



Chapter 4 Agriculture

This chapter examines agriculture in San Benito County including the effects of urban growth, trends in farm numbers and size, commodity market values, and other related topics.

Agriculture is the dominant land use in San Benito County, accounting for about 75 percent of the total land area. It is also a major part of the local economy, considering the direct work of farms and ranches, the activities of processing and other businesses that give value to the commodities produced by the land, and the services that support agricultural enterprises. Agriculture is the county's largest industry with a 2007 gross value of agricultural commodity sales totaling \$293 million.

This chapter contains the following sections:

- Regulatory and Compensatory Setting (Section 4.1)
- Urbanization and Agricultural Land (Section 4.2)
- Farms and Farmers (4.3)
- Agricultural Commodity Income (Section 4.4)





CHAPTER 4. AGRICULTURE

San Benito County General Plan

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4.1 REGULATORY AND COMPENSATORY SETTING

Introduction

This section describes the current (1992) General Plan provisions and other programs used by San Benito County to protect agricultural land and support local agriculture. This section reviews a variety of agricultural land conservation methods, including regulatory, compensatory, planning, and informational. Agricultural landowners are subject to regulatory programs or participate voluntarily in incentive-based programs. Some programs are managed by agencies other than the County, such as nonprofit land trusts, the regional council of governments, the Local Agency Formation Commission, and cities with their separate land use and zoning powers.

Regulatory Setting

Most programs described in this section are authorized by State law which gives local governments and other agencies the authority to create land conservation methods through their regulatory and spending powers. Counties and other agencies have a great deal of discretion in designing program details and applying them to particular circumstances. Some programs are regulatory while others are voluntary or policy-oriented. These programs are summarized below and discussed in more detail later in this section.

1992 San Benito County General Plan. State law (Government Code) mandates that each county and city in California adopt and periodically update a general plan with seven elements: land use, circulation, housing, conservation, open space, noise, and safety. Local agriculture is usually addressed in the land use, conservation, and open space elements of general plans. Local governments also have the discretion under the law to adopt a separate agricultural element which some counties have done. The 1992 San Benito County General Plan addresses agriculture in the Land Use Element and in the Open Space and Conservation Element.

Agricultural Zoning. Zoning is the mechanism used by California counties and cities to organize different land uses and establish standards of urban development and resource preservation. Agricultural zoning is the principal regulatory device for protecting agriculture from urbanization, by assigning parcel size requirements and allowable uses to different classifications of agricultural land.

Williamson Act. Formally known as the California Land Conservation Act of 1965, this voluntary program combines compensation and regulation. In return for reduced property taxes, based on the value of agricultural use rather than open land market prices, farmland owners agree to maintain their land in agricultural production for a minimum period of time. Landowners contract with a county or city for 10-year rolling terms, automatically renewed every year unless deliberately terminated. A newer version of this arrangement, the Farmland Security Zone program, provides for 20-year renewable contracts and greater tax reductions. Enrollment in either version is voluntary for both parties (landowners and local governments). Contracts are terminated through one of two principal procedures:

- **Contract Nonrenewal.** Initiated by either the landowner or county and resulting in a nine-year phase-out of the contract.



- **Contract Cancellation.** A more demanding process that allows immediate termination, but requires the Board of Supervisors to make certain findings and imposes State fees that represent a portion of the past property tax benefits.

Additional features of the program include: (1) the requirement that contracted parcels be located in designated “agricultural preserves” and (2) annual State payments (“subventions”) to participating local governments as partial reimbursement for the loss of local property tax revenue.

Right-to-Farm Ordinance. Along with most other California counties and a few cities, San Benito County has a Right-to-Farm ordinance. The ordinance addresses the problem of urban growth encroaching on agricultural land by seeking to reduce nuisance complaints about farm operations from residential neighbors. This is an educational and disclosure measure, not a regulatory requirement. Using several different disclosure methods, purchasers and existing owners of residential property are informed about the local importance of agriculture and the possible negative impacts of residing near normal farm operations. The ordinance is intended to protect existing farming operations from pressure to cease or curtail operations when residential development occurs nearby. This seems to be working well, as the County’s Agricultural Commissioner averages less than two complaint per year regarding active agricultural operations.

Agricultural Conservation Easements. Like Williamson Act contracts, agricultural easements are voluntary and combine elements of landowner compensation and regulation, but to a far more substantial extent on both counts. Conservation easements typically eliminate, in perpetuity, the development rights from affected parcels; this is the most enduring and definitive form of avoiding urbanization and keeping land in farming. Landowners voluntarily sell their future development rights for cash, tax benefits, or a mix of both, keeping all other rights of ownership. Typically, the economic benefit of an easement is the difference between its value in agricultural use and its development potential market value. Landowners negotiate terms and sell their easements to government agencies or (more commonly in California) nonprofit land trusts, which are responsible for monitoring parcel use to ensure compliance with the easement terms. Legally recorded in property deeds, easements run with the land and are not affected by ownership changes.

Agricultural easements are a relatively new tool for protecting farmland from urbanization and have been in use in the United States for only three decades (25 years in California). Agricultural easements are simply a different version of the broader conservation easement technique that has been employed for more than a century, mostly to protect lands with important natural resource, open space, and historic values. Millions of acres of agricultural land, mostly used for animal grazing or other low intensity farming have been put under easements throughout the nation for these other resource preservation purposes. “Agricultural” easements have a different primary target – keeping the land in agricultural production rather than protecting natural resources – although both purposes sometimes can be accommodated by the same easements depending on the commodities grown and farm practices used. The term “stacking” refers to layering multiple conservation easements on the same parcel.

Local Agency Formation Commission (LAFCO) Boundary Controls. Under California’s much amended Cortese-Knox-Hertzberg Act, each county has a Local Agency Formation Commission with the power to review and decide on proposals for the expansion of city or special district boundaries. LAFCOs lack official authority over land use, but their boundary decisions, especially those dealing with city expansions, certainly can influence the local pattern of urbanization and its impact on agricultural land.

Like most LAFCOs, the San Benito County LAFCO is a five member body with two members from the Board of Supervisors, two members from city councils in the county, and one public member (three alternate members, one from each category). State law requires LAFCOs to consider agricultural land and open space preservation in all decisions related to expansion of urban development.

Major Findings

- The guiding agriculture-related principles of the 1992 San Benito County General Plan are to protect agriculture as a leading industry in the county, to avoid conversion of high-value agricultural land to other uses, and to maintain parcels large enough for economical operations.
- More than 580,000 acres of agricultural land are currently (2009) under Williamson Act contract, which constitutes about 70 percent of all agricultural land in the County. The number of contracts has increased slightly since 1991. There is relatively little enrolled land located on the peripheries of cities and unincorporated communities.
- San Benito County has a strong Right-to-Farm ordinance.

Existing Conditions

County General Plan

The 1992 San Benito County General Plan is the starting point of this review of agriculture. This section outlines the agriculture-related policies of the current plan and the specific implementing actions that are called for, especially those concerning farmland protection.

In dealing with the subject of agriculture, the 1992 General Plan concentrates on the importance of protecting farmland in the face of development pressures, especially the increase in rural residential development. There are specific sections on agriculture in the Land Use Element and in the Open Space and Conservation Element. Overall, the policies and actions identified below address two separate but related dimensions of how urbanization affects agriculture in San Benito County: 1) the conversion of agricultural land to residential and other non-farm uses; and 2) the impacts of nearby non-farm uses on existing agricultural operations.

Land Use Element

Below is a summary of the seven policies and related actions in the Agriculture section of the Land Use Element of the General Plan. The policies address topics such as lot sizes, allowed uses, priority soils, mitigation of impacts of development, and agricultural land preservation.

- **Policy 1.** The agriculturally designated areas of the County shall be developed at a low-density use (5-acre minimum lot size).
- **Policy 2.** The type of uses allowed within the agriculturally designated areas shall be related to the suitability of the soil resources, climate, and water supply. The types of uses allowed on most agriculturally designated areas within the County include agriculture, agricultural processing, grazing, land in its natural state, wildlife refuges, and low-intensity residential. Uses subject to use permit approval include low-intensity recreational facilities, mineral extraction



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San Benito County General Plan

and processing, and also institutional uses and uses that, by their nature, should be located in undeveloped areas.

- **Policy 3.** Grade 1 soils as defined in the Soils Survey of San Benito County shall be the highest priority for protection of soil resources.

Actions:

- a) Development proposals in the following locations will be exempt from Policy 3.
 - i. Grade 1 soils located within the Sphere-of-Influence of a public sewer and water district.
 - ii. A parcel surrounded by property developed at the maximum density allowed in the applicable zoning category on at least three sides.
 - iii. Grade 1 soils in the Soils Survey of San Benito County that have been determined to be Grade 2 or less from an on-site soils test performed by a soils engineer.
 - iv. Grade 1 soils in the Soils Survey of San Benito County that do not have a historical agricultural use.
- **Policy 4.** Development proposals adjacent to Grade 1 agricultural lands and soils suitable for the production of row crops, flowers, or orchards shall be required to mitigate potential land use conflicts with agricultural operations.

Actions:

- a) Development proposals shall provide a non-development buffer beginning at the property line of the proposed development.
 - b) Development proposals shall not be allowed to increase the volume or velocity of storm water runoff to adjoining agricultural lands.
 - c) Landscaping plans for the non-development buffer areas shall be reviewed to ensure that vegetation will not create intrusive shade, a habitat for pests, or other nuisance to the agricultural operator.
- **Policy 5.** Encourage the private development of participatory recreational facilities, such as riding areas, camping facilities, and hunting clubs.

Actions:

- a) Allow riding areas, camping facilities, and hunting clubs as conditional uses on Agricultural Rangelands.
- b) Allow riding areas and hunting clubs as conditional uses on Agricultural Productive lands.

- **Policy 6.** Use available legislative means to preserve agricultural areas.

Actions:

- a) Assist landowners to apply for Williamson Act contracts, when requested.
 - b) Investigate the use of any other legislative methods to preserve agriculture.
 - c) Continue to utilize Ordinance 557 (Agricultural Community Disclosure).
 - d) Encourage agricultural conservation easements and encourage clustered development on the lesser productive soils of the development parcel in the agricultural productive land.
- **Policy 7.** It is the policy of the County to consider transfer of development credits (TDC) programs, land trusts, and purchase of development credits (PDC) programs to provide financial incentives to protect and preserve agricultural soil resources and to protect the integrity of important agricultural areas for future use.

Actions:

- a) Explore identifying areas for potential TDC and/or PDC programs.
- b) Investigate establishing a density bonus to developers that transfers development credits from prime agricultural lands to existing communities and residential areas.
- c) Encourage General Plan amendments that will increase population densities to include receiving areas.
- d) Consider the exclusion of hazardous areas (100-year flood, fault zones) from a TDC or PDC programs.
- e) Research the establishment of a local non-profit land trust for the preservation of agricultural lands for the production of food and fiber.
- f) Explore the possibility of allowing property tax benefits pursuant to Internal Revenue Service regulations and subsequent amendments for property in a land trust.

Conservation and Open Space Element

There are two goals, four policies, and relate actions that directly relate to agriculture in the Conservation and Open Space Element of the General Plan. The objectives of these policies, as listed under Goal 6, are:

- To encourage and protect agriculture as a viable industry in the county.
- To provide financial incentives to protect the most productive soils resources.
- Stabilize land values for persons interested in purchasing agricultural land while providing economic incentives to landowners to avoid conversion of row crop and orchard land.



The following are the goals, policies, and actions:

- **Goal 5:** To protect and preserve the agricultural identity of the County.
- **Policy 25 - Legislative methods to protect agriculture and rural identity.** It is the County's policy to use the Williamson Act, agricultural zoning, and legislative means, where appropriate, to preserve agricultural resources, maintain a rural identity, and to define and shape the urban form. Residential growth should be directed to where services are already provided and to the least productive agricultural lands.

Actions:

1. The County should reaffirm and encourage the use of the Williamson Act for the preservation of its agricultural resources. This should include those areas identified on Figure 4 and parcels adjacent to those already contracted into the Williamson Act.
 2. The County should adopt the Agricultural zones which allow only agricultural and compatible uses as indicated in the Land Use Element.
- **Goal 6 Agricultural Resources:** To continue agriculture as an industry in the county and to preserve present agricultural resources for future generations.
 - **Policy 26 - Support agricultural industry.** It is the policy of San Benito County to promote and support the location of new agriculture related business and industry and support programs that promote local agricultural products and increase marketing opportunities.
 - **Policy 27 - Options for estate planning.** It is the policy of the County to recognize that there are financial options to farmers/ranchers for estate planning purposes such as land trusts.
 - **Policy 28 - Maintain viable sizes for agriculture.** It shall be the policy of the County to assure that units of land which are suitable for agricultural purposes are maintained.

Actions:

1. In areas of Agricultural zoning, the County will establish minimum lot sizes appropriate to the land use and soil resources.
2. Discourage the subdivision of agricultural lands suitable for the production of fruit, nut, and row crops to parcel sizes that are ineligible for inclusion in the Williamson Act contracts.
3. Discourage the formation or revisions to spheres-of-influence on agricultural lands suitable for the production of row, fruit, or nut crops.

Besides a focus on farmland issues, a comprehensive approach to the agricultural protection issue demands some attention to the other side of the urban-agriculture relationship, namely the manner in which the County plans for and controls development.

The Land Use element includes objectives, goals, and policies to coordinate with the cities of Hollister and San Juan Bautista on land annexation and ensure that growth is being directed to the cities prior to the unincorporated areas. For example, Land Use Policy 15, states that “the majority of development with a density greater than two units per acre shall occur within the cities...and Paicines Ranch Resort.” Other Land Use policies that encourage development of neighborhood plans (Land Use Policy 21) and support small-scale neighborhood commercial uses (Land Use Policy 24) directly support the development of compact community centers, help reduce traffic, and protect undeveloped agricultural land.

Agricultural Zoning

There are two agricultural zoning classifications in San Benito County: the AR (Agricultural Rangeland) and AP (Agricultural Productive) classifications both cover commercial agricultural operations, with the former zone intended to cover grazing land and the latter zone covering more intensive agricultural uses such as tree, vine, and field crops. In addition, agricultural uses are allowed on a small scale in some non-agricultural zones including the following: R (Rural), RT (Rural Transition), RR (Rural Residential), and R1 (Single-Family Residential).

Minimum parcel size requirements in the AR zone are generally intended to maintain larger parcels suitable for grazing operations and to discourage residential subdivisions. The minimum parcel size in the AP zone allows for subdivisions at up to five acres per unit densities.

The two zones together contain 868,168 acres, or 97.6 percent of all land in the county. AR is the dominant agricultural zone, with more than 800,000 acres. The proportions of agriculturally-zoned land in the unincorporated county are shown in Table 4-1 below. Figure 4-1 shows the distribution of agriculturally-zoned land throughout the county

As well as setting out minimum parcel size, agricultural zoning protects farm operations by prohibiting urban-related uses. San Benito County's zoning regulations are fairly restrictive in this regard, prohibiting most forms of retail, service, manufacturing, and public activities in agricultural zones. One notable exception is “commercial recreational uses,” including but not limited to, RV parks, hunting clubs, and riding clubs.

From a farm enterprise perspective, the key question about allowed uses in agricultural zones is to what extent they include farm-related businesses, such as produce sales, processing, bed and breakfast accommodations (i.e., agri-tourism), and wineries, that add to a farm operator's income. These uses are generally allowed by conditional use permits in the AR and AP zones (with a few minor exceptions the two zones allow the same uses). Seasonal stands for the sale of agricultural produce grown on the premises where the stand is located are allowed outright. Permanent stands for the sale of agricultural products require a conditional use permit.



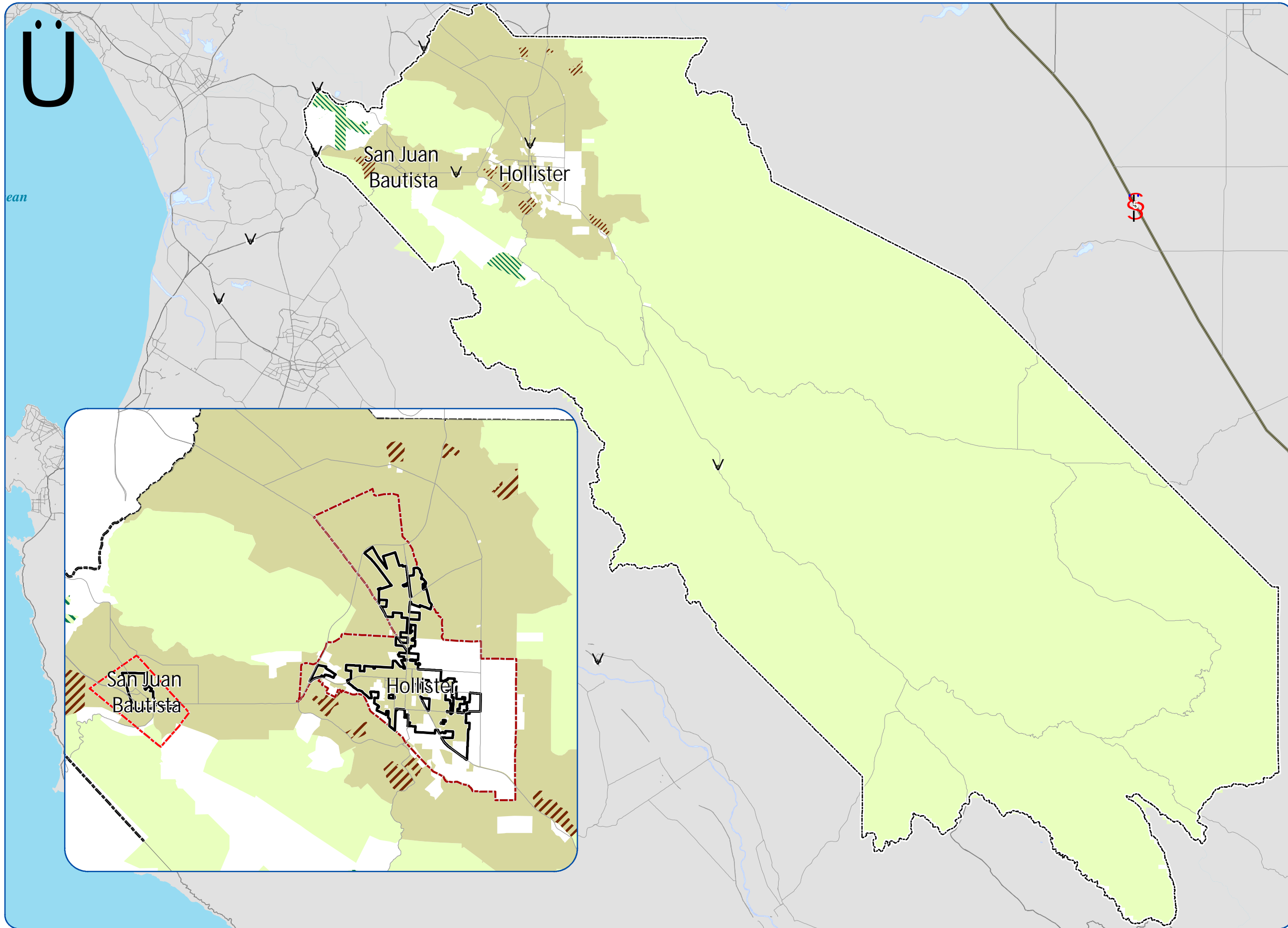
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**TABLE 4-1
AGRICULTURAL ZONING DISTRICTS
San Benito County
2009**

Zoning District	Purpose	Minimum Parcel Size (Acres)	Total Acres Countywide
AR: Agricultural Rangeland	Provide areas for agricultural rangeland purposes as set forth in the general plan.	40 acres	800,454 (90.0%)
AP: Agricultural Productive	Provide areas for agricultural production of any type as set forth in the general plan.	5 acres	66,914 (7.5%)
Non-Agricultural Zones (C1, C2, M1, M2, MR, R1, RM, RR, RT, and R)	Various	Various	22,264 (2.5%)
TOTAL			889,632 (100.0%)

Source: San Benito County Zoning Ordinance; San Benito County GIS, 2009; and Mintier Harnish, 2009.



**FIGURE 4-1
AGRICULTURAL
ZONING
DISTRICTS**

**San Benito County
2009**

Legend

- San Benito County Limit
- San Juan Bautista City Limits
- San Juan Bautista SOI
- Hollister City Limits
- Hollister SOI
- Agricultural Productive
- Agricultural Productive PUD
- Agricultural Rangeland
- Agricultural Rangeland MR



Source: San Benito County,
Geographic Information Systems Data,
October 7, 2009



The Williamson Act Program

The Williamson Act (The California Land Conservation Act of 1965) is administered by the California Department of Conservation's Division of Land Resource Protection. The following is a description of the Williamson Act program from the Division: "The California Legislature passed the Williamson Act in 1965 to preserve agricultural and open space lands by discouraging premature and unnecessary conversion to urban uses. The Act creates an arrangement whereby private landowners contract with counties and cities to voluntarily restrict land to agricultural and open-space uses. The vehicle for these agreements is a rolling term 10 year contract (i.e. unless either party files a "notice of nonrenewal" the contract is automatically renewed annually for an additional year). In return, restricted parcels are assessed for property tax purposes at a rate consistent with their actual use, rather than potential market value."

The Open Space Subvention Act (OSSA) was enacted on January 1, 1972, to provide for the partial replacement of local property tax revenue foregone as a result of participation in the Williamson Act and other enforceable open space restriction programs. Participating local governments receive annual payment on the basis of the quantity (number of acres), quality (soil type and agricultural productivity), and, for Farmland Security Zone contracts, location (proximity to a city) of land enrolled under eligible enforceable open space restrictions.

Like almost all of the counties in the state, San Benito County participates in the Williamson Act program. However, the County does not address the Farmland Security Zone (FSZ) provisions of the Act enacted in 1998. The FSZ provides for longer-term contracts (20 years instead of 10) and larger property tax decreases.

The State provides the framework of rules and procedures, but counties and cities directly administer the Williamson Act and have some flexibility to impose more stringent enrollment and compatible use requirements. San Benito County implements the Williamson Act in Article 2 (Agricultural Preserves) of Chapter 19.01 (Agricultural Provisions) of the San Benito County Code of Ordinances. The County established an Agricultural Preserve Advisory Committee to review any application to establish new agricultural preserves or any application to alter existing agricultural preserves. The Committee also reviews any request for a determination of compatible use and makes recommendations to the County Board of Supervisors. The Agricultural Preserve Advisory Committee meets regularly twice a year.

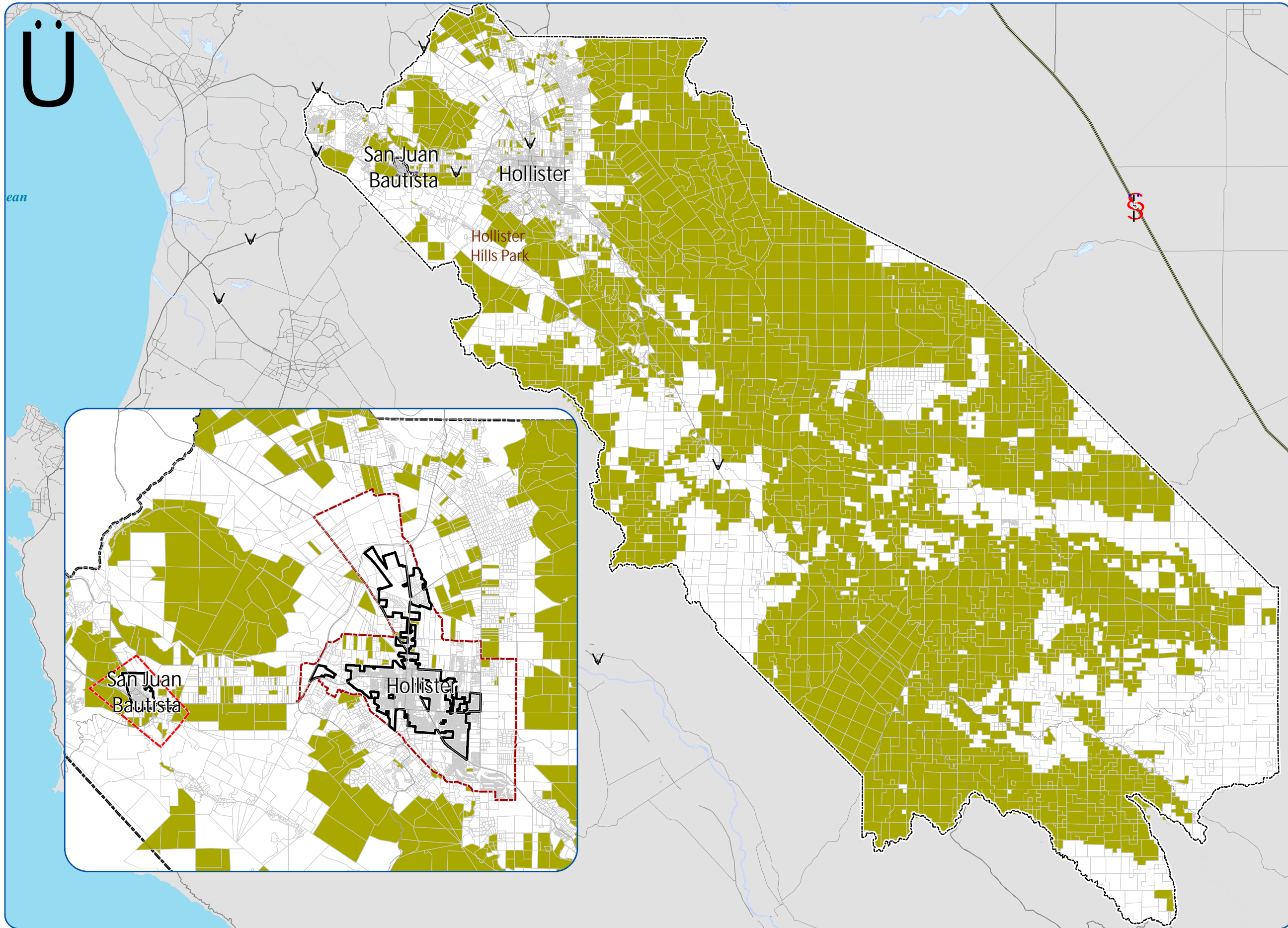
As set forth in County Code Section 19.01.021(D)(1)(a), the minimum required acreage for a potential or existing agricultural preserve is:

- 10 acres of orchards, vineyards, or irrigated vegetable and field crops;
- 40 acres of irrigated pasture or dry-land farmed land;
- 160 acres of grazing land; or
- A combination of actual acreage in any of the above categories; provided that the sum of the percentages in any of the above categories equals or exceeds 100 percent. The percentage of acreage in each category is calculated by dividing the actual acreage in each category by the minimum acreage required in that category.

The following are the details of the County's participation in the program:

- 583,522 acres were enrolled as of 2007 (see Figure 4-2).
- 52,529 enrolled acres, or 9 percent of the total Williamson Act contract lands are prime agricultural land.
- Total enrolled acres increased by 3,057 acres from 1991 (the earliest year for which data is available) to 2007.
- 82 properties containing 8,675 acres, or 1.5 percent of all enrolled acres, were listed as nonrenewals as of 2007 (see Figure 4-2 for nonrenewals shown by the year of expiration).
- San Benito County received \$762,000 from the State of California in subvention funds in 2007, as partial compensation for the property taxes lost through the program; \$238,000 of this total, or 31.2 percent, was for properties on prime agricultural land.







The State has currently (Winter 2010) significantly reduced Williamson Act subvention payments to local government. The Department of Conservation website stated the following: "While subvention payments have been customary for many years, they have never been guaranteed. The Williamson Act contracts between landowners and local governments are important to the state's agricultural production and remain in force, regardless of the availability of subvention payments. Landowners and local governments can non-renew Williamson Act contracts, but the Department doesn't anticipate a mass exodus from the program. Once the economy rebounds, the Department is hopeful that subvention payments will be available again and the Williamson Act program will continue to have a significant, positive impact on California agriculture and land-use planning."



**FIGURE 4-2
WILLIAMSON ACT
CONTRACTS**

**San Benito County
2009**

Legend

-  San Benito County Limit
-  San Juan Bautista City Limits
-  San Juan Bautista SOI
-  Hollister City Limits
-  Hollister SOI
-  Williamson Act

0 1.5 3 6 Miles



Source: San Benito County,
Geographic Information Systems Data,
September 10, 2009

The Environmental Quality Incentives Program (EQIP)

The U.S. Department of Agriculture's (USDA) Natural Resources Conservation Service (NRCS) runs the Environmental Quality Incentives Program (EQIP). EQIP is a voluntary program that provides financial and technical assistance to farmers and ranchers who face threats to soil, water, air, and related natural resources on their land. According to the EQIP program description, "through EQIP, the NRCS provides financial incentives to producers to promote agricultural production and environmental quality as compatible goals, optimize environmental benefits, and help farmers and ranchers meet Federal, State, Tribal, and local environmental regulations." EQIP offers contracts with a minimum term that ends one year after implementation and a maximum term of ten years.

The 2008 Farm Bill (The Food, Conservation, and Energy Act of 2008) clarified EQIP purposes to include forest management and energy conservation, as well as practices related to organic production and fuels management. Priority is given to water conservation or irrigation efficiency applications that will reduce water use or where the producer agrees not to use any associated water savings to bring new land under irrigation production.

According to the County Agricultural Commissioner, in 2007 there were 36 applicants for EQIP grants in the county and 12 received funding. In 2008 there were 26 applicants and 6 received funding. In 2008 projects included livestock fencing, stockwater systems, and irrigation improvements.

Right to Farm Ordinance

San Benito County has adopted a comprehensive "right to farm" ordinance, which is contained in Article 1 (Agricultural Community Disclosure) of Chapter 19.01 (Agricultural Provisions) of the San Benito County Code of Ordinances.

Section 19.01.002 of the County Code states that "Since the county is an agricultural community, much property lies within, or adjacent to, a zoning district that allows some form of agricultural operations to exist. Therefore, owners and possessors of property in the county should expect that the use and enjoyment of their property will depend on the subject zoning district's permissible and conditional uses, which uses in many cases will be a form of agricultural operations."

The provisions of Article 1 of Chapter 19.01 require a disclosure statement be mailed on an annual basis to all owners of property in the county in conjunction with the annual tax statements. County Code also requires a disclosure form be submitted in all property transfers in the county. Finally, all leases of real property in the county are required to incorporate the disclosure statement.

According to the Agricultural Commissioner (2009), on an annual basis there are typically only one or two complaints about agricultural operations made by neighbors. This office also believes that the Agricultural Community Disclosure requirements are successful in informing the community about agricultural operations and keeping complaints at a low level.

In the interest of trying to avoid litigation for disputes arising from agricultural operations, Section 19.01.006 of the County code provides for a mediation process. Upon request for mediation, the parties are given a list of five county officials: the Agricultural Commissioner, the Director of the Cooperative Extension, the County Counsel, the Planning Director, and the Public Works Director. Each side shall eliminate one official, leaving three officials to form the Mediation Committee.



LAFCO Boundary Controls

In reviewing and approving city and special district plans to expand their boundaries, county-level LAFCOs in California can indirectly but significantly influence the urbanization of agricultural land. Periodic LAFCO updates of city Spheres of Influence (SOI), that theoretically project up to 30 years of development into the future, especially can have this influence, since they help determine the direction and pace of municipal expansion. City annexation approvals are less decisive in this regard, since they follow and must comply with the more long-term SOI designations.

Transfer of Development Credits

The San Benito County Board of Supervisors formed the Transfer of Development Credits Advisory Committee (TDC Committee) in late 2004/early 2005 to research and recommend the best methods to preserve the agricultural and grazing industries and the environmentally sensitive open spaces of the county.

The TDC Committee analyzed the total capacity for housing units in the county and found that there is sufficient lands set aside in urban residential (34,006 units), agricultural productive (15,268 units), and agricultural rangeland (16,479 units). They identifies that while “one home per five acre housing project may be nice places to live...they generate very few homes and take productive farmland out of the system in large chunks.” Instead of recommending that the County simply downzone agricultural productive/rural lands and agricultural range lands to 10- or 20 acre parcels they developed a set of Transfer of Development Credit principles that both protect private land values and protect productive lands. The TDC Committee recommended that these principles or guidelines be incorporated into an Transfer of Development Credits and Clustering ordinance.

4.2 URBANIZATION AND AGRICULTURE LAND

Introduction

As the previous section described, the County has policies and programs for conserving farmland in the path of urban development. This section documents the reasons for those policies, and the underlying tensions between residential growth and the sustainability of local agriculture. Most obvious of these tensions is the conversion of farmland to urban uses, a continuing trend made more pronounced by the location of expanding cities in the midst of level and fertile farmland. Less visibly prominent than large and relatively compact residential subdivisions are the scattered development of rural residences that have the potential to interfere with agricultural operations. And finally, this section considers the land use conflicts that occur when new urban development is located adjacent to farms and ranches, the so-called urban-agriculture “edge” issue.

Regulatory Setting

See Regulatory Setting in Section 5.1.

Major Findings

- About 75 percent of the total land area in San Benito County is agricultural land. 91 percent of the agricultural acreage is grazing land and 4 percent is prime farmland.

- The County lost 7,300 acres of agricultural land between 1992 and 2008, a decline of 0.8 percent.
- The best agricultural soils have been disproportionately affected by the conversion of farmland to urban use. From 1990 to 2004, almost half of the land that was converted to urban uses was prime farmland.
- The amount of prime farmland declined by over 30 percent and the amount of other important farmland declined by almost 39 percent from 1992 to 2008. The majority converted to grazing land.
- Since the majority of San Benito County's high quality farmland is located near developed areas, there is high potential exposure of agricultural operations to non-farm residences and other forms of urban development. This suggests the potential for conflict between agricultural operations and residential neighbors. However, on an annual basis, typically only one or two complaints are officially made about agricultural operations by neighbors.
- From 1990-2004 San Benito County had a relatively low amount of farmland conversion to urban uses compared to other counties in the Central Coast region. San Benito County was 5th out of 7 counties in all agricultural acres converted to urban and built-up use. However, the county was ranked 1st in the percentage of high quality (prime, unique, statewide importance) agricultural land converted to urban uses.
- San Benito County was ranked 2nd out of the 7 Central Coast counties in the efficiency of urban development (people per new urbanized acre).

Existing Conditions

Farmland Categories

The California Department of Conservation administers the Farmland Mapping and Monitoring Program (FMMP). The FMMP was established in 1982 to assess the location, quality, and quantity of agricultural lands and conversion of these lands over time to urban or other uses. The FMMP uses aerial photography and soils information to generate reports every two years on the quantity and status of agricultural land statewide and for individual counties. The minimum mapping unit is 10 acres for most land uses and 40 acres for grazing land. As shown in Table 4-2, the FMMP uses five different categories for agricultural land and three others for "urban and built-up," other land uses, and water. Four of the agricultural categories – prime, statewide importance, unique, and local importance – are collectively labeled as "important farmland" and generally cover cultivated acres or farms that grow plant crops. The fifth agricultural land category identifies rangeland used for livestock grazing.

As shown in Table 4-2, agricultural land made up more than 75 percent of the total land area in San Benito County in 2008 (the most recent report year). Of this agricultural land total, 91 percent was grazing land. Prime farmland made up 4.3 percent of all agricultural land. Urban and built-up acres were slightly under 1 percent of the total land area.



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San Benito County General Plan

Figure 4-3 shows the distribution of the FMMP land use categories in San Benito County in 2008. As shown in the map, Prime Farmland is concentrated in the San Juan Valley to the north and east of San Juan Bautista, and in the Bolsa De San Felipe to the north of Hollister.

**TABLE 4-2
AGRICULTURAL AND OTHER LAND USE CATEGORIES
IN THE FARMLAND MAPPING AND MONITORING PROGRAM
San Benito County
2008**

Land Use Category	Definition	Acres	% of Total Mapped Acres	% of Total Agricultural Acres
Prime Farmland	"...best combination of physical and chemical features able to sustain long-term agricultural production...has soil quality, growing season, and moisture supply needed to produce sustained high yields." In irrigated production some time during the previous four years.	28,701	3.2%	4.3%
Farmland of Statewide Importance	Similar to prime, "but with minor shortcomings, such as greater slopes or less ability to store soil moisture." In irrigated production some time during the previous four years.	6,588	0.7%	1.0%
Unique Farmland	"...lesser quality soils used for the production of the state's leading agricultural crops." Usually irrigated, but may include nonirrigated vineyards or orchards. Cropped at some time during the previous four years.	2,399	0.3%	0.4%
Farmland of Local Importance	"...of importance to the local agricultural economy as determined" by the county board of supervisors.	23,234	2.6%	3.5%
Grazing Land	"Land on which the existing vegetation is suited to the grazing of livestock." Minimum mapping unit is 40 acres.	612,456	68.9%	91.0%
Urban and Built-up Land	"...occupied by structures with a building density of at least 1 unit to 1.5 acres, or approximately 6 structures to a 10-acre parcel." Used for residential, industrial, commercial, and other developed purposes.	7,902	0.9%	N/A
Other Land	Examples include rural residences, brush, timber, wetland, confined animal facilities, etc.	206,968	23.3%	N/A
Water Area	Water bodies	1,140	0.1%	N/A
TOTAL	All FMMP mapped lands	889,388	100.0%	

N/A: not applicable












Source: California Department of Conservation, Farmland Mapping and Monitoring Program, 2008.

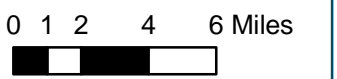


FIGURE 4-3 FMMP CATEGORIES

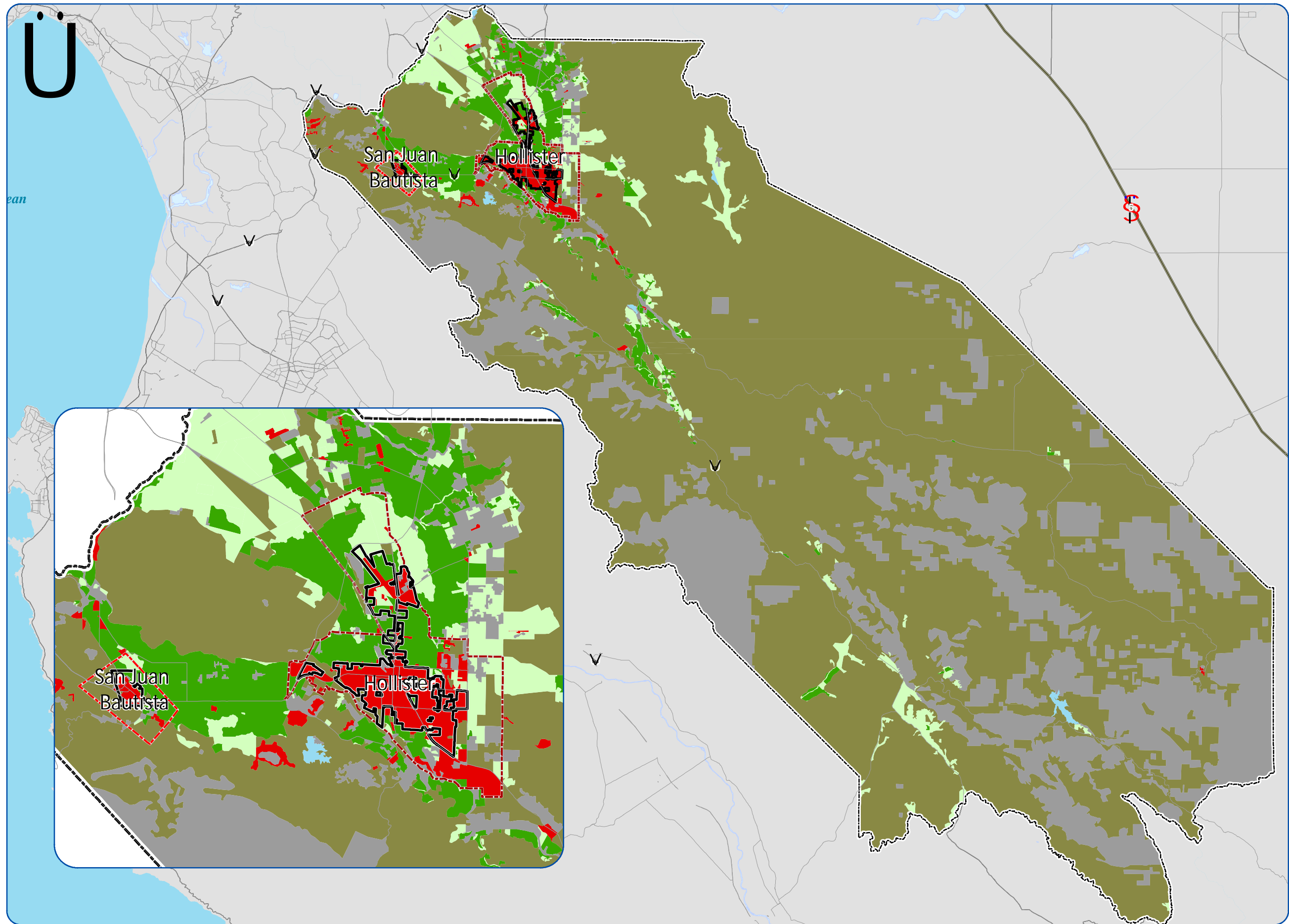
San Benito County
2008

Legend

-  San Benito County Limits
-  San Juan Bautista City Limits
-  San Juan Bautista SOI
-  Hollister City Limits
-  Hollister SOI
-  2008 Urban and Built-up Land
-  Prime Farmland
-  Grazing Land
-  Other Important Farmland
-  Water
-  Other Land



Source: California Department of Conservation, Farmland Mapping and Monitoring Program, 2008
October 7, 2009





Farmland Conversion Trends

Representing about 75 percent of the county’s land base, most of the land available for potential urban development in San Benito County is agricultural. Table 4-3 shows the change in the FMMP land use categories from 1992 (the earliest year for which digital data is available) to 2008. As shown in the table, 2,309 acres were converted to urban uses from 1992 to 2008. Based on the map of FMMP land use categories shown in Figure 4-3, much of this conversion is presumed to have occurred on high value farmland including Prime Farmland.

In its 2007 report, *Paving Paradise: A New Perspective on California Farmland Conversion*, the American Farmland Trust analyzed FMMP data for 1990 to 2004 for all California counties. Out of the total 2,191 acres that converted to urban uses in San Benito County over that time period, 966 acres (or 44 percent) were on Prime Farmland, with another 137 on other high quality farmland.

As shown in Table 4-3, from 1992 to 2008, total agricultural land decreased by more than 7,000 acres. However, the Prime Farmland and Other Important Farmland decreased by 12,627 and 20,520 acres, respectively. Some of this converted to urban land uses and some to rural residential uses, but the majority converted to Grazing Land, which increased by almost 26,000 acres from 1992 to 2008. This is likely due to farmers taking land out of crop production because of water availability and other economic feasibility issues.

Land Use Category	Acres 1992	Acres 2008	1992-2008 Change	Percent Change	Average Annual Change in Acres
Prime Farmland	41,328	28,701	-12,627	-30.55%	-486
Other Important Farmland ¹	52,741	32,221	-20,520	-38.91%	-789
Grazing Land	586,632	612,456	25,824	4.40%	993
Total Agricultural Land	680,701	673,378	-7,323	-1.08%	-282
Urban and Built-Up Land	5,593	7,902	2,309	41.28%	89
Other Land ²	201,873	206,968	5,095	2.52%	196
Water Area	1,093	1,140	47	4.30%	2
TOTAL	889,260	889,388	-	-	-

¹Includes other categories—farmland of statewide importance, unique farmland, and farmland of local importance. The increase in total acreage is due in large part to a change in designation of prime farmland and grazing land to other farmland categories.

²“Other” includes rural residences, brush, timber, wetland, and confined animal facilities.

Source: California Department of Conservation, *Farmland Mapping and Monitoring Program, 2008*.

Comparing 1992 and 2008, Figure 4-4 shows (in red) areas that converted to the Urban and Built-Up land use category during this period.

County Comparisons

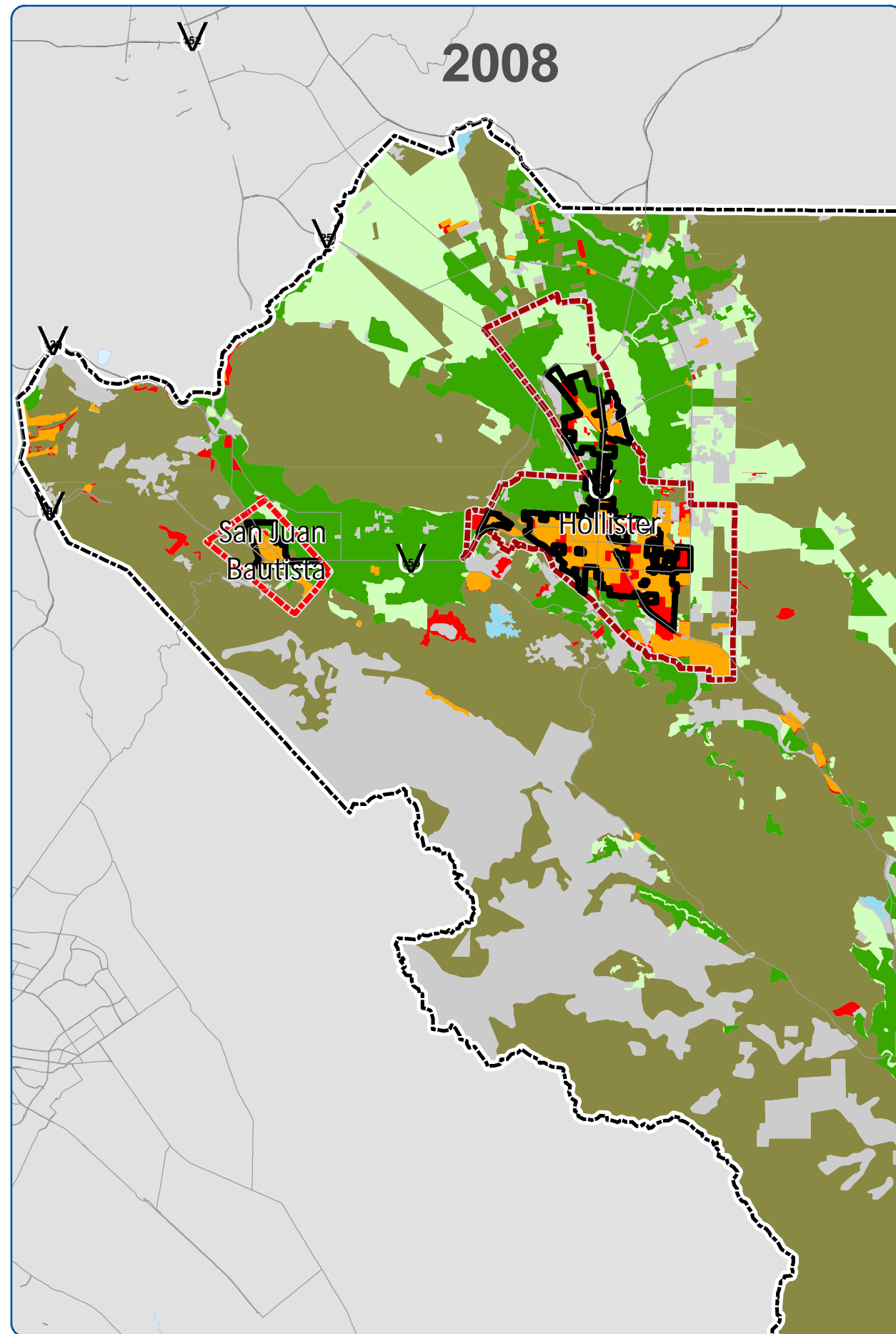
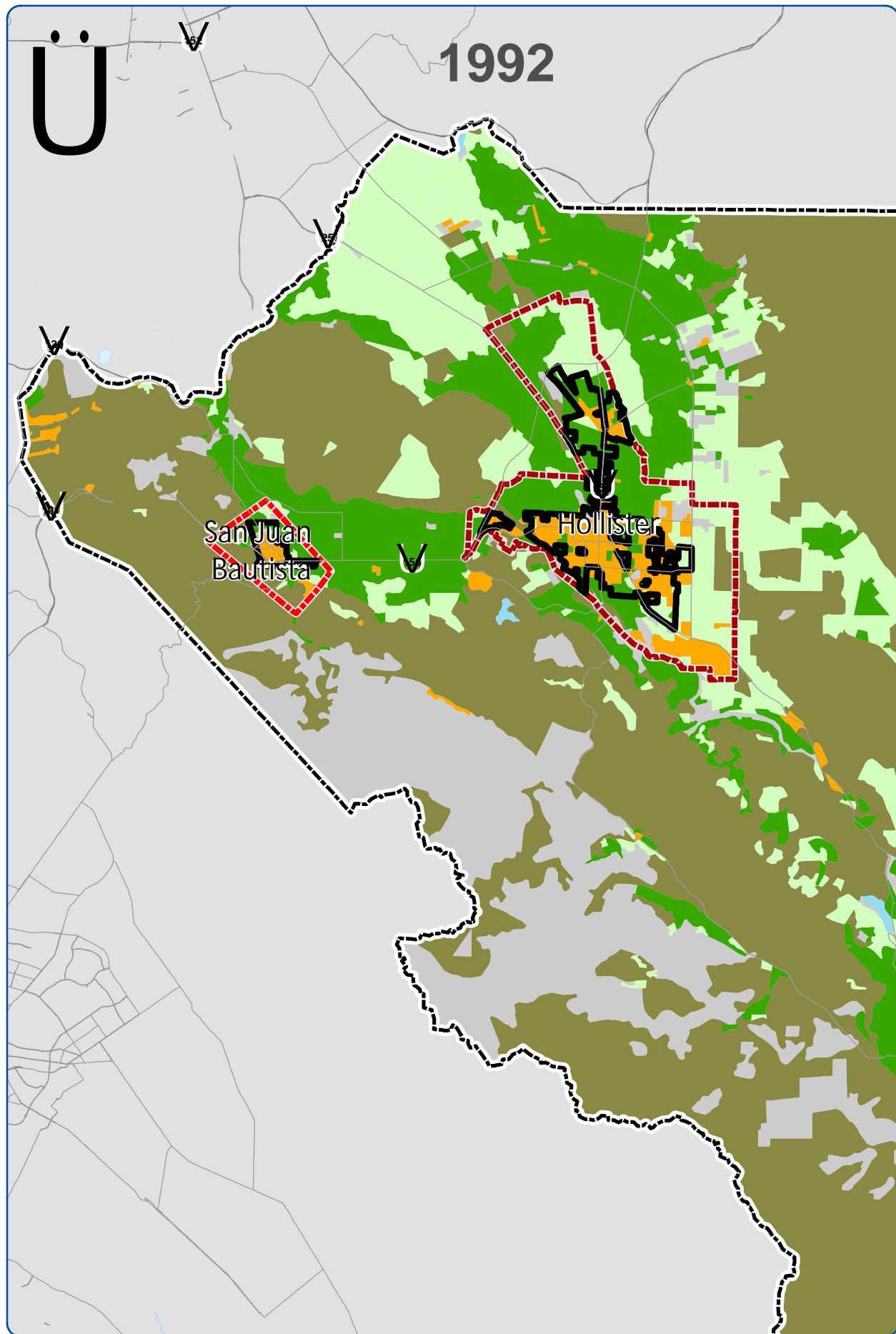
How do the agricultural land conversion trends in San Benito County compare to trends in other counties? Based on the *Paving Paradise* report from the American Farmland Trust, the following is a summary of data for San Benito County compared to the other six counties in the “Central Coast” region (San Mateo, Santa Cruz, Monterey, San Luis Obispo, Santa Barbara and Ventura Counties) between 1990 and 2004:

- San Benito County ranked 5th out of the 7 counties in total agricultural acres converted to urban use (2,013 acres);
- San Benito County ranked 1st in the percentage of new urbanized land that was high quality farmland (50 percent).
- San Benito County ranked 2nd in people per new urbanized acre (9.5 people per acre). This is a measure of the efficiency of development.

Urban-Agriculture Edge Patterns

As urban centers in agricultural areas expand outward and new residents populate the countryside adjacent to productive agricultural land, the potential for urban-agricultural conflicts increases. This conflict is a common consequence of urbanization in California’s agricultural regions and the result of the juxtaposition of incompatible land uses, the industrial-like processes of growing crops and animals adjacent to or nearby new residential development frequently housing people unfamiliar with agricultural operations. The negative effects flow in both directions. Agricultural operators experience theft, vandalism, pilferage of crops, dog attacks on livestock, restrictions on pesticide use, congested local roads, and other impacts that reduce productivity and income. Residential neighbors, for their part, are often unhappy with the dust, noise, odors, early morning operations, chemical use, and other agricultural effects on quality of life and even perceived health problems.













Since, as shown in Figure 4-4, the bulk of San Benito County’s high quality farmland is located near developed areas, there is a high potential exposure of agricultural operations to non-farm residences and other forms of urban development. This exposure pattern does not suggest that problems always occur wherever the two different land uses meet. Rather, the extent of conflict depends on farm practices, the urban-rural backgrounds of residential neighbors, how urban development is configured, and other local factors. As stated in Section 4.2, according to the Agricultural Commissioner, on an annual basis, there are typically only one or two complaints about agricultural operations made by neighbors. Staff believes that the Agricultural Community Disclosure requirements are successful in informing the community about agricultural operations and keeping complaints at a low level.

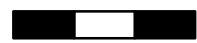


**FIGURE 4-4
CHANGE IN FMMP
CATEGORIES**

**San Benito County
1992-2008**

Legend

-  San Benito County Limits
-  San Juan Bautista City Limits
-  San Juan Bautista SOI
-  Hollister City Limits
-  Hollister SOI
-  2008 Urban and Built-up Land
-  1992 Urban and Built-up Land
-  Prime Farmland
-  Grazing Land
-  Other Important Farmland
-  Water
-  Other Land

0 0.5 1 2 3 Miles


*Source: California Department of
Conservation, Farmland Mapping
and Monitoring Program, 1992-2008.
October 7, 2009*

4.3 FARMS AND FARMERS

Introduction

This section examines the number and size of farms and the characteristics of farm operators in San Benito County, concentrating on changes over a 15-year period (1992 to 2007). Major attention is paid to the significance of farm size in relation to the productivity and efficiency of agricultural operations. The Census of Agriculture from 2007 and earlier years is the major information source for this section.

Regulatory Setting

Farm size patterns are affected by the minimum parcel size standards for agricultural zones, as specified in the County's Zoning Ordinance (Title 25 of the County Code of Ordinances).

Major Findings

- While the average size of farms in San Benito County was 928 acres in 2007, most farms were smaller; 57 percent of all farms were under 50 acres and the median size was 25 acres. Farm income and profitability is directly related to farm size.
- With an accumulated total of 551,133 acres, the 133 largest farms (all 500 acres or greater) together contained 95 percent of all agricultural land in the county, according to the 2007 Census of Agriculture. In contrast, the 356 farms in the under 50-acre category accounted for only 3,893 acres in 2007, or 0.6 percent of the county's agricultural total.
- Compared to California as a whole, San Benito County had a lesser share of smaller farms and a greater share of larger farms in 2007.
- The great majority of farms and ranches in San Benito County are family-operated; about 80 percent of principal operators reside on their farms.
- Farm operators are an aging population; their average age in San Benito County increased from 55.3 years in 1997 to 58.3 in 2007. Principal operators in San Benito County in 2007 reported an average of 18.6 years on the same farm; 75 percent had operated the current farm for 10 or more years.

Existing Conditions

Farm Size

In 2007 the most recent year for which Census of Agriculture data are available, San Benito County had 625 farms with 579,851 acres in production. The average farm size was 928 acres.

This average masks a great deal of variation, since farms range in size from a few acres to several thousand acres. The median farm size in 2007 was 25 acres. As Table 4-4 shows, 57 percent of all farms in 2007 were in the smallest size category, less than 50 acres. Of these, 246 farms, almost 40 percent of



all farms, were less than 10 acres. Just over 21 percent of all farms were in the largest category, 500 or more acres.

The relative significance of the largest farms obviously changes when acre totals by size category are considered. With an accumulated total of 551,133 acres, the 133 largest farms (all 500 acres or greater) together contained 95 percent of all agricultural land in the county. In contrast, the 356 farms in the under 50-acre category accounted for only 3,893 acres in 2007, or 0.6 percent of the county's agricultural total.

Compared to California as a whole, San Benito County had a lesser share of smaller farms and a greater share of larger farms in 2007.

TABLE 4-4 FARMS AND FARM SIZE San Benito County and California 1992-2007								
	1992		1997		2002		2007	
	Number	%	Number	%	Number	%	Number	%
San Benito County								
Number of Farms	611	-	562	-	677	-	625	-
Average Acres	982	-	910	-	854	-	928	-
Total Acres	600,073	-	511,571	-	578,351	-	579,851	-
Size Group								
1-49 acres	302	49.4%	270	48.0%	357	52.7%	356	57.0%
50-499	162	26.5%	152	27.0%	176	26.0%	136	21.8%
500+	147	24.1%	140	24.9%	144	21.3%	133	21.3%
California								
Number of Farms	77,669	-	74,126	-	79,631	-	81,033	-
Average Acres	373	-	374	-	346	-	313	-
Total Acres	28,978,997	-	27,698,779	-	27,589,027	-	25,364,695	-
Size Group								
1-49 acres	47,574	61.3%	44,912	60.6%	49,134	61.7%	53,358	65.9%
50-499	21,395	27.5%	20,558	27.7%	22,097	27.7%	19,953	24.6%
500+	8,700	11.2%	8,656	11.7%	8,400	10.5%	7,722	9.5%

Source: 1992, 1997, 2002, and 2007 Census of Agriculture.

Changes Over a 15-Year Period

Table 4-4 above also details changes in farm numbers and size over a 15-year period, between 1992 and 2007. The changes were minimal, suggesting the stability of the agricultural sector in San Benito County. The recent trends include the following:

- With some fluctuation in the intermediate years, the number of farms over the period increased slightly.
- A decrease in farm numbers that occurred between 1992 and 1997, is mostly due to a decrease in the smallest size category.
- The relative percentage of the largest agricultural operations in the county (farms larger than 500 acres), in both total numbers and total acres, declined slightly during the 15-year period.

Agricultural Productivity

The numerous small San Benito County farms are a mixed group as producers of agricultural commodities. Included are some commercially viable farms managed by full-time or other serious farmers. But perhaps the majority of small agricultural parcels serve primarily as rural homesites with only incidental commercial production. They are included in this tabulation because the Census of Agriculture uses an economically minimal definition of a “farm”— one that generates at least \$1,000 in annual commodity sales. The \$1,000 minimum is not rigorously applied by the Census when it reports the number of farms per county every five years. The formal definition includes the potential for reaching the minimum; a farm is an enterprise “that produces, or would normally produce and sell, \$1,000 or more of agricultural products per year.” (Appendix A, 2007 Census of Agriculture.) Therefore, 170 farms, 27 percent of all enterprises identified as farms in the county, reported income of less than \$1,000 in 2007.

Farm size affects farm income and profitability. It has a bearing on the viability of individual farm operations and more generally on the economic health of the county’s overall agricultural sector. The larger the parcel, the more likely that income from agricultural commodities can support a family. Larger farms have more flexibility to change what they grow to take advantage of shifts in markets and technologies, and it is less likely that the land will be split for residential development. In some cases the integration of small farm parcels into larger operations, through multiple ownership or leasing, can overcome the inefficiencies of small size, depending on location and the ease of moving equipment and labor between different properties.

It is not possible to identify a minimum-acre threshold for a profitable agricultural operation throughout San Benito County, since land requirements vary widely among commodities. Comparing average size farms in 2007 for ten of the most valuable major commodities grown in the county, Table 4-5 shows that many of the field and vegetable crops have larger parcels than grapes and tree crops.

As well as affecting agricultural productivity and profitability, farm size has an important relationship to County land use policies and practices, especially agricultural zoning and the review of proposals to split parcels to accommodate rural residences or create smaller farm operations. The average farm sizes for the many different commodities listed in Table 4-5 are larger than the minimum acreage (5 acres) required in the Agriculture Productive (AP) zone.



**TABLE 4-5
AVERAGE FARM SIZE IN ACRES FOR DIFFERENT AGRICULTURAL
COMMODITIES (IN DESCENDING ORDER OF SIZE)**

**San Benito County
2007**

Commodity	Average Acres per Farm ¹	Number of Farms	Total Acres in County
Lettuce, Leaf	607.9	11	6,687
Spinach	447.0	7	3,129
Lettuce, Head	351.0	12	4,212
Onions, Dry	130.1	16	2082
Peppers, Bell	107.8	12	1,293
Lettuce, Romaine	63.4	24	1,521
Grapes, Wine (2)	54.1	51	2,758
Cherries, Sweet (3)	45.7	16	731
Celery	45.2	10	452
Tomatoes, Grown in Open, Market	23.4	17	397

¹ harvested area only, unless listed otherwise

² bearing area only

³ total acreage

Source: 2007 U.S. Census of Agriculture.

Operator Characteristics

There is a human side to the agricultural sector of San Benito County, one that complements the purely economic dimensions described in the last two sections. Farming and ranching is a way of life, as well as a business enterprise. Indeed, farms are places of residence as well as places of work; almost 80 percent of the principal farm operators in the county resided on their farms in 2002, as shown in Table 4-6.

The great majority of local farms and ranches, as elsewhere in California, are family enterprises, with spouses and children participating in the operation. Almost 82 percent of all farms and ranches in the county are organized as family or individual entities in legal terms, according to the 2007 Census of Agriculture. A smaller number are organized as partnerships, family-held corporations, and other entities.

Table 4-6 shows several other key characteristics of local farm operators as compared to statewide patterns:

- Over 41 percent of all local farms had multiple operators in 2007, typically family members;
- There are proportionately more principal operators in San Benito County than statewide that reported farming as their primary occupation (55.5 as compared to 50.5 percent);

- Non-farm occupations are an important source of income for local farmers and ranchers, with more than half of principal operators working 100 or more days per year in off-farm jobs; and
- Principal operators in San Benito County in 2007 reported an average of 18.6 years on the same farm; 75 percent had operated the current farm for 10 or more years.

TABLE 4-6 FARM OPERATOR CHARACTERISTICS San Benito County and California 2007		
	San Benito County	California
Total Principal Operators	625	81,033
Total All Operators	948	130,756
Farms with Multiple Operators	259 (41.4%)	39,035 (48.1%)
Mean Age of Principal Operators	58.3 (55.3 in 1997)	58.4 (55.7 in 1997)
% under 45	11.7%	13.6%
% 65 and over	30.1%	31.0%
Primary Occupation Farming as % of Principal Operators	55.5%	50.5%
100 or more Days Worked Off Farm for Principal Operators	51.2%	47.8%
Average Years on Present Farm	18.6	18.6
% 10 Years +	75.0%	66.9%
Place of Residence on Farm as % of Principal Operators	79.7%	73.4%
Women as % of Principal Operators	17.4%	18.5%
Women as % of All Operators	30.3%	33.1%

Source: 2007 Census of Agriculture.

The aging of the farm operator population is a key issue for the agricultural future of San Benito County and other areas in California. Between 1997 and 2007 the average age of local operators increased from 55.3 to 58.3 years. It is unknown whether this means that fewer young people are engaged in farming and ranching in San Benito County, pointing to an emerging shortage of persons interested in this activity as an occupation. But this trend has been identified for other counties in the state, and is tied to the increasing tendency of farm-family sons and daughters to look for careers in other areas.

4.4 AGRICULTURAL COMMODITY INCOME

Introduction

Agriculture in San Benito County is a \$300 million annual industry, when measured by the direct market value of products sold by local farms and ranches. As reported annually by the San Benito County Agricultural Commissioner, this is the aggregate farm gate value (i.e., the net value of the product when it leaves the farm) of many different kinds of crop and animal commodities – cattle, tree crops, vines, row and field crops, nursery products, etc. This section surveys commodity patterns, their market value and change over time. It also considers the productivity and profitability of local farms.



Regulatory Setting

At least indirectly, Federal, State, and local regulations affect the changing economic fortunes of local agriculture. The conventional wisdom among farmers and ranchers is that their industry is among the most regulated. The numerous governmental programs that impose restrictions on agricultural practices include regulations on labor and workplace, water quality, air quality, land use, food safety, and public health matters. Some regulations, such as market orders, involve a degree of self-regulation in certain commodity areas. There are also governmental programs that are economically beneficial to agriculture, such as Federal commodity payments, compensation for conservation practices, and tax breaks. It is difficult to pinpoint the effects of specific regulations, since the profitability of farms and ranches depends on a great many factors in both the private and public spheres.

Major Findings

- San Benito County farms and ranches earned \$293 million from commodity sales in 2007.
- Adjusted for inflation, commodity sales increased by 88 percent over the 1992-2007 period.
- San Benito County ranked in the top ten counties in the state for three commodities: spinach (2nd) lettuce (3rd), and turkeys (9th).
- The top ten commodities in San Benito County, led by nursery stock, miscellaneous vegetable and row crops, and wine grapes constituted 72 percent of the county's total market value in 2007.
- Farm productivity increases and shifts to growing higher-value crops were the major drivers of the rise in total market value.

Existing Conditions

Diverse Commodities

According to the Agricultural Commissioner, San Benito County farms and ranches had \$293 million in commodity sales in 2007, an all-time high. The 2007 Census of Agriculture ranked San Benito County 30th out of 58 counties in California in market value of agricultural products sold.

Table 4-7 below shows a summary of the gross value of agricultural commodity sales by category for 1992, 1997, 2002, and 2007. As shown in the table, total sales increased from \$132.7 million in 1992 to \$293.1 million in 2007. The "vegetables and row crops" category had the largest absolute and percentage increase: \$65.5 million in 1992 to \$182.2 million in 2007. Total market value in non-adjusted terms almost tripled from 1992 to 2007 (increased 2.78 times). Adjusted for inflation (using the Consumer Price Index), commodity sales increased by 88 percent over that time period.

**TABLE 4-7
AGRICULTURAL COMMODITIES BY CATEGORY AND MARKET VALUE
(IN MILLIONS)
San Benito County
2007-1992**

Rank	2007	2002	1997	1992
Field Crops	\$41,939,000	\$36,395,000	\$26,268,000	\$29,009,000
Fruit and Nut Crops	\$37,938,000	\$26,648,000	\$25,561,000	\$18,268,000
Vegetable and Row Crops	\$182,264,000	\$128,882,000	\$92,284,000	\$65,523,000
Livestock	\$17,358,000	\$14,426,000	\$9,922,000	\$11,784,000
Other Livestock/Livestock & Poultry Products	\$13,591,000	\$13,097,000	\$10,757,000	\$8,130,000
TOTALS	\$293,090,000	\$219,448,000	\$164,792,000	\$132,714,000

Source: San Benito County Agricultural Commissioner, Annual Crop Reports.

A 15-year review of San Benito County trends shows rapid growth in agricultural values and generally stable commodity patterns. Since local agriculture is more complex and variable than aggregate market numbers indicate, it is necessary to review individual commodity trends. There are fluctuations in value in any given period, with some crops and animal products increasing at various rates while others decline.

Table 4-8 tracks the top ten commodities at five-year intervals over the last fifteen years (1992 to 2007). The top ten commodities together in 2007 constituted 72 percent (\$210.3 million) of the county’s total \$293.1 million market value in 2007. According to the 2007 Census of Agriculture, San Benito County ranked in the top ten counties in the state for three commodities: spinach (2nd) lettuce (all) (3rd), and turkeys (9th).

While many of the same commodities appear on the list throughout this period, there were significant shifts in the relative importance of some of the top ten and other major commodities. The County Agricultural Commissioner stated in the *2007 Annual Crop Report* that “the most significant increase was with Leaf Lettuce due to an increase in acreage. For the first time, Fresh Market Tomatoes made it into the top 10 with a considerable incline in acreage, reflecting greater demand for the product. The sharp increase in Livestock & Poultry Products was due to a major producer starting up operations in the county after the departure of a major producer two years ago. Declines showed up in the categories of Cattle and Hay production as a result of lighter than normal rainfall.”



**TABLE 4-8
TOP 10 AGRICULTURAL COMMODITIES BY MARKET VALUE
(IN MILLIONS)
San Benito County
1992-2007**

Rank	1992	1997	2002	2007
1	Nursery Stock \$18.60	Grapes, Wine \$16.30	Nursery Stock \$29.00	Nursery Stock \$34.40
2	Lettuce (head) \$16.30	Head Lettuce (packed) \$16.00	Baby Lettuce, Salad \$24.50	Misc. Veg. and Row Crops \$29.10
3	Broccoli \$8.70	Baby Lettuce, Salad \$15.80	Lettuce, Leaf (mixed) \$19.60	Grapes, Wine \$24.30
4	Peppers, Bell \$7.70	Nursery Stock \$15.70	Misc. Veg. & Row Crops \$17.70	Peppers, Bell \$22.50
5	Misc. Veg., Row Crops \$7.20	Peppers, Bell \$12.30	Grapes, Wine \$15.60	Lettuce, Salad \$19.20
6	Grapes, Wine \$5.70	Lettuce, Leaf (mixed) \$7.60	Peppers, Bell \$15.30	Lettuce, Leaf (mixed) \$18.60
7	Pasture/Stocker Cattle \$5.70	Broccoli \$6.80	Head Lettuce (packed) \$12.40	Lettuce, Romaine \$17.20
8	Lettuce, Leaf (mixed) \$4.80	Onions (dry bulb) \$5.90	Onions (dry bulb) \$9.80	Spinach \$17.10
9	Walnuts \$4.80	Pasture/Stocker Cattle \$5.00	Spinach \$6.40	Tomatoes, Market \$14.30
10	Onions (dry bulb) \$4.20	Tomatoes (fresh mkt) \$4.10	Pasture/Stocker Cattle \$5.10	Other Livestock/ Livestock and Poultry Products \$13.60

Source: San Benito County Agricultural Commissioner, Annual Crop Reports.

Adding to the county’s agricultural diversity is a large organic commodity sector worth about \$37.1 million in sales in 2007, according to the California Organic Program of the California Department of Food and Agriculture. This sector represented about 89 different commodities grown on 13,762 acres. Organic commodities with market values exceeding \$1 million each in 2007 were lettuces, salad mix, spinach, peppers, onions, endive, arugula, broccoli, walnut, squash (winter), and strawberry.

The 2007 Annual Crop Report from the County Agricultural Commissioner reported 30 organic growers growing 60 different crops on over 6,100 acres.

The *Statistical Review of California’s Organic Agriculture: 2000-2005*, prepared by the University of California Agricultural Issues Center, reported 45 organic producers on 6,614 acres with \$40.6 million in sales in San Benito County in 2005. Based on this report, the total acreage in organic production in San Benito County was the 12th highest in the state in 2005. Organic commodity sales in the county were 3rd highest in the state.

Change Over Time

According to UC Cooperative Extension farm advisors, there are three factors that are the major drivers of change over time in overall market value and individual commodity trends:

- Increases in productivity, as measured by greater quantities of crops grown per acre or animal products generated per other unit of input;
- Increases in the prices received by growers for their products, reflecting strong and expanding markets for San Benito County commodities; and
- Shifts by individual farmers in the specific commodities they grow, especially the long-term tendency to move from lower- to higher-value crops.

Covering 11 of the highest-value commodities in San Benito County, Table 4-9 shows the changes between 1997 and 2007 for the first two factors, productivity per acre in terms of yield and price of commodities per ton. The performance of specific commodities suggests that higher productivity played a bigger role than higher prices in the overall market trend. Prices increased for less than half (5 of 11) of the crops shown. On the other hand, productivity (tons per acre) increased for all but one of the commodities shown; wine grapes had a slightly lower yield per acre in 2007 compared to 1997.

While these comparisons generally reflect long-term trends, it should be noted that both indicators, production per acre and price per unit of production, fluctuate from year to year for individual commodities. Therefore, selecting for this analysis different start and end years than 1987 and 2007 could show different results for some commodities. Crop production, for example, is affected from year to year by weather and other growing conditions.



CHAPTER 4. AGRICULTURE

San Benito County General Plan

**TABLE 4-9
TOP 10 AGRICULTURAL COMMODITIES BY MARKET VALUE
(IN MILLIONS)
San Benito County
1997-2007**

	1997				2007			
	Acres	Total (tons)	Tons per Acre	Adjusted \$ per Ton ¹	Acres	Total (tons)	Tons per Acre	\$ per Ton
Grapes, Wine	2,125	11,794	5.55	\$1,784	3,806	20,590	5.41	\$1,180
Peppers, Bell	2,299	43,474	18.91	\$366	1,667	44,292	26.57	\$508
Lettuce, Salad	3,020	5,044	1.67	\$4,056	3,727	13,864	3.72	\$1,383
Lettuce, Leaf (mixed)	1,944	18,507	9.52	\$528	3,024	32,357	10.7	\$576
Lettuce, Romaine	n/a ²	n/a ²	n/a ²	n/a ²	2,408	31,521	13.09	\$546
Spinach	725	2,907	4.01	\$1,435	2,942	16,975	5.77	\$1,005
Tomatoes, Market	515	7,684	14.92	\$691	1,064	19,929	18.73	\$717
Lettuce, Iceberg	n/a ²	n/a ²	n/a ²	n/a ²	2082	42,577	20.45	\$294
Celery	507	16,169	31.89	\$278	1010	36,360	36.00	\$302
Onions, Dry Bulb	1,267	27,165	21.44	\$282	1247	27,234	21.84	\$240
Cherries	505	207	0.41	\$3,544	650	2,093	3.22	\$2,755

¹ 1997 prices adjusted for inflation (using CPI) for 2007 for dollars

² For 1997, head lettuce (packed) listed at: 4,808 acres, 91,400 tons, 10.01 tons/acre, and \$175/ton

Source: 2007 and 1997 Census of Agriculture.