

MEMORANDUM

To: Interested Parties

From: Blue Sky Consulting Group

Date: February 1, 2024

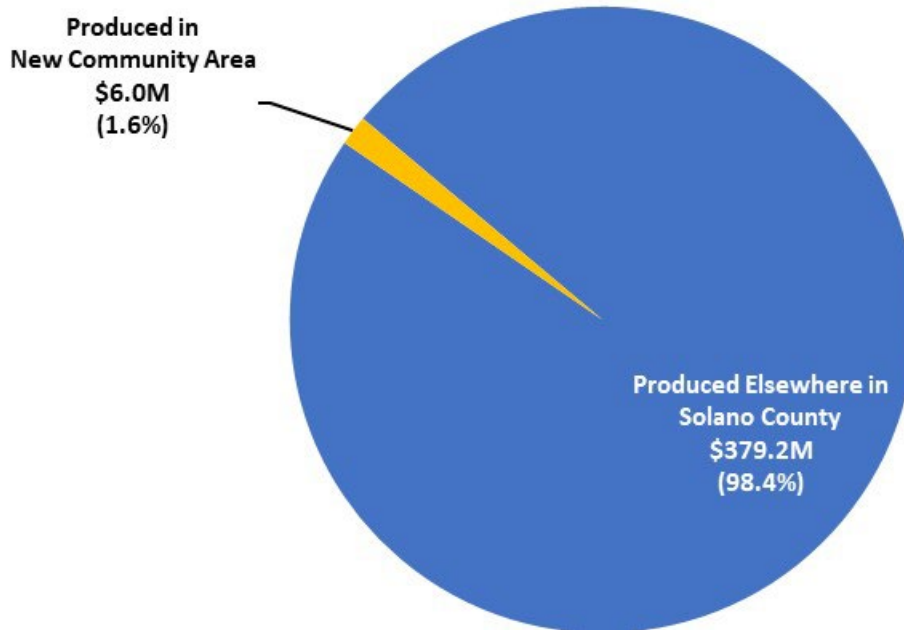
Re: Share of Solano County’s agricultural production generated from the area proposed by California Forever as the location of a new community (approximately 17,410 acres)

Summary of Results

This memo presents estimates of the portion of Solano County agricultural revenue that is generated by properties within the “New Community” area, as defined in California Forever’s ballot initiative, and as depicted on Exhibit A hereto (the “New Community Area”).

The New Community Area includes approximately 17,410 acres of land, including 16,418 acres of agricultural land and 992 acres of non-agricultural land (mostly industrial land in the Lambie Industrial Park). We find that properties within this area account for 4.9% of agricultural land in Solano County and 1.6% of Solano County’s total agricultural revenue. Over the period 2020 – 2022, annual revenue from agricultural activities in all of Solano County averaged \$385 million, with agricultural revenue from the New Community Area estimated at \$6.0 million as shown in **Table 2**.¹ Most of the county’s agricultural revenue is generated on Prime Farmland located in the area around Dixon, well to the north of the New Community Area.²

Chart 1 – Share of Solano County’s Agricultural Production Produced from New Community Area



¹ Blue Sky Consulting Group analysis of data from the Solano County Assessor and Solano County Crop and Livestock reports.

² See, “Solano County General Plan,” November 2008, page AG-4, Figure AG-1.

Solano County Agricultural Economy

Solano County’s agricultural revenue averaged \$385 million per year during the 2020-2022 period.³ Revenue is relatively concentrated: 21% of agricultural acres produced 63% of revenue. High value crops include vegetables, orchards, vineyards, and nursery products such as cut flowers.

The bulk of the county’s agricultural land is rangeland and pasture. This land is used to graze livestock, primarily cattle and sheep. Sales of the county’s livestock and their products generated \$67.5 million in annual revenue on average over the period 2020 – 2022, accounting for 17.5% of total agricultural revenue.

The remainder of the county’s agricultural land is planted in other field and forage crops, such as alfalfa, wheat, and ryegrass. In most years, some of the field and forage crops are “dry farmed,” that is, grown without irrigation.

Agriculture Properties in the New Community Area

We use property coding from the Solano County Assessor’s Office to identify agricultural properties. We then compare the New Community Area acreage to total county acreage, by property type.

Table 1 shows total agricultural acreage in the county, the New Community Area acreage, and the percent of total by category.

Table 1: Acres by agricultural use in Solano County and in New Community Area

Solano County Agricultural Parcels	Solano County Agricultural Acres	New Community Area Agricultural Acres	New Community Area Share
Row Crop	28,212	46	0.2%
Orchard	39,538	156	0.4%
Dry Farming Land	76,142	605	0.8%
Rangeland	182,817	15,611	8.5%
Vineyard	3,174	0	0.0%
Irrigated Pasture	8,441	0	0.0%
Totals	338,325	16,418	4.9%

[a] "Rangeland" also includes Range and Watershed Land, Watershed Land, Marshland and Transitional Land.

[b] Crop Report categories listed under "Row Crops" are Vegetable Crops, Seed Crops, and Nursery Products.

[c] "Dry Farming Land" includes Agricultural Property; crops in this category are Feed and Forage Crops.

For each category of agricultural property (e.g., orchard, vineyard, etc.), the total value of agricultural production was identified through analysis of the Solano County Crop and Livestock reports. Total estimated crop and land use revenue attributed to the New Community Area is shown in **Table 2**. The analysis starts with total agricultural revenue as indicated in the Solano County Crop and Livestock Reports. The New Community Area’s share of acres, by assessor category, is used to estimate crop and land use revenue attributable to the New Community Area; we assume that properties in the New Community Area generate yields and prices that are average for their categories, and we multiply the New Community Area shares of acreage by the revenue for each agricultural category.

³ Blue Sky Consulting Group analysis of Solano County Crop and Livestock reports.

For example, the assessor data show that properties in the proposed New Community Area account for 0.2% of row crop acres in Solano County. Row crop revenue for the county during the 2020-2022 period averaged \$140.2 million. The revenue attributed to the New Community Area row crop properties is computed as 0.2% of \$140.2 million, which is \$0.2 million.

Similarly, orchard properties in the New Community Area account for 0.4% the \$86.9 million in orchard revenue or \$0.3 million. Dry farming land acres in the New Community Area account for 0.8% of the \$59.1 million revenue from this sector. Finally, as shown in **Table 2**, we attribute 8.5% of county revenue from Rangeland (including associated livestock sales and sales of livestock products) to properties in the proposed New Community Area, which equals \$5.0 million.

Table 2: Crop and Land Use Revenue Attributable to New Community Area

Agricultural Product	Solano County Agricultural Revenue, Average 2020-2022	Agricultural Revenue Attributable to New Community Area	Revenue from New Community Area As a Percent of Solano County Total
Row Crop	\$140,188,667	\$227,737	0.2%
Orchard (includes Apiary revenue)	\$86,898,333	\$342,904	0.4%
Dry Farming Land	\$59,132,000	\$470,007	0.8%
Rangeland (incl. share of Livestock and Livestock Products)	\$58,009,877	\$4,953,454	8.5%
Vineyard	\$24,265,000	\$0	0.0%
Irrigated Pasture (incl. share of Livestock and Livestock Products)	\$16,733,456	\$0	0.0%
Totals/Share	\$385,227,333	\$5,994,101	1.6%

[a] Livestock and Livestock Products (\$67,546,666 revenue) was allocated between rangeland and irrigated pasture based on the assumption that irrigated pasture is 5.75 more productive than rangeland, which was based on agricultural production values from Solano County Crop Reports.

This results in the total of \$67,546,666 livestock revenue being allocated as \$53,375,544 to rangeland and \$14,171,123 to irrigated pasture.

[b] Rangeland value was computed as \$4,634,333 as reported in the Solano County Crop Report, plus rangeland's share of livestock revenue (\$53,375,543).

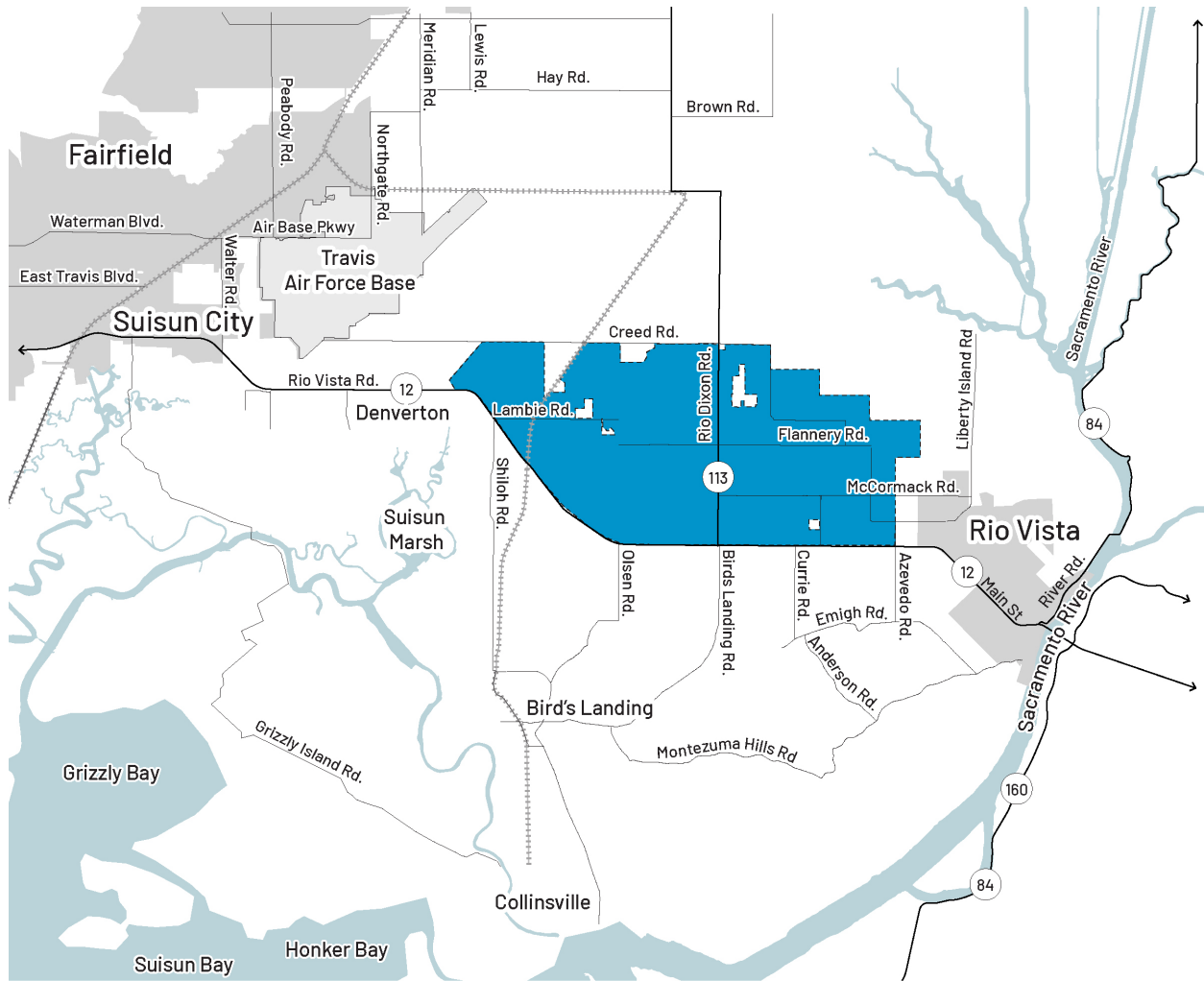
[c] Irrigated pasture value computed as \$2,562,333 as reported in the Solano County Crop Report, plus rangeland's share of livestock revenue (\$14,171,123).

Summary

We estimate that agricultural properties in the proposed New Community Area generate \$6.0 million in crop and livestock sales out of the total of \$385 million generated annually in Solano County. Therefore, the New Community Area is responsible for generating approximately 1.6% of Solano County's total agricultural revenue.

Exhibit A

Location of the New Community Area, as shown in the ballot initiative



Legend

- New Community
- Existing Highway
- Existing Road
- Travis Air Force Base

