



JULY 2014

The background of the cover is a wide-angle, aerial photograph of a lush green agricultural field. The field is filled with rows of young plants, likely a vineyard, stretching towards the horizon. In the background, there are rolling hills with some trees and a clear blue sky.

A CALL TO ACTION

to Preserve California Agricultural Land

About CRAE

The California Roundtable on Agriculture and the Environment (CRAE) is an alliance of agricultural, environmental, regulatory, and social justice leaders seeking to promote an agriculture and food sector that is economically viable, environmentally sound and socially responsible. CRAE calls upon state and local governments and other decision-makers to take immediate concerted action to protect California's agricultural land for the present and future food, economic, and environmental security of the state and all its residents.

This call to action document and its policy recommendations are endorsed by the following members and affiliates of the California Roundtable on Agriculture and the Environment and its Ag Land Preservation Working Group:

Ag Council of California
American Farmland Trust
Audubon California
California Association of Resource Conservation Districts
California Climate and Agriculture Network
California Grape and Tree Fruit League
California Rice Commission
Community Alliance with Family Farmers
Defenders of Wildlife
Environmental Defense Fund
Markon Cooperative
Roots of Change
San Joaquin Resource Conservation District
Santa Clara County Open Space Authority
Sustainable Conservation
The Nature Conservancy

Corny Gallagher, SVP, Food, Ag and Wine Executive,
Bank of America Merrill Lynch
Holly King, King-Gardiner Farms
Richard Rominger, Rominger Brothers Farms

Special thanks to CRAE's institutional members for support of this effort:

Almond Board of California
California Department of Conservation
California Department of Food and Agriculture
University of California Agriculture and Natural Resources
United States Department of Agriculture —
Natural Resources Conservation Service
State Water Resources Control Board



Introduction

California's agricultural lands (its ranches, farms, vineyards, dairies, and rangeland) are a foundation of the state's economic and environmental health, culture, and quality of life. In addition to producing food, many ranches and farms in California are managed in ways that provide important environmental benefits and ecosystem services, such as habitat for migratory birds and the rest of California's diverse and globally unique flora and fauna. But the relentless conversion of agricultural lands to non-agricultural uses is eroding those values and benefits, and threatens our capacity to produce adequate and needed amounts and types of food, our environmental health, and our economy. Within just the past two decades, more than a half million acres of California agricultural land have been converted to urban uses — one sixth of all the land developed since the Gold Rush.

This conversion is concentrated on agricultural land of the highest quality and productivity. In the state's most significant agricultural regions, roughly two-thirds of all the land being developed is prime, unique, or statewide important agricultural land. Compounding this, for every acre of agricultural land developed, only nine new residents are being accommodated — an inefficient use of a scarce resource.

This irreversible loss has been documented in numerous reports and studies by government agencies, academic institutions, and agricultural and conservation organizations. The citizen, farmer, and community concern over the loss of agricultural land has, over the years, led to numerous public and private sector initiatives, policies, programs, plans, and other efforts to stem the tide of conversion and prevent the further loss of California's most basic and irreplaceable resource. Except in a few localities, these efforts have been inadequate to stem the loss of agricultural land, which continues unabated at the rate of about 30,000 acres per year.

Today, the pressures on California agricultural land seem to be gathering additional momentum rather than being dissipated by effective policies. New and significant threats such as high speed rail, increased oil and gas development, and utility-scale solar development put tens, if not hundreds, of thousands of acres of agricultural land at risk. These threats arise in addition to the ongoing land-use inefficiencies of urban and suburban sprawl and rural and semi-rural "ranchette" development. No one agency or collection of agencies is monitoring their cumulative impact. Indeed, the state's Farmland Mapping & Monitoring Program, our only and best effort to track the loss of agricultural land, has been crippled by funding cuts, as have our longest-standing agricultural land conservation programs, the Williamson

IN THE STATE'S MOST SIGNIFICANT agricultural regions, roughly two-thirds of all the land being developed is prime, unique, or statewide important agricultural land.



Photo: California Farm Bureau Federation

DEFINITION OF TERMS, PART 1

■ **Agricultural Conservation Easement**

An agricultural conservation easement is a voluntary, legally recorded deed restriction that is placed on a specific property by a landowner to limit the type or amount of current and future urban development on their property, while retaining private ownership of their land. An agricultural conservation easement goes further to maintain agricultural land in active production by removing the development potential of the land. Such an easement prohibits practices that would damage or interfere with the agricultural use of the land. Because the easement is a restriction on the deed of the property, the easement remains in effect even when the land changes ownership. Agricultural conservation easements are created specifically to support agriculture and prevent urban development on the subject parcels. Landowners throughout California and the country are using agricultural conservation easements as a practical option for protecting their valuable land. Agricultural conservation easements can be an important financial tool, providing an influx of capital and/or tax benefits that can assist the landowner in financing capital improvements to the land, retirement planning, purchasing additional land, or paying off loans, etc. While other benefits may accrue because the land is not developed (scenic and habitat values, for example), the primary use of the land is committed to agriculture. In establishing an agricultural conservation easement, a landowner works with an easement holder, typically a land trust or local government agency, to negotiate the terms and restrictions to be included in the easement. Mandated mitigation for development on agricultural land may require the acquisition of agricultural conservation easements on other agricultural land. In such a case, it is the responsibility of the developer, working through an easement holder, to purchase negotiated easements from willing sellers.

■ **LAFCO**

Local Agency Formation Commissions (LAFCOs) exist in 58 California counties to encourage the orderly formation of local governmental agencies, to preserve agricultural land resources, and to discourage urban sprawl, according to the California Association of LAFCOs. LAFCOs are responsible for coordinating logical and timely changes in local governmental boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structure, and preparing a sphere of influence for each city and special district within each county.

LAFCO decisions strive to balance the competing needs in California for efficient services, affordable housing, economic opportunity, and conservation of natural resources. LAFCOs must consider the effect that any proposal will produce on existing agricultural lands. By guiding development toward vacant urban land and away from agricultural preserves, LAFCOs assist with the preservation of valuable agricultural resources. LAFCOs also are intended to discourage urban sprawl that results in the inefficient delivery of urban services (police, fire, water, and sanitation) and the unnecessary loss of agricultural resources and open space lands. By discouraging sprawl, LAFCOs limit the misuse of land resources and promote a more efficient system of local governmental agencies.

Act and the California Farmland Conservancy Program. Compounding all of these pressures are the unknown impacts of climate change and uncertain water supplies, which will further strain our agricultural resources. While we recognize that conversion of some historic agricultural land to new uses may be inevitable and socially beneficial, there is no statewide analysis or policy that would guide responsible conversion decisions. Never before has California agricultural land been under greater pressure from a wider variety of threats, and never before have state and local policies appeared to be so defenseless against these threats.

The members of CRAE believe that opportunities do exist for strategic and effective agricultural land conservation and that it is imperative that we act upon them. At stake is the world's fifth-largest supplier of food and agriculture commodities, and California's \$43 billion annual agricultural industry that generates \$100 billion in related economic activity. This not only represents a wealth of jobs in agriculture and in related processing and support industries, but also wildlife and plant habitat values and other vital ecosystem services from working lands, the state's food security, and the food security of the rest of the nation and other parts of the world that rely upon California's agricultural production. Furthermore, the economic viability and character of California's rural communities are similarly threatened, as is urban California consumers' reliable access to local, fresh food.

The land-use decisions that will shape the future of California agriculture begin with individual landowners. CRAE recognizes that economic and other pressures often force the hand of agricultural operators into choosing to sell or convert their land to non-agricultural

uses. CRAE respects the rights of these individual landowners to make these decisions, difficult though they may be. While respecting property rights, CRAE also believes that the protection of agricultural land can be accomplished in ways that respect these rights. At the same time, CRAE recognizes that the public has a vital interest in assuring the adequacy of its food supply and that government has a legitimate role to play in planning and regulating land use and in avoiding, minimizing, and mitigating the loss of agricultural land. The recommendations contained in this call to action are intended to provide a maximum amount of flexibility, incentives, tools, and options for landowners, government agencies, and communities to confront the challenges posed by the rapid conversion of agricultural land while simultaneously protecting and balancing these private rights and the public's interest.

Policy Recommendations

CRAE recognizes the severity of the threats described above and the urgent need for immediate, bold action. Accordingly, we call upon the Governor and the legislature to create a California Agricultural Land Preservation Policy and Strategy that incorporates the following recommendations intended to make protection of agricultural land a priority for local and state governments, and to provide resources and create incentives for voluntary protection of agricultural land in collaboration with willing landowners.

INFORMATION RESOURCES

In order to fully assess the impacts of agricultural land conversion and to plan and respond appropriately, we need to ensure the existence of needed data, planning tools, and resources to inform our decisions. Accordingly, CRAE has identified the following as critical information needs:

- Provide consistent and adequate funding for the California Farmland Mapping and Monitoring Program (CFMMP) and expand its capacity to measure the agricultural and other impacts of farmland conversion, to effectively communicate its findings, and to support the study described below.
- Conduct a thorough study and analysis of California agriculture's future land and water needs based on a range of relevant assumptions. For this purpose, adapt modeling tools such as the Urban Footprint and climate change models to incorporate physical constraints, water supply limitations, and economic factors influencing agricultural production. Identify agricultural and grazing lands that are prime, unique, of statewide importance, and lands that have high habitat value.

DEFINITION OF TERMS, PART 2

■ **Mitigation**

The California Environmental Quality Act (CEQA) requires mitigation when the impact of a development project is significant, such as the loss of productive farmland to non-agricultural uses on a permanent or long-term basis. Local lead agencies, such as county or city planning departments, determine the mitigation requirements of proposed development projects. For example, the county of San Joaquin requires that for every acre of farmland converted to non-agricultural uses, another acre of farmland must be protected through conservation easements. Local lead agencies may work with land trusts or others with farmland conservation programs to identify willing landowners interested in placing a conservation easement on their property. When an easement is sought by the local lead agency, it is the developer of the farmland, not the seller of the farmland, who is responsible for paying mitigation fees.

■ **Metropolitan Planning Organization**

Metropolitan Planning Organizations (MPOs) are regional agencies established to plan and program transportation infrastructure in urban areas. MPOs are charged with transportation planning for urbanized areas, which includes all land that is projected for urbanization over a period of 20 years. There are 385 MPOs across the country with a primary focus on transportation planning. To varying degrees, MPOs also address planning concerns more broadly and their activities have increased in complexity over time. MPOs have governing boards that establish the policy for regional transportation planning.

PLANNING & LAND USE POLICY

Existing planning and land use policies can do more to reduce the rate at which agricultural land is being lost throughout the state. Several of these require strengthening, refocusing, or enhancing to minimize the loss of irreplaceable food production resources. CRAE believes the following actions are of the highest priority:

- The Governor's Office of Planning and Research should update its general plan guidelines to require that local land use elements include policies and implementation measures that will meet locally-determined, measurable objectives for reducing agricultural land conversion.
- The Governor's Office of Planning and Research should implement AB 857 (passed in 2002) to assure that all state investments in infrastructure advance the state planning priorities embodied in this law: urban infill, more efficient development, and the conservation of agricultural land and open space.
- Local Agency Formation Commissions (LAFCOs) should require local governments to demonstrate the need for expanding their boundaries onto agricultural land, based on more efficient development patterns.
- Amend LAFCO authorizing legislation (Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000) to allow LAFCOs the explicit authority to pursue establishment of buffers, easements, and other preservation and mitigation measures based on the unique circumstance of each county and to provide a mechanism for encouraging orderly growth in unincorporated areas in the same way as it does for cities.
- Call on the Strategic Growth Council to conduct a formal investigation of additional state and local actions that could decrease the loss of agricultural land.

FUNDING LONG-TERM & PERMANENT CONSERVATION

Financing long-term and permanent conservation of agricultural land represents a true commitment to agriculture and is a catalyst for broader action to conserve agricultural land. Compared to other agricultural states such as Vermont, Wisconsin, and Maryland, California spends far less on funding for agricultural land conservation. CRAE recommends the following actions to address these deficiencies:

- Reinstate state funding for the Williamson Act state subvention payments and consider improvements to make it more effective at protecting land subject to urban development pressure.
- Dedicate a portion of auction proceeds from the cap-and-trade program of the Global Warming Solutions Act of 2006 (AB 32) to achieve greenhouse gas (GHG) reductions on farmland and rangeland. With adjustments to quantify and monitor GHG reductions, auction proceeds could support programs that are consistent with the goals of AB 32, such as the Farmland Mapping & Monitoring Program, the Williamson Act, the California Farmland

EXISTING PLANNING AND LAND USE policies can do more to reduce the rate at which agricultural land is being lost throughout the state.



Photo: Ron Ross

Conservancy Program, the Rangeland, Grazing Land and Grassland Protection Program, and other programs that the California Air Resources Board determines achieve GHG reductions that are compatible with the objectives of AB 32.

- Provide statewide agricultural land mitigation guidelines for development projects, consistent with existing state law, to reflect the importance of various agricultural lands and discourage conversion of the most important agricultural lands.
- Require mitigation of the cumulative impacts to agricultural lands by oil and gas drilling projects.
- Require mitigation of impacts to agricultural lands by state-sponsored, financed or regulated large-scale infrastructure projects such as high-speed rail, highways, and energy facilities.
- Local Agency Formation Commissions (LAFCOs) should, as a condition of approval of local government boundary changes, fully consider mitigation of the conversion of agricultural land within those boundaries through acquisition of voluntary conservation easements.
- Strengthen the Sustainable Communities and Climate Protection Act of 2008 (SB 375) to provide agricultural land conservation tools to assist Metropolitan Planning Organizations in meeting their targets.
- Dedicate or develop new state and local funding sources for agricultural land conservation.
- Make advocacy for robust funding for federal agricultural land conservation programs a high priority for the State of California and its communities during every farm bill authorization cycle.
- Incentivize the creation of ecosystem services markets to support agricultural conservation.



SUPPORT FOR FARMERS & RANCHERS

It isn't farmland or agricultural land without farmers and ranchers. Ensuring that agriculture remains economically viable is an integral part of farmland conservation. There are many actions that can be taken to support agricultural business operations, reduce their costs, and maximize their options in response to economic challenges and other pressures. The more confident an operator is about their long-term viability, the more likely they are to consider conservation options for their land, and utilize the conservation easement tool as a valuable source of needed capital for their operations, expansion/conversion, retirement, succession planning, etc.

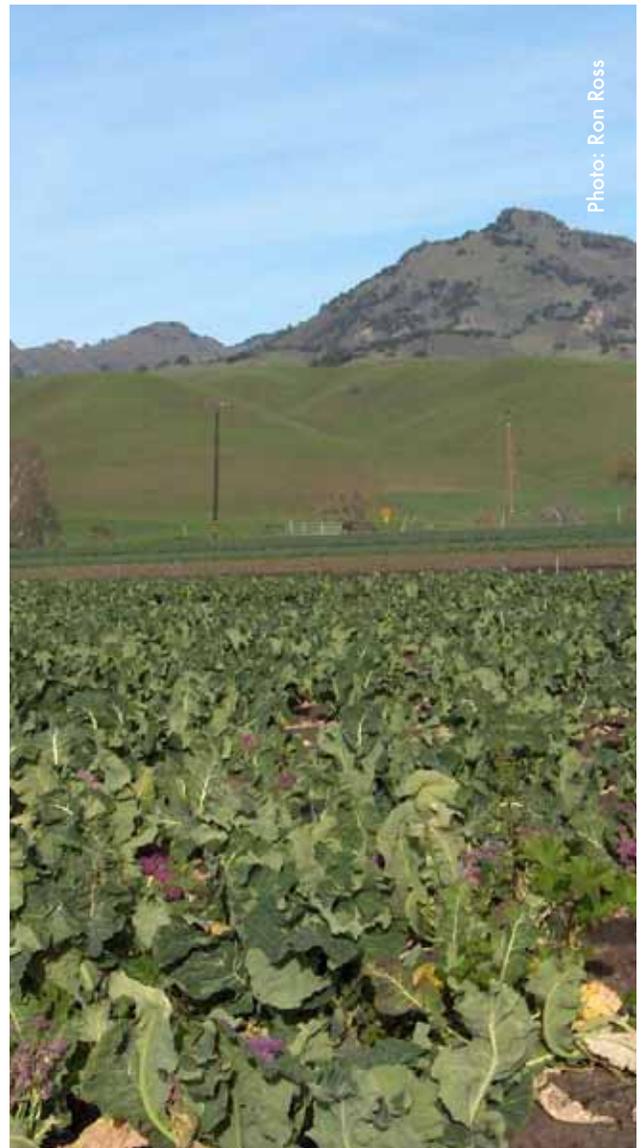
CRAE members will work together to advance solutions to agricultural economic viability challenges identified in the California

Agricultural Vision process and elsewhere, including:

- Ensuring strong global, national, and local markets for California agricultural products.
- Ensuring that regulations on agriculture are scientifically sound and economically feasible and adaptable to technological innovation.
- Ensuring that regulations promote outcomes over processes in ways that allow agriculture the flexibility to meet agricultural production and environmental goals.
- Ensuring a robust discussion and input from all interested stakeholders when proposing to advance regulations that will impact agriculture.
- Ensuring that regulatory enforcement is coordinated across agencies, levels of government, and issue focus areas so as to avoid overlapping and duplication in the process.
- Ensuring an adequate and thriving labor force.
- Working to improve supplies of affordable irrigation water in a manner that protects environmental values.
- Supporting the development and maintenance of adequate infrastructure such as processing facilities and roads for transporting products.
- Effectively detecting, excluding, and controlling invasive species.
- Ensuring that agriculture successfully adapts to climate change.
- Exploring and supporting mechanisms for valuing and compensating farmers for the ecosystem services provided to society and the environment by well-managed working agricultural lands.
- Cultivating the next generation of agricultural producers.
- Educating policymakers, the public, and consumers about the importance of supporting farmers and ranchers, agricultural land preservation, and California grown products.
- Supporting adequate and appropriate scientific agricultural research that increases agricultural viability and making the results widely available to the agricultural community.

The member organizations of CRAE further call upon the state, counties, cities, and towns of California and their elected officials; their planning, permit, land use, and water treatment and supply agencies and staffs; their boards, councils, and commissions; their funding agencies and authorities; and their communities, neighborhoods, trade associations, civic organizations, private foundations, and residents to adopt, endorse, and support these recommendations and pledge to implement them throughout the state.

CALIFORNIA LAGS FAR BEHIND
less productive agricultural
states in funding agricultural
land conservation.





FOR MORE INFORMATION, PLEASE VISIT:
aginnovations.org/roundtables/crae



The California Roundtable on Agriculture and the Environment (CRAE) is a project of Ag Innovations Network, a nonprofit organization dedicated to helping stakeholders solve systemic issues through effective collaboration.