

OREGON AGRICULTURE

Farms face land crisis,

Molly Harbarger *The Oregonian/OregonLive*

Oregon is in the middle of a land crisis that could affect the state's second-largest industry if it continues, according to a new report from two of the state's largest universities.

Three factors are colliding to jeopardize two-thirds, or 10.5 million acres, of Oregon's family-owned farmland.

Farmers are aging, with the average age now near 60. Beginning growers can't afford the skyrocketing land prices to replace the older generation. And that's opening the way for investment firms and out-of-state companies to scoop up tracts from retiring farmers.

"For our state's long term environmental welfare, having owner-operators close to the land and able to steward it is also an important value to Oregonians," said hazelnut farmer Nellie McAdams, who works on farm preservation for the Rogue Farm Corps. The farmer training group worked with Oregon State and Portland State universities on the report.

McAdams says state and federal agencies need to act now, because the turnover has already started and will only worsen in the next decade. "It's not like the crisis is coming. We're in the middle of it. And we're just trying to report about that and incite action now."

ALREADY FEELING THE PINCH

Farming and ranching families have been battling this trend for at least a decade.

Diane Daggett's son was supposed to be the sixth generation to run the family ranch nestled in the Willowa Mountains, 75 miles from the nearest freeway. Since her great-great-grandfather arrived on the second wagon train into Willowa County, the ranch had changed hands through an informal family agreement: Whichever child stays on the ranch to work inherits it.

Daggett was that child, and her oldest son was next in line. She spent 20 years building up the herd, converting the operation to grass-fed beef. Her father always assured her that they had time to sign formal papers, but they never did.

When he died, the land was legally her stepmother's, who decided to sell.

"It takes away your identity, the loss of that," Daggett said. "When you're so connected to the land, it feels like it's part of you and you're part of it. It was not a decision that was ours and it was made for us and it was brutal."

Her 21-year-old son helped her show the new owner around the property and burst into tears when the wealthy new owner revealed she bought it as another home for her husband as a birthday present. After the Daggetts removed the last of their herd, they never went back to the property, which is now gated and locked.

She's been living in town since then, and her son splits his cows among several pastures. He leases the land, which increases his management costs. He needs more bulls, and spends more time and money on the road moving himself and his animals around.

During the real estate boom in 2007 these stories were common in ranching country. "Sometimes a lot of people will say in this industry, if you don't inherit or marry it, you can't have it," Daggett said.

If she or her father had insisted on formalizing their succession agreement, it could have been avoided. With bigger money on the horizon, family farm advocates are pushing aging farmers and ranchers to create these plans earlier,



Rowan Steele, farm program manager at Headwaters Farm, helps out a tenant by weeding. Headwaters is in its third year as Oregon's first, and only, farm incubator.

to keep land like the Daggetts' in production and earning money for the state and local economy.

LANDSCAPE SHIFTING

One acre of farmland with buildings on it cost \$1,882 in 2012, the last year the U.S. Census of Agriculture was taken. A decade before, it was \$1,534. The price is only increasing as farm and forest lands are seen as safe, solid investments.

According to the report, 25 to 40 percent of farmland sales in Washington, Benton, Clackamas and Polk counties went to firms that specialize in investment, development, finance and property management. Five to 10 percent of sales were to out-of-state addresses.

A proposal for the state's second-largest dairy, which will replace the iconic Boardman tree farm along Interstate 84, will be owned by a California agriculture company. The largest dairy, Threemile Canyon Dairy, is owned by a North Dakota company. The general manager was recently appointed to the Oregon Board of Agriculture, inciting protest from small farm advocates.

Friends of Family Farmers policy director Ivan Maluski said at the time that it was a sign that large, out-of-state agriculture corporations were gaining a foothold in Oregon's mostly small, family-farm economy.

The concern is the same for many in Oregon agriculture. When big-money corporations move in, it drives up the price for farmers who are looking to start their own operation, but don't have the capital to compete.

"Many farmers are leasing land as soon as it becomes available," said Jim Johnson, land use specialist with the Oregon Department of Agriculture. "There isn't much land available for young and newer farmers to buy. Add the capital needed to develop the infrastructure associated with that land — farm implements, irrigation equipment, etc. — it's a major investment up front."

Rogue Farm Corps is one of many organizations in the state trying to help connect experienced young farmers with retiring farmers to facilitate the transfer of land. The Oregonian/OregonLive has previously written about the Headwaters Farm Incubator program, which helps new farmers scale up in a supportive environment.