

Farmland Protection Efforts in the CV

Maxwell Norton UC Cooperative

Only about 25% of California's land is in some type of agriculture
About 50% is open pasture and range, about 39% is croplands remainder is woodlands and other categories.

<10% of the state is croplands

University of California Agricultural Issues Center

Contributions of farmlands:

- *Economic engine for region
- *Employment on and off the farm
- *Ag exports important for employment and reducing US trade deficit
- *Open space
- *Some environmental benefits
- *Roles in water recharge and storage

-Through multiplier effects, farmers generate about \$59B in personal income for Californian's, or 6.6% of the state's total personal income

-In the CV Ag accounts for 21% of all income and 25% of all jobs.

1998 Data, University of California Agricultural Issues Center

-Range lands serve important role of watersheds

-Crop lands are critical to cities for ground water recharge

-Farms provide a significant portion of wildlife habitat on both range land and crop land. Many do this intentionally –Utah State University

-Agriculture can be an important wildlife food source before and after harvest as some of the crop is often left behind

-Increased incentives to provide habitat?

-Between 16% and 19% of California's Ag production is exported to international markets

-In Ag exports were valued at >\$6B

-For each billion in Ag exports 27,000 jobs are created in the state

-\$1 in exports -- \$1.40 in economic activity

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Why is a domestic source of food important?

-Safer from: Chemical hazards

Biological hazards

-Generally produced in a more environmentally friendly manner

-Workers treated more humanly

Does farmland play a role in national security?

- We are dependent on foreigners for oil
- Dependent on others for cooperation in the war on terrorism and other foreign policy objectives
- Can we be dependent on external sources for any of our critical food needs?
- Seemingly small events can be disruptive to our economy.

- Food
- Fiber
- Flowers & foliage
- Forage
- Fuel

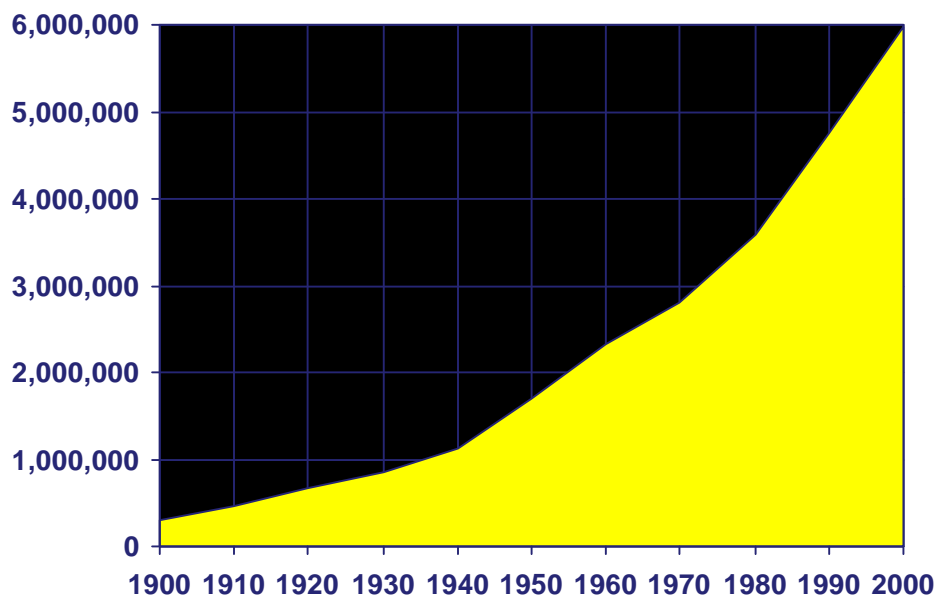
-Petroleum replacements:
Acre of corn in every tank?
Generate electricity?
Bio-plastics?

How production farmland is lost:

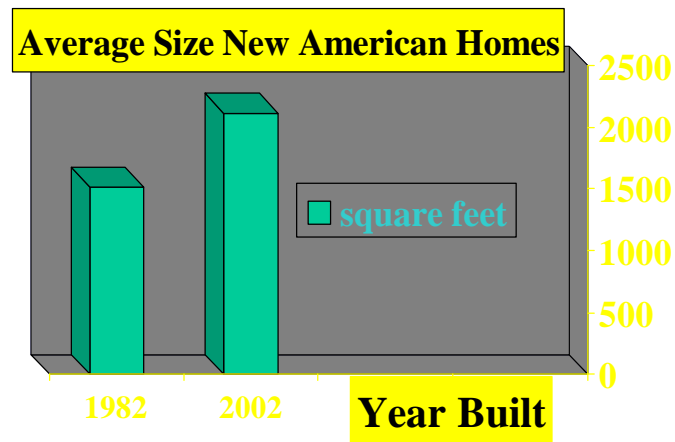
1. urban growth
2. splitting up into ranchettes
3. farmers wanting to get out
4. can't compete for water
5. competition with wildlife objectives

Central Valley Population 1900-2000

From: Public Policy Institute of California



Supersizing Our Homes



From:
Richard J. Jackson, MD, MPH
State Public Health Officer
California Department of Health Services

- Competition with wildlife and ESA objectives
- Purchase of lands or conservation easements for wildlife habitat
- Protecting large tracts of marginal land -- forces urban growth onto productive farmland

WATER = JOBS

- Water for food, fiber, forage and fuel production
- Agricultural processors typically need > 1 Million gallons/day to operate
- Some housing projects have been halted while waiting for court rulings on water issues.

Disincentives to farming

- >New regulation & regulatory costs
- >Skyrocketing workman's comp costs
- >Uncertainty about water
- >Uncertainty about peak labor availability
- >Population explosion competing for land, water and energy
- >Uncertainty about being able to get permits from air and water quality authorities
- >Trash dumping, drug lab dumping, theft, trespassing & complaints from new neighbors

Farmland Protection Tools

Right to Farm Ordinances (regulatory)

- + Strives to reduce rural-urban conflict by establishing a farmer's right to normal practices

- *Needs to be included in residential deeds
- *Must have notification prior to home sale

- Usually no prior notification
- Cannot take away right to complain to regulatory agencies or to sue
- Real problem is often trespassing, theft, dumping and added regulations near homes.

General Plan and Ag Element (regulatory)

- +Designates direction of growth for a period
- +Ag Element objectives, rules and penalties for Ag land conversion and conservation
- +May require some form of mitigation
- Cities don't have Ag elements
- Supervisors and Councils change
- Dev. comm. makes large contributions
- Counties and cities grant variances
- Often ignore GP
- Zoning easy to change
- GP is often enforced via lawsuit

Agricultural Preserves:

Areas in county eligible for 10-year W-Act contracts
Established by B of S

20 Year Farmland Security Zones

Areas in county eligible for minimum
20-year FSZ contracts
Established by B of S
Land valuation limited to 65% of regular W-Act (or) Prop. 13 value (whichever lower)
Landowner applies to county.

10 Year Williamson Act

- + Contract: drop property taxes – give up development rights for 10 years
- Not permanent
- Speculators contract with intention of not renewing and later develop
- Profits from developing make the tax penalty for early cancellation less painful

Agricultural Conservation Easements

- *A permanent Ag easement is placed on a parcel – permanently protecting it.
- *Similar to selling mineral rights
- *Considered permanent
- *Can be donated for income tax benefits
- *Can be sold
- *Can be sold at a reduced value for combination of deduction and some \$
- *Must be held by a qualified trust
- *May be held by the government – rare

- *Can have estate planning and property tax benefits
- *Land can be sold, inherited, encumbered
- *Farming practices and crops can be changed to meet market demands
- *Can allow for home for family members
- *Can combine with conservation easement for wildlife preservation
- Should be considered permanent – very difficult to change or remove
- Who holds the ACE is important
- Need to anticipate needs for future buildings
- Future owners or descendants may dispute the easement
- May end up close to town
- Developing is not an option if go broke
- Very slow and expensive process

ACE process:

- +Owner(s) apply to an organization
- +Feasibility study
- +Write a grant on behalf of owner(s) – variety of private and public sources
- +Baseline study – due diligence
- +Transaction to transfer the easement
- +Trust paid for transaction costs and future monitoring and defense

- +Trust monitors & defends the easement

CV Land Trusts:

- >AFT (prefers not to hold local easements)
- >Yolo Land Trust – Yolo County
- >Central Valley Farmland Trust – Sacramento, SJ, Stanislaus & Merced
- >Discussions taking place in Central and Southern SJV
- >CA Rangeland Trust
- >Sonoma, Marin, Napa, Monterey, others

W-Act Conversions:

- In lieu of large \$ penalties, developer purchases of development rights to “comparable” lands and places them with a Trust
- Comparable in soil capability and threat from urbanization.
- Developer reimburses the Trust for costs and future monitoring defense.

Land banking

A Trust, conservation organization or government agency purchases the land, removes development rights and then re-sells the land at a lower price to a farmer.