protect our farmland from future development."

A conservation easement is a voluntary recorded legal agreement between a landowner and a land trust or governmental agency. Depending upon how an easement is written, it can be either a term (temporary) or permanent restriction on the land. An easement can limit subdivision and non-agricultural development for a portion or entire tract of land. The landowner retains ownership and can continue to farm and practice forestry on the property. Public access is not required, and the land can be passed along to heirs or sold. An easement requires future owners to abide by the terms as spelled out in the deed. This ensures that the land will be available for future agricultural use.

Landowners who choose to place a conservation easement on their property are known as easement grantors. The grantor must find a stewardship organization, such as the Soil and Water Conservation District or a conservation land trust such as the Piedmont Land Conservancy, to agree to monitor the property for the life of the easement. The stewardship organization is known as the easement holder.

Photo by Gerry Cohn

Any landowner who donates a permanent conservation easement may be eligible for favorable tax treatment against future obligations. These may include a federal charitable income tax deduction and a reduction in value for estate tax planning. North Carolina also administers a state tax credit program that provides favorable tax treatment in exchange for permanent easement donations.

Term (non-permanent) easements can be donated and are sometimes purchased, but they are not eligible for tax benefits under current federal and state guidelines. In all situations,

landowners should consult an attorney or accountant for legal advice on taxes, estate planning and future restrictions on the land.

Purchase of Agricultural Conservation Easements

As detailed in the previous section, landowners sometimes donate easements in exchange for favorable tax considerations. At other times they are paid for them. Bargain sales where the landowner is paid for a partial valuing of the easement, and the remaining value can be used for favorable tax treatment for any permanent easement, are another approach. These are known either as the Purchase of Agricultural Conservation Easements (PACE) or the Purchase of Development Rights (PDR). Funding for these tools normally comes from the state and federal government. Currently the Natural Resource Conservation Service, N.C. Department of Agriculture and Consumer Services and the N.C. Department of Environment and Natural Resources are the primary funding sources. Despite the competitive application process for funding, the Piedmont Land Conservancy and partnering government agencies have protected many acres of Piedmont farmland.

Profitability

Keeping farms profitable is an approach to farmland protection that benefits everyone. An added bonus to this approach is that instead of being a cost to government, tax revenues are generated. An emerging alternative is farmers creating income from their land through recreation opportunities or renewable energy.

Solar farms are going up on private land both in this area and across the state. Some farmers will make money on power generation, while still being allowed to graze animals on the same property. This arrangement can be a solution to increasing income potential, while keeping the land eligible for present use value taxation. There is much to be learned about this approach and landowners may need an intermediary/arbitrator to help them sort through their options, contract terms, and other issues.

Special places in this state have been protected because landowners care, tax considerations are available and government entities at all levels have been willing to invest in the future through funding conservation easements. Some projects have been pulled off simply as a tax deduction, or with funding from one government or foundation source. However, funding levels continue to change on an annual basis, and most easement projects require a combination of funding sources in the form of creative financing and the use of tax benefits whenever a permanent easement is involved. The typical landowner may have a short-range target completion date in mind, and government agencies work with annual budgets. However, working with easements and multiple funding sources typically means a complex and drawn-out process that can take years to complete.

Federal Funding

The USDA Natural Resources Conservation Service provides matching funds for the purchase of conservation easements through the Farm and Ranch Lands Protection Program. Many farms in the Piedmont have benefited from this program, which changes with each renewal of the Federal Farm Bill.

State Funding

The Agricultural Development and Farmland Preservation Trust Fund (ADFP) was established within the N.C. Department of Agriculture and Consumer Services in 1985. Since then, funding levels have gone up and down. Currently these dollars are available for three purposes: funding agricultural infrastructure projects, paying for temporary easements and paying for permanent easements. Caswell is designated as a Tier 1 county by the N.C. Department of Commerce. This designation along with having a county-approved and state-adopted county Agricultural Development and Farmland Preservation Plan (this document) will qualify future funding applications to the ADFP for a lower match requirement and a more favorable points ranking.

The Clean Water Management Trust Fund (CWMTF) was established within the N.C. Department of Environment and Natural Resources in 1996. The CWMTF currently provides grant funding to local governments, state agencies and conservation nonprofits for projects that address water pollution problems. These funds can be used to purchase conservation easements on farms that serve as riparian buffers for priority waterways.

Local Funding

Caswell County does not have a history of funding conservation easements. However, this option has been a successful preservation tool in both Orange and Alamance counties. These counties have used local dollars as a match for state and federal easement funding. Orange County has appropriated funds through bonds, and the Alamance County Commissioners have invested \$50,000 of PUV rollback into a conservation easement fund annually. Each dollar of county funding has been multiplied many times over by state and federal matching funds.

The most successful county programs that protect farmland are based around consistent funding, which is rare in tight budget times. Whatever means of funding is used by county government for the purchase of conservation easements, two keys to maximum program success is a formula for identifying target areas and using matching funds from other sources.

- **Bonds:** Several counties in North Carolina, including Orange, Wake and Guilford, have approved bond funding for conservation easements with a majority vote of the citizens.
- **PUV Rollback:** The Alamance County commissioners have chosen to dedicate on an annual basis of \$50,000 of PUV rollback funding. These funds are dedicated for this purpose partially because they originate due to the loss of farm and forestland in the county. There has been discussion in some other counties about adopting the Alamance County model for funding the purchase of conservation easements.
- **County Funding:** Buncombe County in the western part of state has dedicated funds from the annual budget as a match for the purchase of discount-priced conservation easements.

The citizens of towns and cities realize many benefits from the farms and forests in the areas where they live. Municipalities spend money to establish green space in the form of trails and parks. At the same time they depend upon rural landscapes that protect the environment and make their area a more pleasing place to call home. Most town and city residents take rural areas outside the city limits for granted until they are all gone. For this reason and more, city residents and elected officials do not normally spend money to preserve the rural landscape outside their boundaries. However, there are exceptions. The town of Cary has set aside farmland as green space, and the town of Davidson pays a farmer outside the town limits to keep his farm in place and undeveloped.

Ranking System

There are many ways to identify priority areas for farm and forestland protection in a given area. Setting priorities at the local level helps to ensure that all land is evaluated in a consistent manner, that all landowners are treated equitably and can meet program requirements to qualify for state and federal matching funds. Every county in North Carolina that has secured outside easement funding has developed a ranking system. Alamance, Buncombe, Durham, Guilford, Orange and Wake counties are examples for ranking systems that are available to Caswell County.

Chapter 5: Recommendations and Implementation

Enhance Understanding and Support for Present Use Value Taxation	Conduct a Cost of Community Services Study for Caswell County. The county should continue to support the PUV program with appropriate rates for farm and forestland, as well as ongoing landowner education about the rules for eligibility.	Agricultural Advisory Board, CCFF, SWCD, Cooperative Extension, Service, County Commissioners	1	2013-15
Infrastructure and Marketing	Engage community college in business planning and food safety training needs	Piedmont Community College, Carolina Farm Credit, Cooperative Extension	1	2013-15
	Encourage entrepreneurship and use of locally grown products through greater use of the Piedmont Food & Agricultural Processing Center	Cooperative Extension, Piedmont Community College, private entrepreneurs	1	2013-15

	Create a collaborative CSA box sales program for county residents and export to surrounding counties	Health Department Local Food Assessment Team, Private entrepreneur	2	2014-16
	Evaluate the feasibility of establishing a farmer cooperative for wholesale produce sales	Cooperative Extension, Farm Bureau, Agriculture Advisory Board, Agricultural Economic Development	2	2015-18
	Develop an Agricultural Complex Center to bring together the total agricultural industry, including heritage, marketing, and sustainability	Cooperative Extension, Farm Bureau, Soil & Water Conservation District, FSA, Forestry, Farm Credit	3	2014-23
Farm Transition and the Next Generation	Create an annual Planning the Future of Your Farm workshop	Agricultural Advisory Board	1	2013-15
	Identify landowners with available land and recruit beginning farmers from Sustainable Ag program at Central Carolina Community College and the Breeze Farm.	Cooperative Extension Forest Service, Piedmont Land Conservancy, FFA Alumni and Students	2	2014-16
	Recruit new members to the N.C. Century Farm Program	N.C. Dept. of Agriculture, Agricultural Advisory Board, FFA Alumni and Students	1	2013-15

Development Pressure	Publicize unique aspects of Caswell landscape and conservation opportunities to build public awareness	Planning Department, Piedmont Land Conservancy, Soil & Water Conservation District	1	2014-16
	Outreach on conservation programs and funding to new and existing landowners	Soil & Water Conservation District, Natural Resource Conservation Service, FFA Alumni & Students	1	2014-16
	Establish local matching funding source for the Purchase of Agriculture Conservation Easements	Agricultural Advisory Board, Piedmont Land Conservancy, County Commissioners	3	2015-2020
	Increase farms and acres enrolled in VAD program and establish Enhanced VAD program with expanded incentives	Agricultural Advisory Board	1	2013-16

Farm Profitability	Establish monthly/quarterly agricultural breakfast for both the farm and non-farm community, composed of representatives of all agricultural agencies and organizations, along with other future land use, education, and economic development stake holders. Breakfast will highlight key issues and opportunities for Caswell County landowners and citizens.	Agricultural Advisory Board, Cooperative Extension, Soil & Water Conservation District, Farm Bureau, Health Department, Caswell Parrish, Chamber of Commerce, School System and other nontraditional partners.	1	2013-14
	Create an agricultural economic development staff position	Cooperative Extension, County Manager	3	2014-20
	Explore specialty grain (organic, baking varieties, livestock feed) and hay production.	Cooperative Extension	4	N/A
Establishing a Local Agricultural Identity	Explore the creation of a local farm label and Buy Local campaign incorporated with agritourism promotion	Cooperative Extension, Health Dept., Economic Development	3	2015-2020
	Develop annual farm tour to celebrate heritage, innovation and success. Target elected leaders at all levels.	Farm Bureau, Agricultural Advisory Board, Coop. Extension, Forestry	2	2014-2016

	Use state networks and funding sources to establish and promote community gardens at schools, churches and vacant lots	Health Department, Cooperative Extension	1	2013-2015
	Make agriculture a more visible partner in the local community, with Chamber of Commerce memberships and booths at major local festivals	Chamber of Commerce, Farm Bureau	4	n/a
Forestry Opportunities	Educate public and landowners on sustainability opportunities in the forestry sector	Forest Service, Caswell Area Forestry Association	1	2013-2015
	Work with N.C. State University and the N.C. Forest Service to develop a comprehensive forest products feasibility search	Forest Service, Caswell Area Forestry Association	1	2014-2016
	Include forest products processing facility in economic development recruitment strategy	Forest Service, Caswell County Economic Develop. Office	3	2015-2025
	Explore additional forestry personnel needs and possible new state government programming and investment	Forest Service, County Commissioners	2	2015-2020

RECOMMENDATIONS IMPLEMENTATION KEY

1. Can be done within next 18 months. Minimal financial cost, with partners ready to collaborate.
2. Can be achieved in 2-4 years. Requires a longer time frame, organizational commitment, and perhaps additional funding.
3. Long-term goal over next 5-10 years. Significant new initiative that will require relationship-building, development of grassroots support, and outside funding.
4. No strong support at present. Will need to see need and opportunity develop before pursuing.

Conclusions

This report has documented a multitude of issues surrounding the past, present and future of Caswell County agriculture. Farmers, foresters and landowners with an interest in the future of local farming and forestry are faced with a broad range of challenges and opportunities. Both traditional crops and traditional farmers are rapidly disappearing, but a new generation of farmers and foresters are starting to take over. Development pressure likely will come to the county, but the threat of major land conversion into other uses is not present today. The surrounding counties and towns represent a market for locally grown Caswell County agriculture. Landowners are interested in learning about new ideas from trusted sources. Many of these landowners want to first see tried and trusted new agriculture with a proven track record. New and established farmers are also looking for new infrastructure, possibly a co-op, financial assistance and financial opportunities to protect their land.

Caswell County does not have a long history of farmland protection. However, local landowners have expressed a great deal of interest in the ongoing preservation efforts within the bordering counties. There seems to be a great deal of interest in establishing some of these same opportunities in Caswell County.

This plan represents collaborative input from people and organizations of Caswell County today. The real measure of success will be the results in the county, through forestry, farming, land ownership and county leadership placing a priority on working together for the good of all. This effort will require overcoming differences, working with nontraditional partners and sharing success. Caswell County has the ingredients in place to become the agriculture mecca for the upper Piedmont region of North Carolina and lower central Virginia.

Appendix A:

Authority for County Action

In 1986, the North Carolina General Assembly passed the North Carolina Farmland Preservation Enabling Act.³⁸ The stated purpose of this Act is “to authorize counties to undertake a series of programs to encourage the preservation of farmland as defined herein.”³⁹ In addition to enabling counties to create Voluntary Agricultural District ordinances, which Caswell County adopted on March 19, 2001,⁴⁰ the Act also created the North Carolina Farmland Preservation Fund and enabled counties to develop purchase of agricultural conservation easements (PACE) programs. By later amendment, the General Assembly created a matching mechanism for distribution of Farmland Preservation Trust Fund monies, with preference to counties adopting a countywide farmland protection plan.⁴¹ The Act declares that a countywide farmland protection plan shall do the following (denoted by page numbers of this report in parentheses):

1. Contain a list and description of existing agricultural activity in the county (pp. 34-51).
2. Contain a list of existing challenges to continued family farming in the county (pp. 12-21).
3. Contain a list of opportunities for maintaining or enhancing small, family-owned farms and the local agricultural economy (pp. 34-51, 64-67).
4. Describe how the county plans to maintain a viable agricultural community and shall address farmland preservation tools, such as agricultural economic development, including farm diversification and marketing assistance; other kinds of agricultural technical assistance, such as farm infrastructure financing, farmland purchasing, linking with younger farmers, and estate planning; the desirability and feasibility of donating agricultural conservation easements, and entering into voluntary agricultural districts (pp. 53-61, 64-68).
5. Contain a schedule for implementing the plan and an identification of possible funding sources for the long-term support of the plan (pp. 64-67).

The statute suggests that such a countywide farmland protection plan may be formulated with the assistance of an agricultural advisory board, which Caswell County appointed as part of its Voluntary Agricultural District ordinance. That board, known as the Agricultural Advisory Board, will take the lead role in administering this plan and reporting to the Board of County Commissioners on its progress.

³⁸ NCGS § 106-735 et seq.

³⁹ NCGS § 106-735(b). “Qualifying farmland” is defined in § 106-737.

⁴⁰ Book 1, Page 373-I.

⁴¹ NCGS § 106-744 (c)(1).

