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Tools for Community Self-determination

Denver Metropolitan Region Local Farm & Food Economy

Highlights of a data compilation
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Civic Results (Denver, Colorado)

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*Denver Metro Region includes: Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, & Jefferson Counties
[No agricultural data is available for Broomfield or Denver Counties]*

Denver Metro Region: (Bureau of Economic Analysis)

2.6 million residents receive \$107 billion income annually (2006). Real personal income has quadrupled since 1969. Services are the largest contributor to personal income, with over \$25 billion. Interest, rent and dividends make up more than \$15 billion. Over \$9 billion (8%) of personal income is government payments. Over \$5 billion is from manufacturing.

Although population has risen by a factor of 2.5 since 1969, there has been only limited public planning to assure a secure food supply.

Issues affecting low-income residents of Denver Metro Region:

Over 500,000 residents (20%) 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 \$960 million each year buying food, and receive \$145 million of food stamps (15% of food expenditures). The region's 3,282 farmers received \$108 million in subsidies, mostly to raise crops such as wheat that are sold as commodities, not to feed Denver residents. *Data from Federal Census of 2000, Bureau of Labor Statistics, & Bureau of Economic Analysis.*

Diana Pearce, in "The Self-Sufficiency Standard for Colorado 2008," published an excellent critique of federal poverty guidelines, which have long been considered inadequate. Her research suggests that a family would need from \$20,000 to \$84,000 of income to be self-sufficient, depending on family size and the number of children.

62,000 households (averaging 2.2 people) earn less than \$10,000 per year. *Source: Federal Census of 2000.*

16% of all adults aged 18-64 in Denver metro region have no health insurance. *Source: Centers for Disease Control.*

20% of working age adults in the state of Colorado, and 14% of children and adolescents, have no health insurance. *Source: Colorado Health Report Card*

Food Bank of the Rockies reports that it distributed 22 million pounds of food in 2007 to low-income people in Denver, the Western Slope, Northern Colorado and Wyoming. FBR equates this with 16.5 million meals.

The Food Bank of Larimer County (Ft. Collins) reports that it distributed 5.6 million pounds of food in 2007.

Weld Food Bank distributed 5.3 millions pounds of food in Weld County (Greeley) in 2007, valued at \$6 million.

Food-related health conditions:

5% of the region's population has diabetes.

56% of metro area residents are overweight (36%) or obese (20%). Medical costs for treating these conditions are estimated at \$874 million per year for the state of Colorado. *Source: Centers for Disease Control.*

Food-related conditions covered in the Big Cities Health Inventory (2007); trends from 1990 to 2004

Mortality from heart disease fell 34%. Hispanics have lower rates than average; African-Americans have higher rates than average for the Metro area.

Cancer mortality rates fell 9%. African-Americans and Hispanics have higher rates than Whites.

Mortality from diabetes increased 97%. Rates for African Americans are more than three times those of Whites; Hispanic rates are more than double that of Whites.

Infant mortality rate fell 40%.

African-American babies are twice as likely (rate=17 per 1,000) to be born underweight as Whites (9 per 1,000). Hispanic babies are slightly less likely to be underweight (8 per 1,000).

Additional information from Metro Denver Health and Wellness Commission (2007) "A Report on the Health & Wellness of Our Community."

12% of children eat five servings of fruit or vegetables each day.

3% of commuters walk or bike to work.

From Colorado Health Report Card

9% of Colorado babies are born with a low birth weight.

23% of Colorado adults eat five or more vegetables or fruits each day.

The region's farms (Agricultural Census, 2002)

Land:

- 3,282 farms. This is 10 % of Colorado farms.
- 294 (8%) of these are 1,000 acres or more.
- 1,741 (53%) farms are less than 50 acres.
- Average farm size is 436 acres, 44% of Colorado's average.
- The region has 1.4 million acres of land in farms, primarily in Adams and Arapahoe Counties. Denver County has 10 farms recorded in the Ag Census.
- This amounts to 5% of the state's farmland.
- 377,000 acres of harvested cropland.
- 890 farms (27%) have a total of 69,000 acres of irrigated land.
- Average value of land and buildings per farm is \$800,000. This is 105% of the state average.

Sales:

- \$185 million of crops and livestock sold (2002), half of which is produced in Adams County.
- This is 7% less sales than in 1997, though the number of farms rose 13%.
- \$149 million of crops sold (80% of sales).
- \$35 million of livestock and products sold (20% of sales).
- 265 of the region's farmers sold 5.9 million bushels of wheat, primarily winter wheat.
- This is 16% of the state's wheat crop.
- The value of livestock products sold fell 35% from \$54 million in 1997 to \$35 million in 2002, although the number of farms/ranches selling livestock, poultry and related products rose slightly from 1,561 in 1997 to 1,642 in 2002.
- 2,500 (76%) of the region's farms sold less than \$10,000 of products in 2002. Their total sales of \$4 million was only 2% of the region's farm sales.
- 206 farms (6%) sold more than \$100,000 of products, a total of \$160 million (87% of region's sales).
- 72% (2,363) of region's farms reported net losses in 2002, even after subsidies are taken into account. This is higher than the Colorado average of 59%.
- 83% of Douglas county farms reported net losses.
- 560 (17%) of the region's farmers collected a combined \$5.7 million of federal commodity support payments.

Nursery Crops:

- 127 farms produce at least \$84 million of nursery crops (sales data have been suppressed in Arapahoe and Denver counties).
- 21 farms sold at least \$68,000 of Christmas trees (17% of state's). Sales from Douglas County were not reported by USDA.

Cattle & Dairy:

- 1,000 ranches and farms hold an inventory of 40,000 cattle and calves.
- Over half of these cattle are raised in Adams and Boulder counties.
- 30,000 cattle (1% of state's) were sold from 861 ranches in 2002, for total sales of \$3.9 million, a 86% decline from \$24 million sold in 1997 by 1,271 ranchers.
- 10 farms sold \$4.8 million of milk and dairy products, a slight decline from 1997.
- 467 farms produced \$7.4 million of forage crops (hay, etc.).

Other livestock & animal products:

- 552 farms sold a total of \$3.5 million of horses.
- 134 farms sold \$875,000 of poultry.
- 107 farms sold 7,650 hogs and pigs for a total of \$649,000.
- 158 farms hold an inventory of 7,269 sheep and lambs for a total of \$651,000.

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

- 265 of the region's farmers sold 5.9 million bushels of wheat, primarily winter wheat.
- This is 16% of the state's wheat crop.
- 28 farms produce 7.4 million pounds of sunflower seeds.
- This is 15% of the Colorado sunflower crop.
- 29 farms produce 194,000 bushels of barley.
- 16 farms produce 15,000 cwt of dry edible beans.
- 12 farms produce 16,000 tons of sugar beets.

Vegetables & Melons (some farmers state that Ag Census data does not fully represent vegetable production):

- Total vegetable sales is \$23 million (8% of Colorado's).
- 57 farms produce these vegetables on 5,145 acres of land.
- This is 13% of Colorado's vegetable acreage.
- Three farms raise potatoes.

Fruits (some farmers state that Ag Census data does not fully represent fruit production):

- The region has 23 farms with a total of 62 acres of orchards.
- 17 farms sold at least \$84,000 of fruit and nuts (sales not reported for Douglas or Jefferson counties).

Direct and organic sales:

- 364 farms sell \$4.9 million of food directly to consumers, mostly from Adams County. This is a 52% increase in the number of farms selling direct (240 in 1997), and a stunning 268% increase in direct sales from 1997 to 2002.
- Denver Metro Region farmers sell 28% of the state's direct sales (up from 19% in 1997).
- 48 region farms sold organic foods (\$346,000 sales).
- This is 18% of Colorado farms selling organic, but only 3% of state sales (\$12 million).

County highlights (Agriculture Census 2002):

No agricultural data was released for Denver or Broomfield Counties by the Agricultural Census in 2002.

Adams County

- 728 farms covering 701,000 acres.
- One-third of all farms is less than 49 acres.
- County farmers sold \$98 million of crops and livestock.
- Nursery crops are the largest single source of income for county farmers, with \$45 million in sales. Arapahoe County ranks 2nd in Colorado.
- Farmers sell \$21 million of vegetables and potatoes, ranking 5th in the state.
- \$17 million of grains, primarily wheat, is sold.
- With 212,000 acres devoted to wheat, the county ranks 2nd in Colorado.
- Ranks 2nd in state for sunflower acreage.

- Fifth in Colorado for acreage devoted to proso millet (ranks ninth in U.S.).
- Ranks 7th in state for milk and dairy products, with \$4.8 million in sales.
- Farmers sell \$2.7 million of forage crops.

Arapahoe County

- 448 farms covering 333,000 acres.
- Nearly half of all farms are less than 49 acres.
- Main crops are nursery crops and wheat — yet sales figures are not reported by USDA to protect confidentiality. Nearly 60,000 acres are devoted to wheat.
- Farmers receive \$1.6 million in federal subsidies.
- Vegetable sales total \$6,000.
- Very little fruit is produced.
- Ranchers sell \$8.6 million of cattle and calves.
- \$4 million of hogs and pigs are sold.
- Ranks third in broiler chicken sales with \$725,000, and sells another \$684,000 of laying hens.

Boulder County

- 736 farms covering 107,000 acres.
- Six of every ten farms is less than 49 acres.
- \$32 million of crops and livestock were sold in 2002 (this may differ from BEA).
- Vegetable sales total \$1.9 million.
- Ranks 5th in state for sales of nursery crops, with \$14.6 million of sales.
- Ranks 9th in Colorado for fruit and nut production, with \$51,000 in sales.
- Farmers sell \$3.6 million of forage crops.
- Fifth-largest poultry seller in state, with \$823,000 in sales.
- Ranks first in duck production in Colorado.
- Sales of cattle, calves and dairy products have been suppressed to protect confidentiality.

Douglas County

- 903 farms covering 200,000 acres.
- Half of all farms are less than 49 acres.
- Government subsidies are only a tiny fraction of county farm income, totaling \$84,000.
- Over half of county farm sales are earned selling nursery crops (\$6 million).
- Ranchers sell \$2.6 million of cattle and calves.
- Horse sales total \$2 million per year, making Douglas the second-ranking seller in the state, and 51st nationally.
- Ranks thirds in Colorado for llama production, with 736.
- Vegetable sales totaled \$19,000.
- Fruit sales figures were not reported to protect confidentiality.

Jefferson County

- 457 farms covering 90,000 acres.
- Two-thirds of all farms are less than 49 acres.
- 90% of farm income comes from selling nursery crops (\$18.3 million).

- Ranks third in production of nursery crops in Colorado.
- Jefferson is the fourth-largest producer of Christmas trees in the state.
- Ranchers earn \$1.3 million selling cattle and calves, two-thirds of all livestock income.
- Jefferson County ranks sixth in Colorado for llama production, with 490 animals.
- Government subsidies are only a tiny fraction of county farm income, totaling \$70,000.
- Vegetable sales totaled \$34,000.
- Fruit sales figures were not reported to protect confidentiality.

Colorado highlights (Agriculture Census 2002):

- Nation's leading producer of proso millet, with 114,000 acres.
- Ranks 2nd in U.S. for sheep & goat sales, with \$72 million.
- Fourth largest producer of cattle in the nation, with \$2.6 billion in sales.
- Ranks 8th in wheat acreage, with 1.7 million acres.
- Devotes 1.2 million acres to forage crops.
- Twelfth-largest vegetable producer in U.S., with \$297 million of sales.

Top 25 products sold by Colorado farmers, 2006 (Source: USDA Economic Research Service
— *mushroom, carrot and spinach data withheld*)

- All Colorado farmers together sold \$5.6 billion of crops and livestock in 2006.
- Of these sales, \$4 million in livestock sales, and \$1.5 million of crop sales.
- Received \$245 million of federal subsidies.

Product	\$ million
1 Cattle and calves	3,271
2 Dairy products	327
3 Nursery crops	310
4 Corn	288
5 Hay	255
6 Wheat	185
7 Hogs	182
8 Potatoes	182
9 Sheep and lambs	118
10 Onions	54
11 Sugar beets	34
12 Sunflowers	25
13 Dry beans	24
14 Corn, sweet	20
15 Millet, proso	19
16 Peaches	17
17 Barley	13
18 Cabbage	13
19 Sorghum grain	9
20 Lettuce	7
21 Cantaloupe	5
22 Apples	4

Balance of Cash Receipts and Production Costs (BEA):

Denver Region ranchers and farmers sell \$275 million of food commodities per year (1977-2006 average), spending \$317 million to raise them, for an average loss of \$42 million each year. The farm sector as a whole has not earned a positive net income (though clearly some individual farms have made money) in any of the past 30 years. Note that these sales figures compiled by the BEA are far higher than cash receipts recorded by the USDA Agriculture Census (above).

Overall, farm producers have suffered a deficit of \$1.2 billion since 1977. Overall, 72% of the region's farms and ranches lost money in 2002 (Ag Census), even after subsidies are taken into account. Farmers spent \$79 million more producing crops and livestock in 2006 than they earned from sales of those products.

Denver region farmers and ranchers earned \$110 million less by selling commodities in 1969 than they earned in 2006 (in 2006 dollars). Cash receipts are 40% of what they were in 1969. Sales of livestock and related products fell 79%, from \$374 million in 1969 to \$78 million in 2006. Labor costs have risen steadily since 1987.

Farmers and ranchers earn another \$16 million per year of farm-related income — primarily custom work, and rental income (thirty-year average for 1977-2006). Federal farm support payments averaged \$16 million per year for the entire region over the same years. Even taking these sources of income into account, net farm income has averaged a \$11 million deficit per year.

The region's consumers:

Denver region consumers spend \$5.7 billion buying food each year, including \$3.2 billion for home use. Most of this food is produced outside the region. Only \$4.9 million of food products (2.6% of farm cash receipts, and 0.1% of local consumer needs) are sold by farmers directly to consumers.

Estimated change in net assets for all region households combined was a loss of \$3.2 billion in 2006 (BLS).

Farm and food economy summary:

Farmers lose \$42 million each year producing food commodities, spending \$110 million buying inputs from external suppliers, for a total loss of \$152 million to the region.

Meanwhile, consumers spend more than \$5.5 billion buying food from outside. Thus, total loss to the region is \$5.6 billion of potential wealth *each year*. This loss amounts to 20 times the value of all commodities raised in the region. If Denver Metro consumers purchased only 8% of the food they take home to eat (see table below) it would bring in as much income as all commodities farmers now sell.

Denver Region — markets for food eaten at home (2006):

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 741
Fruits & vegetables	532
Cereals and bakery products	435
Dairy products	366
“Other,” incl. sweets, fats, & oils	1,198

State of Colorado — markets for food eaten at home (2006):

	<i>millions</i>
Meats, poultry, fish, and eggs	\$1,225
Fruits & vegetables	879
Cereals and bakery products	718
Dairy products	606
“Other,” incl. sweets, fats, & oils	1,980

Colorado consumers buy \$9.5 billion of food per year:
\$5.4 billion to eat at home, and
\$4.1 billion to eat out.

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/>

Pearce, Diana (2008). **“The Self-Sufficiency Standard for Colorado 2008.”** Colorado Fiscal Policy Institute, February.

Colorado Health Foundation (2008). “The Colorado Health Report Card.”
http://www.coloradohealth.org/publications/report_card.cfm .

National Association of County and City Health Officials (NACCHO)
Big Cities Health Inventory www.naccho.org/

Metro Denver Health and Wellness Commission (2007) “A Report on the Health & Wellness of Our Community.” <http://www.mdhwc.org/hwreport.htm>

For more information:

To see results from *Finding Food in Farm Country* studies in other regions of the U.S.:
<http://www.crcworks.org/locales.html>

To read the original *Finding Food in Farm Country* study from Southeast Minnesota (written for the 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) Minnesota 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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