

ODA report argues for thoughtful approach to development & ag land conversion

Report says Oregon agricultural lands a good investment

December 21, 2011 - Oregon farm land has long-term value that includes economic, environmental, and societal benefits that transcend short-term gains from developing or converting those lands. That's one of many conclusions offered by an Oregon Department of Agriculture report examining the costs of taking agricultural lands out of production and the payoffs for keeping them in farms.

"I've tried to give a big picture perspective on the value of agricultural lands in Oregon, and to recognize that once those lands are converted into development, they are pretty much gone for agricultural use," says Brent Searle, special assistant to the director and author of "A Comprehensive Valuation of Agricultural Lands: A Perpetual Investment in Oregon's Economy and Environment."

More than 16 million acres of land in Oregon is under farm or ranch operation, but also faces constant pressure in various parts of the state to re-develop or convert to other uses: especially the flat croplands with the highest capacity for production. The ODA report suggests that, in many cases, the best value of that land comes from keeping it in production agriculture. The analysis in the report does not argue against development, but promotes a thoughtful approach to development before converting lands to other uses by recognizing the broad benefits of farmland preservation.

"People need places to live and they need services that require development," says Searle. "But the more we expand onto our agricultural land, it's like cannibalizing the hand that feeds us. We need to be very thoughtful and cautious about where and how we build."

It wouldn't be difficult to convert flat farmland into housing or business developments, which admittedly could raise the value of that land significantly in the short term. But the report points out that productive value will not be added to that land following development. On the other hand, agricultural land is perpetually producing and is a renewable resource.

"You can only produce one crop of houses, but if that land remains in agriculture, you can produce a crop year after year after year," says Jim Johnson, ODA's land use specialist. "You can even change the crop to react to world markets and changing situations. But once that land is developed, it's very hard to change it

back to something else."

As detailed in the report, the economic benefits provided by agriculture are significant. Citing an Oregon State University study of agriculture's economic footprint, the ODA report lists the impact of all agricultural-related goods and services as being the state's second largest industry by most measures, only behind high tech. Agriculture is responsible for nearly 18 percent of all sales activity in Oregon, 20 percent of employment, and 15 percent of value-added activity.

"Agriculture is a key component of Oregon's economic activity," says Johnson. "Without land, water, and the ability to farm, we lose that base of economic activity."

Environmental benefits of agricultural lands are also detailed in the ODA report. A key message is that farmers and ranchers manage the land that sustains their operations. In most cases, that works out better for the environment than no land management at all. Growing a crop aids in carbon sequestration and water filtration. At some point during the year, Oregon farmland provides habitat to 75 percent of the state's wildlife. Farmland also provides green spaces and open spaces, not to mention scenic vistas and recreational opportunities.

Social amenities listed in the report include maintaining a local cultural heritage and the family farm structure. More than 1,100 farms and ranches have been operating in the same family for at least 100 years. It's hard, if not impossible, to find any other industry sector so sustainable to have that kind of longevity.

The value of keeping land in agriculture is one side of the equation. The other is the costs associated with development and conversion of farmland.

"A lot of people understand the up front costs of development, but they don't understand the long-term implications," says Johnson. "The development of roads, sewers, water - these are often subsidized by the developer. But people forget about the costs year in and year out to provide services like police, fire, and schools. Those infrastructure costs are there for a long time. With agricultural land, you get a lot of bang for the buck because there is little public investment needed to maintain the resource."

The ODA report quotes the American Farmland Trust, which says, "for every dollar spent in taxes for community services in New York State (schools, infrastructure, etc.), residential lands cost \$1.32 while agricultural lands cost \$0.21." By this measure, which is not unique to New York, developed lands require six times more in public tax dollars to support and maintain in public services than the same land

in agricultural use.

Conclusions drawn by the ODA report acknowledge the need for land to be developed. It's the how and where that seems to be most important.

"It may be time for people in the land use community to start asking where would be the best place to grow that would have the least impact on long term needs - needs that include agricultural production?" says Johnson. "When planners think about infrastructure for cities and other development, they need to start considering agricultural land as part of that infrastructure. Food is a basic need, just like water and sewer services, which are both considered infrastructure for growth."

The best agricultural land in Oregon most often tends to be where most of the state's people want to live. But the ODA report clearly advocates for co-existence by being smart about where development should occur and what is allowed to take place on farmland. Agriculture is a critical part of the state's current and future economy and environment. Sustaining a sufficient agricultural land base will keep it that way.

The ODA report is available at [click here](#)

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