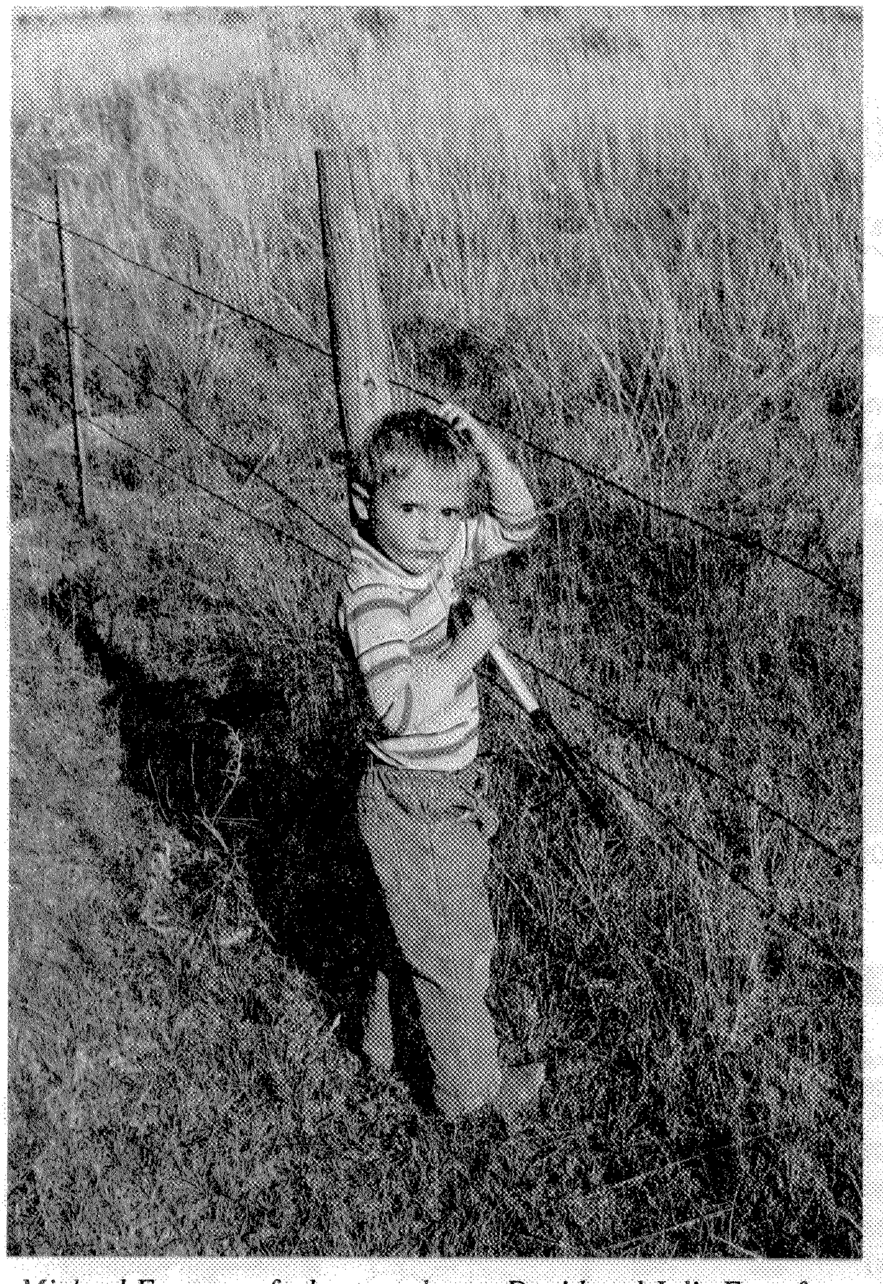
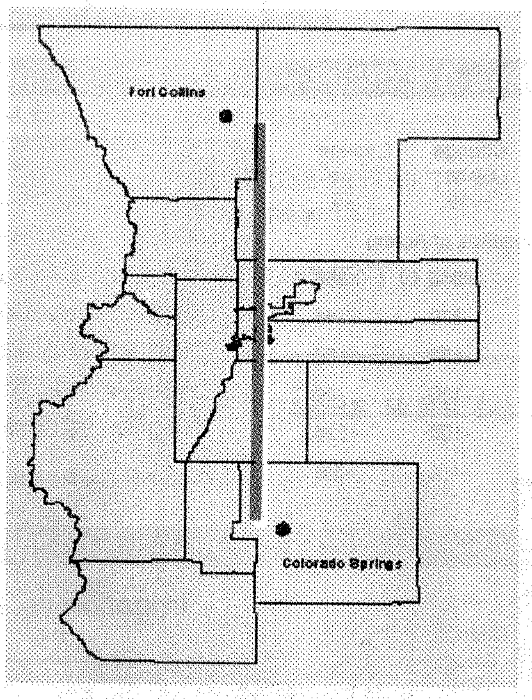
What lies ahead *for* Colorado's Ag Lands?



Michael Foy, son of wheat producers David and Julie Foy of Otis, Colorado, seems to be pondering agriculture's future. Photo by Sally Schuff.

Since 1978, Colorado farmland has declined by 90,000 acres per year on average- equal to a path one mile wide and 140 miles long (the distance from Ft. Collins to Colorado Springs).

This is represented by the colored line on the map to the right. Length shown to scale; width is four times scale.



Agricultural Lands Task Force Principles

- ❑ Profitable opportunities in agriculture are the basis for farmland protection.
- ❑ Private property rights of landowners must be respected.
- ❑ Solutions should be environmentally and economically sound, and implementable.
- ❑ Solutions must respect the diversity of Colorado's landscape and viewpoints.
- ❑ Family-based agriculture should be maintained and supported.

Governor's Task Force Develops 22 Recommendations for Action

Agricultural land conversion in Colorado. Not a front-burner issue like lines at the gas pumps in the 1970s or crime in the streets today, but a steady drip-drip of farmland and ranchland converted to housing, shopping malls, roads, and other uses: 10 acres per hour, 250 acres per day, 90,000 acres per year.

Why is it happening? What does it mean to Coloradans--urban as well as rural? And what, if anything, can be done to maintain land (and water) in agriculture for generations to come?

In January 1995, Colorado Governor Roy Romer created by Executive Order a statewide task force to examine the trends, causes, and consequences of agricultural land conversion and develop recommendations for action.

Specifically, the Governor's Task Force on Agricultural Lands was charged to report on:

- *incentives and other voluntary methods* for maintaining land and water for agricultural production, open space, and wildlife values;
- *methods to provide compensation* for landowners who choose to continue farming or ranching over converting their landholdings to development;
- *recommendations to enhance the continued vitality of agricultural activity*, thereby retaining land and water in agricultural use.

Task Force members agreed on the following goal: maintain an economically and environmentally sustainable agriculture in Colorado. This means: a system that can provide food and fiber at a profit to the producer while protecting the environment for all citizens now and for generations to come.

The 17-member task force represented all geographic regions of the state, and included agricultural producers, county commissioners, developers, land trust and conservation leaders, and Colorado State University.
The Colorado Department of Agriculture provided primary staff support, along with assistance from the Departments of Local Affairs, Natural Resources, Transportation, and Public Health and Environment. Partial funding was provided by the Natural Resources Conservation Service—USDA and by the American Farmland Trust, under contract with Great Outdoors Colorado.

Between January and September, the Task Force met 12 times on this issue. In March, the Task Force released a preliminary report with 20 ideas for action. This preliminary report was distributed widely throughout the state for review and comment. Several letters and 300 survey responses were received— many with extensive comments.

The 22 recommendations include specific approaches to the "35-acre" issue, cluster development, agricultural property taxes, development rights programs, right-to-farm laws, inheritance taxes, and marketing and value-added opportunities to increase profitability.

The Task Force was guided in developing its recommendations by five key principles. (See inset.)

A message from Tom Kourlis, Colorado Commissioner of Agriculture

Colorado will continue to grow, and it should. But how that growth is guided will impact the future of agriculture in this state. Equally true, protecting our agricultural land and water resources will greatly affect the future quality of life for all Coloradans.

Producing food and fiber is the core of agriculture. But farm and ranch lands also contribute much to Colorado's beauty; the prairies of the east and the mountain valleys, rugged sage, and grasslands of the west are scenic benefits we all can enjoy. Farms and ranches also provide important wildlife habitat, creating opportunities for sportsmen and outdoors enthusiasts. We all have a stake in the future of our agricultural lands—and we all must share in efforts to protect them.

The Governor's Agricultural Lands Task Force developed ideas to strengthen the economic vitality of agriculture as well as maintain a base of productive farm and ranch land. They recognize that Colorado's economic diversity, our wildlife and natural resources, and the culture that defines Colorado will be jeopardized unless agriculture is part of our future.

On behalf of Governor Romer, I want to thank Task Force members for their hard work and commitment to this important task, and to thank the hundreds of citizens across the state who shared their comments and suggestions. Our deep appreciation also to the American Farmland Trust, Great Outdoors Colorado, and the Natural Resources Conservation Service and Colorado Agricultural Statistics Service of USDA for their financial and technical assistance.

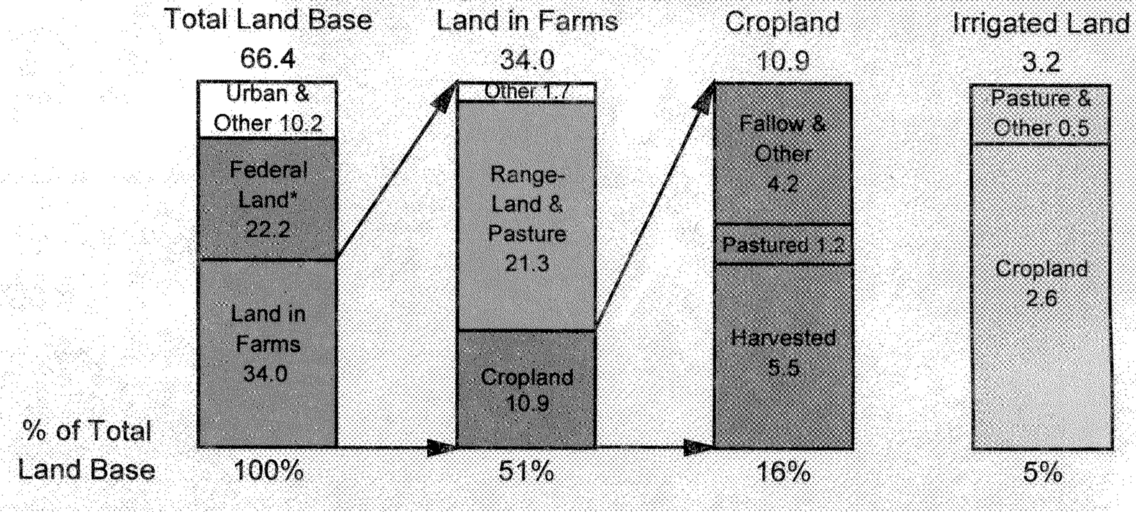
Thomas A. Kourlis

Governor's Task Force on Agricultural Lands

Mary Brown, hay producer, Chairman of the Colorado Air Quality Control Commission, Steamboat Springs
Mark Burget, Executive Director, The Nature Conservancy, Boulder
Jay Fetcher, rancher, Clark
David Ford, Sunny Valley Farms, Center
Robert Formwalt, rancher, Archuleta County Commissioner
Alan Foutz, wheat producer, Akron
Kirk Hanna, cattle producer, Pueblo
Cynthia Hickert, cattle feeder and wheat producer, Washington County Commissioner, Akron
Eric Johnson, sculptor, Chairman of Club 20, Redstone
Dr. Kirvin Knox, Associate Provost for Agriculture and Public Service and Dean of Agriculture, Colorado State University, Fort Collins
John McBride, rancher and developer, Aspen Airport Business Center
Robert Sakata, Sakata Farms, Brighton;
Tim Sanford, developer, April Corporation, Englewood
Tim Schultz, President and Chairman of the Board, Colorado Open Lands
John Stulp, wheat and cattle producer, Prowers County Commissioner, Lamar
James Sullivan, Douglas County Commissioner, Castle Rock
Harry Talbott, Talbott Farms, Inc., Palisade

Colorado Agricultural Land Conversion Trends (1959-92)

Half of Colorado is Agricultural Land, One Third is Federal Land



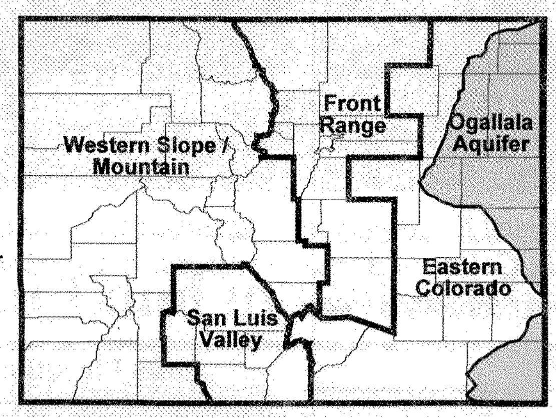
* BLM & USFS only

(Individual items may not add to 100% because of rounding.)

Agricultural Land is Declining Across the State

	Ag Land Acreage in 1992	Change Since 1959	Change Since 1978
	(Thousands of Acres)		
Eastern Colorado	18,299	-650	-243
Front Range	6,004	-1,857	-512
San Luis Valley	1,541	-592	-145
Western Slope/Mtn.	8,151	-1,716	-356
Totals	33,983	-4,804	-1,270
Percent Change		-12%	-4%

Colorado Regions



Cropland Numbers Are Stable—But Not the Cropland Base Itself

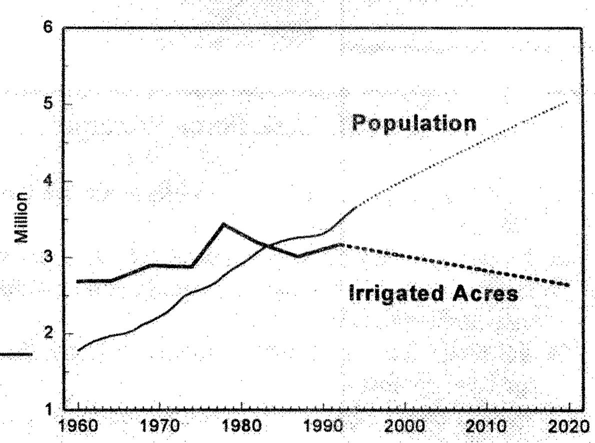
	Cropland Acreage in 1992	Change Since 1959	Change Since 1978
	(Thousands of Acres)		
Eastern Colorado	7,008	+342	+366
Front Range	2,027	-370	-45
San Luis Valley	584	+58	+54
Western Slope/Mtn.	1,314	-130	-49
Totals	10,933	-100	+326
Percent Change		-1%	+3%

Front Range cropland losses are offset by gains in Eastern Colorado, primarily due to irrigation from the nonrenewable Ogallala Aquifer and the plowout of fragile grasslands.

Irrigated Acreage Declining—20% Depends Upon Finite Ogallala Aquifer

	Irrigated Acreage in 1992	Change Since 1959	Change Since 1978
	(Thousands of Acres)		
Eastern Colorado (Ogallala Aquifer)	635	+532	-48
Eastern Colorado (non-Ogallala)	552	+55	-82
Front Range	617	-80	-57
San Luis Valley	497	+70	+1
Western Slope/Mtn.	867	-94	-79
Totals	3,170	+485	-261
Percent Change		+18%	-8%

Irrigation vs. Population



AGRICULTURAL LAND CONVERSION IN COLORADO
22 RECOMMENDATIONS TO MAINTAIN AG LAND & PRODUCTIVITY
SUMMARY OF RECOMMENDATIONS

Governor's Task Force on Agricultural Lands

This 17-member task force, created by Executive Order in January 1995, consists of leaders across the state in agriculture, business, local government, and the environment. These recommendations were developed by the task force after extensive public review and input over several months during 1995.

10 RECOMMENDATIONS REQUIRING MAJOR STATE AND LOCAL INITIATIVES

1. 35-ACRE PARCELS: Counties that seek to regulate the subdivision of all land for development purposes, regardless of parcel size, should be required to grant and accommodate an explicit "density right" to landowners at a ratio of 1 residential unit per 35 acres.

2. Increase county SUBDIVISION PROCESS FLEXIBILITY to help maintain productive agricultural lands.

3. Establish DEVELOPMENT RIGHTS PROGRAMS to compensate farmers and ranchers who keep lands under growth pressure in agriculture.

4. Provide state and federal INCOME TAX CREDITS and establish CONSERVATION ENTERPRISE ZONES for activities that protect agricultural lands and other natural resources.

5. Expand in-state VALUE-ADDED PROCESSING and food and fiber manufacturing opportunities.

6. Clarify the AGRICULTURAL LAND PROPERTY TAX CLASSIFICATION for property tax purposes.

7. Provide PROPERTY TAX CREDITS to protect lands under development pressure or that provide other natural resource values.

8. Strengthen Colorado's RIGHT-TO-FARM LAWS and educate people moving in next to ranches and farms about agricultural practices.

9. Establish voluntary AGRICULTURAL ENTERPRISE DISTRICTS that provide incentives to maintain commercial agricultural activity.

10. Direct growth and INFRASTRUCTURE DEVELOPMENT to protect productive agricultural lands.

FEDERAL ACTION REQUIRED

11. Reduce INHERITANCE TAXES on agricultural and small business enterprises to ease the transfer of farm enterprises across generations and protect ag lands.

12. Increase federal tax incentives to use CONSERVATION EASEMENTS as a tool to protect agricultural lands.

13. Expand assistance to BEGINNING FARMERS AND RANCHERS.

EXPAND CURRENT ACTIVITIES

14. EFFECTIVE COMMUNICATION about agriculture's indispensable contributions to Colorado's economy, environment, and way of life.

15. Increase TECHNICAL ASSISTANCE to counties to promote desirable growth and protect agricultural lands.

16. Improve the BUSINESS CLIMATE, economic opportunities, AND essential public services in RURAL COMMUNITIES.

17. Increase support and INCENTIVES TO EXPAND PROTECTION of soil, water, vegetation, wildlife, and other natural resources on agricultural lands.

18. Seek greater COMPATIBILITY OF FEDERAL AND STATE POLICIES and programs with local and state policies and programs that promote agriculture.

FURTHER STUDY REQUIRED

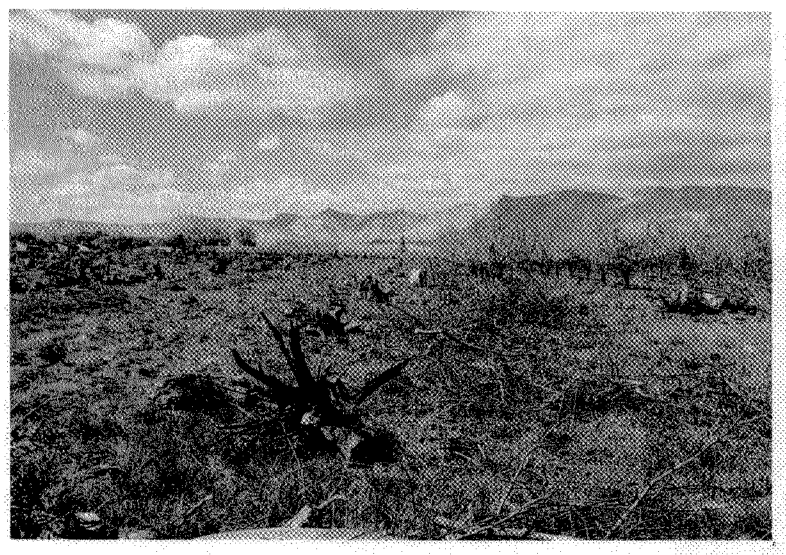
19. Protect strategic WATER SUPPLIES for highly productive lands.

20. Review and modify REGULATIONS affecting agriculture and related businesses to be more practical and flexible.

21. PROMOTE the sale and consumption of Colorado agricultural products in domestic and export MARKETS.

22. Provide relevant INFORMATION AND RESEARCH on agricultural lands, natural resources, and economic viability for sound public policy and private decision-making.

Mesa County orchard land gives way to new houses



Fruit trees being removed between Grand Junction and Clifton (spring 1995) and replaced by new housing development (fall 1995).

10 RECOMMENDATIONS REQUIRING MAJOR STATE AND LOCAL INITIATIVES

1 35-ACRE PARCELS

Counties that seek to regulate the subdivision of all land for development purposes, regardless of parcel size, should be required to grant and accommodate an explicit "density right" to landowners at a ratio of 1 residential unit per 35 acres.

Counties have many tools to influence land use patterns. Under state law, counties have the power of zoning and issuing building permits, the power to control the size and use of parcels of land within districts, and the right to grant exemptions to their subdivision regulations. HB 1041 (§24-65.1-101 *et seq.*, C.R.S.) identifies 21 "areas of state interest" affecting land use that counties can regulate, regardless of the size of affected parcels.

However, under Senate Bill 35 (§30-28-101 *et seq.*, C.R.S.), counties are not allowed to regulate the subdivision of land into parcels of 35 acres or more. This has contributed to the proliferation of rural subdivisions and isolated lots with parcels of 35 acres or more in growth areas of the state. (Another contributing factor is that some counties facing growth do not fully use their existing powers.)

Farmers, ranchers, and other landowners often oppose large lot zoning and other county policies that may decrease the price of land and affect the economic viability of their operation. Gradual inflation of land helps keep agriculture profitable and provides the borrowing equity needed for agricultural producers to weather the up and down cycles of agriculture. Furthermore, land is the "retirement account" for most producers—similar to social security, 401(k) plans, and other retirement programs for wage earners.

Recognizing the landowner's "density right" to develop should not override the county's right to direct growth; all the usual tools of zoning, special use permits, etc. remain. But if the county cannot accommodate the landowner satisfactorily in a timely manner, the landowner should be entitled to compensation.

- *Introduce state legislation to make this "trade-off" explicit, including the following provisions:*

- *Limit review items to water and sewer, roads, and other public health and safety issues.*

- *Establish a definite time limit for county review and decision.*

- *Establish that the application cannot be denied if the landowner is in compliance.*

- *Encourage counties to provide additional density incentives if the landowner provides additional benefits, such as clustering development. (See #2 below.)*

- *For counties that do not choose to **implement** such a tradeoff, Senate Bill 35 **would remain in effect**. That is, such counties **would not be allowed** to regulate the **subdivision of land into** parcels of 35 acres or more.*

2 SUBDIVISION PROCESS FLEXIBILITY AND CLUSTERING INCENTIVES

Increase the flexibility of county subdivision review processes to maintain productive agricultural lands.

Under Senate Bill 35 (see #1), land may be subdivided in parcels of 35 acres or more without county review; otherwise, review is required. Many farmers and ranchers selling or developing their land find it faster, simpler, and more certain to subdivide the land into 35-acre "ranchettes" and have roads cut for access. Often, the land can no longer be used for agriculture; wildlife and scenic values are affected.

Clustered development can retain much of the agricultural and open space value of the original site. Counties such as Routt and Douglas have adopted faster, simpler review processes to encourage clustering. Using a citizens' committee plan as a guide, Routt County Commissioners recently adopted the *Land Preservation Subdivision (LPS) Exemption*. The LPS expedites the county review process for cluster developments on all property zoned agricultural/forestry. Property owners who go through LPS are assured a building density of one dwelling unit per 35 acres. A straight density bonus system has also been included.

- *Through Great Outdoors Colorado funds and other resources, establish technical resource teams to assist owners of agricultural lands under development pressure to examine their resource use and economic options.*

- *Encourage counties to follow the principles below:*

- *Clustering incentives should provide economic opportunity at least as great as the existing "35-acre ranchette" approach.*

- *Incentives for clustering should provide placement of homesites on marginal agricultural land. Such incentives should encourage the retention of agricultural uses on the remaining land.*

- *Lot sizes within a cluster should be determined so that health, safety, public services, and environmental concerns are met.*

- *Give a farmer or rancher a permanent vested right of at least one dwelling unit per 35 acres on the entire property if the landowner establishes a permanent agricultural easement on 80% or more of the land. Keep property taxes on the remaining 20% at an agricultural value until development occurs.*

3 DEVELOPMENT RIGHTS PROGRAMS

Establish purchase and/or transfer of development rights programs to compensate farmers and ranchers who keep lands under growth pressure in agriculture.

Purchase of development rights (PDR) programs compensate agricultural producers by paying them for the right to build on or develop their land. Programs are completely voluntary and provide producers with a way to get cash from their land without borrowing against it or selling it for non-agricultural uses. Programs help keep farmland affordable for the next generation of farmers and ranchers. The community and environment benefit as well.

PDR programs can be funded in many ways. Examples: the city of Boulder has bought development rights of farms and purchased open space with funds from a citywide sales tax ($13 million/year); Boulder County ($6 million) and Jefferson County ($24 million) have similar programs. Other counties are considering similar measures.

Such annual county revenues can be "leveraged" to buy development rights from willing producers at today's prices, paying them over a period of time.

For example, Howard County, Maryland has developed 30-year *installment purchase agreements* to buy development rights from willing producers. The county "leverages" $3 million per year in real estate transfer taxes to purchase more than $50 million in development rights at 1995 prices. (Annual revenue from an open lands sales tax would work just as well.) The landowner receives the development right value (i.e. the principal) after 30 years, plus semi-annual, tax-exempt interest payments of 8% or more on the principal. The landowner also may sell this installment purchase agreement on the open market at any time.

PDR programs rely primarily on public funds, and can protect only a small fraction of agricultural lands under development pressure. Hence, some counties are studying *transfer of development rights (TDR)* programs. Here, agricultural producers are compensated for their development rights by willing buyers. In a nutshell, future growth pays for the development rights owned by the landowner.

- *Encourage counties with dedicated revenues for open lands to consider using installment purchase agreements to protect agricultural lands.*

- *Encourage the purchase of development rights instead of fee simple purchase of ag lands as a means of protecting agricultural lands.*

- *Allow the option of PDR programs to lease development rights that would prohibit development for a finite period of time.*

- *The state **legislature should refer** to Colorado voters a **constitutional amendment** to allow local governments **to adopt real** estate transfer taxes for the protection **of agricultural** and other open lands. **(Tax revenue would be** restricted for use **in the county.)***

- *Allow state **and federal tax credits** to help fund PDR **programs. (See #4 below.)***

- *The state **legislature should study other tax** incentives to **protect agricultural lands.***

4 INCOME TAX CREDITS AND CONSERVATION ENTERPRISE ZONES

Provide state and federal income tax credits for activities that protect agricultural lands and other natural resources.

Since 1989, Colorado taxpayers who make monetary contributions to help implement the plan of an economic enterprise zone may claim a state income tax credit of 50% of the value of the contribution, up to a maximum credit of $100,000. In-kind contributions may claim a tax credit of 25%, up to a maximum of $50,000. Credits must be used within six years.

Colorado currently has 16 rural and urban economic enterprise zones with economic and tax incentives. These zones cover 70% of the state's land area and 15% of Colorado's population. Eligibility for establishing an enterprise zone is determined by such factors as declining or low population, employment, and per capita income.

Conservation enterprise zones and conservation tax credits could be established similarly. Eligibility could be based upon such factors as increasing population, declining agricultural land acreage, and/or other natural resource factors. Colorado taxpayers who contribute funds to acquire agricultural easements or otherwise protect the natural resource base in a conservation enterprise zone would receive comparable state tax credits.

For example, suppose a rancher is willing to invest $3,000 to improve riparian conditions. Under this approach, the rancher would send a $3,000 check to the conservation zone administrator, who would in turn purchase the necessary supplies and pay for installation, if necessary. The zone administrator would then send the rancher a state tax credit certificate worth $1,500.

- *Enact state legislation to establish conservation enterprise zones and state income tax credits for activities to protect agricultural lands and other natural resources. Local elected officials would designate conservation zone administrators, such as soil conservation districts, with authority to issue state income tax certificates.*

- *Support similar federal tax incentives to protect agricultural land and other natural resources.*

5 VALUE-ADDED PROCESSING AND ENTERPRISE ZONES

Expand in-state food and fiber manufacturing and by-product processing opportunities.

Colorado produces exceptionally high-quality crops and livestock used for direct consumption or as initial products for further processing. Valued-added processing of agricultural commodities is minimal, except for a few industries such as brewing and meat packing. Expanding food manufacturing and by-product processing supports rural communities, creates jobs, and stimulates the development of support industries.

Complementing private industry activities, the Colorado Department of Agriculture (CDA) conducts workshops on starting a food processing business and manages an annual *Agricultural Processing Feasibility Grant Program*, funded by the Economic Development Commission. The federally-funded *Alternative Agricultural Research and Commercialization Center (AARC)*, administered locally by CDA, accelerates the development and market penetration of non-food, non feed products from agricultural and forestry materials.

The *Colorado Bio-processing Center* at CSU supports research on fermentation technology—essential to producing ethanol from corn and other feedstocks. CSU is also working with producers to develop value-added baking flours and pasta from millet, an alternate crop.

Enterprise zones (see #4) offer economic and tax incentives for new and existing businesses. For example, a $500 job tax credit is available for each employee hired by a new business ($1,000 for new agricultural processing operations). Existing and new businesses are eligible for other tax credits for investment, health insurance, and research and development.

Colorado enterprise zones have helped to bring some processing plants to the state, such as the $45 million Leprino cheese processing plant that recently moved from Nebraska to Fort Morgan. State tax benefits were a big factor in Leprino's relocation. Statewide, 51 agricultural processing businesses took advantage of the business jobs credit between 1989 and 1994.

- *Retain the use of economic enterprise zones in Colorado for regions with sluggish economies.*

- *Enterprise zone boundaries should not divide contiguous farming units.*

- *Through state enabling legislation, handlers of agricultural products should be eligible for state income tax credits and other incentives in economic enterprise zones.*

6 AGRICULTURAL PROPERTY TAX CLASSIFICATION

Clarify the agricultural land classification for property tax purposes.

Agricultural land in Colorado is taxed on its earning or productive capacity—not on its market value. This tax policy is intended to preserve a viable agricultural economy in the state. Many owners of land not classified as agricultural land for tax purposes are understandably interested in qualifying their property as agricultural in order to lower their property taxes.

Several attempts—all unsuccessful—have been made to tighten the definition of agricultural land for property tax purposes or otherwise separate agricultural and residential uses of land. For example, HB 93-1237 contained minimum acreage and income requirements for a parcel of land to be considered a farm or ranch for property tax purposes. The bill was supported by almost all farm groups, but did not pass. SB 95-25, also defeated, proposed taxing a one-acre "footprint" underlying any residence on agricultural land at residential rates.

Some owners of parcels who currently receive an agricultural land property tax classification may not meet specific thresholds of acreage and income, and be faced with higher property taxes. Such owners could be offered an agricultural leasing option.

- *Modify the state statute on agricultural property tax classification as follows:*

- *Define minimum acreage and/or income levels for farms and ranches to receive the agricultural land property tax classification.*

- *Continue the agricultural land property tax classification for parcels of land that do not meet required acreage or income thresholds if the parcel is leased or owned by an agricultural operator who meets acreage and income thresholds and uses the land for agricultural production.*

7 PROPERTY TAX CREDITS & FINITE AGRICULTURAL EASEMENTS

Provide property tax credits to protect agricultural lands under development pressure or that provide other natural resource values.

Permanent protection of all agricultural lands under development pressure is impossible: Land is needed for other purposes, buying the development rights of all farmland under development pressure would be extremely costly, and many agricultural producers are reluctant to permanently restrict or eliminate the development potential of their land.

Offering property tax credits for agricultural easements for a specific number of years can be a cost-effective way of protecting agricultural lands as well as future options of landowners.

For example, landowners who decline to sell their development rights could enter into an agreement with the county not to develop their lands for the next 10 years. In exchange, the county agrees to forgo the property tax revenue from the agricultural land. (The foregone tax revenue could be covered by other county revenues, such as an open lands sales tax.)

A "recapture tax" provision could be incorporated into the agreement. If the landowner developed the property, the landowner would pay the county property taxes at the vacant land rate for the past five years, say. To discourage land speculation, the level of back-tax could be based on the length of time the seller (or a family member) owned the land. Recapturing back taxes for developing agricultural land could help slow down agricultural land conversion and provide counties with a revenue source to help maintain its agricultural land base.

- *Encourage county governments to consider providing property tax relief for agricultural lands under development pressure or that provide other important natural resource values.*

8 RIGHT-TO-FARM LEGISLATION

Strengthen Colorado's right-to-farm laws and educate people moving in next to ranches and farms about agricultural practices.

As population growth continues to expand into agricultural areas, farming and ranching operations are increasingly likely to be subjected to nuisance suits. Protection from unreasonable complaints will help farming and ranching continue permanently as more people move to the countryside.

A state statute on the *Nuisance Liability of Agricultural Operations* (§35-3.5-101 *et seq.*, C.R.S.) was created in 1981 to protect and encourage the use of ag land. The statute defines conditions under which agriculture is not a nuisance, thereby reducing the threat of frivolous lawsuits from people moving in next to established agricultural operations.

The statute has some limitations: (a) It does not enable counties to implement local ordinances with greater nuisance protection. (b) Agriculture is dynamic and must often adopt new practices and technology to survive; this sometimes can cause friction with neighbors. But under the current statute, nuisance protection provisions "...shall not apply ... when a change in operation would result in a private or public nuisance or when a substantial increase in the size of operation occurs."

- *Change Colorado's Right-to-Farm statute to reflect the following:*

- *Enable counties to adopt ordinances protecting farmers and ranchers from frivolous nuisance suits.*

- *Establish that a farm or ranch is not a nuisance if it conforms to generally accepted agricultural and management practices.*

- *For farms and ranches which comply with generally accepted agricultural practices, nuisance protection should continue under such changes as: (a) ownership or size; (b) temporary interruption of farming or ranching; (c) adoption of new technology; and (d) type of farm product being produced. Specific guidelines could be developed by a state-appointed committee, such as the Colorado Agricultural Commission.*

- *Producers should be allowed to recover legal fees when nuisance suits are settled in their favor.*

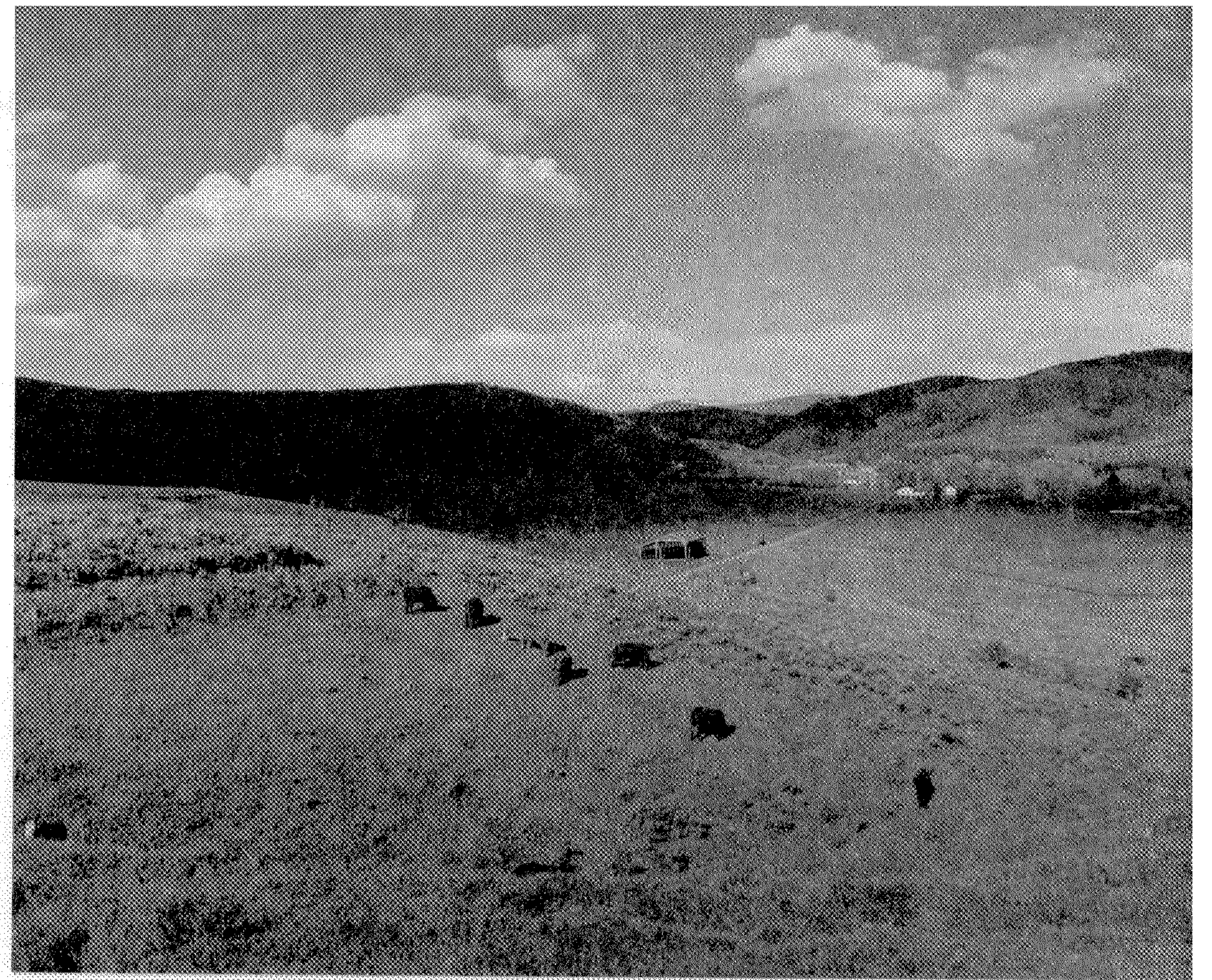
- *Require disclosure of RTF statutes and ordinances in closing documents when real estate next to agricultural operations is sold.*

- *Consider extending this law and other general nuisance statutes to include agricultural processing activities.*

Actions outside of legal changes should include:

- *Mediation should be encouraged before going to court.*

- *Work with realtors and developers to inform buyers of homes near farms and ranches about the importance of agriculture in the county and the nature of agricultural activities to reduce misunderstanding.*



Ranchers in the lush Upper Elk River Valley north of Steamboat Springs have developed a c protect 7,500 acres from development. Photo by Jeremy Green, courtesy of the American Fa

9 AGRICULTURAL ENTERPRISE DISTRICTS

Establish voluntary agricultural enterprise districts that provide incentives to maintain commercial agricultural activity.

Agricultural districts are voluntary groupings of farmers and ranchers who wish to focus on producing food and fiber—not development. A district is formed when a group of agricultural producers petition county government to create the district. Members of agricultural districts must agree not to develop their land for a certain period of years.

If a district is approved by a local government, members are eligible for benefits to be defined in a local public process and might include: (a) protection against ordinances that interfere with agricultural activities (see #8); (b) eminent domain restrictions; and (c) protection against special district taxation.

Other possible incentives include: (d) discouragement of public investment in sewer and water lines and other infrastructure (see #10); (e) state income tax credits for investment (see #5); and (f) preferential consideration for state PDR (purchase of development rights) funds (see #3).

Benefits of agricultural districts to county residents include: maintaining agriculture and related employment, preserving open space, and lower taxpayer costs to provide public services.

Since 1971, New York's agricultural districts program has protected 8.5 million acres on 22,000 farms. A number of other states have adopted such programs.

- *Enact state enabling legislation to allow counties to permit farmers and ranchers to establish voluntary agricultural districts that would provide incentives to retain lands in agricultural production. Such incentives would be determined through a local public process.*

10 INFRASTRUCTURE DEVELOPMENT

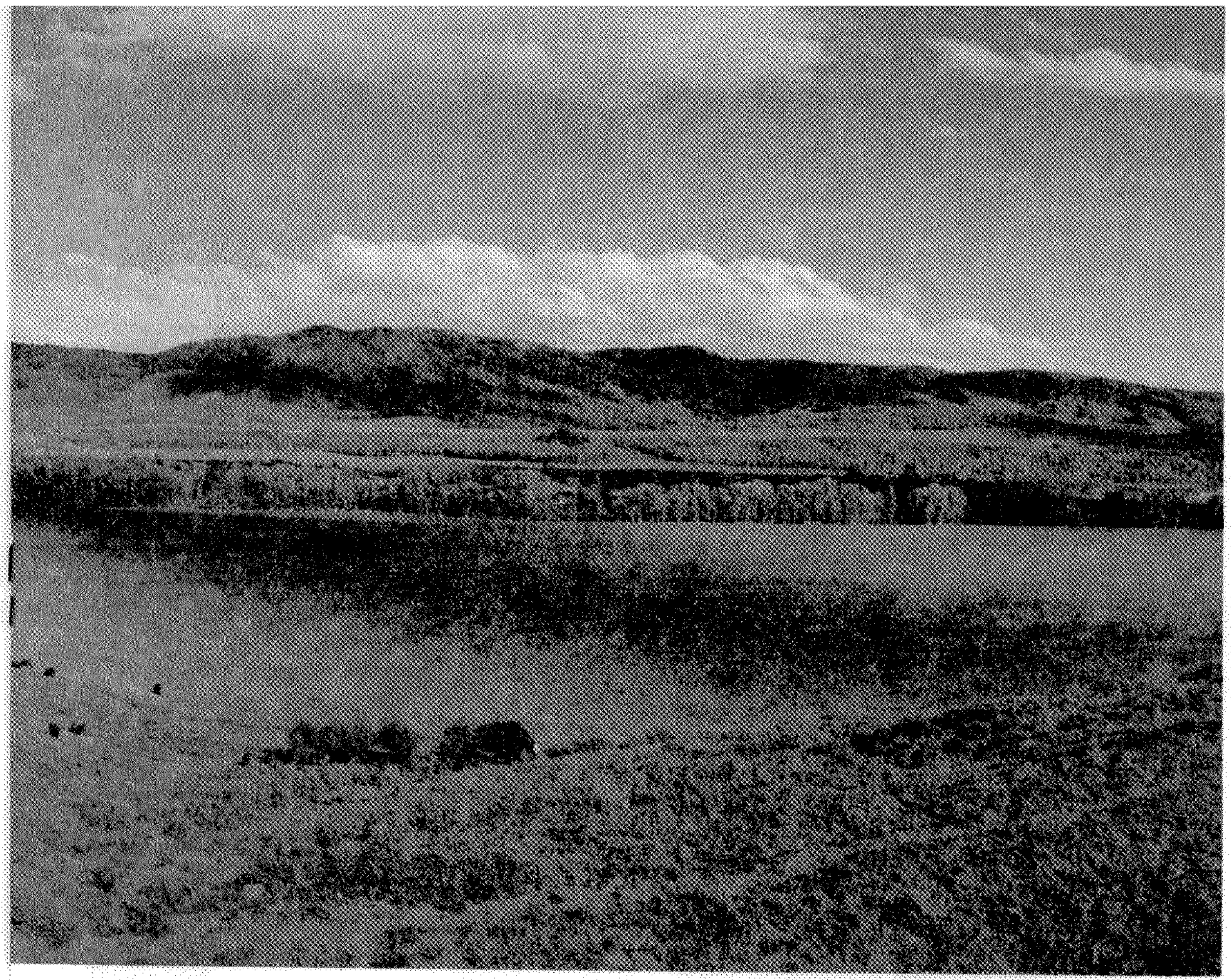
Direct growth and infrastructure development to protect productive agricultural lands.

Growth generally follows the location of water and sewer systems, roads, and other public infrastructure. Much of this development is federally-funded. State agencies often provide similar funding or review proposals on such projects.

The federal *Farmland Protection Policy Act* requires federal agencies to minimize the taking of agricultural land for highway construction and other federal projects. If federal funds are involved in a project, agricultural lands designated prime or unique by USDA's Natural Resources Conservation Service are to be protected from conversion, or mitigation of the loss is required.

- *Projects proposed and reviewed by state agencies should describe potential impacts on productive agricultural lands and identify options to mitigate significant harmful effects on such lands.*

- *The Governor should issue an Executive Order to implement this.*



mon vision statement and are using estate planning, conservation easements, and other tools to nland Trust.

12 ADDITIONAL RECOMMENDATIONS REQUIRING FEDERAL ACTION, EXPANSION OF CURRENT ACTIVITY, OR FURTHER STUDY

FEDERAL ACTION REQUIRED

11 INHERITANCE TAXES

Reduce inheritance taxes on agricultural and small business enterprises to ease the transfer of farm enterprises across generations.

Under current federal law, inheritance taxes on estates above $600,000 begin at 18% and rise rapidly to 55%—payable within nine months. Despite sophisticated estate planning, many farm families have little or no choice but to sell a portion—or all—of their farm or ranch to pay estate taxes. Easing this problem will help transfer farms and ranches from one generation to the next within the family; in turn, this helps protects the knowledge base of the enterprise and the commitment to keep the land in agriculture.

Congress is considering legislation to increase the inheritance tax exemption. Senator Dole introduced the "Family-Owned Business Act" (S. 1058) in July 1995. This bill would raise the inheritance tax exemption for family-owned businesses to $1.5 million; assets of family farms and businesses above that would be taxed at one-half the current rate. An heir (or family member) would need to continue to materially participate in the family business for 10 years. A similar bill has passed the House of Representatives.

Under current law, agricultural land may be valued at its actual use for farming or ranching rather than its "highest and best" use. This special use valuation may be used to reduce the value of an estate by as much as $750,000. A "stepped up basis" is used to calculate an heir's gain on the sale of inherited property; this reduces capital gains taxes to the heirs if the land is sold.

- *Raise the federal inheritance tax exemption for agricultural and small business enterprises to $1.5 million.*

- *Eliminate federal estate taxes on family-owned farmland if a family member continues to farm the land for 20 years. If conditions aren't kept, recapture tax obligations.*

- *Index the $750,000 special use valuation cap to inflation.*

- *Use the original purchase price as the basis in valuing farm and ranch operations for inheritance tax purposes.*

12 CONSERVATION EASEMENT TAX INCENTIVES

Increase federal and state tax incentives to use conservation easements as a tool to protect agricultural lands.

A *conservation easement* on farm or ranchland is a tool to protect such land from further development. Where programs exist, conservation easements may be sold or donated. Easements are held by land trusts or government agencies. Donating a conservation easement may provide income and estate tax benefits.

Incentives to donate agricultural conservation easements could be enhanced by increasing income tax incentives. Federal and state income tax rules allow a deduction for a donated conservation easement of up to 30 percent of adjusted gross income over a period of at most six years. But many scenic properties, the after-tax savings are a tiny fraction of the development value of the land.

Conservation easements may also be issued for finite periods of time. However, under current tax law, such easements do not receive tax deductions. A 15- to 30-year easement can provide some cash flow to the producer without foregoing future options.

- *Change the federal tax code to: (a) increase the maximum yearly deductible of 30% of adjusted gross income; (b) increase the number of years the deduction can be taken; (c) change the income tax deduction for a donated conservation easement to a tax credit; and (d) allow tax deductions (or credits) for donated conservation easements to be sold to other taxpayers.*

- *Allow conservation easement leases that would conserve agricultural property for a finite period of time.*

- *Issue state tax credits to farmers and ranchers who donate conservation easements—permanent or finite—or to persons who donate funds for their purchase. (See #4.)*

13 BEGINNING FARMERS AND RANCHERS

Expand assistance to beginning farmers and ranchers.

The *Colorado Agricultural Development Authority (CADA)*, established in 1981, encourages the investment of private capital in agriculture and reduces interest rates for beginning farmers. For land and new equipment, up to $250,000 can be borrowed. To date, 80 beginning farmers in Colorado have been helped. Under federal regulations, the beginning farmer program cannot be used if the farm property is purchased from a parent or grandparent.

The *Farm Service Agency—USDA* also has beginning farmer programs—one for land loans and one for operating loans. Since 1992, these two popular programs have helped 29 beginning farmers in Colorado, but federal funding is insufficient to meet the demand.

- *Change federal regulations to allow a beginning farmer to use CADA and FSA programs to acquire a farm or ranch from a parent or grandparent.*

EXPANSION OF CURRENT ACTIVITIES

14 EFFECTIVE COMMUNICATION

Increase understanding and support of agriculture's indispensable contribution to Colorado's economy, environment, and way of life.

Commodity organizations and general farm groups have emphasized communication with the public for years through nutrition education, hosting on-farm visits by students, and booths at county and state fairs. Greater coopera-tion among agricultural organizations could improve outreach to others.

This year, *Agricultural Insights*—a group representing agricultural organizations in Colorado, the Colorado Department of Agriculture, and CSU—has developed a vision statement for Colorado agriculture and a workplan with 14 specific activities to communicate more effectively the importance of agriculture.

The *Colorado Foundation for Agriculture (CFA)* promotes communication, cooperation, and coordination among the various segments of agriculture and greater agricultural literacy in Colorado. Last year, CFA distributed more than 500,000 copies of the Colorado Reader, a publication on agricultural and natural resource topics for grades 4-7.

● *The Colorado Department of Agriculture, CSU, and state agricultural organizations should continue and expand support for cooperative actions such as those above.*

15 TECHNICAL ASSISTANCE

Increase technical assistance to counties to promote desirable growth and protect agricultural lands.

The major responsibility for determining how growth impacts agricultural land rests with local government. From a 1992 survey, 49 of Colorado's 63 counties have adopted comprehensive plans; only 18 have explicit policies to retain agricultural land or water.

Identifying prime, unique, and important agricultural lands is an essential step. The Natural Resources Conservation Service—USDA has mapped such lands based upon soils information. Government agencies can use computerized geographic information systems to combine soils, land use, and growth information to display key agricultural lands in the path of development.

Informing taxpayers about the public costs vs. tax revenues of various patterns of land development is becoming more important. Most studies show, for example, that the cost of providing local government services to agricultural land is significantly less than the tax revenue from such lands. Maintaining lands in agriculture is prudent tax policy.

Planning assistance does not have to be through public agencies. Colorado Counties Inc. facilitates exchange of land use information and ideas through its workshops and reports.

● *Local, state and, federal agencies should prepare and disseminate information each year on state- and local trends in agricultural land (and water) conversion, soil conditions, and growth patterns.*

16 BUSINESS CLIMATE AND RURAL COMMUNITIES

Improve the business climate, economic opportunities, and essential public services in rural communities.

Agriculture can flourish only if rural communities and related agribusinesses are healthy. A favorable financial and tax climate is essential for agriculture, processors and value-added industries, and small businesses. Quality education, health care, and utilities are also indispensable. Well-maintained highways and roads are needed to transport farmgate products. Access to state-of-the-art telecommunications is also essential: telephones, computers, fax machines, and the internet.

The future of enterprise zones in Colorado is being questioned, given Colorado's robust economy and population growth. But much of rural Colorado outside tourist centers is agriculturally-based and capital-intensive. Investment tax credits and other incentives available in enterprise zones can help maintain the state's agricultural economy and rural communities. (See #4 and 5.)

Most rural communities rely on rural electric cooperatives for affordable power and communications services to attract existing businesses and industries. Congress is considering restricting access by cooperatives to low-interest loans. This will increase utility costs to rural communities, farmers, and ranchers.

Several organizations and groups are working on these issues, including: Colorado Counties, Inc., the Colorado Municipal League, Club 20, the Colorado Rural Development Council, the Colorado Rural Health Association, the Colorado REA, and local and regional economic development committees.

● *Goals and activities developed by the above-listed groups that strengthen rural communities—such as quality education, health care, transportation, business climate, and telecommunications services—should be supported.*

17 RESOURCE PROTECTION INCENTIVES

Increase support and incentives to expand protection of soil, water, vegetation, and wildlife on agricultural lands.

Colorado's farmers and ranchers use and manage most of the state's land and water resources. They are key stewards of Colorado's natural resources. They already do a great deal voluntarily, without fanfare or public compensation, to protect these resources. Cooperative partnerships among local landowners and others who use natural resources—based upon clear goals and incentives—are essential to maintaining a sustainable natural resource base.

Colorado's 80 soil conservation districts (SCDs) provide a local network of farmers, ranchers, and other landowners to focus on natural resource issues. Support is growing for using *watersheds* (lands drained by a river, stream, or tributary) as a basic unit for understanding and managing soil, water, and most other natural resources. SCDs can provide locally-elected leadership and organizational structure to include agricultural perspectives in watershed management.

The connection between wildlife and agriculture is particularly evident on the Western Slope, where two-thirds of the land is federally-owned. Public land provides summer grazing for livestock, while elk and deer feed on privately-owned irrigated meadows, cropland, and rangeland. A closer partnership between landowners and wildlife interests is favorable to both.

● *Incorporate soil conservation districts in watershed and other natural resources management initiatives.*

A herd of elk graze in a pasture alongside cattle at a ranch owned by the Wolf Cattle Company near Ridgway. Photo by Wayne Wolff.

- *Provide state and federal income tax credits and other incentives to protect natural resources. (See #4.)*

- *Expand wildlife enhancement programs to recognize the landowner's role in game management.*

- *Offset state and federal land use fees for resource managers who successfully invest in resource improvements, provide winter habitat for wildlife, or provide other social benefits.*

18 FEDERAL AND STATE COMPATIBILITY

Seek greater compatibility of federal and state policies and programs with local policies and programs that promote agriculture.

If Colorado develops grassroots and regional strategies for meshing growth with viable agriculture, this can foster increased interaction with federal and state agencies, such as the Bureau of Land Management, the U.S. Forest Service, and the State Land Board. Greater cooperation would minimize conflicts that occur because of multiple agency policies and regulations.

The Yampa River Basin Partnership, a newly-formed partnership that includes landowners and local, state, and federal officials, currently is piloting that concept. Managing the Yampa Valley ecosystem to respect the needs of all stakeholders is the basis of that partnership.

- *Encourage additional examples of effective state and federal cooperation with local leaders to promote agriculture across the state.*

FOR FURTHER STUDY

19 WATER FOR AGRICULTURE

Protect water supplies for highly productive lands.

Agricultural land requires water to be productive. Conversion pressure on agricultural lands from continued growth applies to agricultural water as well. Several methods to maintain agricultural lands discussed in this report could be applied to retain water for agricultural use. To retain both water and land in agriculture, development rights to both must be acquired.

Because of the complexity of water issues in Colorado, a separate study of agricultural water supplies is recommended. Areas to consider include: (a) address statewide water policy; (b) more water storage projects; (c) lease agricultural water to cities needing water during dry years but retain agricultural control; and (d) increased research and technical assistance on water-efficient irrigation and crops. With funding from the Colorado Water Resources Research Institute at CSU, a task force is completing a report on agricultural water conservation that could provide important basic information.

- ***Establish a statewide task force, similar to the Agricultural Lands Task Force, to analyze trends, causes, and consequences of agricultural water conversion and develop recommendations for maintaining water in agriculture.***

20 REGULATORY REVIEW

Review and modify regulations affecting agriculture and related businesses to be practical and flexible.

Regulations applied without understanding and consideration of site-specific conditions are often inappropriate and do not always correct the condition in question. Mutual problem-solving and less litigation would generate effective solutions more quickly and less expensively.

New and existing regulations should be examined for impact, cost-benefit, and practicality of implementation.

Commodity groups should participate in analyzing and developing rules and regulations. Regulatory agencies should actively seek such input.

- *A task force of representatives from state agricultural organizations, together with technical assistance from the Colorado Department of Agriculture and other agencies, should identify regulations adversely affecting agriculture with little or no public benefit and develop an action plan for changing or eliminating such regulations.*

21 MARKETING AND PROMOTION

Promote the sale and consumption of Colorado agricultural products in domestic and export markets.

Colorado's unique climatic, water, and soil conditions produce high-quality crops and livestock, giving our state an edge in domestic and export markets.

In 1993, Colorado agricultural exports totaled $866 million, 22% of the state's total exports. NAFTA and the potential of additional free trade agreements in Latin America indicate that the Western Hemisphere should be a strong focus for Colorado exports. A Colorado trade office in Mexico City provides an initial base for realizing such opportunities.

The Markets Division of the Colorado Department of Agriculture, in cooperation with commodity groups and grower organizations, provides marketing assistance to producers, suppliers, and processors of agricultural products. *Always Buy Colorado (ABC)* is a private association that also promotes Colorado agricultural products.

CSU offers assistance in using the futures market and related tools to market agricultural products. Applied crop research by CSU has been instrumental in establishing production for canola, a promising alternative crop for Colorado producers. CSU faculty can conduct feasibility studies on the marketing of new and existing agricultural products.

- *The Colorado Department of Agriculture should convene a working group of Colorado agricultural organizations, food companies with export interests, and CSU to develop a specific workplan of action and identify requirements for implementation.*

22 INFORMATION AND RESEARCH

Provide relevant information and research on agricultural lands, natural resources, and economic viability for sound public policy and private decision-making.

Identifying prime and important agricultural lands and monitoring growth pressures on such lands is fundamental. CSU and USDA specialists are developing alternate cropping patterns with eastern Colorado farmers, which use fewer inputs but increase net income. CSU and CU faculty are analyzing the importance of mountain ranches—and the destructive impacts of rural sprawl—for wildlife habitat and open space. Integrated Resource Management teams from CSU work directly with livestock producers to analyze production and profitability together.

Research and technology transfer are basic to agricultural profitability. Funding for agricultural programs at CSU has not kept pace with increased costs and demands for services. According to annual surveys of states similar to Colorado in size of agricultural production, CSU receives only 59% of the average peer state funding for extension services and only 51% for research on issues significant to Colorado's agricultural conditions.

The role of the private sector in research and information continues to grow. Through written materials, on-line computer services, and on-the-ground technical assistance, private companies are providing an increasing share of research and information for agriculture today. Both public and proprietary information have their place. Developing an optimal mix of public and private sector information resources and services will be key if agriculture is to remain competitive.

- *Establish a task force with representatives from state agricultural organizations—with technical assistance from CSU, the Colorado Department of Agriculture and other selected agencies and resource persons—to analyze agriculture's information and research needs and how best to meet them through a combination of public and private sector activities and resources. This analysis should be based upon first understanding the issues and opportunities facing agriculture as it seeks a profitable, sustainable future.*

On-going field research from Colorado State University helps keep San Luis Valley growers competitive.

PRIVATE LAND TRUSTS ACTIVE IN COLORADO

This information is adapted with permission from "A Directory of Private and Public Land Conservation Organizations in Colorado," published by Colorado Open Lands and initially compiled by John Covert. This directory also lists selected government agencies in Colorado. A companion document, "Preserving Land with Conservation Easements: A Guide for Colorado Landowners," is also available. Directory: $3; Guide $4; both $6; add sales tax, postage, handling. Phone: 303/694-4994.

American Farmland Trust
Dennis Bidwell,
Director of Land Protection
Washington, DC 202/659-5170
1980; national; threatened agricultural mountain valleys in Colorado

Aspen Center for Environmental Studies
Tom Cardamone, Director
Aspen 970/925-5756
1968; Roaring Fork Valley

Aspen Valley Land Trust
Chuck Vidal, Executive Director
Aspen 970/920-3806
1966; Roaring Fork Valley

Boulder County Land Trust
Joe Mantione, President
1988; Boulder 303/441-3400

Centennial Land Trust
Rick Sandquist, Executive Director
Orchard 970/645-2471
1995; Weldon Valley; Weld and Morgan Counties

Clear Creek Land Conservancy
George (Rock) Pring, President
1986; Golden 303/526-1151

Colorado Cattlemen's Agricultural Land Trust
Reeves Brown, Contact
Colorado Cattlemen's Association
Arvada 303/431-6422
1994; statewide

Colorado Open Lands
Elizabeth Richardson,
Public Affairs Manager
Englewood 303/694-4994
1981; statewide

Colorado Wildlife Heritage Foundation
Edward Alexander, Executive Director
Denver 303/291-7416
1989; statewide

The Conservation Fund
Thomas Macy, Western Representative
Boulder 303/444-4369
1985; national

Continental Divide Land Trust
John Farr, President
Frisco 970/668-3500
1994; Summit County

Crested Butte Land Trust
John Hess, Board Member
Crested Butte 970/349-5338
1991; Gunnison County

Douglas County Land Conservancy
Jane Boand, President
1987; Castle Rock 303/688-8679

Eagle Valley Land Trust
Jean Johnson, Secretary
1981; Eagle 970/328-6867

Estes Valley Land Trust
James White, Vice President
1987; Estes Park 970/586-5727

La Plata Open Space Conservancy
Katharine Roser, Executive Director
Durango 970/259-3415
1992; Southwestern Colorado

Larimer Land Trust
Jane Clark, President
1993; Loveland 970/667-1615

La Sierra Foundation
Michael Gomez, President
San Luis 719/672-3642
1994; Costilla County

Mesa County Land Conservancy
Harry Talbott, President
1980; Palisade 970/464-5943

Mountain Area Land Trust
Hank Alderfer, Board Member
Pine 303/838-0443
1992; Jefferson, Clear Creek, Park Counties

The Nature Conservancy
Mark Burget, State Director
Boulder 303/444-2950
1965; national,
active throughout Colorado

The N.A.T.U.R.E. Foundation
Mike Hayes, Executive Director
Glenwood Springs 970/226-8733
1994; Crystal River Valley

The Palmer Foundation
Stuart Dodge, Executive Director
Colorado Springs 719/576-4314
1977; El Paso and Teller Counties

Poudre River Trust
Brian Werner
1984; Fort Collins 970/667-2437

Roaring Fork Land Conservancy
Connie Harvey
Aspen 970/925-3502
1989; Roaring Fork Valley

Rocky Mountain National Park Associates
Curt Buchholtz, Executive Director
1986; Estes Park 970/586-1294

San Isabel Foundation
Alice Proctor
Westcliffe 719/783-2762
1995; Wet Mountain Valley

The San Miguel Conservation Foundation
Richard Salem, President
Telluride 970/728-6701
1993; San Miguel County

South Metro Land Conservancy
Terri Bernath, President
Littleton 303/795-8593

Southwest Land Alliance
Marie Faucette, Secretary
Pagosa Springs 970/731-2607
1981; Upper San Juan Basin

Three Rivers Land Trust
Ralph Kehmeier, President
Eckert 970/835-3860
1994; Delta County and outlying areas

Trust For Public Land
Sandra Tassel, Colorado Projects Manager
Denver 303/837-1414
1972; national

Two Ponds Preservation Foundation
Roger Johnson, President
Arvada 303/424-2100
1990; Arvada (Jefferson County)

Valley Land Conservancy
Tony Hoag, Executive Director
Montrose 970/249-3564
1994; Uncompahgre River watershed

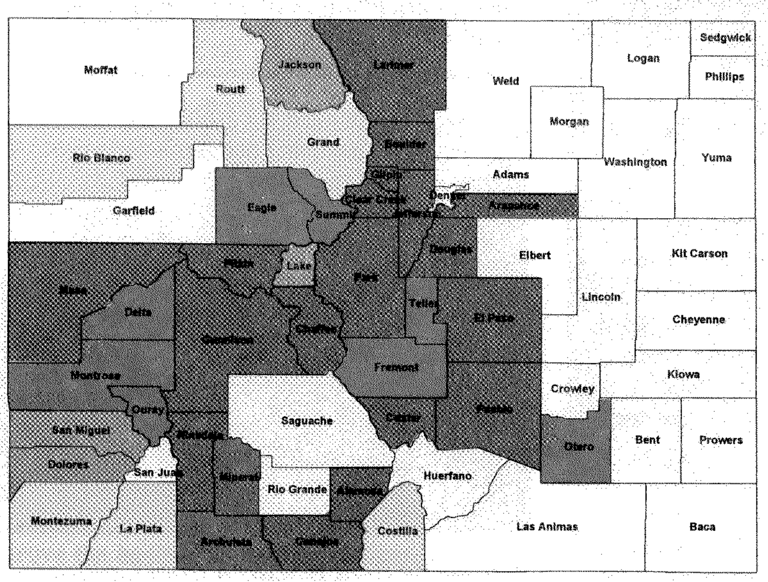
Weld Land Trust
Donna Hotchkiss, President
1995; Fort Lupton 303/857-4084

Wilderness Land Trust
Jon Mulford, President
Carbondale 970/963-9688
1992; wilderness areas in Colorado

Yampa Valley Land Trust
Susan Otis, Executive Director
Steamboat Springs 970/879-7240
1992; Yampa Valley, Routt and Moffat Counties

COLORADO COALITION OF LAND TRUSTS
Katharine Roser, President
Durango 970/259-3415
1991; education and referral organization for Colorado land trusts

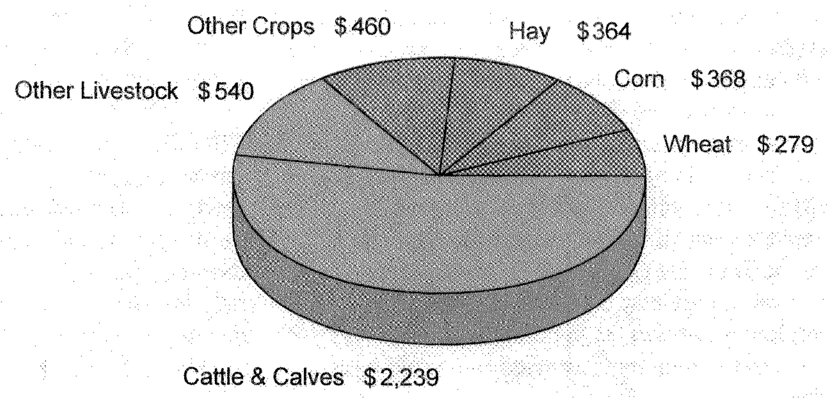
Agricultural Land Changes (1959 to 1992)



more than -30% -30% to -20% -20% to -10% -10% to +10% more than +10%

Colorado Agricultural Production

(1994 value: $4.25 billion)



(value in millions of dollars)

Livestock = 65% — Crops = 35%

Analysis: trends, causes, consequences

Dr. David Carlson, Resource Analyst, Colorado Department of Agriculture

The conversion of agricultural land is a serious problem for all Coloradans. In addition to its impact on farmers and ranchers, losing agricultural land affects the cost and quality of food, economic stability, wildlife habitat, the cost of government, and Colorado's western heritage.

Statewide changes in agricultural lands are not dramatic—a 12 percent decline in acreage since 1959; a 4 percent drop since 1978. But these figures mask important regional changes and the quality of lands no longer in farming or ranching.

Irrigation is the keystone of Colorado agriculture. Irrigated crop value exceeds $1 billion annually. Irrigation is also vital to Colorado's $2.8 billion livestock industry. Yet only 5 percent of Colorado's land is irrigated. Colorado's irreplaceable vegetable, fruit, and potato production occupies less than 140,000 acres of irrigated land.

Half of Colorado's irrigated acres are *prime farmlands*—lands which can be farmed continuously without degradation. Much of Colorado's scarce prime farmland lies in the northern Front Range, poised for continued growth.

Irrigated acreage has dropped 8 percent from its 1978 peak of 3.4 million acres. One-fifth of Colorado's 3.2 million irrigated acres depends upon the nonrenewable Ogallala Aquifer. Competition for water among agriculture, cities, and other purposes will likely accelerate these trends.

Currently 3.7 million people, Colorado's population is projected at 5 million by 2020. More people means more land needed for housing, roads, and businesses—as well as outdoor recreation, second homes, and food and fiber.

Can agriculture and growth coexist? Does it matter?

Researchers at CSU are documenting wildlife habitat and other open space benefits of agricultural land. Other studies show that protecting agricultural lands can reduce rural sprawl and the cost of government services to scattered populations. These benefits are in addition to agriculture's core purpose of producing food and fiber, which generates $13.6 billion a year and 86,000 jobs.

Maintaining agricultural lands and water helps preserve Colorado's food production capacity. This is not an urgent concern today, but will become more important as population grows, energy prices rise, and good farmland continues to disappear in other states. Protecting our best agricultural land also reduces soil erosion and fuel and fertilizer requirements.

"The best way to maintain productive agricultural lands is profitable agriculture," say most farmers and ranchers. Ignoring inflation, most raw agricultural commodities are declining in value, yet prices of inputs continue to rise. This "cost-price squeeze" makes it difficult for many to resist selling their land for other uses.

Improving the economics of food and fiber production is vital. But higher profits will not by itself make agriculture "development proof." In a pure market setting, agricultural resources will almost always be outbid by other uses: it simply takes more land and water to produce a dollar's worth of grain or meat than a dollar's worth of electricity, haircuts, or computer chips.

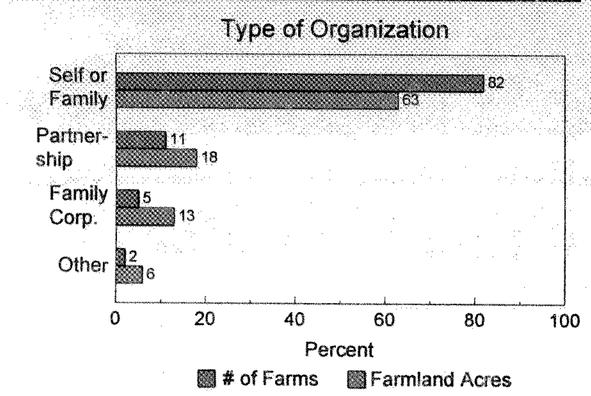
Is the public willing to provide incentives to agricultural producers to limit development opportunities and provide open space amenities in addition to food and fiber? Are producers willing to adjust their thinking and practices to accommodate these new markets? Answers to these questions will largely determine whether agriculture and growth can coexist in Colorado.

Colorado Agriculture at a Glance

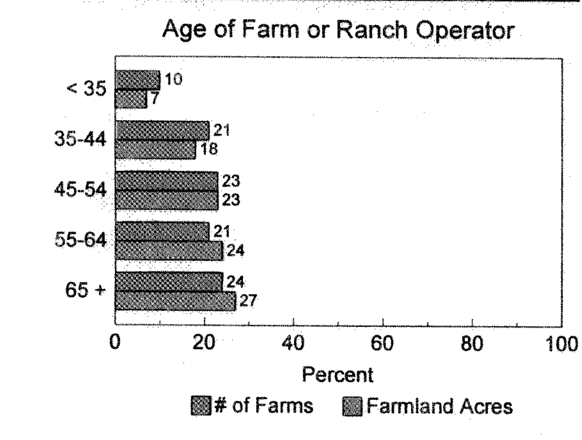
- 27,152 farms and ranches
- 34.0 million acres of ag land
- $4.1 billion in ag market value
- $13.6 billion in agribusiness sales
- 86,000 jobs in agribusiness

Most Agricultural Land is...

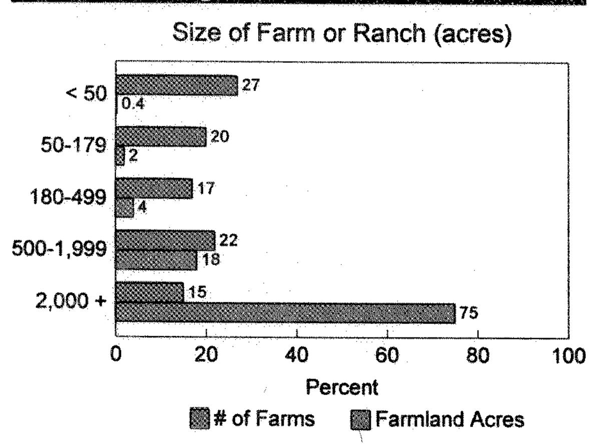
...Owned by Individuals and Families,



...In the Hands of Older Persons,



...And in Large Farms and Ranches.



Agriculture = Open Space + Wildlife Habitat

by Dr. Rick Knight, Dept. of Fishery & Wildlife Biology, CSU

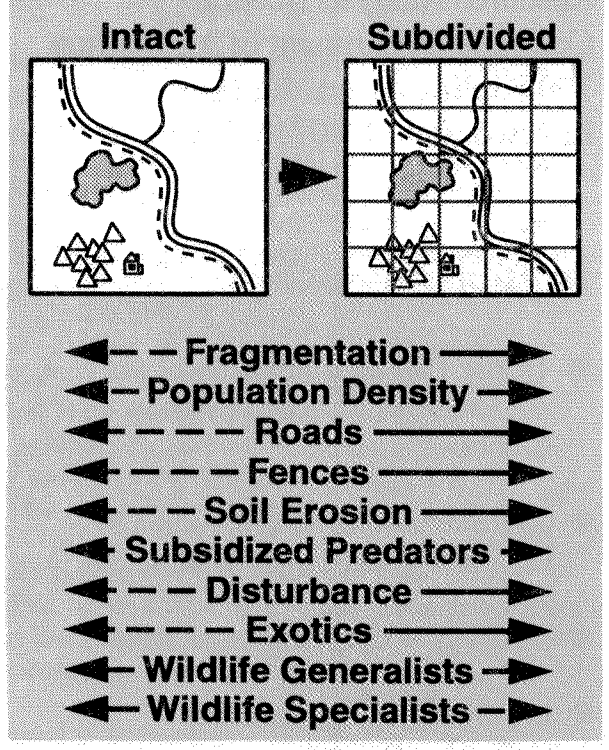
With the exception of public lands, most of the open space and wildlife habitat in Colorado is on private land. And of this private land, virtually the only segment that offers valuable habitat for wildlife is that on ranches and farms. For example, 19 of Colorado's 21 nesting pairs of bald eagles occur on private ranchland.

Today, many farms and ranches are being bought and subdivided. The associated increase in human population can have a pronounced negative effect on wildlife. More people means greater disturbance which may lead to reduced populations of wildlife sensitive to noise or human presence. More people also means more roads, more fences, more cats and dogs, and increased amounts of exotic plants and weeds—none of which benefit our native wildlife.

Collectively, these factors can alter the naturally occurring wildlife communities of Colorado to ones that are considerably simpler than what existed before subdivision. Where once farm and ranchlands contained viable populations of our native predators and prey, newly created subdivisions can be expected to support increased numbers of common species, many of which are viewed as undesirable.

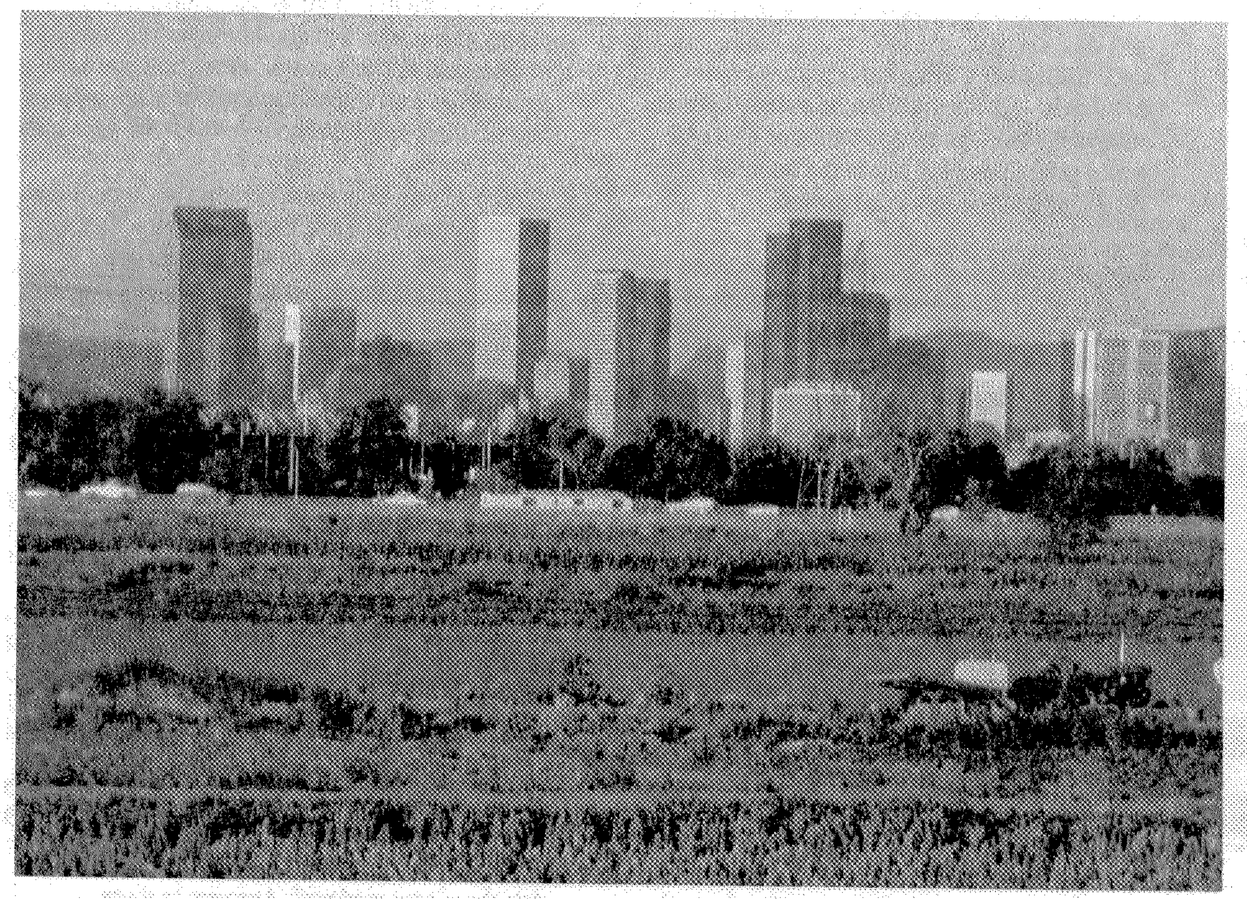
Increasingly, people are coming to appreciate that ranching and farming maintains the natural heritage of the West that first attracted them to the region, while at the same time producing necessary commodities for a rapidly growing world.

When the Land Is Subdivided



Looking for compatibility and opportunity

Agriculture and Growth



Truck farming near northeast Denver. Photo by Gene Alexander. Courtesy of the Natural Resources Conservation Service—USDA.

A Report on the Conversion of Agricultural Land in Colorado

by the Colorado Department of Agriculture and the Governor's Task Force on Agricultural Lands.

Report prepared by the Resource Analysis Section, Colorado Department of Agriculture, with assistance from the Departments of Local Affairs, Natural Resources, Transportation, and Public Health and Environment. Agricultural charts and graphs prepared by the Colorado Agricultural Statistics Service—USDA. Phone (303) 239-4112 or FAX (303) 239-4195 for additional copies and for more detailed information on resources, recommendations, and state and county trends on agricultural land use, production, and economics. Layout and printing by the Colorado Department of Transportation. Partial funding provided by the Natural Resources Conservation Service—USDA and by the American Farmland Trust, under contract with Great Outdoors Colorado.

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Colorado Department of Agriculture
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