

## Urban Expansion-Will It Change The Way We Farm?

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Urbanization is all around us. Some refer to avocado growers as urban farmers. One of the major issues facing most growers is how will urban influences change the way they farm? Or another question is—can they hold out?

The major land use shift in southern California is from farming to urban uses of the land. Farmer land owners can look at this trend as a "two-edged sword"—they can cut it either way. They can resist and live with the urban pressures and continue to produce avocados or other farm products, or they can sell out and let the land be converted to urban uses. Which way will it be for you? What are the issues you need to consider? We all know of hold-out farmers in urban environments. One of the outstanding examples is the strawberry grower farming only six or eight blocks from Disneyland in Anaheim. What are the key factors which make this possible? Let me list a few:

- Landowner's personal resolve to continue to farm
- High valued crop with favorable markets that continues to be profitable
- Suitable soil, water, and climate
- Williamson Act contract so property taxes are based on agricultural land values
- Nuisances, restrictions, and thievery can be controlled or tolerated

The basic question becomes: do you want to use your farm resources (land, water, climate, management) to produce a crop, or do you want to sell the physical resources themselves to be used by others?

Fortunately, most of you have the choice to cut it either way. You may have to team up with neighboring growers and exert some political or legal pressure. And since some of the requirements are determined by public decisions, you may lose some of the battles.

### **Building Blocks Toward Farmland Preservation**

Let's assume for the moment that you have decided to try to preserve your avocado orchard for the foreseeable future, which I define as 15-20 years. What do you and your neighbors and the public bodies responsible have to provide? What are the building

blocks needed to preserve your grove from urban encroachment?

1. **Williamson Act Contract** - This program also known as the California Land Conservation Act of 1965 is operated mainly by the counties along with a few cities. In a few words it allows the county (or city) to offer indefinite term contracts to farmers in exchange for property taxes based on agricultural values and some protections as long as the land is in agriculture. There is a 10 year non-renewal notice clause available to both the land owner and the county.

I don't want to get into details because the program is somewhat different in each county. But this contract is the foundation block for nearly all farmland preservation in California. It is a voluntary program and the land owner's decision is critical as to what happens subsequently.

Over 15 million acres are under contract in California with 48 counties and 21 cities. It is the only widely available, significantly useful program in the state. On the average, property taxes on farmland are half of what they would be otherwise and such taxes are always less than under Proposition 13 values. It has its problems but has been tested by the Supreme Court. I'm serving on a statewide advisory committee trying to update the act and help it do the job it was intended to do—conserve California farmland.

2. **2.Comprehensive or General Plan** - All counties and cities in California must have recently updated Comprehensive Plans that have many parts, but are basically policy statements for land uses now and into the future. These plans nearly always have goals to preserve the maximum amounts of farmland. Most public bodies allow ranch conversions only as a last resort, given the current public opinions favoring farmland preservation.

The specific land use controls are in the zoning regulations but these must be compatible with the Comprehensive Plan. A Williamson Act Contract nearly always calls for a compatible designation of "agriculture" in the Comprehensive Plan. Some counties are considering adopting Agriculture Elements so as to better spell out policies for the future for farmlands; we are nearly done with this process in Santa Barbara County after a seven year effort.

3. **LAFCO's** - These Local Agency Formation Commissions are concerned with urban expansion. They are multi-government agencies that approve boundaries for special districts, such as for sewers, water, lighting, and recreation, and for incorporation of cities. They establish "spheres of influence" around each city which have a lot to do with what happens to your land depending on whether you are inside or out. Most have strong policy statements favoring farmland preservation.

4. **Environmental Impact Reports** - Such reports are required by the California Environmental Quality Act for all public and private construction or land use change projects. These reports concentrate on the physical and biological changes that might occur given the proposed project. They often dwell on wildlife, endangered species, vegetative cover, and other natural resource issues, as well as on air pollution, growth, density, traffic, housing, employment, and other urban issues. When conversion of farmland is being studied, the loss of agricultural productivity is portrayed as a serious and significant loss in environmental quality. In this sense, farmers who wish to continue

farming and environmentalists can work together.

5. **Water Districts** - This is a critical factor in most areas. You must have an adequate supply of good quality water at reasonable prices. Whether you are or will be priced out of agriculture as a district urbanizes is a serious question. Certainly, expensive filtration and treatment facilities don't add to the "ag" value. Here is where you must work with others to see that appropriate agricultural water policies are maintained.

6. **Freedom From Urban Services** - There is no reason for farmland to be included in cities or city-like service districts and have to pay for services that are not needed. Farmland is sometimes included to gain the extra taxing revenue. Watch this carefully because once you're included in the district it is nearly impossible to get out.

### **Other Issues Facing Avocado Growers From Urbanization**

1. **Thievery** - This major problem in high priced crop years has been estimated to run as high as 5 % of the crop or several million dollars a year. Several individual, isolated orchards have been completely wiped out. It is not easy or safe for the individual grower to prevent. Professional help from the County Sheriff is essential and can be facilitated by:
  - Organizing neighborhood grower "watch" groups to map the roads, fences, houses, foremen, etc. and provide names and phone numbers for the Sheriff, so that an effective, concerted effort will pay off.
  - Support from marketing organizations .to provide rewards, evidence of loss, and coordination on fruit movements.
  - County anti-transport ordinances so that suspected vehicles can be stopped and inspected.
  - Willingness to testify in court so as to improve conviction rates.
  - Invest in fencing at critical boundaries and early harvesting of perimeter rows.
2. **Trespassing and Malicious Damage** - Shooting holes in water-tanks and wind machines, tearing down fences, dumping trash, breaking off water risers, and damaging roads so as to cause more erosion are some of the problems caused by trespassers. These cost the farmer to correct. More "PR" is needed to promote keeping the public out of private property and aid in law enforcement.
3. **Recreation Trails** - Public trails for hiking and horseback riding let the public into rural areas. Unfortunately this brings with the "good guys" the "black hats" that contribute to the two problems just mentioned. County planners have further added insult to injury by taking trail rights-of-way as a condition of any requested permit. Both San Diego and Santa Barbara Counties have been battling this and it is not over yet due to the effective lobbies of the horse rider groups. The spread of the avocado root rot disease by the horses and other traffic is considered a real risk by the grower and needs good documented evidence that it is an economic threat.
4. **Local County Government Budgets** - There have been so many limits on the

taxing power of local governments and there have been so many requirements to provide urban services by the State Legislature without providing sufficient funds, that the counties are caught in real fiscal squeezes. Most county departments that serve the growers have been cut to the bare bones and are now being asked to take even greater cuts. Many counties have considered filing notices of non-renewal on Williamson Act Contracts; in fact, Glenn County Supervisors have voted to do this. This is a serious issue. And is a mistake in my opinion.

The Williamson Act Advisory Committee has contracted with the University of California at Davis to conduct a study of the taxing equities and the subvention payments program of the Williamson Act. This report will be due in October and I commend your study of it when issued. In the meantime, you can expect the Legislature to pass a stop-gap increase in the subvention funds going to the counties this year.

### **Other Programs to Aid Farmland Preservation**

The only significant alternative being provided to California farmers is the Land Trusts program. Volunteer non-profit trusts are set up now in a number of counties to take development easements on farmlands. This is mainly a voluntary limit put on the title of the land in perpetuity in exchange for inheritance tax benefits. Usually the farm is placed in a Williamson Contract as well to achieve property tax benefits. It effectively limits potential capital gains from land value appreciation as well as ties the hands of heirs and successors to continue farming. So far its use is very limited and is thus only a minor alternative to the Williamson Act. It is the ultimate in preservation.

### **You Can't Have It Both Ways**

I've certainly listed enough issues to keep you busy protecting your orchard from urban encroachment. There are many more issues, some local, that I have not mentioned. If you have gained the impression that there is much to do to counteract urbanization, you're right. This is a heavy price that urban farmers pay in their time, support to politically active organizations, and the losses to thievery and damages. My estimate is that offsetting urban pressures can add from 5 % to 50% to the costs of producing avocados.

Urban influences do affect the way we farm. As more urban expansion occurs we will have even more problems. I believe it is a matter of "tolerance." How much more bother, damage, expense, and losses can you "tolerate" before you say, "I've had it," and sell out? How much more loss of farmland will the urban residents "tolerate" before they will ask for more preservation?

The bottom line is that you must appraise your situation and decide whether you have a reasonable chance of "stemming the tide" of urbanization. Or, if the costs are too high and your tolerance too low, you should decide to sell for urbanization at the best possible time. The choice in most cases is yours. It is a two edged sword that can cut either way. I hope this portrayal of the issues will help you decide.