

# Almond investors get roasted in debate over California water

By ELLEN KNICKMEYER  
Associated Press

SAN FRANCISCO — California almonds are becoming one of the world's favorite snacks and creating a multibillion-dollar bonanza for agricultural investors. But the crop extracts a staggering price from the land, consuming more water than all the showering, dish-washing and other indoor household water use of California's 39 million people.

As California enters its fourth year of drought and imposes the first mandatory statewide water cutbacks on cities and towns, the \$6.5 billion almond crop is helping drive a sharp debate about water use, agricultural interests and how both affect the state's giant economy.

Almonds have claimed the spotlight as "the poster child of all things bad in water," almond grower Bob Weimer said.

People around the world are eating over 1,000 percent more California almonds than they did just a decade ago, and last year almonds became the top export crop in the nation's top agriculture state. China's booming middle class is driving much of the demand.

That strong Asia market is producing up to 30 percent returns for investors, prompt-



Tim Hearden/Capital Press

Almond trees are shown near the end of their blossom on the farm at California State University-Chico. Critics say the increased production of almonds by large investors is an example of how the nuts are grown in extremely dry areas using too much water.

ing agri-businesses to expand almond planting in the state by two-thirds in the past decade. The crop has come to be dominated by global corporations and investment funds.

Rows of almond trees now cover nearly 1 million acres in California, many of them on previously virgin hillsides or in pastures or desert with little rain or local water. Since each tiny nut requires a gallon of water, almonds are consuming 1.07 trillion gallons annually in the state, one-fifth more than California families use indoors.

So when Gov. Jerry Brown ordered cities and towns this month to cut their water consumption by 25 percent but

exempted farms, almonds got toasted in the public heat that followed.

"Drought villains?" the Los Angeles Times asked this month. A Sacramento TV station referred to "almond-shaming." National Public Radio called almond farms "a rogue's gallery" of water users.

Now almond farmers and investors are on the defensive.

"The tomato growers use a lot more water than we do. You should go after those guys," said Ryon Paton, a global real-estate developer and principal of Trinitas Partners.

Paton's online literature tells investors to think of his newly planted almond or-

chards in Stanislaus County as "the classic Silicon Valley startup, except we have nothing to do with technology."

He regularly has to deny rumors — including from fellow almond farmers — that celebrities such as Oprah Winfrey and Condoleezza Rice are among the investors drawn to his almond fund.

California growers provide 80 percent of the global supply of almonds. In China, where the number of middle-class households has doubled since 2006, consumers see almonds as a healthy snack and regard American food in general as less contaminated than products from elsewhere.

California almonds are a popular bagged treat in China's convenience stores and supermarkets and a must-have item in holiday gift baskets.

As big a global money-maker as California's agriculture is, though, it's little more than a blip in the state's economy. And that's driving the debate on water use.

In all, agriculture uses 80 percent of the water that Californians draw from groundwater and surface supplies but produces just 1.5 percent of the state's gross domestic product, noted Christopher Thornberg, an economist who has served as an economic adviser to state agencies.

## Recreational trails on farmland controversial

### Bill would require conditional use permits for rails-to-trails projects

By MATEUSZ PERKOWSKI  
Capital Press

SALEM — Rails-to-trails and similar projects crossing Oregon farmland would be subject to greater public scrutiny under a bill intended to reduce potential conflicts with agriculture.

Under House Bill 3367, recreational trail projects — such as converted railroad easements — would have to obtain conditional use approval from county governments in exclusive farm zones.

The House Committee on Rural Communities, Land Use and Water has passed the bill 6-1 for a vote on the House floor with a "do pass" recommendation.

County governments are currently confused about whether such projects are allowed outright under Oregon's land use laws or if they're subject to permitting requirements, according to the bill's proponents.

Recreational trails can create obstacles to driving farm machinery onto fields and pose safety problems when farmers are spraying chemicals, tilling or performing other common practices, said Stan Snyder, a farmer near Albany, Ore.

"All these things are not really compatible with bikers going through there," he said during a previous hearing before the committee.

Due to the current uncertainty, recreational trails may be subject to a different interpretation of the law in each county they cross, said Jim Johnson, land use specialist for the Oregon Department of Agriculture.

A controversial rails-to-trails project in Benton County was scrapped, but similar proposals exist in several other counties, he said. "This is an issue that is very timely."

The conditional use permit process ensures that neighboring farmers can weigh in on recreational trail proposals so that counties can evaluate potential impacts on agriculture, proponents say.

"It does not ban them or make them onerously difficult to approve," said Steve McCoy of the 1,000 Friends of Oregon conservation group.

The proposal has drawn opposition from the Oregon Recreation & Park Association, which interprets Oregon's land use law as allowing trails outright in farm zones.

Hundreds of miles of trails in farm zones have been created under this interpretation, often along corridors and easements that already permit transportation, said Cindy Robert, a lobbyist for the Oregon Recreation & Park Association.

## Experts say legalized marijuana may spur home-building on farmland

### High-value crop would ease income test for farm dwellings

By MATEUSZ PERKOWSKI  
Capital Press

SALEM — Legalized marijuana in Oregon may spur more home-building on farmland unless regulators revise existing land use rules, according to legal experts.

To build a dwelling on high-value farmland, the property must generate at least \$80,000 in gross revenues for several years under current rules.

Because marijuana sells at

prices far beyond conventional crops, it would be relatively easy for landowners to meet that income test and build more homes in farm zones, legal experts say.

"People who want to protect farmland are afraid of speculation — not for growing marijuana, but for development," said Rob Bovett, legal counsel for the Association of Oregon Counties, during a recent forum on marijuana policy. "I suspect some of those rules will be tweaked."

Voters approved legalized recreational marijuana in Oregon last year, and the Oregon Liquor Control Commission is aiming to write regulations for commercial production of the psychoactive crop by 2016.

Oregon's land use system is

intended to permit farm dwellings for commercial growers and discourage "martini farms," but marijuana has thrown the current income-based approach into question, said Bill Kabeiseman, a land use attorney.

"The economic implications of marijuana growing have changed the underpinning of the rule," Kabeiseman said.

The possibility that lawmakers and regulators will change the income test, possibly with a marijuana-specific provision, is more likely than a marijuana-fueled surge in home-building, he said.

For example, Oregon lawmakers are considering a proposal that would disallow dwellings in conjunction with marijuana production on land zoned for exclusive farm use.

Leland Berger, an attorney for marijuana businesses, said he's concerned about that concept because marijuana growers face security risks and may want to live near their crop.

"I think there's got to be a better way to structure that," he said.

Marijuana legalization has also raised questions about whether the crop will make growers eligible for property tax deferrals.

Bovett of the Association of Oregon Counties, said that marijuana will probably end up qualifying for such deferrals but some counties will probably seek to restrict its cultivation in farm zones.

Whether counties have the legal authority to prohibit or limit marijuana production is



Pamplin Media Group

Legal marijuana cultivation in Oregon could have unintended impacts on the state's land use laws, experts say, paving the way for increased building on high-value farmland.

still being debated.

Oregon counties may enact local regulations unless clearly pre-empted by state law, Sean O'Day, legal counsel for the League of Oregon Cities, said.

O'Day said that local ordinances for marijuana are not pre-empted by Measure 91 — which legalized the crop — but marijuana attorney Leland Berger said that was the initiative's intention.

Revisions being considered by lawmakers may strengthen language that pre-empt local ordinances on marijuana production and processing, Berger said.

Even so, counties could argue that they are allowed to regulate marijuana because the Oregon statute is pre-empted by federal law, under which the crop remains illegal, Kabeiseman said.

"Can a county prevent a particular type of farming is an interesting question," he said.

## Animal behavior expert: Cattle need to relearn predator defenses

### Ranchers should avoid randomly killing predators

By ERIC MORTENSON  
Capital Press

Indiscriminate shooting or trapping of wolves and coyotes is a bad idea, and producers should strive for balance in the rangeland ecosystem, says Temple Grandin, the Colorado State University livestock handling and animal welfare expert.

"You may take out the wolf that is leaving the cattle alone," Grandin said.

"The sensible thing to do is probably in between the rancher who says get rid of all the wolves and the environmentalist who says never take any wolves out," Grandin said. "You want to take out the animal that's developed a taste for lamb or beef."

Grandin, whose insights on animal behavior caused livestock slaughterhouses to adopt calmer and more humane handling methods, expanded on points she made in a February article for Beef Magazine.

Among other things, Grandin believes ranchers can help cattle re-learn predator defense instincts such as bunching up instead of running.

The technique worked for the great bison herds that once roamed the plains, Grandin said. She credited the idea to two presenters at the Society for Range Management's annual meeting in Sacramento this winter.



Eric Mortenson/Capital Press  
Temple Grandin, Colorado State University livestock handling and animal welfare expert.

### Online

Beef Magazine:  
Beefmagazine.com

"Rekindling the natural herding instinct is not forcing the cattle together," Grandin wrote in the magazine article. "The principle is to move back and forth in a straight line on the edge of the collective pressure zone" while not entering the herd's "flight zone."

Dealing with predators calls for a site-specific approach, Grandin said. "Something that works in one part of the country won't work somewhere else."

Grandin said wolves and coyotes usually avoid areas where people are present, and that employing range riders — as many northeastern Oregon cattle ranchers do — is an effective deterrent. Removing livestock carcasses from grazing areas, a practice called for in Oregon's wolf management plan, is critical to avoid attracting predators and giving them a taste for livestock, she said.

Individual packs favor specific prey, and "momma

wolves" pass that on to their pups, she said.

A wolf pack that eats elk and leaves cattle alone should be tolerated, because it will protect its territory from packs that have other tastes, Grandin said.

"With coyotes, the one eating ground squirrels, you can shoot him — but he's not the one bothering your livestock," she said.

A better approach is to remove individual problem animals or a male and female pair that are caught in the act, she said.

"In managing these things, you have to look at the whole system," Grandin said. "I do go on the premise that cattle are part of the system."

People have impacted and managed rangeland for eons, dating back to when Native Americans burned grasslands, Grandin said. Critics of grazing don't understand how human use of the range can be beneficial, she said.

"Responsible family ranchers are part of that system," she said.

Grandin, who is autistic and has become an activist on that issue in addition to livestock management practices, is one of the few experts cited by both producers and conservation groups.

Her summary of the range management meeting was carried on the Defenders of Wildlife website. The American Farm Bureau Federation presented her the bureau's Distinguished Service Award at its national convention in January.



Courtesy of Felicia Hill

Vancouver, Wash., cake-maker Felicia Hill frosts a cake in her kitchen. Hill, who obtained the first state-issued cottage food license, says a bill to raise the limit on sales doesn't go far enough.

## Bill would boost cap on cottage food sales

By DON JENKINS  
Capital Press

OLYMPIA — Makers of homemade jams, cakes and other low-risk foods sold directly to consumers could increase their sales under legislation passed by the Washington state House and Senate.

Senate Bill 5603 would boost the cap on cottage food sales from \$15,000 to \$25,000 a year.

"Honestly, I would have liked to see more," said Vancouver cake maker Felicia Hill. "But it's a raise and will allow people to do that much more business."

The Washington Department of Agriculture began issuing cottage food permits in 2012. Soon, advocates argued that lifting the cap to \$50,000 or eliminating it entirely would encourage more entrepreneurship.

The state Department of Health opposed those proposals, asserting that a larger volume of homemade foods would

lead to more health risks.

A proposal this year by WSDA to set the limit at \$25,000 has moved through the Legislature without public opposition.

Hill, who lobbied for the law that established the program and received the first cottage food license, said she doubts increasing the limit by \$10,000 will encourage many people to "venture into the world of being self-employed."

"It needs to be, I believe, \$50,000," she said. "I think then you would see a huge influx of numbers. People coming in and saying, 'I can make \$50,000?' Let's see what I can do."

WSDA spokesman Hector Castro said the program lets home-based cooks and bakers test their ability to make money without investing in commercial equipment or obtaining a food processors license.

"From our perspective, it wasn't meant as a way to make a living," he said.

WSDA officials say a \$25,000 limit will avoid con-

licts with federal food safety laws that take effect once farm sales exceed that amount.

Other states have caps on cottage food sales ranging from \$5,000 to \$50,000, according to a report by the Harvard Food Law and Policy Clinic.

SB 5603 passed the House 97-0 on Thursday. The Senate approved the measure unanimously in March. The House struck a provision that would have allowed WSDA to raise the cap to keep up with inflation. The Senate must agree to the change.

About 65 people have cottage food licenses, Castro said. The number likely will increase in the next couple of months as farmers markets open, he said.

License holders must pay a \$230 application fee and follow a lengthy set of food-safety rules. The cottage food program is limited to baked goods, jams and jellies, seasonings, mixes and vinegar. A bill that would have allowed stove-top candies passed the House but stalled in the Senate.