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Tools for Community Self-determination

Mendocino County Farm & Food Economy

Highlights of a data compilation

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for

**North Coast Opportunities, Inc., &
Mendocino County Community Health Services — Susan Sher**
April 20, 2010

Mendocino County: (Bureau of Economic Analysis)

85,960 residents receive \$2.8 billion of income annually (2007). Real personal income tripled since 1969, in part due to population increase. Interest, rent and dividend payments are the most important source of personal income. Transfer payments rank second as a source of personal income. Services rank third, followed by government jobs and manufacturing.

In the food sector, food manufacturing is the fastest-increasing source of personal income, generating \$40 million in personal income in 2000, up from \$6 million in 1983. Retail food workers' income also rose, from \$13 million to \$44 million in 2000. Dining service workers earned \$40 million of income in 2000.

Although population has increased 72% since 1969, there has been only limited public planning to assure a secure and stable local food supply.

Issues affecting low-income residents of Mendocino County:

Over 27,580 residents (32%) earn less than 185% of federal poverty guidelines. At this level of income, children qualify for free or reduced-price lunch at school. These lower-income residents spend \$101 million each year buying food. The County works with about 5,600 low-income families who receive \$10 million of SNAP benefits (formerly known as food stamps), as well as WIC coupons (the value of WIC benefits could not be located). County officials also tracked 94,000 walk-in requests for financial assistance in 2009. *Data from Federal Census of 2000, Bureau of Labor Statistics, & Bureau of Economic Analysis. County client counts from Mendocino County Department of Social Services.*

Eleven percent of county households earn less than \$10,000 per year. *Source: Federal Census of 2000.*

The California Health Indicators Survey (2005) estimated that one of every four Mendocino County residents is uninsured, making it one of the top ten states in California for a lack of insurance

coverage. This total included 18,000 adults and 3,000 children. It was further estimated that 44% of county residents who do have health coverage obtain it through an employer, lower than the California rate of 58%. An estimated 21% of County residents are covered under MediCal, higher than the state rate of 17%. *Source: California Health Indicators Survey (2005).*

Low-income residents reported that they frequently had difficulty obtaining access to medical care. 36% of those under the poverty level, and 24% of those living between 100% and 199% of the poverty level, reported they were unable to get needed health care during the year prior to the survey. Lack of transportation was given as common difficulty. *Source: California Health Indicators Survey (2005).*

California Health Indicators Survey data is cited in the 2008 Mendocino County Community Health Status Report.

Food-related health conditions:

58% of Mendocino County residents reported in 2005 that they eat five or more servings of fruit or vegetables each day. This is higher than the California rate of 49%. This is a key indicator of health, since proper fruit and vegetable consumption has been connected to better health outcomes. *Sources: Centers for Disease Control, California Health Indicators Survey (2005).*

56% of County residents say they have moderate physical exercise on a regular basis. 19% say they have little or none. Another 25% report they get vigorous exercise. This is more exercise than average for the state as a whole. *Source: California Health Indicators Survey (2005).*

4% of Mendocino County residents have been diagnosed with diabetes, less than the California rate of 7%. *Sources: Centers for Disease Control, California Health Indicators Survey (2005).*

51% of California residents are overweight (27%) or obese (24%). Medical costs for treating these conditions in the state are estimated at \$7.7 billion per year. *Sources: Centers for Disease Control, California Health Indicators Survey (2005).*

The county's farms (Agricultural Census, 2007)

Agriculture Census data for 2007 were released February 4, 2009

Land:

- 1,136 farms. This is a 4% decrease in farms since 2002.
- Mendocino County has 1.4% of California farms.
- 81 (7%) of these are 1,000 acres or more.
- 569 (50%) farms are less than 50 acres.
- The most prevalent farm size is 10-49 acres, with a total of 352 farms (31% of farms).
- Average farm size is 536 acres, 171% of California's average.
- The county has 608,674 acres of land in farms.
- This amounts to 2.4% of the state's farmland.
- County farms have 31,609 acres of harvested cropland, 5% of California farmland.
- 590 (52%) farms have a total of 27,120 acres of irrigated land.
- Average value of land and buildings per farm is \$2.8 million. This is 142% of the state average of \$2 million.

Sales (Note that there may be discrepancies between Ag Census data and Bureau of Economic Analysis data, below):

- \$122 million of crops and livestock sold (2007), 0.4% of state ag sales.
- This is a 29% increase in sales over 2002 sales of \$95 million, though the number of acres farmed decreased 14%.
- \$106 million of crops were sold (87% of sales).
- \$16 million of livestock and products were sold (13% of sales).
- 595 (52%) of the county's farms sold less than \$10,000 of products in 2007. Their aggregate sales of \$1.6 million amounted to 1.3% of the county's farm product sales.
- 173 farms (15%) sold more than \$100,000 of products, an aggregate total of \$109 million, 89% of county farm product sales.
- Total farm production expenses were \$127 million, for an increase of \$38 million (42%) in production costs since 2002.
- The four largest expense items involved in costs of farm production were hired farm labor, at \$36 million; depreciation at \$21 million; and contract farm labor and interest expenses, each at \$13 million. Supplies, repair and maintenance costs totaled \$10 million. Property tax payments totaled \$8 million. Fuel and oil costs totaled \$6 million, and animal feed costs totaled \$5.6 million. Fertilizer, lime, and soil conditioner costs totaled \$3.8 million, as did chemical costs.
- 85 (7%) farms received \$719,000 of federal subsidies in 2007, 44% more than in 2002. *[Note that Agriculture Census data differ from Bureau of Economic Analysis data; see below.]*
- 63% (712) of county's farms reported net losses in 2007 even after subsidies are taken into account. This is greater than the California average of 57% (45,938 of 81,033), and 9% fewer farms than the county total of 781 farms reporting net losses in 2002.

Commodity Sales in 2007 [Mendocino County Department of Agriculture]

	\$ millions
Fruits & Nuts	95.6
Livestock production	7.7
Products from livestock and poultry	8.6
Nursery and ornamentals	3.6
Vegetables	1.1
Field crops	11.4
Total	128.0

Note: The County also lists \$75 million in sales of forest products. Note there are small discrepancies between the county data, and the Census of Agriculture and Bureau of Economic Analysis data, below.

Mendocino “Million-Dollar” commodities
[Mendocino County Department of Agriculture, 2007]

Wine Grapes	\$75,348,300
Timber	74,594,400
Bartlett Pears	14,049,800
Cattle & calves	6,342,600
Milk	6,202,700
Nursery	3,583,500
Bosc pears	1,468,000
Apples	1,420,200
Red Pears	1,409,400

[U.S. Census of Agriculture, 2007 — continued]

Fruits & Nuts:

- The county has 502 fruit and nut farms with 20,188 acres of orchards.
- These farms sold \$98 million of fruits and nuts, \$20 million more than in 2002, when 460 farms sold fruit and nuts. Mendocino County has 0.9% of California’s fruit sales.

Mendocino County Department of Agriculture 2007 — key fruit varieties

	\$ millions
Grapes for wine	75.3
Pears	16.9
Apples	1.4
Others	2.0

Note: “Other” fruits includes berries, cherries, chestnuts, olives, peaches, persimmons, pistachios, and walnuts.

Mendocino County Department of Agriculture 2006 — grape production values

Total value of 2007 crop: \$75 million. Total value in 2006: \$87 million.

Grape variety	(\$ millions)
Chardonnay	19.2
Pinot Noir	14.0
Cabernet Sauvignon	11.9
Zinfandel	8.2
Merlot	6.5
Syrah	4.4
Sauvignon Blanc	3.8
Petite Sirah	2.8
Gewurtzraminer	1.1
Carignane	1.0

Mendocino County Department of Agriculture 2007 — key pear varieties & sales

	\$ millions
Bartlett	14.0
Bosc	1.4
Red	1.4
Others	0.2

Note: Of Bartlett pears, \$9.6 million were sold for fresh consumption; \$4.2 million for canning.

[U.S. Census of Agriculture, 2007 — continued]

Cattle & Dairy:

- 305 farms hold an inventory of 19,299 cattle and calves.
- 8,881 cattle were sold from 202 farms in 2007.
- 11 farms were reported as selling milk or dairy products, up from 9 in 2002.
- Milk and dairy sales totaled \$9.6 million.
- 152 farms produced 28,650 dry tons of forage crops (hay, etc.) on 10,548 acres of cropland.

Other livestock & animal products:

- 24 farms sold 747 hogs and pigs for a total of \$83,000. This is a decrease of 14 farms (37%), and a decrease of \$59,000 (42%) in sales, over the past five years.
- 28 farms hold an inventory of 343 hogs and pigs.
- 51 farms sold a total of \$256,000 of horses.
- 113 farms raise laying hens; the inventory of layers is 1,973.
- 106 farms sold \$202,000 of poultry and products in 2007. In 2002, 50 farms sold \$156,000 of poultry or poultry products.
- 120 farms held an inventory of 7,177 sheep, lambs, and goats; selling \$506,000 worth. While the number of farms (166 in 2002) selling these small livestock fell by 28%, sales (\$598,000 in 2002) decreased 15%.

Nursery, Landscape and Ornamental Crops:

- 78 farms sold \$5.9 million of ornamental and nursery crops. This was \$300,000 more than was sold by 105 county farms in 2002.
- 7 county farms sold Christmas trees, down from 16 farms in 2002.

Vegetables & Melons:

- Vegetable and potato sales from farms in Mendocino County totaled \$1 million in 2007. In 2002, county vegetable sales totaled \$867,000.
- 59 farms produced these vegetables on 255 acres of land; there were 57 vegetable farms in 2002.
- 7 farms raise 3 acres of potatoes.

Direct & organic sales:

- 138 farms sell \$1.2 million of food directly to consumers. This is a 9% decrease in the number of farms selling direct (152 in 2002), and a 100% increase in direct sales, over \$600,000 in 2002. Direct sales account for 1% of county farm sales, more than double the national average of 0.4%.
- County farmers make up 2% of the farms selling direct, and account for 0.7% of California's direct sales (\$163 million of direct sales in California in 2007, and \$114 million in 2002).
- 145 county farms sold \$6.7 million of organic foods from 12,735 acres.
- This is 4.5% of California farms selling organic, and 1% of state sales.
- 25 farms market through community supported agriculture (CSA).
- 73 farms produce added-value products on the farm.

Organic Agriculture [Mendocino County Department of Agriculture]

Product	Farms	Acres
Grapes for wine	71	3,557
Pasture	6	3,066
Vegetables	25	358
Pears	15	246
Other fruits & nuts	34	195
Apples	22	166
Nursery & cut flowers	19	10
Other	10	105

Note: The County also lists 7 biodynamic wine grape growers with 690 acres of vines.

[Census of Agriculture, 2007 — continued]

Grains, Dry Edible Beans, Oil Crops, and others:

- 1 farm raised corn.
- 1 farm produced wheat.
- 1 farm raised barley.

Conservation practices:

- 166 farms use rotational management or intensive grazing.
- 367 farms use conservation practices.
- 136 farms generate some electricity on the farm.

Commercial Fishing [Mendocino County Department of Agriculture]

- Value of commercial fish catch in 2007 was \$7 million, for 6 million pounds of fish.

	\$ millions
Salmon — Chinook	1.81
Crab — Dungeness	1.51
Sablefish	1.16
Sea Urchin — Red	0.91
Sole — Petrale	0.50
Sole — Dover	0.44
Thornyhead — Longspine	0.12
Thornyhead — Shortspine	0.09
Rockfish — Gopher	0.06
Ling Cod	0.06
Other	0.38

Other Mendocino County highlights (Agriculture Census 2007):

- Ranks 2nd in California, and 8th in U.S., for acres devoted to raising pears, with 2,037.
- Ranks 2nd in state for acres of short woody crops planted (primarily nursery crops).
- Ranks 12th in California, and 15th in U.S., for acres of grapes (17,255).
- Ranks 12th in state for acres of apples, with 419.
- 21 farms reported \$1.7 million of income from agri-tourism and related activities, dramatically higher than the \$193,000 earned in 2002. 28 farms earned income from tourism in 2002, so fewer farms earned considerably more income.
- Mendocino County products are exported to 31 nations [*Source: Mendocino County Department of Agriculture*]

California highlights (Agriculture Census 2007):

- Ranks 1st in the nation in farm product sales, with \$34 billion.
- Ranks 1st in U.S. for sales of crops, with \$23 billion.
- Ranks 2nd in nation for sales of livestock, with \$11 billion.
- Ranks 1st in U.S. for sales of fruits and nuts, with \$11 billion.
- Ranks 1st in U.S. for production of dairy products, with \$6.6 billion.
- Ranks 1st in nation for sales of vegetables, melons, and potatoes, with \$5.4 billion.
- Ranks 1st in U.S. for production of nursery and ornamental crops, with \$3.7 billion.
- Ranks 1st in nation for sales of hay, with \$1 billion.
- Ranks 2nd in nation for sales of cotton, with \$586 million.
- Ranks 3rd in U.S. for sales of sheep and goats, with \$72 million.
- Ranks 4th in nation for sales of horses, with \$72 million.
- Ranks 5th in U.S. for aquaculture sales, with \$102 million.
- Ranks 7th in nation for cattle and calf sales, with \$2.5 billion.
- Ranks 7th in U.S. for sales of poultry and eggs, with \$1.5 billion.
- Ranks 1st in U.S. for acres devoted to vegetables, with 1.2 million.
- Ranks 1st in nation for acres devoted to grapes, with 868,330.
- Ranks 1st in nation for acres devoted to almonds, with 790,161.
- Ranks 2nd in U.S. for acres devoted to rice, with 531,075.
- Ranks 4th in nation for inventory of cattle and calves (5.5 million).
- Ranks 5th in U.S. for inventory of laying hens, with 21 million.

- Ranks 5th in nation for inventory of turkeys, with 6.7 million.
- All of the almonds, pistachios, and walnuts produced commercially in the U.S. are raised in California.
- 97% of all lemons produced in the U.S. are raised in the state.
- 96% of all celery and avocados raised in the nation are produced in the state.
- 92% of all broccoli grown in the U.S. are raised in California.
- 87% of all grapes raised in the nation are produced in California.
- 86% of all cauliflower produced in the U.S. is grown in the state.
- 82% of all strawberries grown in the nation are produced in the state.
- 81% of all lettuce and carrots produced in the U.S. are raised in California.
- 54% of the tomatoes and peaches raised in the nation are produced in California.
- 32% of the oranges produced in the U.S. are grown in the state.
- 26% of the rice raised in the nation is produced in California.
- California had 81,033 farms in 2007, 2% more than the 79,631 farms in 2002.
- Total sales of farm commodities totaled \$34 billion, a 32% increase over 2002.
- \$23 billion of farm sales (68%) came from selling crops.
- \$11 billion of farm sales (32%) came from selling livestock and products.
- Government payments increased to \$240 million, 42% over 2002 levels.
- The most prevalent farm size was 10-49 acres, with 28,000 farms.
- The next most prevalent farm size was 1-9 acres, with 25,000.
- The third most prevalent farm size was 50-179 acres, with 13,000 farms.
- About 4,000 farms managed more than 1,000 acres.
- 18,111 farms sold less than \$1,000 of products — the largest category by sales.
- 8,580 farms sold more than \$500,000 of products — the second largest category by sales.
- California has 117,665 White farm operators.
- The state has 14,199 Latino farm operators.
- The state also has 5,780 Asian farm operators.
- California has 1,838 Native American farm operators.
- California has 434 African-American farm operators.
- The state has 311 Native Hawaiian or Pacific Islander farm operators.
- 685 farms reported \$35 million of income from agri-tourism and related activities, a dramatic increase over the 2002 level of \$6.6 million earned by 499 farms in the state.
- 7,068 state farms earned \$163 million selling products directly to consumers, \$49 million (43%) more than in 2002, when 6,436 farms sold \$114 million of products directly.
- 3,515 farms devoted 368,934 acres to organic production. This included 150,809 acres of harvested cropland, 192,334 acres of pastureland, and 60,051 acres on 1,399 farms undergoing organic conversion.
- 3,235 of these organic farms sold \$657 million of organic products, including \$553 million of crops (this may include ornamental and greenhouse crops), \$36 million of livestock and poultry, and \$68 million of products from livestock and poultry (such as milk or eggs).
- Note that if organic products were a single commodity, they would rank as the 11th most important product raised in the state.
- 301 farms market through community supported agriculture (CSA).
- 953 state farms produce value-added products.
- 17,975 (22%) farms use conservation methods.
- 8,106 farms practice rotational management or intensive grazing.
- 3,230 farms generate energy or electricity on the farm.
- 9,500 farms obtain water from the Bureau of Reclamation

California's top 25 farm products in 2007 (Economic Research Service)

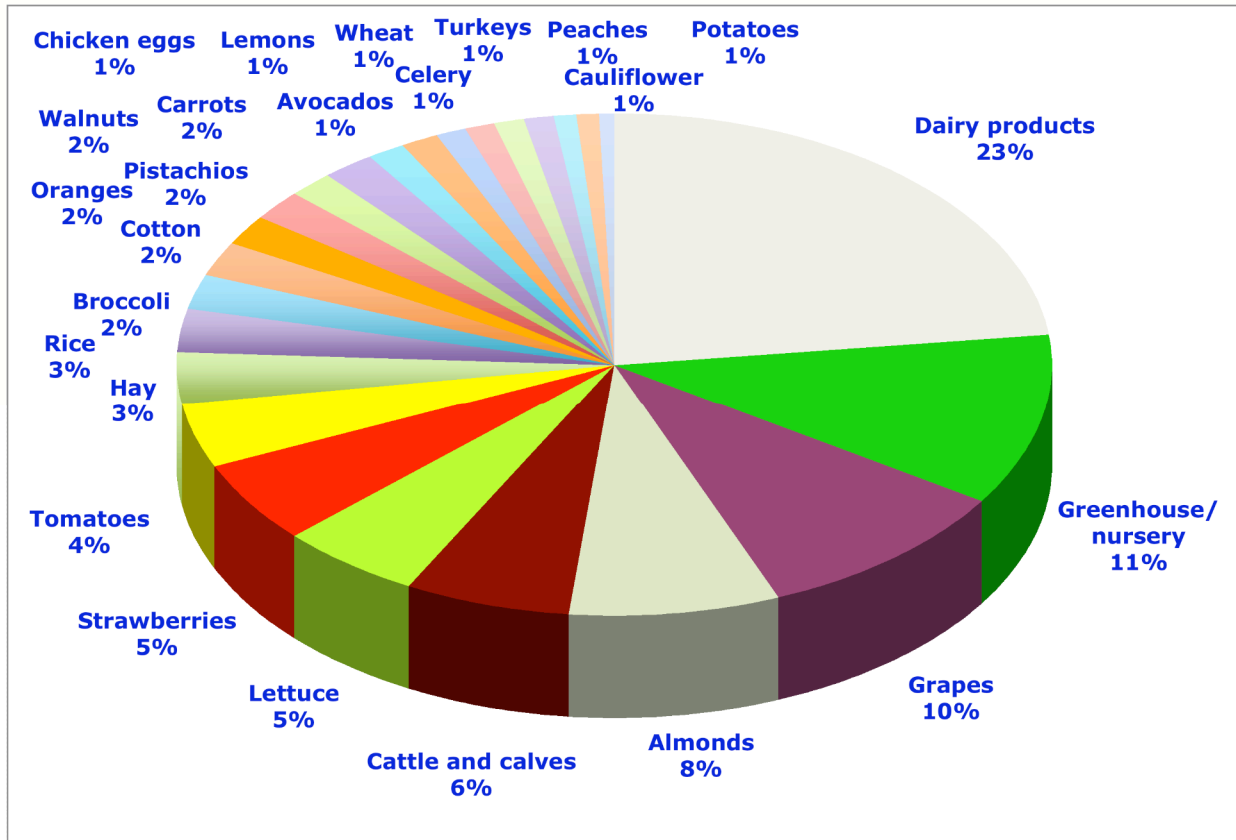
See chart on next page

	\$millions
1 Dairy products	6,924
2 Greenhouse/nursery	3,297
3 Grapes	2,926
4 Almonds	2,262
5 Cattle and calves	1,823
6 Lettuce	1,605
7 Strawberries	1,545
8 Tomatoes	1,284
9 Hay	1,026
10 Rice	826
11 Broccoli	650
12 Cotton	649
13 Oranges	627
14 Pistachios	550
15 Walnuts	528
16 Carrots	516
17 Chicken eggs	441
18 Lemons	428
19 Wheat	359
20 Celery	323
21 Avocados	321
22 Peaches	295
23 Turkeys	252
24 Cauliflower	234
25 Potatoes	197

Note that if the \$657 million of organic products now sold by California farms were a single commodity, they would rank as the 11th most important product raised in the state, larger than the broccoli, cotton, or orange crops.

California's top 25 farm products in 2007 (Economic Research Service)

See table on previous page



Source: USDA Economic Research Service

Balance of Cash Receipts and Production Costs (Bureau of Economic Analysis):

Note: Bureau of Economic Analysis farm income data differ from Agriculture Census data. For Mendocino County, BEA farm income data is lower, while expense figures are higher, for an overall lower net income. For one thing, BEA data ends in 2006, while USDA data are from 2007. BEA says the major difference between USDA and BEA data sets is that BEA data offer a more full accounting of depreciation costs, in line with international standards. BEA also says it hopes to update its computer models.

Mendocino County farmers sell \$110 million of commodities per year (1993-2007 average), spending \$128 million to raise them, for an average loss of \$18 million each year. The farm sector as a whole has earned a positive cash flow from raising commodities (though clearly some individual farms have made money) in only two years since 1993. Those two years were 1989 and 1997. Note that these sales figures compiled by the BEA differ from data recorded by the USDA Agriculture Census (see above).

Overall, farm producers have experienced losses of \$268 million since 1993. Moreover, 63% of the county's farms and ranches reported a net loss in 2007 (Agriculture Census).

Mendocino County farmers and ranchers earned \$33 million less by selling commodities in 1969 than they earned in 2007 (in 2007 dollars). Sales of livestock and related products fell 51%, from \$29.8 million in 1969 to \$14.6 million in 2007, while crop income rose 87%, from \$52 million to \$97 million. The most steadily increasing cost of production is hired labor.

Farmers and ranchers earn another \$8.7 million per year of farm-related income — primarily rental income for land and insurance payments (15-year average for 1993-2007). Federal farm support payments average \$640,000 per year for the county over the same years.

Mendocino County consumers (2008):

Mendocino County consumers spend \$233 million buying food each year, including \$137 million for home use. Most of this food is produced outside the county. \$1.2 million of food products (1% of farm cash receipts, and 0.5% of local consumer needs) are sold by 138 farmers directly to consumers, but not always to Mendocino County consumers.

Estimated change in net assets for all county households was a combined loss of \$300 million in 2008 alone (BLS). This places additional pressure on Mendocino County residents as they pay for food.

Mendocino County: markets for food eaten at home (2008):

Source: Bureau of Labor Statistics

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 29
Fruits & vegetables	26
Cereals and bakery products	18
Dairy products	16
“Other,” incl. sweets, fats, & oils	48

If Mendocino County consumers purchased only 15% of the food they need for home use directly from county farmers, this would produce \$20 million of new farm income in Mendocino County — an amount equivalent offset the production losses experienced by producers in the county.

Metro San Francisco: markets for food eaten at home (2008):

Source: Bureau of Labor Statistics

San Francisco Metro residents purchase \$11.4 billion of food each year; \$6.7 billion to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 1,440
Fruits & vegetables	1,284
Cereals and bakery products	856
Dairy products	767
“Other,” incl. sweets, fats, & oils	2,366

Farm and food economy summary:

Farmers lose \$18 million each year producing food commodities, spending \$65 million buying inputs from external suppliers, for a total outflow of \$83 million from the county economy.

Meanwhile, consumers spend \$210 million buying food from outside. Thus, total loss to the county is \$293 million of potential wealth *each year*. This loss amounts to nearly three times the value of all commodities raised in the county.

Key data sources:

Bureau of Economic Analysis data on farm production balance

<http://www.bea.doc.gov/bea/regional/reis/>

Food consumption estimates from Bureau of Labor Statistics Consumer Expenditure Survey

<http://www.bls.gov/cex/home.htm>

U.S. Census of Agriculture

<http://www.nass.usda.gov/census/>

USDA/Economic Research Service food consumption data:

<http://www.ers.usda.gov/data/foodconsumption/>

USDA/ Economic Research Service farm income data:

<http://ers.usda.gov/Data/FarmIncome/finfidmu.htm>

Centers for Disease Control: Behavior Risk Factors Surveillance System

BRFSS <http://apps.nccd.cdc.gov/brfss-smart/>

National Association of County and City Health Officials (NACCHO)

Big Cities Health Inventory <http://www.naccho.org/>

For more information:

To see results from *Finding Food in Farm Country* studies in other counties of the U.S.:

<http://www.crcworks.org/locales.html>

To read the original *Finding Food in Farm Country* study from Southeast California (written by Ken Meter and Jon Rosales for the Community Design Center and the Southeast California Experiment in Rural Cooperation): <http://www.crcworks.org/ff.pdf>

To view a PowerPoint presented in March, 2008, by Ken Meter at Rep. Collin Peterson's (D-MN) California agricultural forum, called the "Home Grown Economy":

<http://www.crcworks.org/crcppts/petersonKM08.pdf>

To get a brief list of essential food facts, many of which are cited in the presentation above,

<http://www.crcworks.org/foodmarkets.pdf>

To link to further analysis of farm and food economies in the U.S.:

<http://www.crcworks.org/econ.html>

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