

Increasing Income with Diverse Sources

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It wasn't so long ago in Florida when cattle were worth more than the land they grazed on. Those were the open range days, the good old days, when the cattle grazed for miles and miles without any fences.

In 1942 my family bought 16,000 acres of the prettiest land in Florida, which consisted of oak hammocks, Florida flatwoods, virgin pine timber, and miles of waterfront along the Crystal River and Gulf of Mexico.

Our land was once roamed by Indians. The famous Crystal River Indian mounds are close by, dating back to the Inca and Aztec eras.

The old stage coach road runs right through the ranch. Judah Benjamin, the Confederate Secretary of State, also rode through there on his way south to escape the Yankees after the fall of Richmond.

Hollinswood Ranch has always been worked. Even in the open range days there was a great deal of turpentine produced here. Some of the old pine trees still bear the scars of slashes cut into the bark to let the sap run down. The still, living quarters, and general store were located across U.S. 19 in what is now a subdivision. Now and then as I walk through the woods, I find a turpentine pot.

Hollinswood was a home to some early pioneer settlers. Also on our land there is a cemetery which dates back to before the Civil War. The old, hard pine Red Level Baptist Church is more than 100 years old.

Let me tell you how my family came to own the ranch.

The Hollins family had a golf course in St. Petersburg which faced hard times during the last stages of the Great Depression. We bought 500 head of cattle and let them graze on the fairways. When the golf course was ready to reopen we needed a new home for the cattle. We purchased 16,000 acres from an estate for development as a ranch. The price was \$1 per acre. The taxes that first year were more than that so we sued and won. The taxes last year were \$32,000. We paid.

Some of my earliest memories go back to the annual round-ups. To use an old saying, my sisters and I always had "our hands in the fire." I got into a lot of trouble at Hollinswood but I had a lot of fun, too.

I graduated from the Rochester Institute of Technology in 1971 and went to work in the family printing business in St. Petersburg. We sold the printing business in 1973. I moved up to Citrus County to run the ranch and have lived there ever since.

The rising costs of fuel, equipment, and labor have made cattle ranching an unprofitable business in many parts of Florida. We prefer not to sell any land, so at Hollinswood we have diversified.

This is the land of Osceola, the warrior chief of the Seminole Indians who fought the United States Army to a standstill 150 years ago and have yet to sign a peace treaty.

When we bought the ranch in 1942, the population of the entire county was less than 5,000—and declining. Things stayed pretty much that way until about 1960, when developers discovered the beautiful rivers, lovely hills, and cheap land.

In 1960 the population was 17,000, in 1970 it was 50,000 and in 1980 it was 70,000. The 1990 Census is expected to show more than 90,000 people, and about 125,000 will be living here by the turn of the century—just 12 years away.

Oranges and grapefruit were the big crops in Citrus County when it was formed in 1887; thus the origin of its namesake. Today we grow retirees. They come down by the thousands from New York, New England, and the Midwest.

The planners say we will see younger people moving in during the next few years to fill the jobs in the service industries and manufacturing plants that are just beginning to spring up. Citrus County is on the northern fringe of the booming Suncoast area of Tampa-St. Petersburg and the southern edge of the even faster-growing Gainesville-Ocala area.

Hollinswood has not entirely escaped the effects of that growth. The Florida Power Corp. took a portion of our Gulf frontage for its principal generating complex, which includes Crystal River III, the only nuclear power plant on Florida's west coast.

The northern part of Hollinswood is home to the straightest river you have ever seen—the western terminus of the Cross Florida Barge Canal. The barge canal was the dream of the 19th Century pioneers who saw it as a shortcut to the long voyage around the peninsula and through the Florida Keys.

During the late 1960s, the Nixon Administration killed the canal under pressure from railroad interests and environmentalists cutting clear through our property, much work had been completed before the canal project was abandoned. Most everyone feels the land along the canal will eventually develop industrially, though no-one is holding his breath waiting for it to happen.

Obviously, Hollinswood is no longer an isolated piece of Florida hinterland. We are being hemmed in on all sides by development and are ideally situated for eventual industrial development ourselves.

Remember, however, I am a rancher and plan to stay that way. I have a plan for developing Hollinswood to take advantage of the land's potential but to also leave me with little bit of Heaven—about 5,000 acres of improved pasture and virgin forest, wetlands, and natural beauty. Actually "plan" is not a good word. Much of it has already been put into action. Hollinswood is now in the cattle, mining, timber, nursery, and hunting business.

When the federal government started serious work on the Barge Canal, we called in Reynolds, Smith, and Hill, Florida's largest engineering company, to develop a plan for turning part of the property into an industrial park. Though the barge canal will never be finished, we still see developmental potential for that portion of the property.

During the 1960s, while I was in school and my father was running the ranch, we began the diversification program.

Planted Timber

At that time we had between 1,200 and 1,500 head of cattle with about a 50% calf crop for market each year. Due to the rising costs of everything but the price of meat, it turned into a losing operation. My father entered into a 30-year contract with the Brunswick Pulp and Paper Company and put 5,000 acres into planted timber.

The Brunswick contract put some money in our pockets. It pays more than half of the property taxes for the entire ranch every year, and, when the it expires in 1996, we hope to split about \$6 million with them.

Back in those days timber and cattle didn't mix. So we sold all our cattle. But once a cattleman, always a cattleman, so we bought a small herd of purebred brahma cows, which to us were pets. But then Florida got into the brucellosis program and I haven't petted once since.

The herd grew. We ran out of improved pasture and in the 1970's the timber company agreed to let our cattle back into the planted timber. Today we have about 800 head of crossbred cattle.

The cattle operation generates about \$45,000 a year but is not profitable. Like many of you, I am encouraging all of my friends to forget their doctor's advice and eat more beef.

Mining

In 1972, Gulf Coast Aggregates contracted with Hollinswood Ranch to mine limerock on our property for shipment via the Cross Florida Barge Canal to areas along the Gulf coast. The good Lord blessed Hollinswood with a great deal of high quality lime rock.

The 30-year contract calls for a minimum of \$60,000 per year in royalties and last year generated about \$80,000 for Hollinswood.

For those of you who don't know, mining is a "hard hat" business. You need to protect yourself from the rocks, the insults, and other verbal abuse neighbors and bureaucrats throw at you.

I spend a lot of my time at public hearings explaining the effect of mining on the aquifer, the environment, and on my neighbors' homes and peace of mind. Despite the frustrations, mining is a good business and we are now preparing to expand into a second operation elsewhere on our property.

Hunting

We are also in the hunting business. It may sound strange, but on a cost-versus-income basis, we make more money from our deer herd than we do from our cattle herd.

Hunting has always been a prime activity at Hollinswood. Several years ago we noticed the doe-to-buck ratio was out of balance and asked the state for some help managing our herd.

A biologist from the Florida Game and Fresh Water Fish Commission has been working with us for about six years now. About three years ago we set up a hunting lease on 2,000 acres of land at \$4 per acre. We had to close lease when the mine expanded. We now have another hunting lease on 6,000 acres of land at \$11 per acre.

We anticipate setting up one or perhaps two additional hunting leases on the property. It is one of the most enjoyable businesses we are in and I highly recommend it to those

of you with suitable property.

Palm Trees

As all of you owners of raw land know, people are forever knocking on your door and asking if they can dig up a few trees. Most of them bring three trees to the front gate to pay you and take about 30 out the back gate.

We happened to come across an honest man who wanted palm trees. We let him dig on the ranch for about three years. He took out about \$35,000 worth of trees before he retired in 1985. That ended the palm tree business at Hollinswood but we are now into a much more profitable tree business.

Tree Nursery

Hollinswood Tree Nursery is a fairly new business. We have approximately 20 acres in live oaks, lural oaks, magnolias, and crepe myrtle.

As I mentioned earlier in this speech, Citrus is a fast growing county. Developers need trees for their homesites.

Last year we sold \$120,000 worth of trees. As you can imagine, many of those were simply brokered by us. It takes about three years to prepare a tree for transplanting. Eventually we hope to supply all our needs from our own nursery and are in the process of planting an additional 20 acres.

Other Businesses

We also, from time to time, get into other small businesses. Right now we combine bahia seed in our improved pasture, which helps pay for fertilizer for the pasture. We also have some beehives under contract, which doesn't generate much money, but does produce a lot of honey for gifts at Christmas time.

As you can see, the diversification program at Hollinswood has been underway for more than 20 years.

It reminds me of the story about a young bull and an old bull on a hill. The two bulls stood on the hilltop and looked down into a pasture full of heifers. The young bull said, "Let's run down and breed a few of those heifers." The old bull replied, "Let's walk down . . . and breed them all."

We are trying to take our time at Hollinswood and "breed all our heifers."

As I mentioned, we have a very sophisticated plan for development for Hollinswood. Over time we expect to see much of the property near the barge canal developed for industrial uses. However, the plan has set aside about 5,000 acres for permanent protection as a ranch and natural area. Everything we are doing is designed to enable us to generate sufficient income so we can enjoy the undeveloped portions of Hollinswood.

I would *like* to tell you that I spend *all* my time managing the property, but that isn't so. Times are changing everywhere and it is just about a fulltime job to keep up with land use regulation and its effects on our property and businesses. I spend a lot of time at zoning and planning hearings, water management board meetings, state legislative hearings and with lawyers, engineers, accountants and other consultants.

100 years ago, ranchers had to defend their property from the Indians. Today it is a war of words but the fight goes on.

Owning and operating a ranch the size of Hollinswood is a much more complicated affair than it was 50 years ago, but it is still a fascinating business and I wouldn't trade it for any other job in the world.