

Conserving Oregon's Agricultural Lands

The Problem: Oregon's Agricultural Lands are Vulnerable

Farmers and ranchers are not only the foundation of our food system, they also provide open space and habitat, and are rural economic engines. Ag businesses hire local employees and circulate capital in their communities by doing business with local suppliers and service providers. Farmland is vital to ag businesses and the economic and conservation benefits they provide. Agriculture depends on ag land—and Oregon's ag land is threatened.

Almost two-thirds of Oregon ag land will change hands in the next 20 years

- A generation of Oregon farmers and ranchers is nearing retirement. Most do not have a succession plan.
- Many farmers and ranchers are “land-rich and cash-poor.” Ag land is often sold or developed to pay estate taxes and attorney fees, and to provide for the inheritance of non-farming children.
- It is getting harder to make a living at farming. With market fluctuations, a changing climate, and increasing costs of doing business, many farmers operate on slim margins.

Oregon's land use laws do not offer permanent protection

- Land use laws slow the loss of ag land, but more than 500,000 acres have been taken out of agricultural production since 1973.
- 65,500 acres have been rezoned out of Exclusive Farm Use (EFU).
- The number of non-farm uses permitted in EFU land increased from 6 uses to 50+; there are 7 ways to build a house on EFU land.
- Since 2004, claims under Measures 37 and 49 have resulted in 6,224 new dwellings and 3,940 new parcels, mostly on EFU land.
- Each legislative session, bills are introduced that would reduce farmland protections.

Oregon's system of planning “appears to be weighted more towards the ultimate conversion of agricultural lands to urban uses than to their protection as agricultural lands.”

- Oregon Dept. of Agriculture

Increasing price of ag lands make the sale of land for non-farm uses more likely

- From 2010 to 2015, 25-40% of Willamette Valley ag land sales were to investment or development entities.
- EFU land sells for over \$20,000/acre on average in 5 Oregon counties— which is difficult for farmers to afford.
- The price of ag land is increasing - the average price/acre of farmland doubled in Grant Co. in just 10 years.

When ag land is lost, surrounding farms and ranches suffer

- Exclusive Farm Use zones improve the efficiency of farms and ranches by putting them closer to processing facilities, supply stores, and other ag infrastructure, and help avoid conflicts with residential landowners.
- Farmers take on an extra \$15 in costs for every agricultural acre lost in the county, according to a recent study.
- The loss of ag land creates a negative spiral as farm and ranch owners invest less in their operations or sell their land because they think it will soon be threatened by development or fragmentation.

A Possible Solution: Create an Agricultural Land Trust in Oregon

A group of ag and conservation leaders including farmers, ranchers, and representatives of the Oregon Farm Bureau, Soil & Water Conservation Districts, the Coalition of Oregon Land Trusts, is exploring whether an organization designed to protect agricultural land might be needed and viable in Oregon. The other side of this page summarizes the concept being explored. The team is seeking feedback on the idea of an Oregon Agricultural Trust from farmers, ranchers, easement holders, potential donors, and other partners around the state.

Why explore a new Oregon Agricultural Trust?

Many states and regions have ag land trusts that help farmers and ranchers protect and pass on their land. Oregon recently created the Oregon Agricultural Heritage Program to support farm and ranch succession planning and land conservation in the state. An Oregon-wide ag land trust would build on the momentum of that program, and help ag landowners achieve their goals of passing on and protecting their land. It would complement the efforts of the existing land conservation community and fill gaps where needed.

Protecting ag land through “working land easements”

- A working land easement is a voluntary agreement between a landowner and an easement holder, like a land trust or a soil and water conservation district, to sell or donate the development rights on their property.
- A working land easement is a way for farmers and ranchers to:
 - ◆ *Preserve ag land and allow it to be used for agricultural production forever*
 - ◆ *Receive cash or charitable tax deductions in exchange for giving up development rights on ag land. This can be helpful in succession planning*
 - ◆ *Potentially make the land more affordable for the next generation*

Potential services of an ag land trust

- Hold working land easements
- Buy or receive donated properties, protect the land for ag use, and lease or sell the property to farmers and ranchers at a reduced price
- Educate farmers, ranchers, urban residents, youth, and leaders about the importance of farming and the need for agricultural land preservation
- Educate attorneys, accountants, and appraisers about working land easements and ranch and farm succession planning
- Help other organizations throughout the state support farmers and ranchers
- Advocate for policies and funding that help protect agricultural lands
- Match beginning farmers to land, and retiring farmers to successors

Ag land trust management

- Most ag land trusts around the U.S. are “farmer first”: their job is to help agricultural landowners achieve their business and conservation goals.
- Almost all ag land trusts prioritize farmers and ranchers as board members.

We want to hear from you

- We want to make sure any new organization addresses farmers’ and ranchers’ needs and is right for Oregon.
Thank you for sharing your thoughts!
- You can complete an online survey at <https://www.surveymonkey.com/R/OregonAgTrust>
- Contact Project Manager Nellie McAdams at agland@oregonlandtrusts.org, (971) 409 - 6806

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