

Down on the Farm: Agricultural Tourism and Townships



The phrase “agricultural tourism” has become very popular in the last few years. But what exactly *is* agricultural tourism (agri-tourism), and can Michigan’s townships benefit from fostering its stability and growth?

Agri-tourism is not new to Michigan. Some Michigan farm families have been in the agri-tourism business for generations, but their direct marketing businesses have been called farm markets, roadside stands or U-pick operations. These traditional agri-tourism operations are still a big part of our state’s agricultural industry today. The number, size and uniqueness of agri-tourism businesses have grown in Michigan, in response to consumer demand for an on-farm experience and local products, and the farmers’ need to diversify their farm operations for economic success.

Under Public Act 46 of 2005, agri-tourism is defined as “the practice of visiting an agribusiness, horticultural or agricultural operation, including farms, wineries or companion animal or live-stock shows, for the purpose of recreation, education or active involvement in the operation.”

A TRIP TO THE FARM

Basically, agri-tourism is travel that combines agricultural or rural settings and products within a tourism experience. It includes a broad spectrum of agricultural experiences, including:

- Fruit and vegetable stands

- U-pick operations
- Christmas tree farms
- Wineries
- Petting farms
- Orchard and garden tours
- Farm-based bed and breakfast accommodations
- Corn mazes
- Harvest festivals
- Rent-a-tree programs
- Farmers’ markets
- School tours
- On-farm weddings
- On-farm bakeries
- Hunting preserves
- Riding stables

Bringing urban residents to farming areas for recreation, reconnection and to develop an understanding of the origin of their food and culinary culture are all part of the lure of agri-tourism. And, from a tourism standpoint, agri-tourism helps diversify the mix of tourism products and services available to visitors and uniquely positions rural communities as tourism markets. ▶



A typical agri-tourism operation in Michigan is sometimes hard to define. How an operation is developed or grows is based on many factors, including local land use and zoning ordinances, the desires of the family farmers, the unique local flavor of the area, the demands of the customers/visitors, and the ability or space to grow to accommodate all of these things. Some are year-round operations, and some are only open during the harvest season for the crops they are selling.

THE BIG PICTURE

Before getting into how agri-tourism can impact your township, let's look at Michigan's agriculture and tourism industries from a big-picture standpoint. Agriculture in Michigan contributes \$60.1 billion annually to the state's economy, making it the second largest industry. Production agriculture, food processing and related businesses—including agri-tourism businesses—employ about one million Michigan residents. Michigan produces over 200 commodities on a commercial basis, making the state second only to California in agricultural diversity.

Michigan has about 10.1 million acres of farmland, and the state is home to 53,000 farms, each averaging 191 acres. More than 35 percent of the state's total farmland is in some form of preservation agreement. The Michigan Department of Agriculture estimates that Michigan has over 2,000 agri-tourism businesses in operation—and that number is growing.

According to Travel Michigan, tourism is now one of the top three industries in 49 states. The tourism and recreational industry is expected to continue as one of the fastest-growing industries in the U.S. As a whole, the population is becoming more affluent and thus has greater disposable income to spend on travel. The Travel Industry Association lists shopping as the most popular domestic trip activity, included in 30 percent of all domestic trips. Eighty percent of adult travelers in the U.S. have included an historic or cultural activity while traveling, which opens the door for rural

communities to promote the cultural and historic flavor of their areas and package these opportunities with others in the area.

Tourism is a \$17.5 billion industry in Michigan, and U.S. Census data shows us that Michigan is one of the most popular destinations for pleasure trips. There is significant potential for economic growth when we combine the advantages of Michigan's tourism product and its proximity to the aging population who have time and money to spend on travel.

THE AGRI-TOURIST

Farm businesses no longer just produce food and fiber for the market. They sell the country experience and culinary heritage of their communities. The agri-tourism experience is drawing people out of cities and to our state's rural areas in record numbers. Agri-tourism offers our state an opportunity for revitalizing the link between urban or suburban residents, farmers, fresh produce, domestic animals, and the land we share.

Although the type of agri-tourism experiences in Michigan are as varied as Michigan's daily weather patterns, visitors to these operations share some common traits. A typical agricultural tourist has been defined by Harvest Ontario as a moderate to high-income urban family or mature/senior couple with a high interest in outdoor/nature-oriented learning activities. The agri-tourist enjoys day-trip style experiences with a country theme, and enjoys spending quality time with family/partners. Most agri-tourists are female (65 percent), with an average of two children, and they are the principle food buyers for their households. Families are also looking more and more for farm-based working vacations as an ultimate family vacation experience.

Based on the experiences of many farm marketers in Michigan, the typical agri-tourist is often willing to pay a premium price for a premium product. Knowing and understanding these demographics and the unique products available at agri-tourism operations in



your township can help you define your local product and market other community assets collectively.

So now we know why agriculture and tourism are key components of our state's economic future, but how can agri-tourism benefit our state's farm families and rural townships?

A KEY TO RURAL SUCCESS

Farmers have many reasons for expanding into agri-tourism enterprises. As a value-added marketing opportunity, agri-tourism is considered increasingly important to Michigan's economic health and diversification. Farmers are facing escalating pressure to sell their land for development. Farms and farmland contribute much more than jobs and dollars—they provide open space for recreation, food for Michigan residents, environmental benefits, and represent a rural way of life that is an important part of our state's heritage. Value-added marketing opportunities provide much-needed revenue sources and protect land resources by helping farm families keep farming.

More and more, opening up farms to visitors is becoming a way for Michigan growers to create a dependable source of revenue to ride out the uncertainties of crop prices, weather and disease, and the seasonal cycle of farm income. In many multi-generational farm families, traditional farming is not enough to support an extended family. Agri-tourism provides on-farm employment for family members, increases and diversifies the market, and provides a healthy food choice to consumers.

Agri-tourism can also diversify and stabilize township economies by creating jobs and increasing community income; provide a broader market base for township businesses; and attract other businesses and small industries. People who visit farm markets or wineries are also spending money at local restaurants, gas stations, shopping districts, hotels, etc. The more opportunities available in one area, the more people will come to visit. One farm market may bring many people in, but when there is a farm market, an antique shop, a restaurant that features local foods, and a unique gift shop or bookstore all in one township, people will flock in.

In addition to a desire for an agri-tourism experience, consumers are also demanding greater access to locally grown and produced food and agriculture products. A recent study by the Michigan Ag Council showed that 63 percent of Michigan residents visit farmers' markets, vegetable stands, orchards and U-picks; 25 percent specifically purchased food because it was locally grown. Those polled worried that their children will lose a connection with agriculture, and valued programs that bring agricultural knowledge and experience to children.

Buying locally directly supports farmers and agri-businesses, and the local and state economy. Consumers often prefer to buy



Agri-tourism & Local Issues

While agri-tourism can help boost a township's economy, there are various local issues that should be examined—from the local government perspective—when considering the expansion of this type of business in any community.

Most local zoning ordinances likely allow, for example, roadside produce stands or a U-pick operation on agricultural property. However, with farmers expanding into more creative ways to generate enough income to keep the farm going, local ordinances may be challenged to keep up with the evolving activities.

Is your township ready to handle a request to allow a corn maze or haunted hayride to be established on a farm? What will be the community response to a farm that wants to add a bakery to the roadside stand? Will the same regulations apply to a bakery on a farm as one in the downtown commercial district? Are these examples of commercial activity in an agriculturally zoned area, or are they acceptable agricultural activities? As a farm moves away from “just farming,” does your ordinance allow for flexibility or does your ordinance expect some review through the special use process?

A key to any successful agri-tourism operation is the ability to find the farm—and that means signage. But how does the township's sign ordinance handle seasonal signage directing tourists to the U-pick operation or pumpkin patch? Some townships may not have any concerns, while others may consider it an issue. As with the zoning considerations, the community's overall needs and preferences will likely dictate the township's response.

If a township—and its residents—are committed to allowing this burgeoning business prosper in its boundaries, officials must critically analyze their zoning ordinances to see if they create an environment that will allow that agricultural activity to continue and thrive.

—Jenn Fiedler, MTA Communications Specialist



locally produced products, because they taste better, are fresher and are perceived as healthier. They feel safer knowing where their food comes from and feel good supporting the local economy.

By offering fresh farm commodities directly to customers, the producers can trade on local flavor and freshness as well as health benefits—which can lead to new product development and more efficient farm and marketing practices. And, connecting the sale of healthy, fresh, locally grown products with a recreational or educational opportunity makes the farm a desired destination.

MORE THAN JUST LOCAL REVENUE

Although agri-tourism businesses pay local, state and federal taxes, a lot more revenue could probably be generated through new housing developments, strip malls or big-box retail chains. But

rural townships know there is more at stake than tax revenues if farms go out of business. There are reasons why people choose to live in rural townships—wide-open spaces, quality of life and rural heritage have great intrinsic value in Michigan.

Township citizens must be diligent in maintaining a balance between well-funded schools, access to good health care, jobs and affordable housing, and the preservation of farmland and open space, and local culture and heritage. Supporting local businesses, including agri-tourism operations, can help support the township's goals. People seek out the authentic and culturally rich when looking for a place to visit or live. Agri-tourism can be an essential part of a cultural experience, and the cultural experience is a centerpiece of today's creative economy.

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The Casco/Ganges Gateway Project: Bring on the Tourists!

Nestled near the shore of Lake Michigan, and sandwiched between the beach vacation locales of South Haven and Saugatuck/Douglas, is a community of agricultural tourism businesses waiting to be discovered by the tourists and owners of second homes who flock to the area each summer.

Casco and **Ganges Townships** (Allegan Co.) are home to a wide variety of agricultural tourism businesses, ranging from full-time businesses to hobby farms, and include multi-generational farm markets, wineries old and new, an on-farm restaurant famous for its pies, and a relatively new organic apple farm poised to expand its business into organic goat cheese production.

While the western edge of these two townships, along the Lake Michigan shoreline, is well-populated during peak tourist season, township officials noticed that the vacationers do not tend to travel more than one mile eastward from the lake, choosing instead to follow the prominent north/south arteries of US 31/196 and the Blue Star Highway.

With a goal of bringing tourists eastward into the heart of Casco and Ganges Townships and Allegan County, township leaders and their farmer partners embarked on a collaborative, trail-based marketing campaign, the Casco/Ganges Gateway Project. With the support of the township boards, the group applied for and received a \$50,000 grant through the Julian-Stillle Agricultural Innovation Fund, administered by the Michigan Department of Agriculture.

“We recently completed an update to our master plan, and saw how much of our township is still agricultural, and how committed we are to agriculture,” explained **Julie Cowie**, Casco Township clerk. “We saw this grant as a way to bring opportunity to our area’s small farmers.”

As part of this multi-year project, the townships have been busy identifying their agricultural tourism “product” (the agri-tourism businesses in the area) and developing an agricultural “brand” for that product that will be used on signage, promotional brochures, a Web site, and other marketing tools to help visitors identify and locate the businesses along the Gateway trail.

“Right now, we are mapping our assets and interviewing farmers to learn about their products and the historical story behind their farms,” Cowie said. “We’re finding our niche.”

Few, if any, of the townships’ smaller farm businesses could individually afford the kind of marketing effort needed to reach the relatively affluent lakeshore tourists and home owners. This cooperative marketing effort will help the area’s farms and farmers to thrive, attract tourists with value-added products and agricultural experiences, and help instill a greater appreciation for the value of agricultural land use in our state.

“We’re hoping to draw tourists into the interior of the townships,” Cowie said. “Our goal is to increase direct sales to the farms, and also to expose tourists to the quality of our local produce and the whole agricultural experience.”

—*Jeanne Lipe* ▶



Agri-tourism Commission Makes Recommendations

Under Public Act 46 of 2005, the Michigan Legislature established the Michigan Agricultural Tourism Advisory Commission. Among the membership of the nine-member commission—created under the Michigan Department of Agriculture—were representatives from agri-tourism enterprises, local government, and local convention bureaus or chambers of commerce. The commission was charged to look at the issues and opportunities surrounding agri-tourism in our state, specifically the issues of zoning, signage and promotion.

The commission also developed a model ordinance for agricultural tourism operations for township and local governments to consider when developing agricultural tourism ordinances.

The Michigan Agricultural Tourism Advisory Commission and its three subcommittees met several times over a 15-month period, and held listening sessions and focus groups across the state to gather background information, and examples of issues and opportunities that affect these farm businesses. During public input, there was a recognition for the need to define and clarify what agricultural tourism is—and what it is not. For instance, a farm-themed water park may not fit the definition of agricultural tourism, and may not bring the same benefits to communities, whereas an on-farm wedding may qualify, because the customers are paying for a specific experience they can only get on the farm.

A LIST OF RECOMMENDATIONS

The commission presented a report of recommendations to the governor and Legislature in January 2007. The report identified obsta-

cles, risks and benefits of agricultural tourism, and provided recommendations and implementation strategies for strengthening and expanding the industry in Michigan, including:

- Create opportunities for informational discussions between local units of government and agricultural tourism operators.
- Fund and conduct research on the agricultural tourism industry to more effectively develop a strategy and plan for growing and promoting the industry in Michigan.
- Prepare informational pieces for the agricultural community and Michigan consumers about the health, social and economic benefits of agricultural tourism.
- Develop and implement a campaign to promote the agricultural tourism industry, businesses and events.
- Develop local community programs to promote successful signage campaigns.
- Continue to support balanced regulations of billboards and other private signage opportunities.
- Create Right-to-Agricultural Tourism Legislation.

RESOURCES AVAILABLE

As directed by legislation, the commission also created an “Agricultural Tourism Local Zoning Guidebook and Model Zoning Provisions.” The commission recommended a sort of hybrid zoning that could support the business climate in rural areas. The goal of this model ordinance and guidebook is to provide township and local governments with a tool for developing agricultural tourism ordinances that work for their communities, while providing some consistency across the board with other local government ordinances, protecting Michigan’s family farms and preserving farmland.

The commission recognized the importance of local control in zoning issues and the need for development to assure the economic viability and infrastructure needs of a community. With each local area having its own distinct ordinances that help maintain the unique character of the community, the commission felt that creating an overarching, one-size-fits-all zoning ordinance for agricultural tourism is not feasible. The commission urged that development be balanced with green, open or agricultural space through planning and smart growth.



According to the commission, township and municipal governments can play an important role in strengthening family farms, rural culture and heritage, and the local economy by supporting well-planned growth of the agricultural tourism industry. The commission encouraged local leaders to take time during their decision-making process regarding agricultural tourism zoning, and to consider the model ordinance as a basis for their decision-making.

Call (517) 373-9790 with comments and questions regarding Michigan's agricultural tourism industry or the Michigan Agricultural Tourism Advisory Commission report. For copies of the report, zoning guidebook and model zoning ordinance provisions, visit www.michigan.gov/agtourism.

—Jeanne Lipe

