Agricultural and California Economy

CALAFCO University
Agriculture and Open Space

Mike Darnell
California Policy Director
American Farmland Trust

July 11, 2008
Why is protecting California Farmland Important?

- Diverse/temperate Mediterranean climate
- Relatively predictable rainfall patterns
- Rich alluvial soils
- High mountains to east (capturing snow)
- Water storage/delivery systems
- Proximity to Asian Markets
- Historically solid infrastructure: research/education, transportation, energy, water projects ($9.3 Billion Bond)
California Farm Income

- **76,000 Farms and Ranches produced $31 Billion of Farm Income in 2006**
  - Fruits and Nuts - $10 Billion
  - Livestock and Poultry - $7 Billion
  - Vegetables and Melons - $6 Billion
  - Greenhouse and Floriculture - $4 Billion
  - Field Crops - $3 Billion
California Farm Income 2006

• Top Ten Agricultural Products
  • Milk and Cream - $4.5 Billion
  • Grapes - $3 Billion
  • Nursery and Greenhouse - $2.8 Billion
  • Almonds - $2 Billion
  • Cattle - $1.7 Billion
  • Lettuce - $1.6 Billion
  • Strawberries – $1.2 Billion
  • Tomatoes - $1.1 Billion
  • Flowers - $1.0 Billion
  • Hay - $1.0 Billion
California dominates U.S. Specialty Crops Production

- Almonds, Walnuts and Pistachios: 100%
- Figs, Dates, Olives, Kiwi, Raisins, Pomegranates: 100%
- Plums/Prunes: 97%
- Processing Tomatoes: 95%
- Apricots: 95%
- Avocados: 91%
- Grapes: 87%
- Strawberries: 60%
- Peaches: 46%
- Vegetables: Very high percentage
California Exports

- Exports reached $9.8 Billion in 2006
- Fifth Largest Supplier of Food and Agriculture Worldwide
- 24% of Ag Production Sold Overseas
- 150 Countries
- Top Three Account for 60% of Exp. Sales
  - Europe - $2 Billion
  - Canada - $1.9 Billion
  - Japan – $1.0 Billion
- Almonds, Wine, Rice, Lettuce and Strawberries
Threats to California Agriculture

- Loss of irreplacable, high quality farmland to development
- Inadequate and unreliable year to year water supply
- Inadequate and unreliable labor availability
- Increasing costs of transportation
American Farmland Trust
New Report

Paving Paradise:
New Perspectives on California Farmland Conversion
✓ Quality of the Farmland Developed
✓ Efficiency of Development
✓ Rural Ranchettes
Highest Quality of Farmland being Developed

- 61% of all development between 1990 and 2004 was on high quality farmland
- Only 39% of all land in the Central Valley is high quality
- Direct development to less productive farmland
- Most cities in the Valley are in the middle of high quality farmland
High Quality Farmland As Proportion of All Land Developed in Region 1990-2004

Northern Counties
Sacramento Valley
Sierra Foothills
Bay Area w/o SF
Bay Area
San Joaquin Valley
Central Coast
Southern Cal w/o LA
Efficiency of Development

• Currently paving over an acre of land in the Valley for every 8 new residents
• If we were develop more efficiently, we can save over 500,000 acres of high quality farmland by 2050.
• Good news is that demographic trends are showing that people want smaller yards and low maintenance homes.
• APA says that we may have built enough single family, detached homes
<table>
<thead>
<tr>
<th>Rank</th>
<th>County</th>
<th>Gross Production 2005 (Millions)</th>
<th>People Per Urban Acre 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fresno</td>
<td>$4,640</td>
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<td>2</td>
<td>Tulare</td>
<td>$4,361</td>
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<td>3</td>
<td>Kern</td>
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<td>Monterey</td>
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<td>5</td>
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<td>6</td>
<td>Stanislaus</td>
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<td>7</td>
<td>San Joaquin</td>
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<td>8</td>
<td>San Diego</td>
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<td>9</td>
<td>Kings</td>
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<td>10</td>
<td>Imperial</td>
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<td></td>
<td>State Total/Average*</td>
<td>$38,362</td>
<td>7.2</td>
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</table>
Rural Ranchette Development

• The biggest threat to farmland is rural ranchette development
• Four counties have good data on 1.5 to 10 acre ranchettes, these parcels comprise about 25% of all the land devoted to non-farm developed areas.
• What is wasteful is that these are housing only two percent of the population of these counties.
# California Statewide Summary

<table>
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<tr>
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<td>Agricultural Land Subtotal</td>
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<td>33,707</td>
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<tr>
<td>Total Area Converted to Urban</td>
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- **Water Area**
- **Total Area Converted to Urban**

**Details - See map of statewide farmland at far right**
AFT Farmland Policy Priorities

• Direct Development Away from High Quality Farmland
• Increase Efficiency of Urban Development
• Reduce Impacts of Ranchettes
• Encourage Counties and Cities to adopt Agricultural Protection Policy
Model LAFCO Agricultural Protection Policy

• AFT would like to work with a small group of LAFCO representatives who can help AFT create a model LAFCO Agricultural Protection Policy

• AFT is dedicated to helping you create a more consistent LAFCO policy to protect high quality agricultural land
Positive Outlook on California Agriculture

- High Quality Farmland Available
- Financially Solvent Growers
- Demand for California Grown Food will continue to grow
  - Strong Global Economy
  - Weak U.S. Dollar
  - China increased demand for food
- California Agricultural Industry responds quickly to supply and demand
American Farmland Trust
Contact Information

• Mike Darnell, California Policy Director
  • mdarnell@farmland.org
  • (530) 755-1644
  • Website: www.farmland.org/California
• Check out the new report:
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