**Michael McLaughlin**

**Farmers combating declining revenues with tourism**

Palo Alto - Dee Harley, of Harley Farms, sips her tea on a chilly November day in Pescadero, Calif., slightly more than an hour southeast of San Francisco.

Her 200 goats are laying in the green pastures. And with tourist season over for the next three months, she has a brief chance to relax.

Tours, dinners and weddings have allowed Harley Farms to stay small and do what it does best – create goat cheese. When Harley wants to make more money, she can simply add more tours.

“What started out as a little bit of fun with the kids from local schools now heavily contributes to the income flow of the business,” Harley said.

Despite a recent stabilization, San Mateo County’s agriculture production value has declined over 20 percent in the last decade. And an increasing number of the farms have turned to tourists – agritourism specifically – to supplement their incomes.

Besides growing crops with high returns such as Brussels sprouts and peas, more farms in the San Francisco Bay area have used tours, opportunities to learn farm tasks such as milking cows and overnight stays to attract people to their property. According to San Mateo’s agricultural commissioner, Fred Crowder, the number of agritourism visitors has increased substantially in the past ten years.

“San Mateo County, particularly the coast side, has really become a tourist destination,” Crowder said.

The county’s biggest source of agritourism income, though, comes when the coast turns orange with pumpkins.

“You’re just going to sit on the highway for a couple of hours wondering where all these people came from,” Crowder said.

And across California farms which used to compete with each other are now forming associations to promote their areas like Napa Valley has been doing for decades.

**What farms participate in agritourism?**

The typical farm engaging in agritourism is smaller in scale and cannot compete solely in the production world, according to Penny Leff, the agritourism coordinator at the University of California, Davis.

Like Harley Farm, Pie Ranch, a nonprofit Pescadero farm, has turned to tourism to supplement its revenue. It offers a two-hour work day in the gardens and production fields followed by an optional tour, dinner and dance.

Its visitors range from an intrigued passerby to work groups coming down from Silicon Valley “because they want to be more connected to their food,” according to Simon Albuquerque, the ranch’s events and programs manager.

Volunteers will perform tasks such as weeding, planting, composting, pruning, clearing tomatoes and harvesting while working during a farm day.

Laborers shouldn’t worry about tourists replacing them though, according to Leff.

“The tourists are not useful,” Leff said, referencing the average person’s ability to perform typical farm duties. (is there a longer quote so this doesn’t seem out of context, i.e. that explains they can’t do as much as a regular farm laborer would do? This is him dissing his customers.)

More important, though, employment laws don’t allow volunteers to work on a for-profit farm. That means the activities by visitors on the farm cannot replace work an employee would usually perform. Confusd here. Can you simplify what you are saying? This means they have to keep them from doing meaningful work which makes me even more keen to lose the previous quote.

Neither do the volunteers at Pie Ranch pay to work. The optional tours, however, cost $12-20 a person while the dinner and dance costs $15-20.

The events do “help subsidize us as an organization,” Albuquerque said. However, 44 percent of its income comes from grants and donations and the majority of the rest comes from their harvest and farm training programs.

Consequently, tours, dinners and dances are more important to foster an involved public than as an immediate income source.

“Our priority is to engage people in that culture of being connected to their food in the farm,” Albuquerque said. “And for us that creates the customer base.”

Only 15 miles up the coast, though, Harley Farms operates a much different business model.

**Regulation halting growth?**

Agritourism events often need approval by their respective county. And throughout California, potential agritourism operators often complain about confusing regulatory requirements, according to Leff. In particular, zoning requirements on how farm land may be used can make it difficult for farms to take advantage of opportunities.

In San Mateo County, tourism cannot supplant agriculture as the location’s main source of income. Such regulations are viewed as a way to ensure that agriculture is not used as a false pretext to obtain cheaper farmland. The county also has rules that place limits on anything from the number of hay mazes to hay rides on a property.

Guidelines were created in 2012, however, to streamline an approval process that once took six months.

Nonetheless, places such as Harley Farms have to deal with legal requirements at the local, state and federal levels. And burdensome regulations can discourage agriculture.

“Compliance is suffocating people’s creativity and need for survival,” Harley said.

**New Beginning**

“Everybody’s life changed and our business kind of went through the roof,” Harley said of the 2008 financial crisis.

Revenues from Whole Foods’ sales were declining. Yet more and more people were showing interest in visiting the farm as a daytrip from places such as San Francisco, Santa Cruz and Monterey.

“I took a big risk and said, ‘Okay, we are coming out of the stores,’” Harley said.

By completely stopping the wholesale of her cheese, Harley began to sell 95 percent of it at the farm’s onsite store. The other five percent was supplied to local businesses. To supplement, she created ninety-minute to two-hour public tours of the farm. A couple of years later, she added farm dinners. And now for a $150 a person, guests get a tour of the farm and eat dinner.

“Agritourism completely thrust our business forward,” Harley said. “We were a success.”

The tours start in the edible flower garden, where the 108-year-old farms history is discussed. Next visitors meet the goats in their pasture and learn about the day in the life of a goat in their farm. The tour finishes by looking into the silos and dairy production facility to see how the cheese is made.

Today Harley Farms has three main sources of income and agritourism is nearly half of it. Roughly 10 percent comes from the goat tours, 35 percent from dinners and private events and the remaining percentage comes from retail sales from their shop.

And all the energy Harley used to give to packaging and shipping for her wholesale business has been put into the shop to create value added products such as jam and bath and body lotions.

“It [agritourism] fundamentally funds the farm staying small,” Harley said.