Farmland Preservation and Growth Management in the Salinas Valley

CAL POLY
City and Regional Planning Department
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Holly M. Fellows

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PREPARED BY
Holly Fellows, City and Regional Planning Department
California Polytechnic State University San Luis Obispo
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PROJECT ADVISOR
Professor Kelly Main, PhD, AICP, City and Regional Planning Department
California Polytechnic State University San Luis Obispo

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Virginia Jameson, Ag Land Trust
Brian Rianda, Ag Land Trust
Bob Roach, Monterey County Agricultural Commission
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EXECUTIVE SUMMARY

Farmland Preservation in the Salinas Valley

The conversion of farmland into urban uses is a concern for many agricultural regions including the Salinas Valley. Rapid growth and development at the urban fringe has taken prime agricultural lands out of production in the last several decades. The Salinas Valley’s economy and local identity as a farming region relies on the fertility and productivity of its croplands. If those lands continue to be converted to urban uses, the industry will be affected and annual revenues and jobs may be threatened. Farmland preservation strategies are needed to protect farmland and minimize urban growth’s impact on adjacent agricultural uses. Aside from implementing preservation program and policies, smart growth practices must be employed in the Salinas Valley communities to protect farmland. Higher density compact development provides communities with an approach to growth that minimizes the need to consume surrounding agricultural land.

Preservation Strategies

There are several types of strategies that protect farmland from urban development. These types have different approaches and benefits but all have the similar goal of preserving agricultural resources. A regulatory technique mandates the use of land such as restricting nonagricultural uses in agricultural zones. An incentive based technique provides financial incentives to reduce the operational costs and barriers to maintaining farming operations. Participatory techniques are those where local jurisdictions actively purchase land for agricultural preservation purposes. The last technique, a hybrid, involves a combination of the other techniques. Assessment criterion was developed to assess existing and potential farmland preservation strategies in the Salinas Valley using the general characteristics of these techniques.

Assessment of Strategies

Existing farmland preservation strategies and potential strategies are assessed for their suitability and potential success in the Salinas Valley. The two currently employed measures, conservation easements and Williamson Act and Security Zone Contracts have both been successful at protecting farmland from urban development. The existing conservation easements were not developed through an established County program but rather through the efforts of a local private land conservancy, the Ag Land Trust. These easements have been extremely successful at preserving farmland in the Salinas Valley because of their financial appeal to property owners and their permanent protection of land. Williamson Act and Security Zone contracts have also been successful at preserving farmland but not to the degree of the conservation easements. Their tax benefits are appealing to property owners and a large portion of the Valley’s farmland is enrolled in the program. However, their temporary protection does not stop future conversion to urban uses.

Several other currently unimplemented farmland preservation strategies were assessed for their potential success in the Salinas Valley. These strategies include a formal conservation easement program, a transfer of development rights (TDR) program, a farmland mitigation program and voter approved
development measures. Through assessment of these strategies it is determined that a formal conservation easement program, transfer of development rights program and farmland mitigation program would be appropriate and successful at preserving farmland in the Salinas Valley. However, voter approved development measures were assessed and considered inappropriate and likely unsuccessful.

Recommendations

Several recommendations were made to protect farmland in the Salinas Valley based on the review of existing conditions and assessment of preservation strategies. These recommendations include the implementation of programs, potential funding sources, administering agencies and opportunities for future research. Below are the recommendations found in Chapter 5 of this report.

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<tr>
<td>Recommendation 1: Implement an inter-jurisdictional easement program and continue existing private/non-profit efforts.</td>
<td>Recommendation 1: Pursue innovative funding sources to fund the farmland preservation strategies recommended for implementation.</td>
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<tr>
<td>Recommendation 4: Implement a Farmland Mitigation Program in the Salinas Valley.</td>
<td>Recommendation 4: Continue research on the issue of farmland preservation in the Salinas Valley.</td>
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 TERMS AND DEFINITIONS

Agricultural Operations- Activities relating to the agricultural industry including farming, harvesting, packing, storage, cooling, and shipping. Supportive activities such as farm equipment repair and sales, pesticide and fertilizer services, seed suppliers and irrigation companies may also be considered agricultural operations.

Agricultural Use- The type of land use where agricultural operations occur, primarily farming and ranching.


Conservation- The protection and preservation of a natural resource. In this report, it refers to the preservation of farmland and agricultural resources.

Conservation Easement- A planning technique used to limit or restrict the uses on a parcel of land. In this report, it refers to the temporary or permanent restriction of non agricultural uses of agricultural land.

Conversion- Changing the land use from one use to another. In this report, it refers to converting farmland to urban uses.

Farmland- Land that is used for the cultivation and harvesting of food crops.

General plan- A comprehensive plan that guides the physical growth and development of a City. The plan contains policies and programs aimed at meeting the community’s future visions and goals.

Impact Fees- Fees imposed on development projects based on the project’s impact on a predetermined environmental condition. Impact fees are usually related to transportation and infrastructure, water usage, natural habitat and community services impacts. In this report, discussed impact fees are focused towards a project’s impact on farming operations and the conversion of farmland.

Jurisdiction- The limits and territory of an authoritative body. In this report, it refers to the county, incorporated cities and regional planning agencies of the Salinas Valley.

LAFCO- Local Agency Formation Commission. LAFCO of Monterey County is responsible for approving city incorporations, annexations, and sphere of influence designations.

Prime Farmland- As defined by the United States Department of Agriculture, prime farmland is land that has the best combination of physical and chemical characteristics for producing food, feed, forage, fiber, and oilseed crops and is also available for these uses. It has the soil quality, growing season, and moisture supply needed to produce economically sustained high yields of crops when treated and
managed according to acceptable farming methods, including water management. In general, prime farmlands have an adequate and dependable water supply from precipitation or irrigation, a favorable temperature and growing season, acceptable acidity or alkalinity, acceptable salt and sodium content, and few or no rocks. They are permeable to water and air. Prime farmlands are not excessively erodible or saturated with water for a long period of time, and they either do not flood frequently or are protected from flooding.

**Sustainable Development**- Lower impact construction that can be maintained over time without damaging the environment; development balancing near-term interests with the protection of the interests of future generations.

**Transfer of Development Rights (TDR)**- A planning technique used to preserve agricultural lands. The development rights of one parcel of land, usually in agricultural use, are transfer to another parcel of land within an urbanized area.

**Urban areas**- Areas of higher density development characterized with the presence of residential, commercial, industrial and public facility uses. Urban areas tend to be within an incorporated city’s jurisdiction but may also be located in unincorporated county land.

**Zoning ordinance**- Includes basic development standards and codes for the specific land use zones within a jurisdiction.
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CHAPTER ONE
Project Introduction
Project Description

The Salinas Valley has some of the most productive farmland in the world. Prime soil conditions and a favorable Mediterranean climate yield valuable crops that support the Valley's 2.1 billion dollar a year agricultural industry. As communities continue to experience growth farmland is rapidly converted to urban uses. Decision makers struggle to balance the need to provide additional housing, commercial, and industrial opportunities with preserving the surrounding farmland that supports the local economy. The objective of this report is to assess the success of currently implemented farmland preservation strategies in the Salinas Valley and to predict the potential success of other strategies. From this assessment, recommendations will be made to assist local decision makers in implementing appropriate and successful strategies.

Research Methodology

The methodology used in researching the objectives of this report is based on answering four essential questions. These questions guide the research of existing conditions, currently employed programs and potential strategies. Below is a discussion of the four research questions and their importance to this project's purpose and objectives.

Question 1: What are the current professional opinions on the issue of farmland preservation?

Before discussion can begin on preservation strategies, it must first be established that farmland is currently threatened and preservation strategies are needed. This question is answer in the literature review included in Chapter 2.

Question 2: What are the indicators and characteristics of a successful farmland preservation strategy?

It is necessary to determine the indicators and characteristics of successful programs so that other existing programs can be assessed. It is also essential so that new programs can be developed for a specific location and tailored for that place’s needs. By answering this research question, criteria will be developed to assess the success of existing and potential farmland preservation programs in the Salinas Valley.

Question 3: How do existing strategies in the Salinas Valley protect agricultural land from urban development?

In order to recommend changes to existing strategies or to recommend new strategies the effectiveness of current strategies must be determined. If the existing programs are sufficiently protecting farmland then little to no changes will be recommended. If these strategies are failing at preservation then
significant changes and new implementations will be recommended. It is also necessary to assess existing strategies to identify the characteristics that cause the strategy to fail or succeed in the context of the Salinas Valley.

**Question 4: What are some potential strategies that could be implemented in the Salinas Valley to further protect farmland?**

After identifying the successes and shortfalls of existing strategies it is necessary to make recommendations that will improve the Valley’s preservation programs. Potential strategies will be identified and assessed for their predicted success in preserving farmland in the Salinas Valley.

Methods of analysis used to answer the above research questions include:

- Reviewing professional literature on the issue of farmland preservation and preservation strategies;
- Reviewing local development plans and existing agricultural preservation programs;
- Interviewing local planners, property owners and land conservationists;
- Analyzing current and future development trends;
- Applying developed criteria to potential farmland preservation strategies.

**Application and Implementation**

The findings and recommendations in this report are intended to assist local policy makers and planners in determining an approach to farmland preservation. The report reviews existing plans and policies and assesses the quality of agricultural protection in the Salinas Valley. Recommendations are not intended to replace existing strategies, but rather to inform local leaders of the effectiveness of current techniques and to encourage changes where necessary. Recommended strategies may be considered and further analyzed by local jurisdictions if implementation is desired.

The content of the report may be used to inform property owners, growers and land conservationists of existing and potential strategies to protect agricultural lands. The report is also intended to inform the public of the current threat urbanization poses to farmland and the potential damage to the Valley’s agricultural industry should unrestrained growth continue. By informing community members, citizens are more able to actively participate in the development of the local plans and policies that affect farmland.
CHAPTER TWO
Research Approaches
Introduction

This chapter reviews the existing literature on the issue of farmland preservation and urban growth’s impact on agricultural productivity. Sustainable growth practices are presented along with their effect on protecting farmland. The types of farmland preservation strategies will be discussed and assessment criteria will be developed and later applied to existing and potential preservation strategies.

The Issue of Preservation

It is necessary to understand the issue of farmland preservation before appropriate strategy assessments and recommendations can be made for the Salinas Valley. The following sections discuss current literature on the issue including the debate over conversion, the history of farmland protection, preservation’s effect on urban growth, the need for preservation and the necessity of public support in farmland preservation programs.

The Debate of Conversion

The debate over farmland conversion has been a controversial and frequently discussed concern for farmers, planners, policy makers and members of the public over the last half century. As our communities continue to grow and our population continues to increase, cities and towns are looking for new land to develop into residential, commercial or industrial uses. Too frequently jurisdictions annex and develop on adjacent agricultural lands to meet their growth needs. With the completion of the national highway system in the early 1970s rural areas that were never considered desirable for urban development have now become prime suburban residential sites (California Institute of Public Affairs, 1983). This combination of development pressure and the increased accessibility of rural lands fuel the conversion of agricultural land to urban uses.

While some conservationists and land owners are concerned with the constant development pressures on farmland, many others believe there is little to no effect on the actual production of agricultural goods. Because of technological advances and new production methods more products can be produced per acre than previous years. These advances allow for the continued development of farmland without affecting the total output of agricultural goods. There is currently no existing evidence that development threatens the United States food production (Libby, 2002).

However, it is uncertain if agricultural advances will continue to yield more productive crops in the future. The increasing rate of development will soon overcome the increases of technology. Pimental and Giampietro question the ability of farmers to employ new technologies that would increase productivity. The failure of farmers to accept new technologies or their slow adoption of these advances may reduce production in the face of water shortages and competition for productive farmlands (Libby, 2002).

Others argue that while communities continue to build on adjacent farmlands other open space lands are being converted to farming and grazing lands creating an increase in total agricultural acres. These critics argue that technological advances and the creation of additional agricultural land allow urban development to occur with no effect on agricultural output. However, the consequences of underestimating the farmland needed to feed future populations are greater than the consequences of overestimating them (Libby, 2002).

Farmland Protection History

Farmland preservation approaches started appearing in the United States in the 1950s as a result of the rapid development of the nation’s urbanized areas. In 1954 with the passing of the
Housing and Community Development Act, local governments were granted funds for comprehensive community plans (Libby, 2002). These comprehensive plans looked at the direction of the community’s growth and established goals including the protection of surrounding agricultural lands. In the 1970s states including California, Pennsylvania and Washington adopted exclusive agricultural zoning. By the 1980s the federal government joined the effort with the release of the National Agricultural Land Study and enforcement of agricultural policies through the United States Department of Agriculture and the Department of Housing and Urban Development (Libby, 2002).

**The Need for Preservation**

Despite the debate over farmland conversion, conversion numbers show that total farmland acreage has been depleting over the last several decades. Between 1992 and 2001 an average of 2.2 millions acres of farmland has been lost annually to urban uses. This number represents only a tenth of a percent of the nation’s total farmland. However, the majority of this conversion is occurring around highly populated urban areas (Nickerson, Hellerstein, 2006). The nation’s developed area increase by 34% between 1982 and 1997 (Libby, 2002). If these trends continue the threat to farmland and agricultural productivity will increase.

A contributor to the rapid consumptions of rural land is the change in household demographics and housing market demands. The average American household size has declined from 3.7 in 1950 to 2.6 in 2001 (United States Census, 2005). This reduction of people per household, along with a population increase in the same time period, results in an increased demand for housing units. The desire for rural and low density residential development is also consuming more land than in the past.

**Jurisdictional and Citizen Support for Farmland Protection**

Agricultural productivity aside, there are many reasons why local and state jurisdictions make farmland preservation a community objective. Protecting “rural amenities” including open space, scenic views, rural agrarian character and wildlife habitat was found as a motivating factor for the implementation of farmland preservation policies. Other factors included protecting local food supplies, water and air quality, natural resources jobs and reducing urban sprawl (Nickerson, Hellerstein, 2006). The public continues to be one of the largest supporters and stakeholders for farmland preservation. The desire to protect rural heritage and “rural amenities” is enough for citizens to support agricultural conservation. Farmlands provide a relief from the urban environment and are considered a local aesthetic and cultural resource (Libby, 2002). Studies have shown that voters are overwhelmingly supportive to pay for farmland preservation by passing ballot initiatives (Duke and Lynch, 2007).

After talking with farmers, planners and land conservationists it is evident that the Salinas Valley supports the protection of farmland. Farming is accepted as a defining characteristic of the community and its history. Those property owners that sell their lands do so because of financial benefits and farming hardships. The most common reason for developing farmland is because the once productive farming operations are no longer profitable or the management of the operations is too difficult for the farmer to maintain (Jameson, 2009). Overall, the farming community is supportive of farmland preservation strategies and public efforts to manage growth. However, there is still a demand for new residential units and commercial services. These stakeholders acknowledge that growth can occur without excessive consumption of farmland. Sustainable
growth practices are supported along with public transportation as a way to combat sprawl and low density development at the urban fringe.

**Farmland Conservation’s Effect on Urban Growth**

Studies have shown that existing farmland preservation techniques are not stopping conversion to urban uses; rather they are slowing down the process (Nickerson, Hellerstein, 2006). Currently, only a small portion of the nation’s land that has the potential to be developed, roughly 2%, is protected by permanent techniques such as conservation easements. Local and federal government agencies spent over 4 billion dollars protecting these 1.7 million acres of agricultural land bordering urban areas. It would cost those agencies over 130 billion dollars to permanently protect the remaining unprotect acres (Nickerson, Hellerstein, 2006).

If the percentage of permanently protected lands surrounding urban areas remain low, it is possible that farmland preservation will have little to no effect on urban development trends in the long run. Jurisdictions will continue to direct growth to non-protected lands without slowing or altering growth patterns. Farmland protection techniques, termed or permanent, should not be considered a solution for reducing urban growth including sprawl, leapfrog and low density development.

**Sustainable Growth**

Preservation strategies can not protect farmland without the assistance of growth management efforts. The rate at which farmland is consumed is directly related to urban growth trends and the development regulations imposed by local jurisdictions. The following section discusses the role of sustainable growth practices in preserving farmland.

**Cluster Zoning.** Cluster zoning involves developing a portion of a parcel with higher density units while preserving the remainder of the parcel in open space. While this could be used in portions of the incorporated cities it would be more effective in rural areas in the unincorporated county. This approach reduces the development of low density, sprawling neighborhoods and promotes compact and land conserving projects.

**Secondary Units.** Secondary units, also called “granny units”, are units added onto already existing residential units. They provide an affordable housing option and add variety to the community’s housing stock. These additional units can be produced without the consumption of additional land. This protects adjacent farmland and reduces sprawl while expanding a community’s housing stock and residential options.

**Higher Density Development.** Higher density development is the most effective way at minimizing the need to expand onto farmland. By increasing the density of land use zones, more residential units and commercial services can be supplied on less acreage of land. Higher densities also promote walkability and public transportation while reducing the community’s dependence on the private automobile. Higher density neighborhoods generally have smaller unit and lot sizes, secondary units, attached units, apartments and condominiums. These neighborhoods also provide more affordable options and an increased variety of housing types.

Currently, the Salinas Valley communities have lower density residential neighborhoods and commercial districts. If the cities increase their densities they can continue to grow and provide additional housing options and commercial services without a need to consume adjacent farmlands.
Smaller Lot Sizes. Decreasing the lot sizes within residential neighborhoods is another way to minimize a city’s impact on surrounding land. Smaller lot sizes reduce land consumption while providing the same number of units as larger lot developments. Zero side yards are gaining popularity in many California communities. In these subdivisions, units are placed on the same boundary line, significantly minimizing land consumption and reducing housing costs.

Compact Development. Compact development takes into consideration the formerly discussed growth practices of secondary units, higher densities and smaller lot sizes. Compact developments are created in human scale with high walkability and short distances between separate uses. Compact development is one of the defining principles of sustainable growth.

Transit Oriented Design. Transit Oriented Design, or TOD, is an approach to planning with and for transportation systems. Higher density, more compact neighborhoods are located around bus lines, light rail lines, subways and park-and-ride facilities. Residents within these neighborhoods are able to take public transportation to their places of work without the need of a private automobile. TODs generally have more commercial opportunities and services for residents because of the higher densities and high transit ridership visiting the commercial uses.

Linear Development. Linear development involves growth along a linear axis, usually a roadway or transit line. This type of development promotes public transportation services throughout a region. A linear development option for the Salinas Valley would be do encourage cities to develop north-south along Highway 101 with the anticipation of a future mass transit system running through the highway or railroad corridor.

Radial Development. Radial planning refers to the form of development that radiates outward from a central point. Most traditional city plans follow a radial form of development. Some of the Valley cities original city plans follow a radial plan. However, with the expansion and relocation of State Highway 101 through the Valley in the 1960s, some of the cities have drifted from this style of planning. Cities like Soledad and Gonzales have grown eastward away from their original town center along the original highway. Radial development allows for more efficient public transportation services within the community. Because the denser and more established services are located in the center of the city, transportation services are able to provide route lines and more stops from the outside areas to the inner city.

Grid Street System. The Salinas Valley communities were developed on a traditional grid street system. The grid system is considered one of the most efficient transportation and land use approaches to development. The traffic circulation is distributed among several routes instead of one singular, main thoroughfare. Grid systems are considered sustainable because they allow people to walk from one use to another and minimize the need for a personal automobile and the infrastructure associated with car usage. By ensuring that all new development follows a grid system street design new cities can minimize the need for automobile infrastructure and reduce the conversion of farmland to urbanized uses.
Infill Development. Communities within the Salinas Valley encourage infill development within the City general plans. Infill development involves constructing new projects on unused or underutilized parcels within the city’s urbanized areas instead of developing on unused surrounding lands. Infill is the easiest way to avoid expansion onto adjacent farmlands while providing additional commercial services and residential units. Infill sites have existing connections to infrastructure and city services because of their location within the developed areas. Filling in these vacant parcels also increases the aesthetic appeal of the community and the walkability between uses.

Increased Building Heights. Increasing a city’s building heights goes hand in hand with increasing the city’s densities. Most commonly applied in downtown areas, increasing building heights allows for additional floors to be placed on top of currently existing buildings. These floors can be occupied with residences and more commercial and office spaces. Increasing building heights also promotes the principles of mixed uses.

Mixed Uses. Mixed land uses is another traditional city planning development approach. Mixing land uses minimizes the need for the automobile because people can live and work near other services. The original downtowns in many of the Valley communities have mixed use districts. Commercial uses are located on the ground level of a building with residential uses on the upper levels. Ideally, those living on the upper levels work and use the services on the lower levels.

Sustainable Growth’s Effect on Farmland

Recent development in many of the Valley communities has not followed sustainable growth practices. These developments, mostly lower density residential neighborhoods, require excessive vehicle infrastructure and land. By using sustainable growth techniques the consumption of land can be dramatically slowed while still providing new residences and amenities. The American Farmland Trust conducted a study to determine the amount of land consumed in traditional development and then when using compact growth practices. Table 2.1 shows the drastic differences in land consumptions. The estimations are predicted for the Central Valley as it is facing similar growth pressures and farmland preservation needs as the Salinas Valley.

<table>
<thead>
<tr>
<th>Table 2.1-Compact Development's Impact in the Central Valley (Source: American Farmland Trust, 1995)</th>
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<tbody>
<tr>
<td><strong>Acres Converted</strong></td>
</tr>
<tr>
<td>Prime and Important Farmland</td>
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<tr>
<td>Other Farmland</td>
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<tr>
<td>Total Converted</td>
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Farmland Preservation Strategies

The following section presents the different types of farmland preservation strategies and several strategies that are commonly used in the United States. Some of these strategies will be discussed in more detail in future chapters.

Types of Policies and Programs

There are four major types of preservation techniques used in the United States—regulatory, incentive based, participatory, and hybrid (Duke and Lynch, 2007). Because no two agricultural parcels have the same regulatory, environmental or productivity characteristics it is important for techniques to be tailored for their specific objectives. A technique may be successful in one context but unsuccessful in another.

Regulatory Techniques. Regulatory techniques are federal, state or locally mandated policies that affect the uses of farmland. Zoning is a type of regulatory technique which prescribes the type and extent of uses, parcel size and density of development on agricultural land.

Incentive Based Techniques. Incentive based techniques are intended to reduce the financial or operational obstacles to maintaining agricultural land. These techniques are also intended to make the conversion of agricultural land to other nonagricultural uses more difficult and costly. Types of incentive based techniques include tax credits or tax breaks.

Participatory techniques. Participatory techniques involve local jurisdictions or agencies buying or selling land with the intent of preservation. These techniques include the government purchasing land to be protected under a conservation easement or establishing easements on currently owned government property (Duke and Lynch, 2009). Participatory techniques are generally the most successful and openly accepted conservation approaches because they react to development offers on parcels and provide permanent protection through easements.

Hybrid Techniques. Hybrid techniques are those that combine two of the previously stated techniques. This may include granting tax breaks to certain agricultural zones or applying stricter regulations to land protected by a conservation easement.

Farmland Preservation Strategies

There are several primary farmland preservation strategies used in jurisdictions to prevent the conversion of farmland to urban uses. The following discussion presents nine strategies with different approaches to preservation. Some of these strategies are currently in use in the Salinas Valley while others will be considered in Chapter 4 as potential preservation techniques.

Right to Farm Laws. Right to Farm Laws assist farmers in maintaining an atmosphere suitable for farming operations. When cities expand towards farms and urban residents are introduced to the nuisances of farming, conflict occurs. Pesticide and fertilizer application must be stopped, plowing and harvesting hours limited because of noise and disk restricted because of dust and air quality complaints. Farmers are forced to modify their practices to reduce the nuisance impacts on nearby residents. As residential growth continues, farms may be completely surrounded by urban dwellers and forced from continuing operations. Right to Farm Laws prohibit the establishment of nuisance laws that may affect or forbid farming operations (American Farmland Trust, 1998). Many of these laws also require physical buffers between agricultural areas and residential neighborhoods.
Exclusive Agricultural Zoning. Exclusive agricultural zoning is a more restrictive zoning designation than traditional agricultural zoning. It limits the uses to agricultural operations and most often restricts the number of residential units allowed on the property. In some jurisdictions, this zoning regulation must be met to enroll in preservation programs that provide tax and financial incentives. The types of uses allowed include those that will not convert land to other uses, will not limit the surrounding land's potential agricultural uses or conflict with other agricultural operations within the property (Ohm, 2009).

California Land Conservation Act. Also known as the Williamson Act, the California Land Conservation Act is California’s primary farmland preservation program. It provides property owners with tax benefits for enrolling their land in the program for a minimum of ten years. By enrolling, the property owner agrees to keep the land in agricultural uses. An amendment to the Act created the Security Zone Program which provides additional tax benefits to owners who enroll their land in the program for a minimum of twenty years. Property owners are able to terminate the agreement after their agreed upon time period. However, the tax incentives also terminate with the end of the contract’s term (California Department of Conservation, 2009).

Agricultural Districts. An agricultural district is a voluntary designation that a group of property owners enter into. The owners form a special area that promotes commercial agriculture and protects farming operations. Some states recognize these districts by providing tax benefits or decreased cost of services. Unlike agricultural zoning district, agricultural districts do not regulate or restrict zoning designations but rather restrict the non agricultural uses of the land (American Farmland Trust, 2008).

Transfer of Development Rights. Transferring of development rights allows property owners to sell their development rights to be used on another parcel of land. The property owner is able to “cash-in” on the land’s value while still maintaining ownership and continuing agricultural operations. A developer is able to purchase the rights and apply them to another parcel of land suitable for development. Development incentives associated with purchased development rights include zoning variances such as higher densities, smaller lot sizes and unit sizes. The receiving land is usually located in an urbanized area with existing infrastructure and city services able to support additional residents and commercial uses (American Farmland Trust Fact Sheet, 2001).

Urban Growth Boundaries. Urban growth boundaries are an officially adopted and mapped boundary separating urban areas from surrounding green belts or agricultural areas. Boundaries are usually set for a ten, twenty or thirty year time period depending on the jurisdictions growth goals. While these boundaries are not permanent and do not stop growth, they promote a proactive growth management approach to city expansion. The boundary forces cities to preserve land through compact development, increased densities, smaller lot and unit sizes and infill development (Greenbelt Alliance, 2009).

Farmland Mitigation Ordinance. A farmland mitigation ordinance is a tool to offset the impact of development on farmland. For every acre of farmland converted to urban uses another acre of farmland must be permanently preserved through a conservation easement. The preserved acre must be of equal or greater productivity value and soil quality as the acre being converted (American Farmland Trust, 2003). Jurisdictions may choose to enact a greater preservation ratio of 2 acres preserved for every acre developed or more. The
developer may mitigate their impact by purchasing conservation easements directly or paying a mitigation fee to a local agency that administers an easement program.

**Jurisdictional Tax-Share Agreements.** Jurisdictional tax-share agreements are a relatively recent approach to preserving farmland. In this agreement, cities have decision making authority over development projects adjacent to its city boundaries that are within county jurisdiction. In exchange for decision making authority, the county receives a portion of the city’s tax revenue from new developments within the city. This agreement allows the city to control development around its borders without the county losing tax revenues (Parfrey, 2009).

**Voter Approved Development Measures.** Another unconventional approach to protecting farmland requires voter approval of any project that will convert agricultural land to urban uses. While this approach can be costly and cumbersome because of special elections, it allows the public to directly affect preservation of farmland and manage the growth of their community (Parfrey, 2009).

![Figure 2.2- The farmland in the foreground is permanently preserved through a conservation easement. This easement borders the northern edge of Gonzales and restricts the City’s growth to the north.](image-url)
Strategy Assessment Criteria

Chapter 4 in this report assesses the existing farmland preservation tools currently implemented in the Salinas Valley and other potential strategies. Table 2.3 and the sections below provide the criteria that will be used to determine the success and suitability of each preservation strategy in the Salinas Valley.

The assessment criteria are based on four main factors developed from the literature review and interviews with professionals. These factors are: 1) the number of enrollments or number of acres enrolled; 2) the quality of land being protected; 3) the location and placement of the land being protected; and 4) the duration of the protection. Below is a discussion of why these factors are considered to determine the success of a strategy.

Number of Enrollments/Acres Enrolled. The ultimate goal for any farmland preservation program is to preserve as much land as possible to maintain the environmental and agricultural conditions that keep the farmland and agricultural industry productive (Jameson, 2009). A strategy that is successful at enrolling a significant number of agreements or protects a significant number of acres can be considered effective at protecting farmland. Because land protection is the overall goal, this criterion is the most important assessment factor when considering the success of a preservation strategy. Strategies with large enrollment numbers are considered more successful than those with very little to no protected lands. The number of agreements enrolled is also an indicator of the appeal and popularity of one program over another.

Land Quality. The quality of the land being preserved is the second most important factor when considering the success of a strategy. While the overall goal is to protect as much land as possible, another high priority is to protect the highest quality lands that have the most productivity and economic value. These lands are considered “prime” lands as designated by the United States Department of Agriculture. Prime lands have the highest crop yield, soil quality and irrigation potential. A successful strategy should aim at protecting the most prime agricultural lands.

Location of Protected Land. The location of the protected land is considered when assessing a preservation strategy. Land nearest to urban areas will face the greatest development pressures because of the city’s tendency to expand at its boundaries. These adjacent lands, especially when of prime quality, should be protected from inevitable conversion. Easements and preserved areas can also be strategically placed to prevent the conversion of other agricultural lands due to urban expansion. Permanent easements adjacent to urban boundaries can force the city to expand in another direction and away from prime farmland. Successful strategies will aim to protect land at the highest risk for development and parcels that can protect other lands from being converted in the future.

Duration of Protection. The length of the protection is the last consideration when determining the effectiveness of a strategy. Another goal of farmland preservation is to preserve the land for as long as possible to prevent future conversion. Permanent preservation that runs with the property deed is the preferred form of protection. Strategies with longer protection periods will be considered of higher success than those with shorter durations.

Context. Another consideration, although not an assessment criterion, is the context in which the strategy was applied. Some strategies can be applied and be successful in a variety of agricultural, economic and social conditions
while others require a specific and predetermined context. Strategies which are not context sensitive are usually more versatile and appealing to protection agencies and public jurisdictions.

Cost. Like context, cost is not an assessment criterion, but rather a consideration when determining the effectiveness and suitability of a preservation program. A program must have public and private support for its approval and implementation. If a program is too costly, it is not likely to be accepted by stakeholders. More cost effective programs are considered more suitable and desired for many jurisdictions because of financial and resource constraints. This factor does not exclude programs from being assessed as successful but is considered when determining the most appropriate programs for the Salinas Valley and making strategy recommendations.

Table 2.3- Strategy Assessment Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Enrollments/Acres</td>
<td>How many enrollments have been made or how many acres has the strategy protected?</td>
</tr>
<tr>
<td>Quality of Land Protected</td>
<td>What is the quality and productivity of the land being protected? (prime or non prime)</td>
</tr>
<tr>
<td>Location of Land Protected</td>
<td>Where is the land being protected? Is it near the urban fringe where development pressures are the highest?</td>
</tr>
<tr>
<td>Duration of Protection</td>
<td>How long does the protection last?</td>
</tr>
</tbody>
</table>
CHAPTER THREE
Location and Setting
General Setting

The Salinas Valley has some of the most productive and fertile farmland in the world and is known as “America’s Salad Bowl” because of its production of several lettuce varieties. The vineyards across the Southern Valley and foothills produce world class and award winning wines. Agriculture is the dominant industry, driving the Valley’s economy and supporting the local communities. Its past is rich in culture and history which can be seen today in the Valley’s cities and towns. It prime location, favorable weather conditions, and strong workforce contribute to its position as one of the Nation’s most productive agricultural regions.

Geographical Location

The Salinas Valley is located along California’s Central Coast in Monterey County approximately 100 miles south of San Francisco and 230 miles north of Los Angeles. The Valley is 90 miles long stretching from the City of Castroville in the northwest to the community of San Ardo in the southeast. The northern most point of the Valley borders the Pacific Ocean at Monterey Bay. State Highway 101 and the Union Pacific Rail Line bisect the Valley running northwest-southeast.

Demographics

The demographics of Monterey County and the Salinas Valley are reflective of other farming communities in California. The population is dominantly Hispanic because of the large groups of Mexican farm laborers that work in the United States. Monterey County’s population is 50 percent Hispanic with higher percentages in the Valley cities such as Salinas (70%), Soledad (86.8%) and Greenfield (87.9%). The County’s average household size of 3.14 people is higher than the national average of 2.6 persons per unit (Census, 2002).
Local Communities and Populations

There are five incorporated cities in the Valley including Castroville, Salinas, Gonzales, Soledad, Greenfield and King City. Unincorporated communities include Spreckels, Chualar, San Lucas and San Ardo. The Salinas Valley’s total population is approximately 219,109 residents, or 54 percent of Monterey County’s total population (United States Census, 2005). Table 3.3 shows the communities and their respective populations.

<table>
<thead>
<tr>
<th>Table 3.3- Salinas Valley Communities</th>
<th>(Source: United States Census, 2000-2007)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Incorporated Cities</strong></td>
<td><strong>Population</strong></td>
</tr>
<tr>
<td>Gonzales</td>
<td>8,563</td>
</tr>
<tr>
<td>Greenfield</td>
<td>14,872</td>
</tr>
<tr>
<td>King City</td>
<td>11,522</td>
</tr>
<tr>
<td>Salinas</td>
<td>146,578</td>
</tr>
<tr>
<td>Soledad</td>
<td>28,001</td>
</tr>
<tr>
<td><strong>Unincorporated Communities</strong></td>
<td></td>
</tr>
<tr>
<td>Castroville</td>
<td>6,724</td>
</tr>
<tr>
<td>Chualar</td>
<td>1,444</td>
</tr>
<tr>
<td>San Ardo</td>
<td>501</td>
</tr>
<tr>
<td>San Lucas</td>
<td>419</td>
</tr>
<tr>
<td>Spreckels</td>
<td>485</td>
</tr>
<tr>
<td><strong>Total Valley Population</strong></td>
<td><strong>219,109</strong></td>
</tr>
</tbody>
</table>

**Salinas.** The City of Salinas is the largest City in Monterey County and the Salinas Valley with 146,578 residents. It serves of the County seat and a regional commercial and industrial center. The City was established in 1856 as a stagecoach stop between Mission San Juan Batista and Monterey (Clovis, 2005). It is located at the mouth of the Salinas Valley eight miles from the Pacific Ocean and 18 miles east of The City of Monterey. In 1950 Salinas was a small agricultural community of 14,000 residents. In 1970 its population increased to 58,896, and in 2000 it had a population of 143,776 residents. Salinas has seen the most growth of any of the Valley cities, accounting for 83 percent of the Valley’s total growth from 1998 to 2002 (Salinas General Plan, 2002).

Most notably, Salinas is known as the birthplace and home of American writer John Steinbeck. Although Steinbeck was disliked by many community members during his writing years, today the City recognizes him and his works as part of the City’s rich history. The National Steinbeck Center is located on the City’s historic Main Street. Salinas is surrounded by prime agricultural lands and enjoys the favorable year-round weather because of its proximity to the Pacific Ocean. Many of the Valley’s agricultural coolers, packers, processors, and shippers are based or have facilities in Salinas. Agriculture remains the City’s largest industry and provides over 25 percent of total jobs (US Census, 2005). The Salinas Sports Complex is home to the annual California Rodeo Salinas and various concerts and events throughout the year. The Salinas Municipal Airport located on the southeastern edge of the City does not offer commercial flights but provides services to private companies including local crop dusters that service the Valley’s crops. The Salinas International Air show is held at the airport each year in May.

![Figure 3.4- Historic Downtown Salinas](image)

**Soledad.** The City of Soledad has over 28,000 residents and is the second largest community in the Valley. Its historical Front Street faces highway 101 and runs parallel to the Union Pacific Railroad. In the recent decade, the City has aggressively pursued residential development on its north eastern border. The
western side of the Pinnacles National Monument can be access from the City. The Mission Nuestra Senora de la Soledad, the 13th mission established by Spanish missionaries in the 1700s, is located several miles west of town. The farmland surrounding Soledad is also the setting for the well known John Steinbeck book “Of Mice and Men.” Today, many wineries and vineyards line the hillsides outside of Soledad.

![Soledad's Front Street Entrance](image)

**Figure 3.5**- Soledad’s Front Street Entrance

Greenfield. The City of Greenfield is located in the Southern Salinas Valley 9 miles south of Soledad and 12 miles north of King City. It is the fourth fastest growing city in California with a population of 15,335 in 2006, a 15.6 increase from the previous year (SNC Staff, 2006). Nearby Pariaos Springs and the Arroyo Seco River are recreational areas for the Valley’s residents. Major employers include Valley Harvesting, Greenfield Unified School District, Scheid Vineyards California, Neil Bassetti Farms and J. Lohr Vineyards.

King City. King City is the Southern most incorporated community in the Salinas Valley, incorporated in 1911. In its early years the City was known for its shipping of timber and grain along the Southern Pacific Railroad. John Steinbeck’s father, J. Ernst Steinbeck was one of the City’s first residents and was a bookkeeper for many years. Today, with a population of 11,522 residents it is the second least populous City behind Gonzales. It is home to the annual Salinas Valley Fair and the Monterey County Agricultural and Rural Life Museum located in San Lorenzo Park. Mee Memorial Hospital and Mesa Del Rey Airport are also located in King City.

Gonzales. The incorporated City of Gonzales is located in the Central Salinas Valley 17 miles south of Salinas and 8 miles north of Soledad. Established in 1847 and incorporated in 1947, the City had 8,563 residents as of 2007. In its early years it was dominated by dairy farms run by Swiss immigrants. The process for condensing milk was developed at the Alpine Condensary in Gonzales by John Meyenberg in 1904 (Monterey County Historical Society, 2006). Known as the “Wine Capital of Monterey County” Gonzales is surrounded by some of the state’s finest vineyards and wineries. Major employers include Gonzales Packing, Dole Foods, Jackpot Harvesting, Silva Farms, Taylor Fresh Vegetables and Blackstone Winery.

![Alta and Fourth Street Arch in Gonzales](image)

**Figure 3.6**- Alta and Fourth Street Arch in Gonzales

Castroville. The community of Castroville is the northern most community in the Salinas Valley and was founded in 1863. It is located 8 miles north of Salinas and 2 miles south of the Pacific Ocean. Castroville is known as the “Artichoke Center of the World” because of its surrounding artichoke fields. In 1948 Marilyn Monroe was crowned the First Queen of the Castroville Artichoke Festival (Clovis, 2005). In 2000,
Castroville had 6,742 residents making it the largest unincorporated community in the Salinas Valley (US Census, 2000).

**Chualar.** Chualar is a small, unincorporated community located between the Cities of Salinas and Gonzales. It has a population 1,444 residents and has seen little growth since its establishment. It is surrounded by farmland and parallels Highway 101. In 1997, improvements were made to the community’s only elementary school, Chualar Elementary, which was originally established in the 1800s (Monterey County Office of Education, 2009).

**San Ardo.** San Ardo is the southernmost community in the Salinas Valley located 20 miles south of King City and 35 miles north of Paso Robles in San Luis Obispo County. The community was established in 1886 and had a population of 501 residents in 2000 (United States Census, 2000). It was founded by two San Francisco butchers who named the town San Bernardo, later shortened to San Ardo (Clovis, 2005). In 1947 oil was discovered on surrounding lands and today oil fields can be seen several miles south of the City.

**San Lucas.** San Lucas is located in Southern Monterey County 7 miles south of King City. It was established in 1886 and today has a population of 419 residents (United States Census, 2000). Founder Julius Trescony subdivided and sold lots when the Southern Pacific Railroad extended south. Trescony later built the largest grain warehouse in Southern Monterey County which supported the surrounding grain field and fields in other valleys. In 1925 the United States War Department planted 8,000 acres of guayule, a plant that produces natural rubber. During World War II the plants were harvested and processed into rubber at a facility south of Salinas (Clovis, 2005). Today, san Lucas is surrounded by irrigated agricultural lands and nearby vineyards. Once one of the most vibrant and active communities in the Valley, San Lucas is now without major commercial and industrial services and is in need of financial investment and revitalization.

**Spreckels.** Spreckels is a small unincorporated community of 485 residents 3 miles southwest of the City of Salinas. It lies adjacent to the Salinas River and can be accessed by the locally significant oak lined Spreckles Boulevard. Spreckels was established as a company town for the Spreckles Sugar Company which operated from 1899 to 1982. The company was the world’s largest sugar beet factory and used its proximity to the Salinas River as a water source to process the beets (Clovis, 2005).

![Figure 3.7- New Homes in Spreckels](image)

The town is most notable for being the setting of the John Steinbeck book Tortilla Flats and was used for the filming of the movie “East of Eden” based on another Steinbeck book. Spreckels remains relatively small and conservative in development compared to the other valley town and cities. In 2004, 73 residential units were constructed on farmland bordering the town. The development increased the town’s size by 40% and was strongly opposed by residents (Clovis, 2005). Tanimura and Antle, a grower-packer-shipper agricultural company, maintains a strong presence in the community and is located in the former Spreckles Sugar Company facilities.
Agricultural Conditions

The Salinas Valley is known for its agricultural productivity because of its favorable soils, ideal climate, availability of farmland and water resources, and an abundance of human labor. In 2007, Monterey County’s 2.17 billion dollar agricultural industry was ranked fifth in the State and Country.

![Figure 3.8- Romaine Lettuce near Gonzales](image1)

![Figure 3.9- Artichoke Fields near Castroville](image2)

broccoli, cauliflower, green cabbage, asparagus and artichokes. The next leading commodity group is fruits and berries, primarily strawberries and grapes, accounting for half a billion dollars annually. (USDA, 2007).

Agricultural Lands

In 2007 Monterey County had a total of 1,327,972 lands in agricultural, a five percent increase in total acreage from 2002. Of those 1,327,972 acres roughly 1,000,000 of which are located within the Salinas Valley and surrounding foothills. The vast majority of the County’s agricultural lands are considered grazing lands, roughly 80 percent while only 12 percent is cropland (CA Dept. of Conservation, 2006). In this report, “Farmland” also refers to grazing lands unless otherwise noted. Grazing land, while not having as high a value as cropland, is still threatened by urban expansion and rural development. The land designations and cropland types are illustrated in Figures 3.10 and 3.11.

![Figure 3.8- Romaine Lettuce near Gonzales](image1)

The Salinas Valley is predominantly cropland, vineyards, and urbanized areas. Cropland is predominantly located in the Valley’s lower elevations with vineyards on the foothills and southern portions of the valley. Pasture land is located primarily in the upper elevations and south valley hillside. The average farm size was 1,108 acres and includes both privately and corporately owned properties (USDA, 2007).

![Figure 3.9- Artichoke Fields near Castroville](image2)

Of the Valley’s 1.3 million acres of agricultural lands, 253,704 acres are harvested vegetables. Lettuce acreage accounts for 127,676 acres, broccoli for 46,428 acres, grapes for 41,507 acres and cauliflower for 15,378 acres (USDA, 2007).

Major Crops

Vegetable crops are the largest agricultural commodity group accounting for over half of the Valley’s annual agricultural sales. These crops include iceberg lettuce, romaine lettuce,
Figure 3.11- Monterey County Important Farmland 2006
Water Sources

The Salinas Valley’s primary source of municipal and agricultural water comes from ground water sources. Agriculture consumes up to 95% of the ground water pumped from the Salinas Valley basin.

Salt water intrusion is another water related concern facing Salinas Valley farmers. Over drafting from ground waters wells has caused salty sea water to be pulled inland contaminating water sources. Over 20,000 acres of farmland have been affected since 1995. Over 8,400 acre feet of ground water has been deemed undrinkable and unsuitable for irrigation (Monterey County Water Resources Agency, 2009). Plans to dam portions of the Salinas River and Lake Nacimiento in Southern Monterey County have been proposed by the Monterey County Water Resources Agency.

Location of Operations

Aside from cropland and rangelands, agricultural operations include packing, processing, cooling and shipping facilities. These are predominately located in industrial zones of the urbanized areas. Most of these facilities are located in Salinas were the majority of all products are received after harvesting for processing and shipping.

Wineries. Wineries are located throughout the Salinas Valley to process the locally grown grapes for wine production. The majority of vineyards and wineries are located in Southern Monterey County in the unincorporated areas outside of Gonzales, Soledad and Greenfield along River Road. The proximity of the wineries to the vineyards attracts tourists, wine enthusiasts and locals. Uses at the wineries include grape processing and bottling, tasting rooms and special events for private banquets and wedding receptions.

Agriculture’s Local Significance

Agriculture and farming is Monterey County’s largest industry generating over 2.1 billion in crop sales and over 39 million in livestock sales annually.

The agricultural industry directly provides over 43,000 jobs in Monterey County, over a quarter of the total job market (AMBAG, 2008). These jobs include farm laborers, growers and shippers, produce sales, agricultural manufacturing and other direct and indirect occupations. Many of these jobs are seasonal or migrant due to the seasonal harvesting and planting of crops. On average, 25 percent of farm laborers migrate to southern farming regions during the winter months. Most migrant workers travel to Yuma, Arizona and the Imperial Valley from November to April where many Salinas produce companies have off season farming operations (T. Fellows, 2009). However, the percentage of migrant workers has decreased drastically over the last few decades because of technological advances, permanent farming crews and year rounds operations.

Growth Trends

The growth and development of the Salinas Valley over the last two centuries has slowly consumed the region’s valuable farmland. In the last several decades, this growth has increased and begun to consume land at a more rapid rate. As California and Monterey County are expected to gain additional population in the coming years it is necessary to look at the growth patterns of the Valley’s communities.

Projected Growth

As of 2005, Monterey County has 407,000 residents (US Census, 2005). According to the Association of Monterey Bay Area Governments, or AMBAG, there will be an
estimated 483,733 residents in Monterey County by 2020 and 530,365 residents by 2035. This growth ranges from a 1 percent to a .5 percent increase in the same time period. This growth would require a projected 35,000 additional residential units (AMBAG, 2008). Table 3.13 from the AMBAG 2008 forecast shows the predicted cohort increases for population, housing and employment by sector in Monterey County. These AMBAG projections will be used in Chapter 4: Preservation Strategies to predict the success of potential farmland preservation strategies in the Salinas Valley.

Table 3.13- AMBAG Population Projection for Monterey County

<table>
<thead>
<tr>
<th>Data</th>
<th>2005</th>
<th>2010</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
<th>2030</th>
<th>2035</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>422,832</td>
<td>445,309</td>
<td>466,686</td>
<td>483,733</td>
<td>498,341</td>
<td>515,549</td>
<td>530,362</td>
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<tr>
<td>Housing Units</td>
<td>137,338</td>
<td>147,221</td>
<td>156,061</td>
<td>162,857</td>
<td>168,933</td>
<td>176,236</td>
<td>182,082</td>
</tr>
<tr>
<td>Employment</td>
<td>193,110</td>
<td>196,430</td>
<td>203,680</td>
<td>211,160</td>
<td>218,830</td>
<td>226,760</td>
<td>235,480</td>
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<tr>
<td>Retail</td>
<td>19,000</td>
<td>19,200</td>
<td>20,040</td>
<td>20,820</td>
<td>21,840</td>
<td>22,800</td>
<td>24,110</td>
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<tr>
<td>Service</td>
<td>67,370</td>
<td>69,560</td>
<td>73,370</td>
<td>77,360</td>
<td>81,400</td>
<td>85,560</td>
<td>90,000</td>
</tr>
<tr>
<td>Industrial</td>
<td>20,890</td>
<td>21,020</td>
<td>21,560</td>
<td>22,160</td>
<td>22,750</td>
<td>23,360</td>
<td>23,970</td>
</tr>
<tr>
<td>Public*</td>
<td>31,020</td>
<td>31,990</td>
<td>33,310</td>
<td>34,640</td>
<td>36,020</td>
<td>37,470</td>
<td>38,380</td>
</tr>
<tr>
<td>Construction</td>
<td>10,740</td>
<td>10,810</td>
<td>11,380</td>
<td>11,870</td>
<td>12,380</td>
<td>12,810</td>
<td>13,470</td>
</tr>
<tr>
<td>Agriculture</td>
<td>43,690</td>
<td>43,750</td>
<td>43,980</td>
<td>44,210</td>
<td>44,440</td>
<td>44,680</td>
<td>44,930</td>
</tr>
</tbody>
</table>

*Includes employment in education, government, and other

Regional Housing Allocation

Based on the Association of Monterey Bay Area Governments regional housing allocations, Monterey County will have to provide an additional 11,915 units by 2014. Of this 11,915 units, roughly 7,000 have been allocated to the Salinas Valley communities (AMBAG, 2008). The Valley’s allocation accounts for 74 percent of the County’s total housing allocation. This is high considering the Valley communities contain only 53% of the County’s total population. The Salinas Valley has to accommodate the majority of growth for the entire county.

Regional Land Management Agencies

There are several public and private agencies in the Salinas Valley and Monterey County involved in farmland preservation and growth management. The follow section discusses the agencies’ current and involvement and regulatory authority with protecting the Valley’s farmland.
AMBAG

The Association of Monterey Bay Area Governments, or AMBAG, is a regional planning organization that serves Monterey, San Benito and Santa Cruz counties. It is the region’s state mandated Council of Government, or COG. It is involved in several planning activities including preparing plans to meet federal transit requirements and state and federal air quality standards (AMBAG, 2009). The Association is mandated by the State legislation to generate a regional housing allocation every seven years. The allocation assigns the region’s jurisdictions its “fair share” of housing units needed to accommodate projected growth. The AMBAG allocations significantly affect the trends of urban development within the Salinas Valley.

LAFCO of Monterey County

The Local Agency Formation Commission (LAFCO) of Monterey County is the agency that approves city incorporations and annexations in Monterey County. LAFCO’s goals are to encourage orderly growth of government agencies, preserve agricultural lands and discourage urban sprawl. The Agency has two primary policies that are applied to establishing sphere of influence requests and proposals. These policies are: 1) development should be guided away from existing prime agricultural lands towards areas containing non-prime agricultural lands, unless such an action would not promote the planned, orderly and efficient development of an area; and 2) development within a agency’s existing jurisdiction or sphere of influence should be encouraged before approval of any annexation to that agency which would lead to conversion of existing open space lands to other open space uses (LAFCO of Monterey County, 2009). The Agency has several other agricultural preservation policies that guide its decision making relating to annexation and establishments of sphere of influences. The activities of LAFCO are the most influential in regards to farmland preservation and the promotion of urban sprawl in Monterey County and the Salinas Valley. Their annexation approvals allow incorporated cities to expand and grow onto adjacent farmland. While the County has the most influence of the majority of agricultural lands within the Valley, most of the farmland being converted is located in the incorporated Cities’ limits and sphere of influences, which are established by LAFCO.

Non Profit Programs and Organizations

There are few non profit organizations within the Salinas Valley that participate in and facilitate the protection of farmland. The Ag Land Trust, located in Salinas, is the most active private organization. Since 1984 the Trust has preserved over 20,000 acres of farmland in the Salinas Valley by establishing conservation easements (Ag Land Trust, 2009). The lands within these easements are permanently protected from being converted to uses other than agriculture. The property owners maintain ownership and the right to farm the property, but the right to develop the property has been sold or given to the Ag Land Trust. Some of the easements are donated to the Trust, but the majority are purchased with the assistance of state grants from the California Department of Conservation. The organization advertises the program to property owners, coordinates the contract’s terms and monitors that the terms are met once the easement has been established. The Big Sur Land Trust Fund also has conservation easements within Monterey County. However, most of the Land Trust’s easements are not agriculture, but rather natural or scenic environments primarily along the coastal areas of Monterey County (Big Sur Land Trust, 2009). Agricultural easements sponsored by the Big Sur Land Trust in these areas are primarily pasture and grazing lands.
CHAPTER FOUR
Farmland Preservation Strategies
Introduction

There are several farmland protection programs currently implemented in the Salinas Valley. This Chapter will focus on two existing strategies: agricultural easements and Williamson Act and Security Zone contracts. After discussing the application and impact of the strategies in the Salinas Valley they will be assessed on their effectiveness at preserving farmland. The criteria developed from the literature review in Chapter Two will be applied to these programs to determine their success.

After existing strategies have been assessed potential strategies will be assessed using the same criteria developed in Chapter 2. The predicted success of the potential strategies will be determined and considered when making implementation recommendations in Chapter 5.

Existing Preservation Strategies

There are two strategies currently used in the Salinas Valley: agricultural easements and Williamson Act and Security Zone Contracts. This section will discuss the current application of those strategies and assess their success at preserving farmland in the Salinas Valley.

Agricultural Easements

While the Salinas Valley has established conservation easements on farmland, there is no formal conservation easement program administered by the County or the Valley cities. An agricultural easement is a tool to temporarily or permanently restrict the types of uses and extent of development on agricultural lands. A land trust purchases, or receives through donation, the development rights of the parcel from the property owner. The property owners retain ownership of the property and continue agricultural operations on the land. The two parties agree upon the easement terms and conditions which include a list of allowed and restricted uses, the term of protections and any permitted future development. Permanent easements are most commonly used and the most successful form of agricultural easements.

Easement terms remain with the land and apply to any new land owners. When the property owner sells a parcel with a permanent easement, the purchase price is significantly lower than the market rate because the land is without development rights. The administering agency holds the property deed and monitors the property for compliance with the easement’s terms and conditions.

Agricultural easements have proven to be the most successful strategy at permanent land preservation. In many jurisdictions, like the Salinas Valley, easements are used to restrict development and direct urban growth to more desirable areas. These areas tend to be of lesser agricultural value and subprime soil conditions.

There is no formal conservation easement program implemented by the County of Monterey or the Valley cities. However, conservation easements have been independently established through other organization. The Salinas Valley has several land trust organizations that manage agricultural conservation easements including the Salinas based Ag Land Trust, the Big Sur Land Trust and the Nature Conservancy. Of these organizations the Ag Land Trust is the most active in the Valley and holds the most easements, totaling roughly 20,000 permanently protected acres. Below are images of the Ag Land Trust’s conservation easements in the Salinas Valley and surrounding the individual cities. Included on the maps is the direction of desired growth for each jurisdiction.
Salinas Valley. As of 2009, there were over 20,000 acres of permanently conserved farmland in the Salinas Valley, or roughly 2 percent of the Valley’s total farmland. These easements are concentrated around the developing urbanized areas and on prime agricultural lands. Parcels are strategically selected to channel city growth to less desirable farmland more suited for urban development.

Salinas. The City of Salinas is sparsely surrounded by easements in comparison to the other Southern Salinas Valley communities. Easements are concentrated on the west and southern portions of the City with few to the north and east. The desired direction of growth is focused towards the northeastern edge of the City towards the Gabilan Mountain Range. There are two easements in progress; one located in the Gabilan Mountains northeast of Salinas and another north-northeast near the Gabilan area of the City.
Chualar. The unincorporated community of Chualar is surrounded by easements on its eastern and southern borders. The community is significantly restricted to growth to the north along highway 101 and to the west on the opposite side of the highway and railroad line.

Gonzales. The City of Gonzales is surrounded by 14 agricultural easements with another 5 in the near vicinity. The majority of easements are concentrated on the most prime farmland to the west, between the City limits and the Salinas River. The desired direction of growth is towards the Gabilan Mountains to the east of the City.

Greenfield. The City of Greenfield has few agricultural easements around its city limits. A large easement is located to the north of the City and several others in progress south of the City along highway 101. Because of the prime soils conditions between the city and the Salinas River to the east, the desired direction of growth is to the west towards the Santa Lucia foothills.

King City. Conservation easements are located to the north, northwest, and south of the City along highway 101. A buffer zone easement is located north of the City. Growth is limited by the conservation easements, the sprawling riparian areas of the Salinas River to the south and west, and highway 101 to the south and west. The desired direction of growth is to the northeast of the City towards the Gabilan Mountain foothills.
Assessment of Existing Conservation Easements

Number of Acres Enrolled. As of 2009, the Ag Trust has protected over 20,000 acres of farmland in permanent conservation easements. While this is only 8% of the Valley’s 235,000 acres of farmland (CA Dept. of Conservation, 2006), the agricultural productivity of these lands exceed $200,000,000 annually (Ag Land Trust, 2008). The Ag Land Trust has been successful at enrolling properties and acreage into easements. However, more acreage can be enrolled to increase the total number of permanently protected parcels within the Salinas Valley.

Quality of Land Protected. The majority of the lands protected under the Ag Trust conservation easements are of prime condition. The 20,000 acres in easements account for 12 percent of the Valley’s total prime farmlands (CA Dept. of Conservation, 2006). Protecting prime farmland is preferred over protecting sub prime farmland. In enrolling prime lands, specifically those located next to cities, the non protected sub prime lands are available for the city to expand upon. The conservation easements currently existing in the Salinas Valley have been extremely successful at protecting the highest quality of farmland.

Location of Land Protected. While there are easements located out of high development pressure areas, the majority of easements are located adjacent to incorporated cities. These parcels have the greatest susceptibility of being developed and need the greatest protection from future conversion. Some of the easements have also been strategically placed to prevent the city’s growth onto prime farmland. These easements are used to redirect urban growth onto other, less prime, agricultural lands. The placement of these easements contributes to the protection of the preserved land and other lands not currently in an conservation easements. The program has been highly successful at selecting lands in high risk areas and at protecting those lands.

Duration of Protection. Conservation easements provide permanent protection for enrolled land. This is the most preferred duration of protection because it prevents land from being developed in the future. The conservation easements, specifically those administered and monitored by the Ag Land Trust, have been extremely successful at enrolling land into permanent protection programs.

Williamson Act Contracts and Security Zone Contracts

The California Land Conservation Act, more commonly known as the Williamson Act, is a California State Law aimed at temporarily preventing non agricultural uses on agricultural lands. The land owner enters into a contract with the county agreeing that the land will be kept in agricultural use. In exchange, the property is assessed on its economic income and not on its market value. The difference in assessed values and the generated tax savings can be significant because the market value on
land is raised by development and urban growth pressures of nearby jurisdictions. Property owners generally save 25-70% on their annual property taxes. Upon entering into the contract the land owner agrees to maintain the contract for no less than ten years. The contract is automatically extended every year unless notice of cancellation or nonrenewal is given. The cancellation process takes nine years and a notice of cancellation must be submitted every year for that nine year term. If a notice is not given during one of those years, the cancellation process is restarted requiring another nine years till the contract is terminated. The property owner must also have an appropriate reason to cancel the contract which must be stated on the notice of nonrenewal (CA Dept. of Conservation, 2007).

Today, there are over 16 million acres of farmland in the State protected by a Williamson Act or Security Zone contract, or 58 percent of the State’s total agricultural lands. Despite its noticeable success at temporarily protecting farmland from development and decreasing market pressure on farming operations, amendment to the act was made in 1998. The change created Farmland Security Zones which are similar to Williamson Act contracts. Property owners who establish a Farmland Security Zone receive an additional 35% tax reduction on their property in exchange for keeping the land in an easement for a minimum of 20 years (California Farm Bureau Federation, 2009). Perhaps the strongest condition of this legislation is that Farmland Security Zones cannot be annexed into a City’s limits. Zones also cannot be established within a City’s sphere of influence because of the inevitable conflict with this condition. However, establishing Farmland Security Zones can dramatically influence the directional growth of urban areas because of the restrictions to annexations of the easements zones. The condition also protects cities and towns by allowing them to plan for growth and forbid zones from being created within its limits or sphere of influence.
Assessment of Existing Williamson Act and Security Zones Contracts

Number of Acres Enrolled. As of 2006, there were a total of 759,471 acres enrolled in a Williamson Act or Security Zone Contract in Monterey County (CA Dept. of Conservation, 2006). Most of these lands are located in the Salinas Valley and adjacent foothills with smaller acreage located in the north county. Of that, 61,686 acres were prime lands and 667,249 acres were non prime. This total accounts for roughly 36 percent of the Valley’s prime farmland and 58 percent of the County’s total agricultural lands. Compared to the states 58 percent enrollment of its total agricultural land, the County is reflective of the State’s enrollment average. The County and Salinas Valley have stayed on enrollment pace with the rest of the State. The programs have been fairly successful and protecting prime and non prime farmland.

Quality of Land Protected. Williamson Act and Security Zone contracts protect both prime and subprime lands. Most prime lands are located on the valley floor adjacent to growing cities. These lands have the highest assessed market value because of nearby development pressures. The Williamson Act and Security Zone agreements provide property owners with a tax break from their assessed market value. Owners of prime land nearby a city would receive the greatest tax benefit from enrolling in the program because there assessed value is higher than lands in the unincorporated county. The majority of lands in the unincorporated county, including the foothills, is subprime and has lower assessed values because of lesser development pressures. Owners of these subprime lands in the foothills would receive a much smaller tax benefit. Therefore, property...
owners of prime lands on the valley floor are more likely to enroll because there development pressures and tax benefits are higher.

Location of Land Protected. The location of protected land spans across the Salinas Valley regardless of city location. Because the program is administered by the State of California with little involvement from local jurisdictions other than the County Assessor’s Office, there is no local influence on the location of these contracts. Security Zone lands are regulated so that they cannot be established within a city’s sphere of influence. This limits the effectiveness of these contracts around expanding urban areas. Williamson Act and Security Zone contracts are less successful at protected susceptible land around incorporated cities and unincorporated communities.

Duration of Protection. Williamson Act contracts protect farmland from conversion for a minimum of ten years. Security Zone contracts protect land for a minimum of twenty years. However, neither of these strategies provides permanent preservation. The relatively short duration compared to permanent protection programs makes these contracts less effective at reaching the overall farmland preservation goal of permanent protection. From a preservation point of view, this program is less desirable than then conservation easements that protect farmland permanently.

Potential Preservation Strategies

The Salinas Valley’s existing farmland preservation strategies have been assessed and critiqued in the previous section. This section will look at the potential to implement new programs and approaches to agricultural protection. Analysis will focus on four main tools; agricultural easement programs; transfer of development rights programs; farmland mitigation program; and voter approved development measures. A discussion of each strategy will be included to determine if the strategy is suitable for the Salinas Valley and if the Valley has the necessary agricultural and political conditions to support such as program. The assessment criteria developed in Chapter 2 and applied to existing strategies in the previous section will be used again to predict the success of these potential strategies.

Agricultural Easements Program

An agricultural easement program is administered by local jurisdictions as an approach to permanent protection of farmlands. Conservation easements involve the purchase or voluntary donation of the development rights of a farmland parcel. The land owner retains ownership of the property but use is restricted to the agricultural operations agreed upon between the property owners and the organization receiving the development rights. A local government or nonprofit organization such as land trusts develop the easement terms, purchase or receive the development rights and monitor the long term restrictions of the agreement.

While termed easements are still in use, permanent easements with are growing in popularity and make up the majority of preservation agreements. Most agreements include a list of permitted and non permitted uses usually prescribing the land use, parcel size and number of residential units allowed on the property. The terms can be developed based on the individual needs of the property owners and the preservation goals of the jurisdiction. Below are several factors that contribute to the success of Agricultural Conservation Easements adopted from goals developed by Megan S. Lewis, AICP (Lewis, 2009). These factors can be applied to the conditions of the Salinas Valley to
determine if an Agricultural Conservation Easement Program is appropriate.

**Maintain a Critical Mass.** A critical mass refers to the supportive operations and services related to the agricultural industry that farmers need to remain in farming. Supportive services include shippers and coolers, farm equipment repair companies, pesticide services, crop dusters, labor contractors, etc. Often areas experiencing strong development pressures lose this critical mass of services that support the farming industry. When these services are gone it becomes more difficult for the farmer to continue agricultural operations and generate a profit. Critical mass must be maintained to protect the agricultural industry of the Salinas Valley.

The Salinas Valley currently has a strong and established critical mass of supportive services. Local agencies can support farming indirectly by allowing these businesses to operate with fewer restrictions and associated costs. Cities can support these businesses by providing necessary infrastructure including roadway expansions and renovation, increased rail and air freight opportunities and increased access to natural resources such as water and land. Jurisdictions can also expand these services by zoning for more agricultural related industrial areas and marketing to potential businesses looking to relocate in the Salinas Valley.

Local agencies and jurisdictions should be aware of the existing and future critical mass services. These services are a reliable indicator of the quality of the Valley’s agricultural industry. If mass should reduce, officials should consider the approaches for business retention and expansion mentioned above.

**Cost-Benefit Comparison.** In order for an easement program to be beneficial and successful in a jurisdiction there must be an appropriate cost-benefit comparison for the preserved land. The purchase price of the property development rights must be reasonably affordable for the purchasing party but significant enough too attract sellers. The purchase offer must also be competitive with offers from developers. Properties with higher agricultural productivity and higher development demand should receive a higher price for the development rights.

**Support for Farmland Preservation.** Like all farmland preservation programs, an agricultural easement program requires public and government support. Government support can be gauged by the type and extent of preservation policies in local general plans, programs and zoning codes. Considering the policies and goals in the County General Plan, City General Plans, LAFCO policies and in discussions with planners, farmers and conservationists there is an evident local government support.

**Assessment of Potential Conservation Easement Program**

**Number of Acres Enrolled.** Considering that the Ag Land Trust has been successful at enrolling over 20,000 acres of farmland into easements in the last 25 years, it can be estimated that another 20,000 acres can be enrolled with County assistance in the next 25 years. If this assumption holds true, an inter-jurisdictional program could protect 20,000 acres by the year 2034. If the Ag Land Trust continues its current rate of enrollment, the total acreage enrolled in permanent conservation easements in the year 2034 could top 60,000 acres of predominantly prime farmland. This total would account for roughly 25% of the Valley’s total farmland. While this number remains relatively low compared to Williamson Act and Security Zone contracts it is a significant impact on protecting the regions agricultural industry. An additional 4 million dollars of annual agricultural productivity could be preserved in the next 25 years.
Quality of Land Protected. Like the existing conservation easements, a future conservation easement program would target prime agricultural lands. This is the preferred land to be protected because of its high productivity and economic value. A proposed conservation easement program would be successful at protecting the highest quality farmland with the most economic productivity.

Location of Land Protected. Like existing easements, lands can be selected and pursued based on their location to urban areas and their susceptibility of being converted. With city and county jurisdictional support, more parcels can be strategically preserved to redirect urban growth to other less productive farmland. A proposed conservation easement program would be successful at protecting the land with the highest risk of being developed and land that could block growth from high value areas.

Duration of Protection. Conservation easement durations are established in the contract through a negotiation between the administering agency and the property owners. It is possible for the program to mandate all easements be permanent without the possibility of termination. This is the most effective way at protecting farmland and is suggested should a new program be implemented. A conservation easement program would be successful at permanent farmland protection because the terms are established by the public or private agency monitoring the program.

Transfer of Development Rights Program

The County of Monterey and its respective incorporated cities currently do not have established transfer of development rights (TDR) programs. Several factors and conditions must be present for a TDR program to be necessary and successful in a jurisdiction. The following section outlines these required factors and assesses the potential success of TDR programs in the Salinas Valley.

There are several factors that contribute to successful transfer of development rights programs. These can be applied to the conditions of the Salinas Valley to determine if implementation of a TDR program is necessary, feasible and potentially successful. The following factors and criteria have been developed by Rick Pruetz and Noah Standridge in the Journal of the American Planning Association article “What Makes Transfer of Development Rights Work: Success Factors From Research and Practice.” Their criteria for determining the success of a program is the number of total acres the program has preserved.

Factor 1: Demand for Bonus Development. The most important factor needed for a successful TDR program is a market demand for development bonuses. The bonuses usually include density bonuses, increased floor area ratios or zoning variances at the designated receiving areas. Developers must want to purchase development rights in order to build and sell units in the receiving areas. The market must also have a demand for higher density neighborhoods with smaller lots, shorter setbacks or units with less square footage.

Factor 2: Customized Receiving Areas. The areas designated to receive the increased density or variances must be accommodating to the additional units, vehicle traffic and demand on services associated with higher densities. According to Pruetz and Standridge, there are seven attributes a customized receiving area must have which are discussed in this section.

Looking at the 20 most successful TDR program in the country, four created inter jurisdictional receiving areas where the receiving area is a jurisdiction other than the sending area. In these cases the sending area is
usually in the unincorporated county with the receiving area in an incorporated city. This requires regional agreements and coordination between the areas local governments.

Because the Salinas Valley cities and Monterey County currently do not have a TDR program, there are no designated customized receiving areas. Incorporated cities may transfer development rights informally without an established program, but a successful program would include the County facilitating the preservation of farmland in the unincorporated areas. Ideally, the program would involve interjurisdictional agreements that allow for the preservation of farmland in the rural county in exchange for development bonuses in the urbanized incorporated cities. The cities have the established infrastructure to accommodate additional development and higher density units.

The facilitator, whether that be the County or an outside agency, must consider the areas from which the rights are being purchased when coordinating the transfer. Development rights from farmland near Gonzales should not be purchased for a receiving area in Salinas or King City. The transfers should occur within a localized area of the Valley so that cities have an incentive to establish receiving areas. Local governments may or may not accept the bonus transfer if the preserved farmland is located somewhere else within the Valley.

If a TDR program were established, each Salinas Valley community should designate a receiving area or areas within its city limits. The County should facilitate, or seek an outside facilitator, to coordinate the transfer of rights from the unincorporated areas of the Valley to the cities.

Factor 3: Few TDR Alternatives. In order for a TDR program to be successful there must be few or no other options to developing higher density developments within that jurisdiction.

Some communities offer incentives for cluster development, preserving environmentally sensitive areas or providing innovative design features. While these have specific goals to achieve, they usually do not include the preservation of land elsewhere in the jurisdiction.

Factor 4: Market Incentives. Many TDR programs have a transfer ratio that considers the number of units being precluded at a sending site and the number of additional units being constructed at the receiving site. This is usually a one-to-one ratio. However, often the financial incentives associated with a density increase in the receiving area far exceed the reduction in land value in the sending area. A program should ensure that the purchase price of the development rights is equal to or greater than the preserved lands reduction in property value.

In order to create a market incentive for both the sender and the purchaser, some programs allow for 2 additional units in density bonuses in the receiving area for every unit of reduction in the sending area. Additional incentives included in the purchase of rights can include increased floor-area ratios, increased lot coverage or increased building height.

Factor 5: Strict Sending Area Regulations. A factor identified as essential in attracting developers to purchasing development rights are the strict regulations within the receiving area. This is viewed by developers as a development restraint and therefore waivers around the regulations are sought, which can often be purchased through TDRs. If the zoning regulations are not upheld and easy to avoid, there is no need for a developer to pursue a TDR.

The County and communities in the Salinas Valley currently have established zoning regulations that are periodically updated. For a TDR program to be successful, local government must uphold their zoning...
regulations and establishes zoning that establishes a need for developers to purchase development rights. For example, lower density zoning with stringent floor-area ration and lot coverage requirements. However, the city must be prepared to accommodate lower density developments in the receiving area should developers decide to develop lower density projects are refuse to purchase development rights.

Factor 6: Promotion and Facilitation. In order for a TDR program to be successful the local governments and the administering agency must be familiar with its goals, regulations, and operations. Jurisdictions and the facilitating agency must also be willing to market the program to potential developers. If a program were established in the Salinas Valley it would most likely be an inter jurisdictional effort between the County and the Valley cities. The facilitating agency could be the County, or a selected outside organization agreed upon by all the involved parties. The organization can be an existing agency like the Ag Land Trust, or a newly established one created with the sole purpose of administering the Valley’s TDR program.

Factor 7: Strong Public Support. Governmental and community support is needed to achieve a successful TDR program and regional farmland preservation goals. Public support can be gauged by the amount of funding allocated to the purchase of development rights for farmland preservation. Successful programs have publically funded TDR banks which purchase development rights and facilitate private TDR purchases. While the use of public tax dollars is not usually associated with the goals of TDR programs, public funding has shown to increase the success of such programs. There must also be a need and a desire for land preservation. A community and its local decision makers must agree that conservation is needed in order for a program to be established and for the potential use of public funding.

The Salinas Valley has public support for farmland preservation. Its local decision makers and county authorities have expressed the value of the Valley’s farmland resources and an increasing need to protect these resources for urban expansion.

Assessment of Potential Transfer of Development Rights Program

Number of Acres Enrolled. Based on the growth predictions for the Valley cities and the regional housing allocations, it can be estimated that over 35,000 new residential units will be developed in the next 25 years (AMBAG, 2008). Assuming that a TDR program requires a 2:1 preservation ratio, meaning that two units are preserved for every one unit developed, the development rights for roughly 70,000 units will be sold to developers. This estimation predicts that all future development within participating cities will require or attract the developer to purchase development rights because of their associated incentives. Assuming a standard development density of 5 units per acre, it can be predicted that a TDR program will preserve 14,000 acres of farmland in permanent conservation easements through the transferring of development rights to urbanized areas.

Quality of Land Protected. Because a TDR program establishes appropriate sending and receiving areas, the quality of the land protected can be regulated. The highest quality and prime farmland can receive first priority and be preserved over less prime or sub prime farmlands. Higher quality land will generate a higher cost per right transferred compared to lower quality lands which must be considered when establishing goals to preserve only prime farmland. Because of this, property owners of prime lands will be more interested in selling their rights than subprime property owners. This
will attract more prime lands subprime into the program. However, the quality of land protected can include only prime or high quality lands.

**Location of Land Protected.** Similarly to the quality of land protected, a TDR program may establish the sending areas and which farmland the program intends to protect. This may include acreage around cities were the land has the highest susceptibility of being converted to urban uses. This may also include preserving land that has the potential to protect other land from being converted like parcels directly adjacent to city boundaries. This strategic placement can be used to redirect growth and deter it away from prime farmland. Because the regulations of a TDR program are set by its administrators and stakeholders, there are no limitations on the location of land being protected.

**Duration of Protection.** The term for the conservation easements generated by the transferring of development rights is determined by the program administrators. However, most conservation easements are permanent and do not allow the preserved land to be developed in the future.

**Other Considerations.** In order for a TDR program to be successful, there must be an established receiving area that will allow development incentives such as more units per acre or smaller lot and unit sizes. Potential location for these receiving areas may be in any of the Valley cities that are currently expanding and willing to provide the infrastructure and services for the additional units and residents. Another consideration is the cost of each development right and its associated incentive. The cost and its benefits must be attractive to developers while still being appealing to property owners. The appropriate cost per unit may be determined in future studies by the program's administering agency or the local city jurisdictions.

**Farmland Mitigation Program**

A farmland mitigation program, sometimes referred to as a farmland preservation ordinance, has a similar premise and goal as a transfer of development rights program. Developers who build on farmland must mitigate their development impact by preserving an equal acreage of farmland elsewhere. The preserved farmland must be of equal or greater fertility and productivity. Usually, the developers pay a mitigation fee to the County or an outside agency that facilitates the collection of fees and the purchase of conservation easements. The program is similar to a transfer of development rights program in the way it protects farmland, however, no development incentives are provided to the developer.

The County, and its incorporated cities, could establish a farmland mitigation program that is consistent with the County’s draft general plan and the cities adopted general plans. The program would impose a fee on all new developments that impact farmland. These impacts may be direct by the conversion of farmland to urban uses, or indirectly by imposing upon the farmer’s rights to farm.

A Farmland Mitigation program is an effective way of preserving farmland without imposing taxes on residents or businesses. Development would be subjected to fees based on their impacts on agricultural lands. Projects that have no impact on farmland because of their desirable location on suitable lands would have no impact fee. Projects with substantial impacts would have significant fees that would deter development on farmland. These collected fees enter a preservation fund which is used to purchase conservation easements.
Assessment of Potential Farmland Mitigation Program

Number of Acres Enrolled. The number of acres enrolled in a Farmland Mitigation Program can be estimated in the same manner as a transfer of development rights program. Assuming the project housing units for the Valley remains at 35,000 units and the assumed development density stays at 5 units per acre, roughly 7,000 acres of farmland could be converted to residential use. If the program requires one acre preserved for every acre developed, and estimated 7,000 acres of farmland could be entered into permanent easements.

Quality of Land Protected. A farmland mitigation program would preserve a range of farmland types depending on the location of the impacting development. The program requires that the land preserved be of equal or greater soil quality and agricultural productivity. If development continues around the Valley cities where the farmland is prime, the conserved acreage must also be prime. The land being preserved would be reflective of the land being converted. While this regulation of the program promotes the protection of prime lands, it cannot ensure that all the lands enrolled are of prime designation.

Location of Land Protected. There would be no restrictions or regulations on the location of the land being preserved. However, because the program requires the conservation of equal or greater quality land, most of the preserved land would be located on the valley floor where the land is the most prime. Some of the easements may be placed on strategic parcels to redirect city growth and protect adjacent farmlands because the administering agency has the ability to select the location of the conservation easements. Because of this involvement with the administering agency, a farmland mitigation program can be extremely successful at protecting land in the most vulnerable and preferred locations.

Duration of Protection. Conservation easements like the ones permitted in a farmland mitigation program are permanent. This is the most preferred and effective protection term. A farmland mitigation program would be successful and preserving farmland in perpetuity.

Other Considerations. It must also be noted that a farmland mitigation program would be competing with a transfer of development rights program. Developers would be subject to a TDR program when the land they wish to develop lies within a rights receiving area or if they desire the associated development incentives. A developer would be subject to a farmland mitigation program if the land they wish to develop lies in unincorporated areas or areas not designated as appropriate development locations. For these two programs to coexist there must be clear boundaries for the TDR’s receiving and sending areas. Developers will initially prefer purchasing development rights because of the development incentives. However, some developers who wish to build in more rural locations not suitable for growth would be subjected to the mitigation program and its fees. The applicable location for both programs must be clear and separate before either program can be implemented.

Voter Approved Development Measures

Voter approved development measures require proposed development projects that convert farmland to be approved by citizens. This strategy gives citizens direct control over farmland preservation and allows decisions to be made on a case by case basis. The measures would be applicable to projects of a certain size and apply to developments on prime farmlands. Some downsides include the cost of organizing citizen voting and the increased time to approve
development projects. Another downside would occur when a community needs the residential and commercial services provided by a project but denies the project because of environmental concerns. This strategy cannot guarantee that farmland will be protected, but rather provides the public with an opportunity to deny development projects.

Assessment of Voter Approved Development Measures

Number of Acres Enrolled. The number of acres potentially protected can not be estimated because of the strategies case by case characteristic of the approach and its inability to permanently preserve farmland. However, it can estimated the number of projects that would be required to receive voter approval. Because the strategy applies to projects affecting prime farmland, it can be assumed that most of the development around the Valley cities would require voter approval. Using the same AMBAG projections to estimate the TDR program and farmland mitigation program’s potential enrollment, 7,000 acres of development area could be subjected to voter approval depending on its land quality designation. The strategy would be successful at requiring voter approval for most development projects but not at guaranteeing that any of these projects will be denied to protect farmland.

Quality of Land Protected. Because the strategy requires only projects on prime farmlands be subjected to voter approval the measure would be successful at protecting the highest quality of farmland.

Location of Land Protected. The areas subjected to voter approval must be designated with the implementation of the program. The authoritative jurisdiction may require all prime lands in the jurisdiction be subjected or the prime lands within a specified district. These districts are usually located around urban areas where development pressures on farmland are the highest. This program is successful at protecting desired locations because these protection districts are established based on current growth trends and the community’s preservation goals. This strategy has a high potential to target at risk areas in need of the most protection.

Duration of Protection. The duration of the project is not guaranteed and is not permanent. If a project is not approved the developer may present to project to the voters again after an established time period. It is possible that a project is subjected to a vote consistently until the voters approve the project. The strategy is only temporarily successful at preserving the farmland when a project is denied. This strategy is not successful at protecting farmland for a long term, or definable time period.

Other Considerations. In order for this strategy to be successful there must be an overall public desire to protect farmland. If there is not, projects will continue to be approved and agricultural lands will continue to be converted. Another consideration is the community’s growth goals. The community must be able to expand onto nonprime lands before approving this strategy or much needed urban amenities may be denied to protect farmland.

Table 4.11 summarizes the previous assessments on existing and potential farmland preservation strategies in the Salinas Valley.
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<th>Desired Duration of Protection</th>
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CHAPTER FIVE
Findings and Recommendations
Introduction

This chapter presents strategy recommendations based on the discussions and assessments in previous chapters. Strategy recommendations include proposed amendments to existing strategies and recommendation of potential strategies. Recommendations for implementation suggest agencies to administer the recommended strategies and present potential funding sources for these programs. The final recommendations in this chapter discuss sustainable growth practices that could be employed in the Salinas Valley to protect farmland.

Strategy Recommendations

Below are the final recommendations for the existing and potential farmland preservation strategies for the Salinas Valley. Recommendations are generated from the assessment of existing strategies success and the assessments of a potential strategies predicted success. Other considerations such as cost, context, administration and public acceptance are also considered when making recommendations.

Conservation Easement Program

Recommendation: Implementation of an inter-jurisdictional easement program and continuation of existing private efforts.

A conservation easements program is highly recommended for the Salinas Valley. The Ag Land Trust’s current success in their efforts shows the potential success of a formally adopted conservation easement program. It is recommended that the County and Salinas Valley cities adopt an inter-jurisdictional program that establishes easements on productive prime farmlands. Funding sources can be supplied through state or federal funding, voluntary gifts, or generated through innovate funding sources discussed later in this chapter.

Williamson Act and Security Zone Contracts

Recommendation: Promote Security Zone Contracts and actively seek new enrollments.

It is recommended that the Williamson Act and Security Zone program be further advertised and more actively encouraged to property owners with eligible lands not currently enrolled. While this program is successful at temporarily preserving farmland, it is not the most desired preservation approach because of its limited duration of protection. Security Zone contracts should be promoted more than Williamson Act contracts because of their longer duration. It is also recommended that the County and its cities establish a position or assign additional responsibilities to an existing staff member to actively seek new enrollments into the program.

Transfer of Development Rights Program


It is recommended that a transfer of development rights program be established between the jurisdictions in the Salinas Valley. Designated sending areas should primarily be located in the undeveloped rural county areas with the receiving areas within city limits or on the urban fringe. The County should be the program’s main administering and monitoring agency. This program is highly recommended because it protects farmland with little to no cost to local jurisdictions. By providing development
incentives that increase density, more units can be provided while converting less farmland. The permanent nature of conservation is also a deciding factor for the recommendation of this strategy’s implementation.

Farmland Mitigation Program

Recommendation: Implement a Farmland Mitigation Program in the Salinas Valley.

A Farmland Mitigation Program is the highest recommended strategy for the Salinas Valley. It permanently protects farmland with little to no cost to the County or its cities. The high development demands will remain if the mitigation fees are fair and consistently enforced. Another highly desired characteristic is the ability of the administering agency to select the protected land. This authority allows easements to be strategically located to redirect urban growth and protect adjacent farmland. Protected lands can also be of the highest economic and agricultural productivity value. The preservation ratio also allows more farmland to be protected than is being developed which meets the objective of preserving the most farmland to maintain a stable agricultural industry.

Voter Approved Development Measures

Recommendation: Do not implement voter approved development measures.

Voter approved development measures are successful in communities with a strong and united public support for preservation and a clear disregard for growth. While the Salinas Valley is for the preservation of farmland, its communities and residents need additional housing options, commercial amenities and industrial jobs. The Salinas Valley needs to balance growth with preservation and voter approved measures may offset that balance in either direction. The outcome of such measures is unpredictable and ineffective in protecting farmland in the long term.

Recommendations for Implementation

For implementation to be completed, there must be financial and administrative support for the recommended programs. The following recommendations present ideas for funding sources and establishing local agency responsibilities.

Innovative Revenue Sources

Recommendation: Pursue innovative funding source to fund the farmland preservation strategies recommended for implementation.

All of the programs recommended and currently in use require a funding source. Funding is used to purchase easement, facilitate transfer of development rights, pay for administrative and supportive staff and other program related expenses. Currently, most funding sources are generated through taxes and provided through state or local grants. Below are some potential innovative funding sources that can be used to finance the recommended farmland preservation programs.

Development Impact Fees. Development impact fees can be imposed on developments that convert farmland to urban uses. A development impact fee has been suggested in a potential farmland mitigation program for the Salinas Valley. Fees may also be imposed on all residential, commercial and industrial
developments within a jurisdiction or predetermined districts within a jurisdiction. The collected fees would be used to preserve farmlands within or around the jurisdiction.

**Luxury Home Tax.** A tax can be imposed on newly developed luxury homes within a jurisdiction to be used for farmland preservation. Because luxury homes and lower density neighborhoods contribute to sprawl and the consumption of agricultural land, the fee is considered a development impact fee. The collected fees can be kept by the jurisdiction to purchase easements on surrounding farmland or entered into an inter-jurisdictional fund for regional farmland preservation.

**Impervious Surface Tax.** An impervious surface, like large parking lots in commercial shopping centers, can be viewed as an inefficient consumption of land and a hindrance to the protection of agricultural lands. Developments with excessive impervious surfaces can be subjected to a specific impact fee that can be used for farmland preservation. The fee would also deter projects from included paved surfaces in the project’s design and encourage the use of landscaping and natural ground coverage.

**Water Polluters Fee.** Imposing a fee upon water polluters is another innovate way of raising funds for farmland preservation. The fee would be restricted to urban water polluters and would not affect agricultural polluters. Agricultural operations are one of the largest polluters in Monterey County and the Salinas Valley. Since the fee is meant to benefit agriculture, it would not be beneficial to impose a fee upon the property owners the program is intended to support.

**Administrative Agencies**

**Recommendation:** Determine agency responsibilities for farmland preservation goals.

In order for the recommended programs to be successful in their implementation, a responsible agency must be selected. The County of Monterey and its Salinas Valley cities should collaboratively decide the responsibilities of each agency in achieving the region’s farmland preservation goals. It is also recommended that if a regional farmland preservation goal is not established one should be developed to assist these agencies in their tasks. Benchmarks and completion dates should be established for individual farmland preservation goals so that the region’s agencies can be assessed on their preservation efforts.
Other Recommendations

The following recommendations provide additional guidance to achieve the Salinas Valley’s farmland preservation goals.

Sustainable Growth Practices

*Recommendation: Adopt sustainable growth practices for future urban development.*

Through interviews, analysis of existing conditions and assessments of preservation strategies it is evident that farmland preservation cannot be achieved without the assistance of sustainable growth practices. These practices minimize the impact of urban development on farmland while still providing much needed residential, commercial and industrial uses. It is highly recommended that the Salinas Valley communities adopt sustainable growth practices in conjunction with the adoption of other farmland preservation strategies.

Recommendations for Future Research

*Recommendation: Continue research on the issue of farmland preservation in the Salinas Valley.*

Because of the scope and extent of this report, there are some questions and research concerns that could not be addressed. It is recommended that the Salinas Valley jurisdictions and the County of Monterey continue research on the issue of farmland preservation. Research should include deeper analysis of existing conditions, the causes of conversion and other concerns that will affect the productivity and conservation of farmland in the future. Below are some future research opportunities that could be considered.

Calculating the “Tipping” Point. Over the last century agricultural productivity has consistently increased because of technological and scientific improvements. These improvements have increased an acre of farmland’s crop yield and allowed for more products to be produced on the same amount of land. This increase has allowed urban areas to consume farmland without completely destroying the agricultural industry because farmers are able to produce more on fewer and fewer acres. However, at some point in the future technology will no longer be able to increase the production of land because of natural soil, nutrient and climate restraints. The productivity of land will remain constant or potentially decline because of over use of fertilizers, pesticides, and irrigation.

While technology has improved crop yield, urban areas have continued to consume agricultural acreage near the urban fringe. The decreasing trend of farmland productivity will cross the increasing trend of urban land consumption. At this “tipping point” the agricultural industry will start to see a decline in agricultural output threatening its stability and profitability.

Further research could be completed to determine the occurrence, if ever, of this critical point. First, the past and predicted future crop yield in correlation to technological improvements must be determined along with the past and future growth projections of the urbanized areas. The point at which these two trends meet is the point in time where land consumption begins to erode the output of the agricultural industry.

Determining the Property Owners “Bottom Line”. Despite the variety of farmland preservation techniques available to property owners, some still sell their lands to developers to be developed into commercial or residential areas. Future research could isolate the common
reasons for stopping agricultural operations and committing land to urban use. While these may primarily be financial, some others may include the lack of future farmers to take on the private operations, pressures from cities and developers to sell the land, restricted water rights, poor market conditions or other factors. By determining the most prevalent and strongest factors in the Salinas Valley, farmland preservation tools can be tailored for these specific needs of the land owners and their situations.

Future research could also determine the property owner's "bottom line" to see what characteristics of a preservation technique determine their decision to preserve the land. For some the bottom line may be financial and they will agree to preserve the land if a specific monetary value if offered. For others it may be the types of uses protected or allowed on the property after being conserved. By determining a commonly accepted "bottom line" farmland preservationist can predict the money, condition, or terms needed to successfully commit a property owner to permanent preservation. These research approaches could be completed through surveying the farming community to see the reasons for developing land and the preferred deciding factor for entering into a preservation contract.

**Future Urban and Rural Water Shortages.** California is headed towards an inevitable shortage of water for urban and agricultural uses. At some point in the future, the growing cities and towns of the Salinas Valley will be competing with its crops and farmlands for water. Future research could analyze the potential impacts of water shortages on the restriction of growth in the Valley. The research could also look at how agricultural water consumption is restricting city growth because farming operations consume much more water than do urban uses. The future growth and agricultural outputs could be determined based on predicted water shortages, new water sources and climate changes.

**Potential Agricultural Areas.** A response to the increased consumption of farmland for urban uses could be to convert currently non agricultural lands to agricultural uses. One concern to this approach is that the most prime cropland is already in use and is the land that is most likely to be converted because of its proximity to towns and cities. Further research could be pursued to determine lands within the Salinas Valley and surrounding regions that have potentially suitable soils for farming. These lands would most likely be grazing lands or hillsides that currently have poor soil conditions or unfavorable slopes. However, research could be completed to determine if technological or synthetic improvements could be made to the land in the future that would make it suitable for farming. Even if prime conditions could not be reproduced, the addition acreage would allow subprime lands around urban areas to be converted to urban uses. Growth could then be diverted away from prime farmlands and towards the subprime lands or production can be shifted to the newly designated cropland.

**Conversion of Row Crops to Vineyards.** Like many agricultural regions in California, the Salinas Valley has seen a significant conversion of croplands and grazing lands to vineyards along the foothills and valley floor. In 2009, Monterey County was the largest producer of wine grapes than any other county in the State, including Napa and Fresno Counties which are notorious for their impressive grape productions. Some of these lands were once productive agricultural lands producing a commodity other than table or wine grapes. Further research could be completed to understand the impact of vineyard conversion on the fresh produce industry of the Salinas Valley. Research could also include analyzing what effect establishing the area as a "wine
destination” has on growth and housing demands, property values, infrastructure impacts and water demands. Marketing the areas as an upscale, world class regions have some impact on the types of development being pursued in the Valley cities, specifically the southern cities of Gonzales, Soledad, Greenfield, and King City.

Impact of General Plan Policies. Further research could be completed on the impact of general plan policies on farmland preservation. Because the general plan is suggestive in nature, policies and programs recommended in the general plan may not reach implementation steps. A study could be completed on the most effective way of getting preservation programs implemented and if general plan policies are successful in establishing farmland preservation strategies.
Works Cited in Report


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Parfrey, Eric (Feb 2009). Agricultural Conservation/Mitigation Program in Yolo County. The Great Valley Center, from http://www.greatvalley.org/


SCN Staff, (May 3, 2006). Greenfield Among Fastest Growing Cities in State. King City Rustler.


VIEWS OF THE SALINAS VALLEY
Original Pictures

The Santa Lucia Mountains and Meadowview Ranch off Gonzales River Road

Old barn along Greenfield River Road west of Greenfield

Vineyards and the Gabilan foothills east of the Town of San Ardo

Tractor plowing fields off Davis Road near Salinas

Agricultural murals in fields off Highway 68 west of Salinas

A harvesting crew picking lettuce along Old Stage Road east of Chualar

A view of Soledad from Pariaso Spring Vineyard

The scenery at Pedrazzi Farms on River Road west of Chualar

Barn and pasture lands at Pedrazzi Farms on River Road