Agritourism

GUIDE FOR INDUSTRY FRUIT AND ICE CREAM

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What is Agritourism?

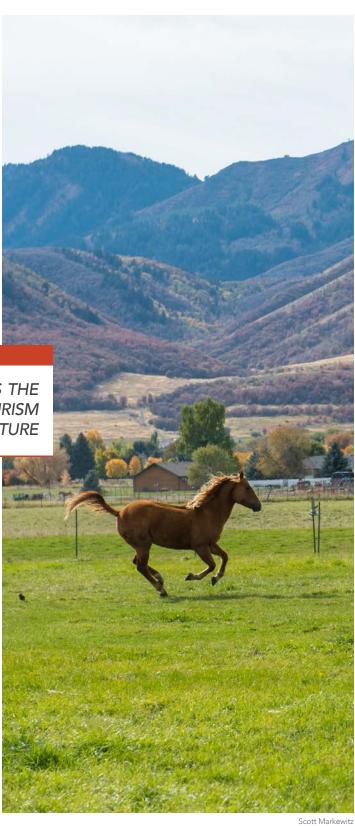
Agritourism (also called agrotourism) is the shortened term for agricultural tourism, a type of tourism product which is broadly defined as inviting visitors to a working farm, ranch or other agricultural operation to participate in leisure or educational activities. In other words, agritourism is the intersection of tourism and agriculture, introducing travelers and visitors to agricultural practices, places and products.

Agritourism can take many forms, from dude ranches and farm stays to roadside stands and farmers markets. It can include operations of all sizes and roles, from commercial farms and large manufacturers to small-scale farms and community cooperatives. Agritourism might take place on a family farm or in a favorite restaurant. However it looks, agritourism presents a unique opportunity to increase the revenue of a farm or ranch and diversify activities to bring out the best in your destination.

> AGRITOURISM IS THE INTERSECTION OF TOURISM AND AGRICULTURE



Sandra Salvas





BACKGROUND INFORMATION

Destination Impact

Agritourism can be a valuable product type to visitor destinations of all kinds. In Utah, where tourism is largely dependent on outdoor recreation, agritourism has several benefits.

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Utilizes existing product:

Agritourism frequently makes use of existing agriculture, tourism products and resources and serves as a value-add product. For example, farm stays capitalize on existing farming or ranching operations.

Diversifies destination offerings:

Agritourism products diversify and enhance the mix of experiences in a destination. This makes the destination more attractive to a broader audience, more resilient to shocks in the tourism and agricultural industries and more likely to keep visitors engaged in the local economy.

Is experiential and educational:

Agritourism provides visitors with opportunities to immerse themselves in the destination's culture and heritage by experiencing local food, traditions and livelihoods. It also provides operators with the opportunity to educate visitors on agricultural practices.

Has a low barrier to entry:

Agritourism can be simple and approachable for both visitors and operators. Agritourism products such as roadside stands or tours may require little capital or infrastructure investment.





Economic Impact

In Utah, sales of **agricultural** commodities generate nearly \$2 billion, while **tourism** generates more than **\$7 billion**. Agritourism diversifies both the agricultural and tourism sectors, making them more resilient, sustainable and profitable.Nationwide, farm revenues from agritourism grew 35% between 2012 and 2017.

Integrating tourism activities and services into an existing agricultural operation can provide a more diversified income and the opportunity to gain extra profit from existing farm operations. These activities do not have to be the main feature; in fact, they can be small, part-time or seasonal operations that generate income by capitalizing on qualities such as seasonality, open space and authenticity. A 2018 survey of Utah agritourism operations showed that most visitation was seasonal, occurring between October and December. The 2017 Census of Agriculture found that agritourism revenue represented 5.5% of farm-related income nationally, accounting for almost \$990 million.

Agritourism is particularly beneficial to local economies because money spent on agritourism products circulate in the local community, further supporting local jobs and businesses. Agritourism encourages visitors to stay longer and spend more, enhancing the economic impact of agriculture in the area. This style of travel and engagement is a growing trend as visitors increasingly seek unique and conscientious experiences. The Utah Office of Tourism, through the <u>**Red Emerald Strategic Plan**</u>, encourages more informed travel by distributing visitors, and connecting skilled and passionate operators with travelers seeking a deeper understanding of the place they are visiting.

RESILIENT, SUSTAINABLE, PROFITABLE

Key Terms and Definitions

Agritourism: A tourism product that invites visitors to a working farm, ranch or other agricultural operation to participate in leisure or educational activities. Can include on-farm or off-farm experiences, as long as they are related to agriculture.

United States Department of Agriculture (USDA):

Federal agency dedicated to providing leadership on food, agriculture, natural resources, rural development, nutrition and related issues.

Agriculture: The art and science of cultivating the soil, growing crops and raising livestock. It includes the preparation of plant and animal products for people to use and distribute to markets.

Utah Department of Agriculture and Food (UDAF):

State agency that supports the development of Utah's agriculture and food industries, serves as a steward of Utah's natural resources, safeguards public health, protects consumers and ensures a quality food supply.

Home Enterprise: A small business that operates out of the owner's home. Sometimes called home-based business or cottage industry.

Utah's Own: A program within UDAF that connects consumers with local farmers, ranchers, food artisans and other agricultural producers. Utah's Own provides producers with marketing assistance and the use of the Utah's Own brand logo, identifying their products as local.

Utah State University (USU) Extension: USU Extension provides research-based programs and resources with the goal of improving the lives of individuals, families and communities throughout Utah. USU Extension provides business training, agriculture education and other resources online and at their offices located in every county in Utah (with the exception of Daggett County). **Farm-to-Table:** (aka Farm-to-fork) — A process in which food establishments and consumers acquire their ingredients directly from a local farm rather than purchasing through a food distributor. While there is no standard for what constitutes "local," regional authenticity, quality and freshness typically characterize farm-to-table food.

Locavore: Someone who eats foods that are grown and prepared as locally as possible. Locavores value freshness, authenticity and sustainability.

Foodie: A person who has a passionate or refined interest in food and who eats food not only out of hunger, but also as a hobby. Foodies are often interested in unique flavors and novelty dishes.

Niche/Specialty Product: Any product that is unique to an agricultural operation. These can be varying items that may be grown, products that are uncommon for the region or handmade items produced on location. Examples include local honey or artisan soaps.

Value-Added Product: The modification or enhancement of raw agricultural goods, marketing or processing in such a way that increases their value. This could include changes made to the physical state of the good, its production or physical segregation from other goods.

Agricultural Co-op: A business association between growers, producers and/or operators in which they pool resources to increase revenue, reduce costs and share risks.

Direct Sales: Selling agricultural goods or products directly to consumers. In agritourism, direct sales examples include roadside stands and U-pick operations.

Operator: A person who operates, provides or demonstrates an agricultural tourism activity.



Product Types and Definitions

Educational Experiences

Production Process Tours: Public tours of an agricultural operation, often with an emphasis on production. Tours can showcase growing, processing and packaging.

Cultural Heritage Tours: Public tours with an emphasis on cultural heritage activities and experiences such as preserving and sharing traditional and contemporary farming practices, objects, artifacts and tools. Cultural heritage tours also help to conserve heritage sites and landscapes near the destination.

Interactive Experiences: Products and services that immerse the visitor. Operators can offer a variety of interactive experiences such as cooking classes, planting or harvesting, petting zoos or product tasting.

Direct Agricultural Sales

U-Pick Operations: Visitors pick their own fresh produce or products directly from the crops on a farm. For example, traveling to pumpkin patches to pick your own pumpkins.

Fruit/Produce Stands: Independent structures used by producers to sell fresh produce and other goods to the general public.

Tastings/Samplings: Producers showcase their products by having the public sample a small portion of a food item before buying. These experiences can be added to any type of the above-mentioned tours as well as U-pick operations and hands-on activities that can encourage farm product sales.

Accommodations

Farm Stay: Typically small operations that provide accommodation out of a household or guesthouse, making them ideal tourism products for a farmer to pursue for supplemental income. Farm stays often have a particular emphasis on lifestyle experiences.

Dude Ranch: Any type of farm, ranch or agricultural operation that is heavily oriented toward tourism, allowing guests to participate in traditional agricultural activities as well as other resort-style activities.

Campgrounds/RV Park: Spaces where visitors are allowed to camp or park RVs on an agricultural property.

Entertainment

Festivals: Themed public events that engage and highlight local artisans in a community, region or state. Food-themed or agricultural festivals are great ways for food producers or individuals to showcase their own products or cooking specialties.

PRESERVE AND SHARE PRACTICES



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Agritourism often requires operators and destinations to combine agriculture and tourism business practices and regulations. Before offering agritourism activities, operators should ensure that they understand and comply with state and local regulations.

Local Ordinances

Zoning refers to the laws and regulations that determine how land can and cannot be used. Different zones may exclude or permit certain activities, construction or infrastructure. Common zoning types include residential, commercial, industrial and agricultural. Agritourism activities may or may not be allowed in a particular zone and may require operators to seek exemptions or special conditional use permits from the town, city or county.

Local regulations may also require agritourism operations to obtain permits and licenses in order to conduct business. Common items include business licenses, food-handlers permits and health and safety inspections.





Agritourism Industry Guide

Funding

USDA Small Farm Funding Resources

A list of resources and guides for starting an agriculture business, expanding a business, funding resources and other information on assistance, organizations and websites.

USDA Value-Added Producer Grants

A grant that can help agricultural operators expand their existing businesses' product offerings whether that be tangible products or activities.

USDA Farmers Market Promotion Program

A grant that funds projects that develop, coordinate and expand direct producer-to-consumer markets to help increase access to and availability of locally and regionally produced agricultural products by developing, coordinating, expanding and providing outreach, training and technical assistance to domestic farmers markets, roadside stands, community-supported agriculture programs, agritourism activities, online sales or other direct producer-to-consumer (including direct producer-to-retail, direct producer-to-restaurant and direct producer-to-institutional marketing) market opportunities.

Associations or Potential Partner Organizations The Dude Ranchers Association of America Utah Farm Bureau Federation

State Code

Home Consumption and Homemade Food Act Food Safety Manager Certification Act Agritourism Civil Liability Limitations

Other Helpful Resources

<u>Agritourism Safety Checklists Booklet</u> A resource of the Integrating Safety into Agritourism <u>safeagritourism.org</u>.

ATTRA Sustainable Agriculture Program

Provides information and assistance to anyone involved in sustainable agriculture in the United States.

Best Management Practices in Agritourism

Information provided by the Agricultural Marketing Resource Center, Iowa State University.

Utah's Business Resource Centers

Mission is to contribute to state-wide economic growth through the development and support of federal, state, local and private business service providers.

<u>Utah's Own</u>

Utah's Own is a program operated by the Utah Department of Agriculture and Food that connects consumers with local farmers, ranchers, food artisans and other agricultural producers.

Zoning and Health Considerations in Agritourism

A helpful resource to review, information provided by the Agricultural Marketing Resource Center, Iowa State University.

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Certifications and Permits

Farm Certifications

The USDA offers various farm certifications that can help operators and their goods stand apart, add value, and increase consumer confidence.



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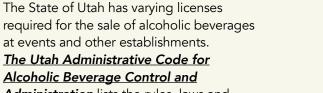
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Food Handlers Permits

The State of Utah requires any establishment and all employees of that establishment that handle, prepare or serve food items that are for purchase or direct consumption by guests to obtain a food handlers permit. You can review the rules of <u>Utah's Administration Code on</u> <u>Food Handler Training and Certificate</u> as well as <u>a list of approved Food Handler training</u> <u>providers in Utah</u>.

More information on food safety, sanitation regulations and food manager certifications can be found at the Utah Department of Health Food, Bureau of Epidemiology on *Food Safety*.



Alcohol Beverage Control Laws,

Licenses, and Resources

<u>Administration</u> lists the rules, laws and other resources on types of licenses related to the sale of alcohol.



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Liability and Insurance

Agritourism activities can increase the operator's liability with the permitted access of guests onto any property. Operators may need to obtain additional insurance specific to agritourism. The National Agricultural Law Center and Ohio State University have developed a helpful guide on **Agritourism and Insurance** to explain why and when an agritourism operation should obtain additional insurance.

The State of Utah has placed limits on the civil liability of an agritourism operator under certain circumstances. UCA 78B-4-512 describes the inherent risk of agritourism as well as the operator's responsibility to notify visitors.

Tax Considerations

Agritourism may introduce new tax considerations to operators, such as transient room tax for short-term lodging or different sales tax rates on prepared and unprepared foods. The Utah State Tax Commission provides a wealth of tax information for businesses including starting, changing, or closing a business, filing and paying taxes and other resources.

Natural Assets

Existing Agriculture Operation

Generally, agritourism products and services are developed around existing agricultural operations on a farm, ranch or other commercial agricultural, aquacultural, horticultural or forestry operation. Agritourism operations, however, can be created from scratch with the know-how of both agriculture and tourism processes.

Hard Infrastructure

Accommodations

In order to capture more tourist dollars, a destination should possess some type of guest lodging (hotels, bed and breakfasts, campgrounds etc.) so that guests have the option to stay longer in the destination and spend more. Accommodation could, however, be a service of the agritourism operation.

Restaurants

Along with having accommodations for tourists, a destination should have restaurants and other food establishments in order to meet the needs of guests as well as spread tourism dollars throughout the community. This could also be an element of the agritourism business.

Wayfinding

Agritourism enterprises are often located in rural areas that are not easily accessible by air transportation. Therefore, it is essential that these destinations are accessible by roads that are well-marked and maintained.

Existing Tourism Outfitters

Can help promote agritourism activities as an additional unique activity for tourists to participate in that does not compete with its own products. This type of partnership can encourage visitors to stay longer and spend more in the destination.



Tourism general management is required for the operation of any tourism operation; however, agricultural operators looking to expand their business to include tourism services should acquire specific knowledge about various tourism services and the management of tourism products. This can include but is not limited to:

- Marketing and Promotion
- Visitor Management
- Risk Assessment
- Point of Sale
- Accommodation Operations and Regulations
- Interpretation and Education
- Recreational Activity Operations

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What is Sustainable Tourism?

Sustainable tourism development manages the impacts of tourism on the destination's environment, economy and community and maintains and enhances the destination's resources for the present and future needs of both tourists and the communities that host them.

Utah's Forever Mighty initiative encourages visitors and residents to explore the state safely and responsibly. Learn more at <u>visitutah.com/forever</u>.

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Tourism Management

- Agritourism can help manage tourism seasonality by offering events and activities in the shoulder seasons. Examples include hosting U-pick operations or events in the seasons in which recreational or other tourism activities occur less frequently to distribute tourism revenue generation throughout the year.
- Agritourism is an accessible form of tourism for many different demographics, ages and abilities. Experiences offered through agritourism may not require additional infrastructure or mechanisms in order to increase accessibility.

Environmental

- Agritourism utilizes existing assets that require less development in the destination as well as little supporting infrastructure to maintain.
- Agritourism is a low-impact form of tourism in that it operates around currently established farm or ranch operations.

Social-Cultural

- Agritourism operations can provide educational benefits and opportunities not only to visitors but also to locals, schools and professionals in the industry.
- Agritourism can provide the potential for increased community engagement with the creation of local farmers markets, festivals, events and educational seminars.
- By engaging the public, agritourism activities can help support future generations of farmers and a better understanding of the farm-to-fork process.
- Agritourism opportunities can help protect local traditional farming practices and preserve valuable green space.

Economic

- Agritourism activities can provide supplemental income to farmers and ranchers who offer tourism activities and services centered on current farm operations. For many producers, the addition of agritourism offerings makes the difference between a viable operation and one that succumbs to economic pressures.
- Agritourism provides opportunities with increased public participation.
- Agritourism operations can increase the diversification of a destination's product portfolio by offering a unique activity that can supplement other existing tourism businesses in the area.



Wheeler Historic Farm

Wheeler Historic Farm is a 75-acre working farm and museum owned and operated by Salt Lake County. The farm treats visitors to milking demonstrations, wagon rides, a country store, a farmers market and seasonal events like their fall pumpkin patch and corn maze. Additionally, the farm has many amenities found in county parks including trails, open space, picnic facilities and a playground.

Red Butte Garden

Red Butte Garden is a regional botanical garden and arboretum located at the University of Utah. The 100-acre site features 21 acres of cultivated gardens, 5 miles of hiking trails and educational and entertainment facilities. Seasonal events take place throughout the year, including an outdoor concert series. Red Butte Garden also offers workshops and classes on gardening and plant husbandry.

- Utah Botanical Gardens Page
- <u>Red Butte Garden Page</u>

Rowley's Red Barn

Rowley's Red Barn is a retail store owned and operated by Rowley's South Ridge Farms. With one location in Santaquin and one in Washington, Rowley's Red Barn provides visitors with direct access to fresh fruit and other produce, homemade ice cream, apple cider donuts, cider and chocolate covered cherries. Rowley's Red Barn offers farm tours, U-pick experiences and hosts several events and festivals throughout the year.

Western Legacy Farm and Ranch

Located in Hurricane, Western Legacy invites children and teenagers to experience what it takes to operate a sixth-generation working farm and ranch through their Farm Camp and Cowboy Camp. Western Legacy also offers direct beef sales and U-pick fruit and eggs. The farm is also a venue for weddings and private events.

Tavaputs Ranch

Established in 1887, Tavaputs Ranch welcomes guests from around the world to experience Western ranching and landscapes. Guests are treated to homecooked meals, wildlife viewings and guided tours through Range Creek Canyon.

- The Hunt for Tavaputs Article
- Tavaputs Ranch Article
- It's a Dog's Life: The Canine Crew of Tavaputs Ranch

Red Acre Farm

Red Acre Farm in Cedar City is a womanowned, community-supported agriculture (CSA) farm that offers direct sales of beef, eggs, fresh produce and baked goods to CSA members and visitors alike. Red Acre Farm also offers volunteer opportunities, educational classes and farm-to-table dinners.

• Red Acre is the Place for Me

<u>Etta Place Cider</u>

Named after the elusive member of Butch Cassidy's Wild Bunch, Etta Place Cider in Torrey produces specialty hard ciders created from their apple orchards. Etta Place offers visitors orchard tours, private tastings and a retail store that sells ciders, locally made goods and branded items. Etta Place also hosts several community events, including Apple Days and Community Juicing Day as well as grafting workshops.

<u>New Cidery Draws Upon a Wild Bunch</u> of Apples













V Utah Office of Tourism

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