

Planning for Agritourism



A GUIDE FOR LOCAL GOVERNMENTS AND INDIANA FARMERS

Developed by the Indiana State Department of Agriculture

INTRODUCTION AND OVERVIEW

Agritourism is a business model that is growing in popularity as Indiana farmers recognize a need to diversify their operations and supplement their farm incomes. In addition, there is a growing public desire to engage in rural experiences and outdoor recreational activities. By combining agriculture and tourism, agritourism offers rural experiences to urban residents and economic diversification to farmers. Planning for agritourism requires a forward-thinking, locally driven process. Planners must acknowledge agriculture as a land use as well as a business. The Indiana Land

Resource Council (ILRC) designed this planning guide for agritourism operators, community leaders, extension agents and rural economic development and tourism professionals.

WHAT IS AGRITOURISM?

There is no universal definition of agritourism. It is frequently used interchangeably with “agri-tourism,” “agrotourism,” “farm tourism,” “agricultural tourism” or “agritainment.” It is also generally understood to be a business model that links agricultural production/processing with tourism to attract visitors to a farm, forest, or other agricultural business for the purposes of entertaining and/or educating the visitors and generating income for the farm, forest or business owner. Purdue University defines agritourism as “any business conducted by a farmer or processor for the

enjoyment or education of the public, to promote the products of the farm and to generate additional farm income” (Purdue University, 2005). In comparison, Lancaster County, Pennsylvania, defines agritourism as “visiting a working farm or any agricultural, horticultural or agri-business operation for the purpose of enjoyment, education or active participation and involvement in the activities of the farm or enterprise” (Lancaster County Planning Commission, 2009).

*In 2011, the Indiana General Assembly defined an **agritourism activity** as: (1) an activity at an agricultural, horticultural or agribusiness operation where the general public is allowed or invited to participate in, view or enjoy the activities for recreational, entertainment or educational purposes, including farming, ranching, historic and cultural agricultural activities, self-pick farms or farmers’ markets; (2) an activity involving an animal exhibition at an agricultural fair; or (3) natural resource-based activities and attractions, including hunting, fishing, hiking and trail riding.*

EXAMPLES OF AGRITOURISM

Indiana is home to a wide variety of agritourism operations. Common examples include:

- Pumpkin picking patches
- Corn mazes/crop art
- Educational and demonstrative tours
- On-farm farmers’ markets and roadside stands
- U-Pick operations
- Petting and feeding zoos
- Hay rides
- Cut-your-own Christmas tree farms
- Agricultural museums
- Living history farms
- Processing demonstrations
- Winery tours and wine tasting
- Breweries
- Horseback riding
- Rural bed and breakfasts
- Garden tours
- Other commercial activities in conjunction with farm, forest or agribusiness use

For more information on Indiana agritourism experiences, please visit the agritourism page at VisitIndiana.com/agritourism. For agritourism operator resources, please see the ISDA agritourism website, www.in.gov/isda/3434.htm. The Indiana State Department of Agriculture (ISDA), in partnership with the Indiana Office of Tourism Development, developed these resources to help Hoosiers and visitors find agritourism destinations across the state.

IMPORTANCE OF AGRITOURISM

Agritourism provides a number of economic, educational and social benefits to producers, consumers, tourists and communities. Furthermore, agritourism provides incentives for producers to remain in agriculture.

The agriculture industry is facing a growing number of challenges, such as market competition, rising land and input costs, encroachment from urban sprawl and a complex regulatory environment. In order to stay in business, some operations have had to look for ways to add value to their products and create dependable revenue sources. Because of their proximity to a number of large and diverse metropolitan areas of the Midwest, Indiana farmers have tremendous opportunity to diversify their list of product and service offerings and supplement farm incomes.

Agritourism enterprises provide numerous economic benefits to the surrounding community. Operations create jobs and support the local economy through their purchases of goods and services. Other “spillover” economic development opportunities occur when agricultural tourists shop, eat and lodge in the surrounding communities. Agritourism also provides rural communities with the potential to increase their local tax bases because farmland generally requires fewer community services and generates more local tax revenue than it costs in services (DeBoer, 2010). More importantly, agritourism operations are unique, local businesses that cannot later be “outsourced” to other communities.

Lancaster County, Pennsylvania, is nationally recognized for its agritourism enterprises. In 2009, the local plan commission and tourism development council developed a comprehensive plan and agritourism guidelines to maximize their economic development opportunities. The publication identified several benefits that could be directly attributed to the development of a successfully managed and regulated agritourism program. These benefits include:

- *Enhancing the economic viability of the farm and providing on-site employment opportunities*
- *Generating additional income or off-season income for the farmer*
- *Interacting with and educating locals and visitors about the importance of farming in Lancaster County*
- *Increasing awareness of local agricultural products*
- *Developing a new consumer market niche*

Agritourism provides educational experiences that connect visitors to scenic landscapes and the local community heritage. Such operations can also be used to educate the public about the industry's contribution to the local quality of life. For example, agritourism can provide sustainable ways to care for rural working lands and scenic areas. Agritourism can also preserve the agricultural heritage of a community. Farmland and forestland preservation ensure that future generations will have the opportunity to visit local farms and timber operations, learn more about agriculture, participate in recreational activities and enjoy a local food supply. In short, agritourism has the potential to turn urban residents into strong allies for farms, forests and other agricultural enterprises.

To promote agritourism enterprises in Indiana, the General Assembly enacted a limitation of liability for agritourism providers who provide a statutory warning to participants and meet other specific requirements. Essentially, the law limits liability that may arise from the "inherent risks of agritourism activities." Inherent risks are defined as "those conditions, dangers or hazards that are an integral part of an agritourism activity" (Ind. Code Section 34-31-9-4). If all of the statutory requirements are met, then a participant or his/her representative cannot make a claim for injury, loss, damage or death caused by the inherent risks of an agritourism activity.

There are some exceptions and exclusions. For example, this law does not limit liability for injuries caused by improperly trained employees or due to a known dangerous condition on the land which is unknown by the participant.

POTENTIAL OBSTACLES

Although it is very likely that agritourism development can be successfully integrated into local communities without great disruption, there are some potential challenges. Planning for agritourism requires attention to possible neighborhood impacts and competing interests within the agricultural community.

Residents often have concerns about potential noise, traffic and trespassers because these impacts have the potential to change the overall character of the community. When farmers take proactive actions to maintain good relationships with neighboring landowners, local decision makers and the community, many of these concerns can be resolved informally. There are also several tools available that can be used to minimize potential obstacles.

Noise levels can potentially diminish the quality of life for neighboring landowners. In general, the noise level in rural and agricultural areas is lower than urban areas. These peaceful surroundings are a part of the character of rural areas. However, agricultural operations can also be very noisy. Machinery, equipment, trucks and animals produce various noises. When considering approval of an agritourism operation, local decision



makers should determine whether the noise of the agritourism operation is similar or different from the noise that normally occurs in rural and agricultural areas. If the noise is not typical to the surrounding area, local decision makers should consider whether activity would be daily, seasonal or event-based. Noise concerns can be addressed through buffers or noise ordinances. The noise ordinances should not be more restrictive for agritourism operations than for other businesses.

Increased traffic can also be a concern for neighboring landowners. Local governments could utilize a traffic management plan that identifies the projected number



of vehicles and any anticipated use of public roads to determine potential traffic impacts. To minimize additional traffic hazards, agritourism operations need to provide adequate off-street parking.

Trespassing is a concern for both agritourism providers and neighboring landowners. Operators should regularly check restricted areas for trespassers. If trespassers are found, such persons need to be escorted back to the proper locations. To limit trespassing onto neighboring landowners, agritourism providers could post “No Trespassing” signs at property boundaries. Posting such signs demonstrates a reasonable and prudent effort to protect neighboring landowners from increased liability.

Local decision makers must also recognize differing perspectives and competing interests within the agricultural community. While some farmers feel that planning is an opportunity to influence the future of the community, others feel anger and uncertainty toward the planning process. In addition, farmers have multiple interests in their property that can conflict with each other. As simultaneous landowners, business owners, taxpayers and community members, a farmer’s interests might vary depending on the issue. For example, a farmer who is actively transitioning operations to a younger generation might support policies that limit non-agricultural development. On the other hand, farmers who plan to exit the industry in the near future might be more likely to emphasize their interest as landowners in order to maximize property values. Different types of farms may also have different priorities. Communities must consider the local diversity in agriculture to ensure that all interests are taken into consideration.

THE PLANNING PROCESS

Communities interested in diversifying their local economy and maintaining rural character recognize the need to support agricultural operations and plan for agritourism. This agritourism planning should be part of a community’s comprehensive planning process (see Ind. Code Section 36-7- 4-500 through 599), which would provide a foundation for agritourism efforts along with associated goals for the future. If a community already has an adopted comprehensive plan, it would be amended to include agritourism. Due to the distinct characteristics, attitudes and values between communities, a comprehensive plan that works for one will not necessarily work for another. A good comprehensive plan reflects the local agricultural culture and helps achieve a unique community identity while ensuring that the needs and desires of all residents have been considered.

Farmers, planners, interested citizens and elected officials must work together to create a vision for the community and develop plans and implementation tools (i.e., zoning, permitting, etc.). During the planning process, it is important to ensure that financial and regulatory benefits and burdens are allocated equitably. Each community will need to strike its own balance in accordance with its characteristics, attitudes and values.

With a shared vision of protecting agricultural lands and promoting agritourism, farmers, planners, citizens and local officials can be strong partners in planning. Public-private partnerships can also provide support for the planning process.

Federal, state and local laws and other decisions can directly impact local agricultural uses. For example, the Indiana Right to Farm Act provides agricultural operations protections that supersede local ordinances. Furthermore, expenditures by federal and state programs for roads, water, sewer and other kinds of development can have significant impacts on agriculture in a community. To the extent possible, integration of local, state and federal policies is essential.



Each community must determine the appropriate balance of planning regulations and incentives. The balance must be based on the overall cost of the various tools in relation to the available resources. The cost effectiveness of various approaches should be analyzed over the long term to determine which strategies make sense for agritourism in a given community. For example, several local governments in the Shenandoah Valley of Virginia worked together to incentivize agritourism through collective marketing, tracking and capacity-building initiatives. They leveraged local resources to promote the economic development of agritourism. Other local governments may choose to incentivize agritourism through favorable tax structures for permanent agritourism structures.

Strategies for increasing participation from the agricultural community

- Engage local farmers early in the planning process
- Hold focus groups and meetings at times and locations convenient for farmers
- Establish an agricultural advisory committee
- Invite local farm organizations to participate in the planning process
- Identify key farm leaders and encourage them to solicit feedback from the agricultural community
- Advise farmers on how to participate most effectively in the planning process

Strategies for how farmers can participate in the planning process

- Contact the planning department to cultivate relationships with the staff and evaluate the community's plan
- Explain to local officials how the municipality or county could better support agricultural enterprises
- Seek appointments to plan commissions, board of zoning appeals or advisory committees

(Farmland Information Center, 2018)

ZONING

While promoting agritourism development, the community must not lose sight of the balance between the legitimate public health, safety and welfare concerns of local government; the preservation of the rural character of the county and the provision of opportunities for growing a sustainable tourism industry in rural areas. Zoning ordinances are the primary implementation tool of a comprehensive plan and are a vital tool for maintaining this balance. Zoning can support community goals by regulating land use, intensity of use and development standards (i.e. parking, screening and signage).

Home rule, or local control, is the foundation of Indiana land use planning. In 1980, the General Assembly enacted the home rule statute, which gave counties the power to exercise any powers not specifically denied to them or reserved by the State of Indiana. The statute granted Indiana counties "all the powers that they need for the effective operation of government as to local

affairs.” Local units of government have the authority to engage in comprehensive (land use) planning and enact zoning ordinances; almost all Indiana counties exercise these powers. Just like with comprehensive plans, the nature of Indiana zoning ordinances will vary greatly with each locality.

It is generally recognized that there are different levels of intensity associated with different agritourism activities. Local governments can utilize various zoning models to manage these uses. Some communities have more than one Agricultural Zoning District, so certain agritourism uses might be permitted in all, some or none of those districts. Generally, the lower the intensity of the agritourism use, the lower the amount of review required. Lower-intensity uses are typically allowed by right within an agricultural or rural district. Uses that have moderate-scale impacts may be allowed by right but subject to established development standards. Quantified development standards can help mitigate anticipated impacts of agritourism activities. Development standards may include criteria to specifically address potential impacts, such as noise, traffic or dust. High-impact uses can be approved through a discretionary process, such as a special exception through the board of zoning appeals or development plan approval through the plan commission. High-impact uses should require public review of the proposed agritourism operation. For example, Hancock County, Indiana, passed a zoning ordinance that makes distinctions between the types of agribusinesses based on their intensity of use.



ZONING ORDINANCE DRAFTING TIPS

- **Zoning district purpose statement.** If you have a specific zoning district for agritourism, ensure that the purpose statement reflects the county’s vision for agritourism (which should be part of the comprehensive plan). An example from Troup County, Georgia, is below.

Purpose. *The purpose of this ordinance is to allow Agritourism uses in Troup County, Georgia, while maintaining the rural character and preserving farmland of the area and protecting the health, safety and welfare of the citizens. Agritourism presents a unique opportunity to combine aspects of tourism and agriculture to provide a number of financial, educational and social benefits to tourists, producers and communities.*

Agritourism gives producers an opportunity to generate additional income and an avenue for direct marketing to consumers. It enhances the tourism industry by increasing the volume of visitors to an area and the length of their stay. Agritourism also provides communities with the potential to increase their local tax bases and new employment opportunities. In addition, agritourism provides educational opportunities to the public, helps preserve agricultural lands and allows the development of businesses that cannot later be outsourced to other countries.

Allowing agritourism uses in the Agricultural and Agricultural/Residential Districts of Troup County provides:

- *Enhancement of the economic viability of the farm and provides on-site employment opportunities*
- *Additional income and/or off-season income for the farmer*
- *Interaction with and education of local citizens and visitors about the importance of farming in Troup County*
- *Increased awareness of local agricultural products*
- *A new consumer market*

- **Define and use the term.** Define agritourism in the definitions section of your zoning ordinance and reference it as a use in the list of permitted uses and use table. It may be necessary to add more definitions of specific agritourism uses (U-Pick, etc.) if all uses are not allowed in all agricultural zoning districts.

Regardless of the exact definition or terminology, The National Agricultural Law Center suggests that any definition of agritourism should include the following four factors:

- Combines the essential elements of the tourism and agriculture industries
- Attracts members of the public to visit agricultural operations
- Increases farm income
- Provides recreation, entertainment and/or educational experiences to visitors

- **Develop standards.** Draft an agritourism ordinance that reflects intensity of use and includes it in standards for parking, screening, lighting, signage, etc.

Include agritourism uses in the by-right or as special exception or development plan uses within ag zones

- Examples can enhance agritourism uses and broaden the public's understanding of what to expect and promote within certain areas of the county
- Uses should be based on impacts rather than agricultural definitions because such definitions can be vague and they are subject to misinterpretation

Agritourism operations must:

- Be an existing and operating working farm
- Be incidental to and directly supportive of the agricultural use of the property
- Not have significant impacts on the agricultural viability or rural character of neighboring properties

Permanent agritourism structures should be required to meet the requirements for similar businesses in the zoning district

ADDITIONAL RESOURCES

Please see <https://sustainable-farming.rutgers.edu/ag-planner-policy-maker-resourcesactions-that-support-agritourism-enterprises/> for a list of specific actions that support agritourism enterprises.

Please see <https://sustainable-farming.rutgers.edu/is-your-town-farm-friendly-a-checklist/> for a checklist regarding protection of a community's agricultural base. This checklist evaluates three major categories: Practical Land Use Ordinances and Regulations, Fair Enforcement of Local Regulations and Understanding and Encouraging Farming. Towns that encourage agricultural activity retain the benefits inherent in local farms of open space, food security, energy independence and healthy communities.

Please see http://planning.woodfordcountyky.com/EForms/Attachment-AARC_DecisionTree.pdf for a tool on evaluating agritourism proposals.

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