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1 Introduction

Lodi's current General Plan was adopted in 1991 and is nearing its 2007 horizon. In fall 2006—Lodi's centennial year—the City initiated a comprehensive update of the General Plan. While many of the 1991 Plan's policies are still relevant, the context and the setting on which the General Plan was based have changed since its preparation 15 years ago. The General Plan Update is an exciting opportunity for community members to explore long-term goals and development potentials for the city.

As part of the General Plan Update process, four working papers documenting existing conditions, trends, and planning issues and implications are being prepared. Topics covered in the papers include:

- Land Use, Transportation, Environment, and Infrastructure;
- Economics and Demographics;
- Urban Design and Livability; and
- Greenbelt. [This Working Paper]

At the request of the City, the consulting team included in their scope of work a review of Lodi's greenbelt planning effort to date, methods implemented elsewhere to establish greenbelts, and suggestions about models with potential applicability to Lodi. The paper has been prepared by Mundie & Associates, urban economists on the General Plan consulting team, with support from Dyett & Bhatia, overall lead consultants for the General Plan Update. The Working Paper does not contain any policies, and as such, is not intended to be adopted by the City Council.

1.1 THE PLANNING AREA

The General Plan must cover Lodi's adopted Sphere of Influence (SOI), as well as "any land outside its boundaries which in the planning agency's judgment bears relation to its planning" (California Government Code §65300). Lodi's current Sphere of Influence (SOI) includes the community of Woodbridge, lands west and east of City limits where developments have been recently approved, as well as a small pocket in the northeast portion.

The Planning Area is being evaluated for existing conditions, opportunities, and resources. The future urban area is likely to encompass only a portion of land within this larger Planning Area; given the City's interest in ensuring viable and sustainable agriculture in the region, policies to retain much of the land surrounding Lodi in agricultural use will be pursued. This Planning Area is largely similar to the one included as part of the 1991 General Plan, with slight expansion northward, and covers approximately 79.4 square miles.

1.2 A GREENBELT AS A GENERAL PLAN COMPONENT

Lodi's interest in protection of farmland is of long standing. As far back as 1981, voters approved Measure A, which removed unincorporated land from the City's land use plan and established an agricultural greenbelt around the then-existing city limits. Annexation and rezoning of land within this agricultural area was made subject to voter approval. Measure A was overturned by the Superior Court in 1986. Since that time, Lodi has established an annual residential growth cap of 2 percent. For the Lodi General Plan Update currently under way, the consultants have been asked to address Lodi residents' interest in the protection of the agricultural lands that form the City's setting and strongly contribute to its character, focusing on the area of greatest immediate interest: a potential greenbelt south of the city.

The overarching purpose of this potential policy direction is the long-term future of agriculture in this part of San Joaquin County, which has emerged in the last decade as a major area of premium wine production. Local vineyards and wineries have enhanced Lodi's appeal to visitors, and there has been an increase in tourism.[1] In contrast to the situation 20 years ago, Lodi is becoming a destination: the wine industry (including, since 1986, the Lodi appellation) has put Lodi on the map, and its image is supported by the City's own investment in downtown improvements that have made it one of the most attractive cities in the San Joaquin Valley.

Protection of its setting is essential to ensuring that the gains of the last ten-plus years will be secured and strengthened—gains that, in essence are economic (expansion and diversification of the local economy) but that also have benefited the community's attractiveness and public image and its perception of itself.

WHAT IS A GREENBELT?

A "greenbelt" is an area of land that is preserved for a non-urban land use.

While established greenbelts serve a number of purposes, they tend to share two features suggested in the term "greenbelt": an open landscape ("green") and a linear shape ("belt").

Greenbelts have been established in many cities, serving in each case one or more purposes. Purposes of greenbelt designation may include:

- Providing for continuing agricultural use.
- Delineating community boundaries.

[1] Lodi was featured in the Winter 2007 issue of *Via,* the monthly magazine of the California State Automobile Association as "Best Unsung Wine Region," an article by Ron Fimrite.

- Protecting resources: natural resources (flood plains, quarries, and/or protected biological habitat), cultural resources, (historic and/or archeological sites and community recreational resources), and scenic values (ridgelands and viewpoints, wooded areas, and areas possessing unusual physical or topographic characteristics) might all be appropriate for inclusion in a greenbelt.

PLANNING FOR A GREENBELT

The determination of where a greenbelt is located depends on the purpose(s) to be served and on conditions affecting how it is put in place.

This section identifies briefly key considerations for greenbelt designation, all of which are discussed in subsequent chapters of this paper. The key starting point is land, and the scale of the land requirement depends on local purposes and conditions.

Essential Land Requirements

A greenbelt must be large enough to encompass all land areas on which the specific elements targeted for protection (habitat areas, historic monuments, scenic features, etc.) are located.

Optimal Land Requirements

A greenbelt must have sufficient additional land to meet planning standards for protected land uses and landscape elements. It must provide, for example:

- Sufficient land overall, appropriately configured, to accommodate continuing agricultural operations, if agriculture is to be a desired and protected use;
- Sufficient width in the greenbelt's narrow dimension to achieve a sense of physical separation between lands on one side of the greenbelt from lands on the other (when a greenbelt is intended to function as a separator);
- Setbacks between designated habitat areas or natural features (such as streams) and developed uses;
- Setbacks from landscape elements (viewpoints, rocky outcroppings, major stands of trees) sufficient to allow adequate viewsheds from on and off the greenbelt; and
- Sufficient land area overall to shape the greenbelt so that it will function as a land use in its own right.

Within a designated greenbelt, limits on the establishment of new uses and the alteration of existing uses are established to make sure that uses that are permitted will contribute to the purpose(s) for which the greenbelt is established. Such limits can be put in place by regulation (such as

zoning), by urban development policy (such as restrictions on public utility connections), by development controls implemented through purchase (fee simple or development rights purchase), or through voluntary programs (retirement of development rights initiated by the property owner, possibly encouraged via incentives such as exchange for development rights elsewhere).

Any or all of these measures (and others as appropriate) may be applied. All face obstacles. They require:

- A public willing to impose zoning controls, limit utility extensions, and/or acquire property or development rights; and
- Private owners willing to accept greenbelt establishment and associated development restrictions and also, potentially, to relinquish some or all future development potential on included lands.

Circumstances influencing both public and private decisionmaking about the greenbelt will affect its size, shape, and time horizon. The depth and extent of public support and the level of property owner collaboration will influence the features of a final greenbelt plan. Designation of a greenbelt is an accomplishment that can be undermined if land use controls within it are not designed or implemented so as to assure that the underlying purposes of the greenbelt will be served.

GREENBELTS IN THE GENERAL PLAN

A community's general plan is an appropriate vehicle for the establishment of a greeenbelt because it provides direction for the community's future actions relating to the development and use of land within its planning area.

That direction is based on stated local goals for the community and on policies and programs to accomplish those goals. Relevant goals might include protection of biological communities, topographic features or characteristics, or land use activities. Less tangible considerations may also be articulated. In many California cities, a close economic relationship exists between land use within the city and economic activities in the surrounding rural area, which may be agriculture, forestry, or tourism. Such a traditional and persisting connection can be supported by a greenbelt that incorporates elements of those uses within it, calling attention to (and protecting) active examples of that connection over the long term.

Other relevant goals might focus on the distinctive quality of life in a given community. Many California cities emerged from rural settings as agricultural market centers. Their market function has adapted over time with the development of agricultural-support and non-agricultural activities, but the essential driver of their initial foundation—agriculture—remains a robust element of their setting, which the City may wish to emphasize though an agriculture-oriented greenbelt.

With appropriate goals in place, a General Plan may (1) address a planning area sufficiently large to include areas beyond the City limits within which uses targeted for inclusion in a greenbelt are located, and (2) recommend a greenbelt policy as part of the General Plan.

1.3 APPROACH AND ORGANIZATION OF THIS PAPER

This paper is intended both to support an examination of a greenbelt for the Lodi General Plan and provide direction for consideration of future greenbelt implementation.

- Chapter 1 provides a general background on greenbelts.
- Chapter 2 begins with an overview of Lodi's consideration of a potential future greenbelt over the last decade and reviews the purposes greenbelt might serve. It discusses Lodi's historic focus on a possible area between Lodi and Stockton for initial greenbelt designation.
- Chapter 3 reviews conditions in Lodi's greenbelt target area—physical characteristics, land use, and jurisdictional planning—in light of the potential greenbelt establishment.
- Chapter 4 reviews major classes of greenbelt programs and discusses techniques in use, or under consideration, elsewhere.
- Chapter 5 concludes this report with suggestions of approaches a Lodi greenbelt program might usefully incorporate.

2 Lodi and the Greenbelt Concept

2.1 EVOLUTION OF GREENBELT CONSIDERATION IN LODI

The designation of a greenbelt has been under discussion in Lodi for many years, sustained by two objectives: avoiding urbanization of agricultural lands that are considered to be particularly at risk, and marking a boundary—south of Lodi's existing city limits—between slowly-growing Lodi and rapidly-growing Stockton.

The objectives of preserving agriculture and establishing a community separator are not the same, and they may call for different implementation approaches. South of Lodi, however, in the area between Lodi and Stockton, the two objectives largely coincide, and advocates of each found common ground in 1999, when Lodi identified the establishment of an Open Space/Greenbelt Policy as a major City goal.

LOWER LODI AGRICULTURAL LAND CONSERVATION PROGRAM (LLALCP)

The first phase of movement toward that goal was the creation of the Lower Lodi Agricultural Land Conservation Program.

In February, 1999, the Lodi City Council approved the submittal of applications for planning grants to support work the City's Department of Community Development had under way on a City greenbelt policy. Activities were described by then-Director Konradt Bartlam as soliciting community views about farmland and open space, identifying agricultural land most suitable for preservation efforts, and evaluating options for maintaining existing farmland in its current state, in an effort to control further urban sprawl. The grants were intended to:

1. Gather consensus within the community regarding open space
2. Identify lands most suitable for preservation efforts, and
3. Evaluate options for maintaining land in its pre-urbanized state, including purchasing conservation easements, transfer of development rights programs, and modifying growth management criteria.[2]

These grant applications were successful.[3] Oversight for the work conducted under the grants was provided by a multi-jurisdictional group

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[2] Lodi City Council, regular meeting of April 17, 2002.

[3] Grants were received from the California Department of Conservation's Agricultural Land Stewardship Program (ALSP) and the Great Valley Center's LEGACI

made up of two representatives each from the Lodi and Stockton City Councils and two from the San Joaquin County Board of Supervisors, the "2x2x2 Greenbelt Committee," formed to study the feasibility of preserving a greenbelt between the two cities.[4]

THE 2X2X2 GREENBELT COMMITTEE

The 2x2x2 Greenbelt Committee, supported by staff and planning consultants,[5] held six public meetings as well as two community forums (in Lodi on November 13, 2000 and in Stockton on November 16, 2000). This effort was designed to educate its members and participating members of the community about local and regional growth issues, to identify possible strategies to address the preservation of open space as a community separator, and to explore the interest of property owners in the area (most of the participation was from property owners[6]).

The Committee's recommendations laid out a work program for a second phase to evaluate agricultural land preservation tools and update policies for preserving agricultural lands, and a third phase for implementation of the chosen method of preservation. The work plan for this second phase—named the "Lodi-Stockton Community Separator"—was to focus on:

- Investigating land trusts;
- Investigating funding mechanisms;
- Exploring urban growth boundaries; and
- Ensuring full community involvement.

The Committee reported the findings of its efforts to the participating jurisdictions, and both Lodi and Stockton initially signaled support for continuing the effort: Lodi by Council Resolution on May 3, 2001 to approve the Phase Two recommendations of the Committee, and Stockton by Council Resolution of May 29, 2001 to support the Community Separator Study.

Program (Land use, Economic development, Growth, Agriculture, Conservation, and Investment) totaling about $29,000.

[4] Specifically, between Interstate 5 on the west and Highway 99 on the east, and between Highway 12 on the north and Eight Mile Road on the south.

[5] Moore, Iacafano, and Goltsman was retained by the City of Lodi on March 1, 2000 to conduct a community separator study. This work included assembly of background information including maps showing vegetation and habitat, property ownership, and lands in Williamson Act contracts, as described in "Greenbelt Activities" (see footnote 10).

[6] Lodi City Council, regular meeting of April 17, 2002.

THE COMMUNITY SEPARATOR STUDY

This study did not proceed. Although both cities had indicated their support, further action was needed by each jurisdiction to authorize the proposed budget for the study (estimated in excess of $60,000) and commit to paying one-third of the cost. Lodi approved its participation by a Council Resolution on April 17, 2002. Stockton, by Council Resolution on April 23, 2002, took a different direction, placing conditions on its participation, including expansion of the 2x2x2 Committee to include additional parties (representatives of other cities, LAFCo, SJCOG, and other groups) and expansion of the scope of the study to include potential impacts beyond the original study area.

Neither the County nor the City of Lodi agreed with Stockton's direction and early in 2003 the collaborative effort of the 2x2x2 Committee was discontinued.

THE DRAFT STOCKTON GENERAL PLAN

Stockton's planning efforts are relevant to Lodi because the focus of Lodi's greenbelt interest is the area to the south of the City, between Lodi and Stockton.

Stockton's General Plan 2035 has been in preparation throughout the period since 2003. The Public Draft Goals and Policies Report and Environmental Impact Report were published in December 2006. The EIR public review period ended on January 29, 2007. The Plan is currently (September 2007) undergoing adoption hearings.

The draft Plan would accommodate considerable growth by Stockton toward the north:

- The Draft General Plan would establish Stockton's planning area and urban services boundary at approximately Armstrong Road on the north (Draft General Plan Figure 2-3).
- Stockton's Sphere of Influence (SOI) is proposed to shift about 1-1/2 miles north (Draft General Plan Figure 2-2). In this northward expansion of its SOI, the Draft General Plan applies the land use designation "Villages." Seven "Villages" (A through G) would occupy the expansion area from west to east, generally occupying the area northward of Eight Mile Road as far as Morse Road in Villages B, F, and part of E, and as far as Live Oak Road in the balance of the expansion area (i.e., about three-fourths to one-half mile south of Armstrong Road).
- The "Villages" would allow for urban development at densities generally in the range of 5.7 units/acre (Village Low-Density Residential/VLDR) to 10.6 units/acre (Village Medium-Density Residential/VMDR) on 85 percent (VLDR) and 95 percent (VMDR) of the residential acreage. The urban character of development

would be further emphasized by the inclusion of a Village High-Density Residential range at an average of 25 units per net acre on 4 to 6 percent of the land. Lower densities (averaging about one unit per acre) are planned for only about 5 percent of the residential acreage.[7]

- North of the Villages area, up to Armstrong Road, the Draft Stockton General Plan Land Use Map identifies the area as Open Space/Agricultural (OSA). The draft OSA designation would allow agricultural uses with a minimum parcel size of 40 acres, consistent with the County's underlying designation, and would keep the area under County jurisdiction.

Stockton's draft plan identifies Lodi's greenbelt target area (a band one-half mile north and south of Armstrong Road – see Chapter 3) as a community separator between Lodi and Stockton. With Stockton's planning area and urban services boundary at Armstrong Road, the southern half of Lodi's greenbelt target area would be within Stockton's planning area.[8]

Lodi residents who prefer to maintain a distinction between their community and a future "greater Stockton" do not appear to be reassured by Stockton's current General Plan draft. Lodi residents, in discussions at various public meetings, have expressed concerns about Stockton's northward expansion. A participant at one meeting observed that parcels in the area north of Eight Mile Road have a Lodi address and telephone number and, thus, have been traditionally associated with Lodi, but would be associated with Stockton under that City's proposed plan.

Lodi residents are not alone in their perceptions of the implications of Stockton's northward growth. A recent study addressing the future of the San Joaquin Valley considers four urbanization scenarios, one of which, "considered the most likely, would create 'linear cities,' connecting Stockton with Lodi, for instance."[9]

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[7] Stockton General Plan 2035, Goals and Policies Report, Draft – December 1, 2006, Tables 7-1 (density ranges) and Table 7-3 (Village housing mix). . . . The Lodi Council Communication relating to its meeting of November 29, 2006, indicates that the Draft Land Use Map in the "Villages" area "would allow residential development up to 29 units per acre with the approval of a specific plan."

[8] Under Stockton's draft plan, its Open Space/Agriculture (OSA) designation would be consistent with Lodi's proposed Agriculture/Greenbelt designation of the same area. . . . (Staff Report, Lodi Planning Commission meeting of November 8, 2006, p. 5)

[9] *Urban Development Futures in the San Joaquin Valley*, by Michael B. Teitz, Charles Dietzel, and William Fulton, 2005. The quotation is from a review of the study,

While Stockton's proposed plan does not directly contravene Lodi's emerging plan, the fact that, from Lodi's perspective, Stockton is "heavily slanted" toward northern expansion[10] has been a factor stimulating Lodi to consider the possibility of creating an agricultural zone on its own.[11]

CITY OF LODI GREENBELT TASK FORCE

The work of the 2x2x2 Committee having been discontinued as a result of Stockton's unwillingness to participate under the original collaborative arrangement, at the end of 2003 Lodi took steps to move forward on its own, establishing a Lodi Greenbelt Task Force.

The 19-member Task Force was given the charge to "Explore and investigate the variety of models available, and as utilized in various cities, to accomplish the community separation/ open space goal and make a recommendation to the City Council for the option that works best for Lodi."[12]

The Task Force met 14 times between March and December 2004, formulating a draft program that would maintain the agricultural focus of the greenbelt area while providing economic benefits to property owners. Elements of this program include the following:[13]

- Establishing a target community separator area, between Interstate 5 on the west and Highway 99 on the east, in a band about one-half mile north and south of Armstrong Road.
- Continuation of agricultural uses as provided in the County Zoning Ordinance.
- Annexation of the target area and provision of sewer and water service along Armstrong Road.

"Effects of Sprawl Told – Current Growth Trend Takes 25% of Valley's Farmland Out of Production, Study Says," by E. J. Schultz, *Fresno Bee*, February 11, 2005.

[10] Greenbelt Activities: Summary and Chronology of Events. Agenda Report for Lodi City Council Meeting of January 4, 2006, prepared by LSA.

[11] The direction of the Draft General Plan for Stockton appear to bear out concerns, expressed at an informal session of the Lodi City Council on January 7, 2003, that "it is apparent that Stockton does not recognize that agricultural character is important to Lodi."

[12] Lodi Planning Commission, Regular Session, November 8, 2006. Public Hearing Item 3a, General Plan Amendment and Sphere of Influence Amendment to Establish an Agriculture/Greenbelt. Staff Report, p. 4.

[13] This Preliminary Draft Program was presented to the Task Force by City staff in 2004; as of the Planning Commission meeting of November 8, 2006, the Task Force had not reached consensus on any of these program elements.

- Provision of other limited public improvements to promote the rural setting.
- Revision of Lodi's Right-to-Farm Ordinance as recommended by the farming community.
- Allowing limited additional residential development as follows:[14]
  - Credit for one residential unit per 10 acres of land owned, pro-rated to actual parcel size upon the adoption of the program.
  - One additional credit in 20 years.
  - Use of credit to take place within the target area.
  - Limit residential parcel size under the credit system to one-half acre.

At its regular meeting on January 4, 2006, the City Council received a report of the Task Force summarizing this program, heard comments from the public, and acted as follows:

- Approved by unanimous vote continuation of the deliberations of the Task Force.
- Directed that the group establish more detailed requirements for the study area to be included in a Specific Plan for the target area, which could be incorporated into the update of the Lodi General Plan.
- Adopted a resolution authorizing the City manager to prepare a Request for Proposal for Council review and report on what information needs for the process would be met, appropriating up to $50,000 for this purpose. The firm of LSA was retained as adjunct staff to the City supporting the Task Force's planning process.

[14] The summary features of the draft Lodi greenbelt implementation program were presented by the Task Force's consultant, Lynette Dias of LSA, to the Lodi City Council on January 4, 2006. In comments offered at the meeting, Lodi Mayor Hitchcock explained that (1) the value of a development credit in today's market is probably at the level of the price of 10 acres of land; (2) owners who sold credits would maintain control of 90 percent of their property; and (3) the possibility of allowing a second credit to be issued in 20 years, though part of the draft implementation plan, has not achieved Task Force consensus.

2.2 CURRENT STATUS OF GREENBELT CONSIDERATION IN LODI

CITY IDENTIFICATION OF A GREENBELT "TARGET AREA"

At its meeting on March 29, 2006, the City Council followed up on the work of the Greenbelt Task Force by identifying a potential agricultural/greenbelt area directly south of Lodi's existing SOI area. The target area would include approximately 3-1/2 square miles of land (about 2,280 acres) from about half a mile south of Harney Lane southward to one-half mile south of Armstrong Road (including the area adjacent to the county's Micke Grove property).

The council's action envisioned (1) expanding Lodi's SOI to encompass the greenbelt target area and (2) incorporating direction for the greenbelt into Lodi's General Plan update. The land use designation for the greenbelt was to be consistent with the underlying San Joaquin County planning designation, which is primarily General Agriculture (AG); the predominant zoning is General Agriculture (AG-40; 40-acre minimum parcel size). Only the area located north of Armstrong Road is currently included within Lodi's planning area; its existing designation of Planned Residential Reserve (PRR) would be altered under the greenbelt concept to Agriculture/Greenbelt.

A community separator function was called out as a key purpose of the establishment of the greenbelt.[15] It was noted that the expansion of Lodi's SOI to encompass the greenbelt would not result in any physical development and, furthermore, that Lodi was not pursuing annexation of the greenbelt plan area.

Community input to the concept was sought through a public workshop held with the Greenbelt Task Force on October 10, 2006. The workshop was attended by about 30 people, including seven Task Force members. Questions were raised about the expansion of the SOI to include the greenbelt, the direction to be given to greenbelt policy in the upcoming General Plan update, and the possible incorporation into the planning process of property owner goals for the greenbelt area. The majority of private citizens present concurred that action on the greenbelt was premature given the property owners' willingness to work with the Task Force "to develop a plan for the area that would achieve the City's community

[15] The City's intent to preserve the greenbelt plan area as a community separator between Lodi and Stockton would require revision of the Lodi General Plan; 18 existing General Plan policies requiring clarification were identified.

separator goal while allow[ing] them the flexibility to subdivide their large parcels into five-acre lots."[16]

PROPERTY OWNERS' PROPOSAL

Some of the concepts under consideration by the Task Force when it began its process in 2004 were opposed by a number of property owners in the study area. The Task Force asked that the property owners develop a program that would meet the City's objective of establishing a greenbelt/community separator in the target area in a manner acceptable to them. The outcome was a proposal by this group to remain within the unincorporated County, but with their land "up-zoned" (rezoned to Limited Agriculture/AL-5) to allow a homesite and limited agricultural uses on parcels as small as five acres.[17] The property owners have developed a recommendation and (as of September 2007) the proposal is undergoing review by the County Board of Supervisors. The County's stance in the past has generally been to discourage adding lands to the Limited Agriculture/AL-5 designation, and to guide new development to areas within city boundaries. Consideration of the appropriate designation(s) in the greenbelt target area is expected to be incorporated into the update of the County General Plan that will be getting under way in the coming months.

TASK FORCE CONSULTANT'S ANALYSIS OF GREENBELT CONCEPTS

The consultant to the Greenbelt Task Force responded to questions about the property value effects of the General Plan and SOI Amendments in a memorandum of October 9, 2006. The paper points out that the proposals to amend the Lodi General Plan and SOI do not affect the actual development potential of the land, which is controlled by the underlying County zoning designations (which would not change). The paper notes that, "Because the County's underlying designation and zoning are entirely agricultural and the area is not currently within the City's SOI, nor is the majority of it in their General Plan, the risk that residential entitlements would never materialize is extremely high. It is unlikely that these changes would significantly affect the value of property sales transactions in this area, as a whole."[18] However, as summarized in a subsequent memo by the consultants on overall economic impacts, the changes

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[16] Lodi Planning Commission, Regular Session, November 8, 2006. Public Hearing Item 3a, General Plan Amendment and Sphere of Influence Amendment to Establish an Agriculture/Greenbelt. Staff Report, p. 6.

[17] LSA's analysis (November 9, 2006, p. 6) indicates that as many as 460 residences could be provided in the greenbelt target area under the up-zoning concept.

[18] LSA and Strategic Economics, Memorandum to Lodi Community Separator/Greenbelt Task Force, October 9, 2006.

"might dampen prospects of speculative property acquisition within the project area."[19]

The consultant also considered the property owners' proposal to up-zone land within the greenbelt area from its current AG-40 designation to AL-5 (essentially, a change in the minimum parcel size from 40 acres to five acres). The consultant analyzed transaction data for roughly equivalent AG-40 and AG-5 parcels and found that the latter have higher values (roughly $61,900 vs. $8,600 per acre). The memorandum observes that, given an increase in value as a consequence of up-zoning, "the land will soon become too valuable to allow for farming and the area will transition over time into 5-acre ranchettes/rural homesites." Under these circumstances, agricultural endeavors become less attractive. In effect, the land becomes urban development at a very low density: so low that the zoning results in inefficient urban use (requiring buyers to purchase more land than they may need or want) as well as inefficient agriculture (parcel size of limited commercial potential).

In the Central Valley as a whole, the memo reports, "Land price inflation caused by the demand for and, ultimately, the permissibility of ranchettes and other rural development seems to represent a present danger that is undermining the economic viability of Central Valley agriculture."[20] The memo concludes that the tradeoff for increased land value resulting from up-zoning would be "the permanent loss of premium agricultural land and agricultural jobs to accommodate an inefficient form of development and all of its ensuing infrastructure needs."

GREENBELT ISSUES FOR, AND BEYOND, THE LODI GENERAL PLAN UPDATE

While the Task Force awaits the final recommendations of the property owners, to follow the owners' planned consultation with the County on five-acre zoning, the City has directed that the General Plan update, drawing on the background described above, consider greenbelt options for Lodi.[21]

Among the important background factors that shape General Plan options are the following:

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[19] Strategic Economics, Memorandum to Lodi Community Separator/Greenbelt Task Force, and LSA, November 9, 2006.

[20] Quoted from the consultant's memo, p. 5, cited to American Farmland Trust 2006.

[21] The City prepared an Initial Study/Negative Declaration for the proposed General Plan and SOI Amendments that was circulated for a public review period ending October 30, 2006. . . .

- The appeal of a "wine country" image as an important element in Lodi's perception of itself as an urban community in an attractive rural setting.
- The wine grape industry's contribution to Lodi's economic diversity (processing and export of agricultural products and provision of retail and hospitality services to the visitor industry).
- Lodi's evident interest in a greenbelt that might serve as an agricultural preservation strategy or a community separator or both.
- Stockton's evident interest in a northward urbanization that extends to (and possibly into) an area Lodi might seek to retain as a greenbelt.

A number of issues have already been raised which an ultimate greenbelt strategy for Lodi may have to address:

(1) What techniques are available to strengthen the future of agriculture within the greenbelt?

(2) Should Lodi's greenbelt be limited to the area to the south, or should the City consider greenbelts elsewhere on its periphery?

(3) Should Lodi expand its sphere of influence (SOI) to include the greenbelt?[22]

(4) Assuming the greenbelt remains in unincorporated San Joaquin County, beyond Lodi's city boundary, what actions should Lodi encourage the County to take to secure the greenbelt?

(5) How should Lodi balance its purposes in greenbelt designation with the goals of property owners in the greenbelt area?

These questions and others are addressed in the chapters that follow.

[22] Bringing a greenbelt into Lodi's SOI may give the greenbelt program more prominence, but opinions differ on whether inclusion of land not intended for urban service and development within the SOI would sustain a legal challenge.

3 Greenbelt Target Area

A greenbelt may serve one or multiple purposes, which this chapter identifies and discusses. The rationale(s) for a greenbelt south of Lodi (the area that has to date been the focus of interest) is next reviewed, and available information on the area that relates to those purposes is presented, including the context of for planning a greenbelt. Finally, an overview is offered of the relevance of the greenbelt concept for other areas on the periphery of Lodi.

3.1 THE RATIONALE FOR A GREENBELT

In the public discussions of a future greenbelt in Lodi, "community separator" and/or "open space" and/or "agriculture" are frequently recurring terms. Lodi's 1981 Measure A seems to have been directed toward protection of agriculture. The charge to Lodi's Greenbelt Task Force was to "explore and investigate the varieties of models available . . . to accomplish a community separation/open space goal." The Draft General Plan and SOI Amendments of November, 2006, refer to the establishment of "an Agriculture/Greenbelt."

While community separation, open space preservation, and agriculture have been named as purposes of a greenbelt, these three functions differ in purpose, and each is best served by strategies focused on that particular purpose. Differences between these function—economic, visual, and community identity—can influence the location and characteristics of the greenbelt itself.

ECONOMICS

The establishment of a greenbelt to preserve agriculture recognizes that agriculture is an economic function. That recognition is reinforced by the understanding that to maintain agricultural activity in any area (greenbelt or not) requires that farming be profitable enough to provide a return on investment that is acceptable to the farmer. Since it is a rare (maybe nonexistent) situation that allows a public agency to buy out agricultural land owners for the purpose of assuring the continuation of agriculture (thereby avoiding replacement by some other land use, such as residential development), the agricultural activity itself must make a contribution by providing at least a part of the return on investment the owner needs to justify continuing to hold and use the land for agricultural production.

A positive annual revenue from agricultural operations is not assured. The profitability of agriculture varies based on conditions that the farmer cannot always anticipate (changes in the market), or cannot adjust to in the short run (replacement of orchards by vineyards, or the reverse, or replacement of row crops by either), or has no control over (weather and other growing conditions.

Even when annual revenues are positive, they may be insufficient to provide a return on the owner's investment that is competitive with returns from alternative investments. For agricultural land owners, a potential alternative is to change the land use.

A change in land use is particularly attractive to owners of land near urban areas. Even where agricultural values are high, as is the case in some parts of California, other uses often have still higher values.

Therefore, to keep land in agriculture typically requires supportive local policies—most often, high minimum parcel sizes for alternative development, which makes the land less desirable for alternative uses.

Under these circumstances, a greenbelt may be established as part of a comprehensive plan to encourage agricultural production to remain and continue. Elements of such plans may include high minimum parcel sizes, direct and indirect economic support, and other measures (many of which are identified in the review of programs in Chapter 4).

In the case of Lodi, a greenbelt's positive effect on the economic vitality of agricultural operations within the area subject to designation would depend on the regulations and programs that are part of the greenbelt package.

VISUAL

The establishment of a greenbelt to serve visual purposes recognizes the effectiveness of a swath of green space as a point of punctuation between two otherwise less visually distinct urban areas.

Many communities in California and elsewhere have established greenbelts to provide an "edge of town" demarcating them from one or more neighbors. The greenbelt becomes a visual expression of an underlying psychological purpose: to assure the maintenance of civic identity—an identity that can feel precarious as urbanization fills in the undeveloped areas between cities, undermining the perception that one city is distinct from another. "Run-together" communities represent one aspect of a development pattern commonly called "sprawl."

The presence of a boundary between cities can be conveyed by various kinds of visual cues: plantings with signs (or other kinds of "entry features"), actual gateways, even walls. But a (sufficiently wide) greenbelt is a particularly effective marker because of its scale, the visual relief it provides (because it has little or no development, it contrasts with the urban developments it separates), and its suggestion of space (which recalls a time when communities were separated without the planning assistance of a greenbelt).

In the case of Lodi, a greenbelt would provide visual reinforcement of the distinction between "town" and "country."

COMMUNITY CHARACTER AND IDENTITY

Communities in a given region, even if adjacent, often strive to maintain their distinctness. This distinctness has to do with some dimension of attractiveness, which may include actual appearance, or better schools, or lower crime rates, or a more attractive land use mix (South San Francisco, advertising itself as "the industrial city," claims a distinction most cities would not advertise). Calling attention to a community because of its "character" implies that community has attractive qualities that in some way benefit residents and landowners.

In the case of Lodi, a greenbelt might be seen as reinforcing an image of a self-contained community with an identity tied to agriculture.

3.2 THE GREENBELT TARGET AREA: A DESCRIPTION

The greenbelt target area is located in the southern portion of Lodi's planning area (see Figure 1). The target area is a west-east band of approximately 1/2 mile in width, centered on Armstrong Road.

PHYSICAL AND RESOURCE CHARACTERISTICS OF THE GREENBELT TARGET AREA

Soils

Within the greenbelt target area, a substantial majority of land is classified as prime (see Figure 2). Prime agricultural lands are lands that have the best combination of physical and chemical characteristics for the production of crops.[45]

Water Availability

Water is a critical input to agriculture in the San Joaquin Valley. Lands classified as "prime" must have been used for the production of irrigated crops within the last three years. It does not appear that water availability poses a current constraint on the use of land for agriculture in the greenbelt target area.

Agricultural Production

Within the greenbelt target area, vineyards account for about three-fourths of the land in agricultural use, with fruits and nuts a more distant second at about 7 percent (see Figure 3). These proportions indicate that the target area has relatively more vineyard land and less orchard land than the planning area as a whole, in which two-thirds of the more than

[45] See General Plan EIR Table AG-1 for a more complete definition.

400,000 acres of agricultural land is in vineyards and 11 percent in deciduous fruits and nuts. Table 1 provides data on agricultural use in the greenbelt target area.

Table 1. Agricultural Land Use within the Greenbelt Target Area

Irrigated Crops	*Acres*	*Parcels*
Vineyard without Residence	913.9	38
Vineyard with Residence	591.8	23
Field Crops with Residence	122.7	7
Field Crops without Residence	107.5	5
Orchard without Residence[a]	118.0	3
Pasture without Residence	58.2	1
Pasture with Residence	34.6	2
Orchard with Residence	31.2	3
Other Agricultural Uses	*Acres*	*Parcels*
Dairy with Residence	25.3	1
All Other Uses	*Acres*	*Parcels*
Residential	243.2	90
Commercial[b]	2.3	3
Public and Utility (incl. airport)	397.9	16

a Includes one nut orchard (13.2 acres) with no residence.

b Two parcels of vacant land (2.3 acres) with some improvements

Source: Mundie & Associates, based on Dyett & Bhatia, April 25, 2007

Insert Figure 1

(Back of Figure 1)

Insert Figure 2

Insert Figure 3

OTHER CHARACTERISTICS

General Appearance

On the ground, it is difficult to see the entire greenbelt target area because of the flat topography and the limited network of roads.

A land use inventory discloses that about 76 percent of the land is in agricultural use, although there are about 109 housing units located on that land. About 9 percent of the land is in residential use, with about 86 conventional homes on that land. Other uses are public, utility, airport, rail, and a negligible amount of commercial acreage.

The combination of residential development on residential and agricultural land, together with the location of those residences along roads, gives the area a more "residential" appearance than the extent of agricultural acreage might imply. At the southern edge of the greenbelt target area, the south side of Mettler Road west of West Lane (in the Stockton Planning Area) is lined with houses.

Service Conditions

Principal roads serving the target greenbelt area are:

North/south		*East/west*	
through roads	*partial roads*	*through roads*	*partial roads*
Lwr Sacramento	Ham Lane	Armstrong Road	Scottsdale Road
West Lane	Pearson Road		Mettler Road
SR 99	Micke Grove Road		Morse Road

Other public improvements and utilities in the area include the South Main Canal (Woodbridge Irrigation District) and the Micke Grove Regional Park and Zoo/Golf Links (San Joaquin County). A general aviation airport, Lodi Airpark Airport, lies partially within the westernmost portion of the greenbelt target area south of Armstrong Road.

There is no public water or sewer service in the area.

Land Characteristics

Land in the greenbelt target area is distributed among about 130 owners, as shown in Table 2. The three largest holdings (respectively, 252, 237, and 235 acres) account together for 724 acres, or about 27 percent of the total. The majority of the land is in ownerships of 40-to-100 acres, and nearly 70 percent of the land is owned by parties who have 40 or more acres. The largest number of owners have holdings of less than 20 acres, and their holdings altogether account for less than 20 percent of the land.

Table 2. Land Ownership in the Greenbelt Target Area

Parcel Size	*Owners*	*% of Area*
> 200 acres	3	27.4%
100 to 200 acres	None	None
40 to 100 acres	18	40.8%
20 to 40 acres	15	15.3%
< 1 to 20 acres	94	16.6%

Source: Mundie & Associates, based on Dyett & Bhatia, April 25, 2007

3.3 THE GREENBELT TARGET AREA: THE PLANNING CONTEXT

While the concept of a greenbelt between Lodi and Stockton has long been discussed, the details of such a greenbelt have not yet been determined.

In brief, the three interested local governments—San Joaquin County, the City of Lodi, and the City of Stockton—address the area between the two cities as follows:

- The County's policy appears to be to maintain 40-acre zoning as an effective approach to keeping the land in agriculture.
- Lodi's Planning Area under its General Plan Update extends to the southern edge of its greenbelt target area. Judging from the record of greenbelt consideration in Lodi over time, it appears that Lodi's policy would favor continued agricultural use in the greenbelt.
- Stockton's draft General Plan:
  - Identifies a General Plan study area that extends in the north to Armstrong Road. The northern boundary of its study area lies north of the proposed southern boundary of Lodi's proposed planning area. Armstrong Road also is the north/south center of the target greenbelt that Lodi has identified, meaning that the southern half of Lodi's greenbelt target area lies in both Lodi's Planning Area and Stockton's General Plan study area.
  - Designates the southern Lodi greenbelt target area boundary as the northern limit of its proposed SOI south of Lodi.
  - Provides for urban development immediately to the south of that boundary along Mettler and Live Oak Roads, with no

> buffer area, and immediately south of Morse Road west of Micke Grove Regional Park.

Lodi's and Stockton's approaches to their general plans are, therefore, not fully consistent: their general plan study areas overlap, and Stockton's proposed development at the edge of Lodi's potential greenbelt is clearly urban (see discussion is Section 2.1.4) with no provision for "feathering."[46] The views of the three local agencies are discussed in greater detail in the sections that follow.

SAN JOAQUIN COUNTY: GENERAL PLAN DIRECTION

The San Joaquin County General Plan 2010 (adopted July, 1992) is oriented toward guiding urban development to existing cities as much as possible, with no expansion of rural communities. Open space and agriculture are to be paramount in rural areas outside designated communities (General Plan, Volume 1, p. III-2).

In its chapter on the Lodi planning area, the County General Plan states:

> It is especially imperative that land between Eight Mile Road in Stockton and Harney Lane in Lodi remain in agricultural use. The open space between these communities helps define the edges of each city and provides both visual relief and a sense of identity for each community.[47]

On the basis of this policy direction, the San Joaquin County General Plan designates the general area south of Lodi primarily for AG/Agriculture-General; the companion zoning ordinance establishes a minimum parcel size in this area of 40 acres. Some areas have been designated AL/Agriculture-Limited, with the companion zoning ordinance allowing parcels as small as five acres.

While such existing small-scale agricultural operations were to be permitted to continue under the Plan, "the number of smaller parcels supporting small-scale or part-time operations clearly should not be increased." The Plan calls attention to the fact that many parcels smaller than 20 acres in size are too small to accommodate most commercial agricultural operations, observing that:

> Parcels which are no longer used for agriculture may affect the agricultural operations on adjoining properties. Furthermore, they

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[46] "Feathering" is the planned, graduated decline in urban densities in the band of land immediately inside the outer edge of a designated urban development area. The purpose of feathering is to avoid stark differences in development density and scale at the edge of a city.

[47] San Joaquin County General Plan 2010, Vol. II, p. 29.

> are an inefficient use of land for residential development. For example, in an urban area where services are available, three acres could accommodate twelve or more residences. In an agricultural area it may accommodate only one residence. Thus, excessive parcel division can undermine efforts to promote efficient use of both agricultural and non-agricultural lands, and it can threaten the county's economic base as well…From a commercial perspective, smaller parcels are inefficient and thus not competitive. Costs of operations and support services may increase, which leads to further pressure to sell or subdivide. Leapfrog urban development may result, particularly if utilities are extended. Once started, the process tends to repeat itself, magnifying the problems, ultimately threatening agricultural lands over an ever-increasing area.[48]

The San Joaquin County General Plan has been in effect for 15 years. An update is expected to be part of the County's work plan in the next year; updating can be expected to be a multi-year process.

CITY OF LODI: GENERAL PLAN DIRECTION (1991)

Lodi's existing General Plan includes goals relating to preservation of agriculture in its Land Use Element and its Conservation Element:

Land Use Goal B:	To preserve agricultural land surrounding Lodi and to discourage premature development of agricultural land with non-agricultural uses, while providing for urban needs
Conservation Goal C:	To promote the economic viability of agriculture in and surrounding Lodi and to discourage the premature conversion of agricultural lands to nonagricultural uses, while providing for urban uses.

Policies to implement these goals include:

(B1) The City shall encourage the preservation of agricultural land surrounding the City.

(B2) The City should designate a continuous open space greenbelt around the urbanized area of Lodi to maintain and enhance the agricultural economy.

(B3) The City should cooperate with San Joaquin County and the San Joaquin County Local Agency Formation Commission (LAFCO) to ensure that the greenbelt is maintained.

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[48] *Ibid.*, Vol. III, p. IV.A-6.

(B4) The City shall support the continuation of agricultural uses on lands designated for urban uses until urban development is imminent.

(B5) The City shall promote land use decisions within the designated urbanized area that allow and encourage the continuation of viable agricultural activity around the City.

(B6) The City shall encourage San Joaquin County to retain agricultural uses on lands adjacent to the City.

(C1) The City shall ensure, in approving urban development near existing agricultural lands, that such development will not constrain agricultural practices or adversely affect the economic viability of adjacent agricultural practices.

(C2) The City shall require new development to establish buffers between urban development and productive agricultural land uses consistent with the recommendations of the San Joaquin County Department of Agriculture.

(C3) The City shall adopt a "right-to-farm" ordinance for the purpose of protecting agricultural land from nuisance suits brought by surrounding land uses.

(C4) The City shall support economic programs established by San Joaquin County for farm preservation.

ISSUES FOR SOUTH-OF-LODI GREENBELT PLANNING

The greenbelt target area was found suitable for greenbelt designation by Lodi's Greenbelt Task Force, as noted in Chapter 2, but no action was taken by the Lodi City Council when presented with a greenbelt resolution in November, 2006.

If the Lodi General Plan update includes a policy to preserve a greenbelt area, this action would call for Lodi to:

(1) Amend its General Plan to formally designate a greenbelt in the area; and

(2) Coordinate these planning actions with the jurisdictions of Stockton and San Joaquin County.

It might also include:

(3) Adjusting its sphere of influence to include the greenbelt (such an adjustment was included in the November 2006 resolution);

The impediment to Lodi's moving forward in November 2006 with a formal greenbelt policy was resistance from owners of property in the area. While the Task Force had proposed continuation of 40-acre zoning under County jurisdiction, owners advocated allowing parcel divisions down to 5 acres, together with more flexible use zoning.

The question for the Lodi General Plan, therefore, is not so much whether to establish a greenbelt policy, but how to do it. Among the issues are these:

(1) Is the total area designated for a greenbelt by the Lodi Task Force large enough to serve the purpose of agricultural preservation? Is it large enough to serve the purpose of community separation?

(2) Would the smaller parcel size advocated by at least some of the property owners adequately serve the purpose of assuring continued agricultural use? Would it compromise the effectiveness of the greenbelt as a community separator between Lodi and Stockton?

(3) Is there merit in differentiating subareas of the greenbelt, applying more protective measures to some, and less protective areas to others? What are the risks of a more fine-grained approach?

(4) Whether or not smaller parcels are allowed, what complementary programs or techniques might Lodi deploy to support continued agricultural use in the area between Lodi and Stockton? What actions should it seek by the County and Stockton?

Chapter 4 of this paper considers approaches to greenbelt establishment, including greenbelt concepts put in place in other communities. Chapter 5 considers potential elements of a greenbelt program for the area south of Lodi.

3.4 OTHER AREAS OF POTENTIAL GREENBELTS

While the focus of greenbelt discussions to date has been the south-of-Lodi area, where a greenbelt would serve community separation as much as an agricultural preservation, Lodi looks out onto agricultural lands toward the west, east, and north as well. Does the City need to put a greenbelt into place to avoid the penetration of urban uses into the countryside on its other boundaries?

For the current General Plan update, endorsement of the paired policies of agricultural preservation in the planning area, and efficient urban development patterns within the urban area, are overall goals that would continue the philosophy of the prior General Plan.

This paper focuses on the south-of Lodi area, where the greenbelt issue is currently most in the public eye.

The General Plan should also consider likely time horizons for land use conflict in other directions, as well, so that appropriate vehicles for conserving agriculture and providing protective buffers between urban uses and agriculture can be put in place in a timely manner.

In the area west of Lodi, actions to protect agriculture must take into account potential development pressures, particularly in the I-5 corridor. (The planning area delineated for the current General Plan update extends west to I-5.) Stockton's plan to expand northward in the area due south of Lodi represents only a part of the future growth that city envisions for itself. The Stockton General Plan also includes a northwest expansion corridor along I-5 as far as the Lodi Wastewater Treatment Plant. If Stockton were to continue to grow along the I-5 corridor, such growth would put a jurisdictional barrier between Lodi and I-5, removing from Lodi's potential planning control an area that could offer a range of potential benefits to Lodi in the future – benefits that might include, for example, the designation of areas along the interstate for the transfer of development credits in exchange for agricultural easements acquired elsewhere in Lodi's planning area. The sphere of influence proposed in the draft Stockton General Plan (in the form circulated in 2006) did not propose an extension of Stockton's SOI northward to the area due west of Lodi, some observers anticipate that Stockton may pursue this route in the future. Whether Stockton, or Lodi, or the County proves to be the jurisdiction controlling land use along I-5 north of Stockton, it will be important that an agricultural protection area be defined between the highway corridor and Lodi, if that area is to be maintained in agricultural use in the long run.

In the areas north and east of Lodi, agricultural protective measures should be on the planning menu. While these areas seem less likely than the area to the west of Lodi to be subject to development pressures in the short- to intermediate run, individual new non-agricultural uses can become "growth poles" that will require careful management if their context is to remain agricultural. As a preliminary step, the General Plan can include a policy to establish a 360° greenbelt, with an implementation program to include the specification of measures appropriate to the resources and the planning context of areas respectively to west, north, and east.

Monitoring and active participation in collaboration among jurisdictions is needed to maintain Lodi's historic planning stance. That collaboration could take the form of a common menu of policies and procedures oriented toward agricultural protection. This point is discussed further in Chapter 5 (last bullet point before Section 5.4).

4 Strategies for Creating and Preserving a Greenbelt

Chapter 4 reviews strategies for creating and preserving a greenbelt and describes some of their benefits and limitations.

4.1 WHAT TO CONSIDER WHEN CONSIDERING A GREENBELT

A greenbelt—whether its principal purpose is to preserve agriculture; to protect open space for natural, cultural, or scenic resources; to separate urban communities; or some combination of these—requires land: enough land to serve the purpose(s) for which it is intended.

Cost, uneven landowner interest, and institutional challenges to garnering public support make greenbelt establishment difficult.

COST

Land of interest for greenbelt designation is likely to be near an urban area and in private ownership.[53] The near-urban location encourages private landowners to assume that eventually the land will be urbanized. As a result, the acquisition cost of land located suitably for inclusion in a greenbelt is high in comparison with the cost of land farther away from a city boundary, even if the character of the land is otherwise comparable.

LANDOWNER CONCERNS

Landowners who intend to continue non-urban use (most typically agriculture) may look to a greenbelt program to give them some protection from adverse effects associated with nearby urban uses (trespass, vandalism, etc.) and protection from stringent management of farm impacts (noise of wind machines, pesticide drift, etc.).

Those who look eventually to the sale of their holdings may not want the use of their land limited to rural types of uses, since such limitations can reduce the selling price of their land by taking out that component of value that reflects anticipation of future development. Some owners recognize both sets of factors.

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[53] If land proposed for a greenbelt were in public ownership, greenbelt designation could be accomplished relatively easily through the planning process, with no acquisition cost involved.

ISSUES FOR THE PUBLIC

Success in establishing a greenbelt that meets its objectives depends upon decisions about purpose, location, and implementation techniques.

This chapter discusses an array of greenbelt issues that appear to be pertinent to Lodi, where the main land use in potential greenbelt areas is agriculture.

When a greenbelt concept is presented to the public, the arguments in support and in opposition typically follow the lines described below.

Arguments in Favor of a Greenbelt

- *Quality of the land resource.* Agricultural preservation in the San Joaquin Valley is a sound public policy because so much of the land is of superior production capability. Urbanization of the land depletes this agricultural resource.

- *Environmental considerations.* Open space use (including crop production) means that the land does not generate the air quality, water consumption, and traffic characteristic of urban uses. (Although farming can also have adverse impacts, particularly on air quality and water quality, these are point-source impacts that can be minimized by management.) Sensitive rural land management can support some plant and animal habitat that cannot be sustained in urban settings.

- *Planning considerations.* A greenbelt helps "define" a community spatially and visually, distinguishing a community from its neighbors (see discussion in Chapter 3). A physical demarcation can contribute positively to a sense of community identity and may enhance a city's attractiveness to desirable new development. It also provides a tool for managing urban development.

  With a greenbelt forming the "edge of town," new development is more likely to seek sites inside city limits, away from greenbelt lands.

Arguments in Opposition to a Greenbelt

- *Uncertainty about the future of agriculture.* Agriculture is uniquely affected by weather: it is difficult to predict more than a few days in advance; it varies from year to year (in rainfall, last and first frost, consecutive days of high heat, etc.), resulting in variable yields; and it occasionally brings disaster.

  These conditions add to the risks that enterprises generally face (such as changes in consumer demand, difficulty in altering product mix in the short run, difficulty of recruiting labor), contributing to reluctance on the part of farmers to commit their lands to farming use for an indefinite period of time: even those who would prefer to continue farming cannot be certain it will be in their economic interest.

- *Reluctance to accept restrictions on land use.* Landowners in both urban and rural areas tend to resist land use regulations that they see as excessive.

  In urban areas, however, beneficial effects of regulation (controls on noise from building equipment, on building height, on glare from lighting, etc.) are more readily perceived simply because uses are more densely arranged. In a rural area, sites are more extensive and the effect of activity on one site may not be noticeable or objectionable at a neighboring site, encouraging a laissez-faire attitude, and making regulation seem heavy-handed.

  Rural landowners may object to being included in a greenbelt if its imposition is seen as coming from the outside. Most agricultural lands are in county areas, outside cities; many or most initiatives to establish greenbelts come from the cities nearby. Not only is this seen as regulation without representation, but it is perceived as providing benefits to city dwellers (pleasing rural views, access to nearby sources of agricultural products, and an attractive edge-of-town feature) without providing corresponding benefits to landowners (such as compensating them for their lands' development value). To landowners, it appears that costs are all on one side and benefits mostly on the other.

- *Interest in liquidating land investment.* Individual owners of rural lands often have their principal assets concentrated in real estate. They may want or need to cash out of their investment in land at some point in their lives. They do not want to be handicapped by regulations that might prevent them from disposing of their investment in the most profitable way.

Given these differences in point of view, it is not surprising when the public is divided on the issue. Even when the balance of opinion is tilted toward establishing a greenbelt, maximizing public support may involve weakening implementation measures in ways that jeopardize the greenbelt's effectiveness.

These "pro" and "con" positions should be kept in mind, since they affect both the willingness of property owners to participate in a greenbelt program and the likelihood that such a program will gain public acceptance.

4.2 THE GREENBELT TOOLBOX: PRIMARY METHODS

The "toolbox" for greenbelt establishment and protection consists of two primary tools: purchase and regulation. These tools can be supplemented by a variety of secondary programs.

This section first describes the primary tools and then identifies briefly the classes of secondary tools that are particularly relevant to agricultural use (the principal use in Lodi's greenbelt target area). The full set of tools discussed in this chapter is presented in Table 3.

Table 3: Methods for Preserving Greenbelt Lands

Primary Methods	Key Actions/Activities
Purchase	
Acquire land	Establish funding mechanisms for acquisition; identify or create entities for holding purchased land and easements
Acquire development potential	
Regulation	
General Plan designations	Assure appropriate uses and densities
Zoning classifications	[same]
Cautious approach to annexation	Avoid piecemeal or premature annexation
Secondary Methods	**Key Actions/Activities**
Provide protective planning context	
Coordination with other agencies	Coordinate with LAFCo annexation policies and with County density standards
Land use compatibility	Avoid uses that would diminish the agriculture/open space character of the greenbelt
Right-to-farm legislation	Assure availability to farmers of standard farming practices
Mitigation ordinances	Require new development on farmland to secure for agriculture an equivalent (or greater) amount of other farmland
Assure appropriate land market conditions	
Minimize competition for land	Manage development process within the greenbelt to avoid new uses or land divisions that might diminish agricultural focus
Channel urban growth elsewhere	Assure that neighboring urban communities adequately respond to growth needs within their corporate limits
Avoid urban infrastructure	Avoid extension of water or sewer lines that would increase potential development capacity
Strengthen agricultural enterprises	
Tax relief	Support measures that use agriculture/open space values as the basis for property taxation
Value-added enterprises	Allow suitable onsite diversification
Branding	Establish a market identity for local agricultural products
Assure supportive economic context	
Maintain agricultural infrastructure	Assure that direct inputs to agriculture (like water supply) and indirect inputs (finance, warehousing and shipping, materials and supplies, labor) remain available
Farm-friendly policies and programs	Determine whether public agency strategies such as permit simplification are needed
Economic development component	Integrate local agriculture into regional and city economic development planning
Build Public Support	
Gain stakeholder consensus	Communicate greenbelt purpose/needs to interested parties
Use outreach and education to garner public support	Establish clear statement of public purpose and strengthen public understanding and participation

Source: Mundie & Associates

PURCHASE OF DEVELOPMENT POTENTIAL

"Purchase" has two elements:

- Compensating an existing landowner for allowing the theoretical development potential of land to be retired, and
- Providing for that development potential to be held in perpetuity (or for a very long time; 99 years is typically an acceptable term).

Retiring the development potential of land can take place through donation by the owner or outright purchase by a preservation-oriented purchaser. Retirement of development potential can also occur through transfer of development credits under a Transfer of Development Credits (TDC) program. Greenbelt organizers typically turn to land conservancies or other trusts for purposes of holding land or development rights within a greenbelt area.

A summary description of conservancies and trusts is provided in the box below. A summary description of rural-to-urban transfer of development credits systems is provided in the box on the next page.

Conservancies and Trusts

Conservancies are non-profit entities qualified to accept gifts and donations of land and other assets; to purchase land or development rights; and to manage in trust the lands they hold. Conservancies and trusts can play an important role in an integrated program of farmland preservation by accepting title to farmland (or to open space easements over farmland) and by securing purchased or donated lands in agricultural use. They also can seek grants from private foundations and matching fund contributions from government to support purchase of lands and easements. The American Farmland Trust website (www.farmland.org) has links to information sources on purchase of agricultural conservation easements (PACE) programs.

The Great Valley Center in Modesto provided an initial $40,000 grant to assist in establishing a farmland trust in the northern San Joaquin Valley. Currently, the Central Valley Farmland Trust (CVFT) operates in Stanislaus, San Joaquin, Sacramento, and Merced Counties. The CVFT, a qualified non-profit association, provides assistance to cities and developers who want to start a program for mitigation of farmland losses.[54] It also accepts transfers of land and development rights (easements) that meet its specifications. [55] A 2003 study of 46 agricultural easement programs in 15 states (six in California, including three programs discussed in Chapter 5) found

[54] "Agricultural Easements – A Tool for Farmers and Ranchers," Maxwell Norton, UC Cooperative Extension (Davis), undated.

[55] In Lodi, the EIR on the Reynolds Ranch project (approved August 30, 2006) recommended that, if mitigation of agricultural land impact were to be accomplished by payment of a fee, the Central Valley Land Trust would be an appropriate recipient of such a fee.

that collectively such programs have secured under easements more than 1.1 million acres of farmland.[56]

Transfer of Development Credits (TDC) Programs[57]

A transferable development credits (TDC) program allows landowners to transfer the opportunity to develop property from an agriculturally-zoned "sending area" to a developable parcel in a "receiving area." The number of credits assigned to each sending area property can be set at a constant ratio (e.g., units per acre)or may vary. Once sold, the sending site is "burdened" with a conservation easement to prevent future development. Establishment of a TDC program requires not only the willing participation of landowners but the active participation of developers, with both groups operating under a system that may require management by a multi-agency entity, potentially including the local government responsible for development controls in the farming area and the local government responsible for development controls in the urban or developing area.

California has many land trusts; statewide, there are about 10 regional land trusts that focus on agricultural easements and another 15 trusts that work with farmers as part of a larger environmental and open space focus.[58]

While the number of trusts has been growing, the number of successful TDC programs has been growing more slowly. Success requires optimizing a variety of conditions; TDC programs are "most suitable in places where large areas of farmland remain and growth can be channeled to distinct areas. The idea behind most programs is that imposing low densities on development in receiving zones will encourage developers to purchase development credits in sending areas. Setting these ratios, however, requires technical expertise and a working knowledge of the margins that drive the building industry."[59]

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[56] See "A National View of Agricultural Easement Programs," Agricultural Issues Center, University of California, and American Farmland Trust, 2003.

[57] "Transferable development right" or "TDR" is another common term for this tool; it is a misnomer in implying that, in the absence of the program, there is an underlying "right" to develop according to the number of credits assigned. The brief description in the box is adapted from *Farmland Protection Action Guide*, Institute for Local Self Government, 2002, p. 45.

[58] *Farmland Protection Action Guide*, Institute for Local Self Government, 2002, p. 40.

[59] "Most TDC programs occur in small areas, which limits the ability of the market to match willing buyers and sellers." *Farmland Protection Action Guide*, p. 47.

Although putting a successful TDC system in place is a real challenge, its key feature—that it directly ties preservation of open space to creation of new development in urban areas—provides a strong incentive to pursue a program. One of the oldest and most successful programs is the one in Montgomery County, Maryland, which is often looked to as a model by other communities. To date, it has protected about 50,000 acres using a system for transfer of development potential. The box on the next page presents the background of consideration of such a program in the Ann Arbor, Michigan, area.

Rural-to-Urban Transfer of Development Rights (TDR)[60]

In May 2006, the Kellogg Foundation funded a study of a transfer of development rights program for the Huron River Watershed Council outside Ann Arbor, Michigan. Like other transfer-of-development-rights programs, this program would establish two zones, a "sending zone" and a "receiving zone." Land would be preserved and development limited in the sending zone, typically a rural agricultural area that is, or may be, under development pressure, in exchange for increasing density in the receiving zone, a more developed area closer to municipal services.

A developer buys development rights on a farm, and then transfers the ownership of rights to a site or sites in the city. In return, the City grants the developer the right to build a project in the city at greater density than would otherwise be permitted. "There has to be a quid pro quo," observes a local planning commissioner. "Basically," says a representative of the American Farmland Trust, "You're bringing private money to the table to help save resources in the community." An Ann Arbor builder comments: "I think any smart developer is going to say, 'I can do six [stories], but I want to go eight.'" Under a TDR, a developer can "buy" the extra two stories, while helping to preserve farmland and open space.

[60] "Builders could 'buy density': Plan trades rights on farm space for taller buildings downtown," in *Ann Arbor News*, June 3, 2006.

REGULATION

Planning Designations and Zoning Districts, and the Issue of Parcel Size

The standard approach to regulation is zoning, primarily agricultural zoning. Under agricultural zoning, the use of the land is limited to agriculture, generally allowing only those structures that are directly related to the agricultural operation, including (typically) housing for workers.

A key issue is the minimum size parcel of agricultural land. This issue has two dimensions: minimum parcel size for efficient agricultural operations, and minimum scale of land holdings for an economically viable agricultural enterprise. As noted in the San Joaquin County General Plan, "From a commercial perspective, smaller parcels are inefficient and thus not competitive."[61]

While both the minimum operational size of an agricultural parcel and the minimum feasibility scale of an agricultural operation depend on a variety of factors, the principal factor is the type of agriculture being practiced: the smallest units that can meet the economic feasibility test are devoted to high value crops (meaning intensive cultivation practices, high product yields, and high product revenues per acre). For the lowest per acre production value (which could be fallow, range, or forest, depending on the circumstances), it takes much more land to meet the test. See box below for a discussion of small vineyard parcels in the south Livermore Valley.

Small Vineyard Parcels

In the South Livermore Valley of Alameda County, the agriculturally-oriented Specific Plan has included the creation of several "agriculturally viable 10-acre ranchettes . . . a typical parcel may have one acre of living space on nine acres of income-producing vineyards."[62] The fact that nine-acre wine grape parcels can individually (more likely collectively) constitute a viable agricultural use does not mean that nine-acre parcels would be large enough to contribute to an economically viable operation of other kinds of crops; observers note that "unique regional factors" may make it difficult to duplicate the [South Livermore Valley's] results."[63] Where agricultural operations are much less intense, say, range land, the minimum size for operational purposes may be hundreds of acres: operators manage multiple large parcels to attain an economically feasible scale of operation.

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[61] San Joaquin County General Plan 2010, Vol. II, p. 29.

[62] *Farmland Protection Action Guide*, p. 18.

[63] *Ibid.*

Agriculturalists—and many members of the public—are well aware that the nature of the agricultural enterprise is a key factor in determining the minimum unit size for commercial agriculture. The reason parcel size is important is that various agricultural activities have economic returns per acre that cover a wide range. In areas of intensive production (say, strawberries, or vegetables with multiple crops per year), production can be both operationally efficient and economically feasible on agricultural parcels of as little as 10 acres. Over time, however, the viability of parcels at the smallest end of the range can change (see box below).

Viability of Small Agricultural Parcels Over Time

The minimum parcel size sufficient for agricultural viability varies not only with crop, but also with time. Although systematic data is not readily available on this issue, it appears that the threshold level of efficiency for operation has been rising.

In the South Livermore Valley, nine-acre parcels in mature wine grapes can reportedly generate more than $100,000 annually in revenue for the owner."[64] The fact that multiple small parcels can be assembled into larger operating units contributes to the overall agricultural viability of the South Livermore Valley plan.

A Lodi winegrower reported at one of the General Plan stakeholder sessions that, for wine grapes in the Lodi area, five acres would be sufficient. What is "viable" for one owner, of course, may not be for another, since many of the inputs to the assessment of viability relate to specific circumstances of the grower, including yields and investment expectations. With rising costs of a range of agricultural inputs from energy to interest on loans, it would not be prudent to assume that a small parcel would remain economically viable over the life of a greenbelt program.

[64] *Ibid.*

If a purpose of a public program is to maintain land in agricultural use, it is important that parcels not be permitted below a threshold size for efficiency in operation for the range of agricultural products suitable to it.

As noted in Section 3.3 above, the San Joaquin County zoning ordinance establishes a minimum size for most of the County General Plan's agricultural designation in the area south of Lodi as 40 acres. Lodi's planning area designations under its current general plan parallel those of the County.

Cautious Approach to Annexation and Avoidance of Urban Development In Rural Areas

In the San Joaquin Valley, most cities are surrounded by agriculture, meaning that annexation inevitably results in loss of agricultural land to urban uses. Under these circumstances, it is particularly important that cities and counties integrate agricultural protection policies into their annexation practices. Techniques for allowing annexation, while still protecting agriculture, can include requiring TDC systems as described above and imposing mitigation requirements as described below.

Agreements between a County and its cities that the County will not encourage new urban development in unincorporated areas, or spatial expansion of existing rural communities, can also be helpful. A County and its cities can enter into formal agreements to provide certainty on this point, or to bar small-parcel subdivisions within agricultural areas outside city limits, as noted below (pp. 34-35).

COMMENTS ON PURCHASE VS. REGULATION

As has often been observed, zoning is only as strong as the current City Council (or Board of Supervisors): minimum parcel sizes are decisions made by local legislatures, and the composition of the legislative body can change with every election. Therefore, the fact that a minimum parcel size is in place does not mean that it will be in place forever.

Chapter 3 notes that, when Lodi's consideration of greenbelt designation in the area between Lodi and Stockton encountered opposition from landowners in the area, some of the owners argued for a considerably smaller minimum parcel size: five acres. The Lodi City Council postponed action on the greenbelt in part to allow time for the owners to confer with the County to determine whether the existing parcel size of 40 acres could be reduced, presumably in exchange for owners' participation in a greenbelt. There has as yet been no reporting back to Lodi of the outcome of that consultation process.

While regulation has its limitations, purchase does also, primarily because there are simply not enough funds available to retire development rights from the extensive lands that greenbelt designations might cover.

In the portions of the San Joaquin Valley closest to metro areas, the expectation is common that future development will be possible in the near term. Not surprisingly, sellers of land want the purchase price (whether of land in fee simple or only of the development rights) to reflect the (theoretical) development value, and the gap between development value and price of outright purchase is narrow.[65]

In summary, the purchase option is limited in economic feasibility, and the regulation option does not provide the long-term security that is essential to the preservation concept. Both programs can be strengthened if applied in tandem. They both can be strengthened, as well, by an array of secondary methods, as described below.

4.3 THE GREENBELT TOOLBOX: SECONDARY METHODS

A variety of planning and programming tools are in use that support efforts to establish greenbelts and protect agricultural and other open space uses within them. Program mix, character, and success vary widely with local conditions, and not all would be equally useful in all areas.

Secondary methods are discussed below under five general categories: providing a protective planning context, assuring appropriate land market conditions, strengthening agricultural enterprises, assuring a supportive economic context for agriculture, and building public support.

PROVIDE A PROTECTIVE PLANNING CONTEXT

Farmland protection begins with planning: with an understanding of the nature of the uses to be planned for and with an understanding of the dynamics of change in the land market. Effective plans are oriented not just to what is on the ground now, but also to future trends that may prompt land use change. The effectiveness of the primary programs discussed above can be strengthened by additional planning initiatives that include the following:

[65] The difference between the price of prime farmland and developed land is so great that even the speculative development value of land zoned "ag 80" is several multiples of the ag price, according to one long-time observer at UC Davis.

Cooperation with Other Local Agencies to Protect Agriculture Resources.

Protection of agriculture requires consistency in decisions about annexations. Agricultural operations become less functional when piecemeal annexations result in discontinuity of farmed areas, or when landowners and development interests believe they can safely assume that annexation of agricultural land will be approved.

A key collaborator with local government on urban/rural planning issues is LAFCo: the County/City agency that oversees annexations and related actions by local governments. Examples of LAFCo policies that are supportive of agricultural preservation are presented in Table 4, and an example of County/City cooperation on urban/rural planning is presented in the box on the next page.

Local government's collaborative opportunities are not limited to LAFCo. Another type of local government cooperative action is a multi-jurisdictional agreement committing participants to parallel or complementary policies and actions. Examples include:

- MOUs. Antioch and Brentwood executed a memorandum of understanding between the two cities to honor a common boundary for their respective planning areas.
- Joint Powers Agreements. Vacaville and Dixon established a joint powers agreement to purchase and manage a thousand-acre prime farmland parcel between them. (The joint powers agency subsequently resold the land with a conservation easement on it.)

Table 4: Sample LAFCo Policies Supporting Agricultural Preservation

Sphere of Influence (SOI) Policies	*Annexation Policies*
Infill first. Discourage conversion of territory located on a city boundary prior to developing vacant land within the city area.	*Likely consequences.* Discourage annexations that convert prime land unless effective measures have been adopted to preserve prime agricultural lands within the SOI.
Seek contiguous development. An amendment to the sphere of influence must seek to include land that is physically contiguous to the existing boundary and adjacent to an existing developed area.	*Review process.* Establish criteria to determine whether annexation adversely affects agricultural resources (soil water, land value), and whether infrastructure would be extended through or adjacent to other agricultural lands.
Protect prime land. Urban services should not be extended into prime agricultural lands.	*General limitation.* Land engaged in agriculture should not be annexed to a city or a sanitary sewer agency for urban development.
	Plan proactively. Submit an annexation plan that includes components for protecting agriculture.

Source: *Farmland Protection Action Guide*, Institute for Local Self Government, 2002, p. 54.

Jurisdictional Collaboration to Protect Agricultural Land[66]

In Santa Clara County, the City of Gilroy, the County, and LAFCo jointly undertook a study of agricultural lands south and east of the city to avoid piecemeal encroachment. This collective agreement includes:

- establishment of a 20-year growth boundary for Gilroy,
- policies on service extensions (barring extensions on Williamson Act land, on lands not contiguous to the urban service area boundary, and, in most circumstances, on lands outside the growth boundary), and
- limitations on the frequency with which amendments to the urban service area can be considered and the conditions under which such requests may be given a positive review.

The kinds of programs cited above are the product of intentional collaboration between jurisdictions. It is more difficult to put collaborative programs in place when cities believe their interests do not mesh. Lodi has, in the past, worked with the County and Stockton to shape joint policies (as recounted in Chapter 2), and those efforts have foundered as support has been withdrawn by one of the participants (generally, the City of Stockton). Lodi's strategy going forward can best take the form of "enlightened self-interest": internal consensus on its own goals, continued coordina-

[66] *Farmland Protection Action Guide*, pp. 55-56.

tion with San Joaquin County, monitoring its neighbors' evolving policies and plans (with appropriate responses, including legal action, where needed to protect Lodi's interests), and an olive branch always at the ready in the form of support for a multi-jurisdictional collaborative approach to agricultural preservation in the broader public interest.

Avoid Non-Agricultural Uses of Types and in Locations that Compromise the Greenbelt

Problems arise for agricultural operations when non-residential uses unrelated to agriculture are permitted in, or proximate to, agricultural areas. Such uses can adversely affect agriculture in a wide range of ways, including increased traffic on local roads, obtrusive nighttime illumination, increased incidence of trespass and vandalism, and environmental contamination (gasoline spills, for example).

Non-farm residential uses, if not adequately distanced from agriculture, can contribute to vandalism, trespass, predation of livestock by domestic animals, and other farm/non-farm conflicts. For the most part, local governments attempt to put distance between farm uses and non-farm residences, but this common-sense practice can be difficult to maintain if there is a history of intermingled residential and farm use. In some cases, farmsteads have more than one house, from a time when multiple family members operated the farm together. When the second or subsequent farm home becomes detached from the farm by sale, the purchaser (or a subsequent purchaser) may be less knowledgeable about farm operations and less tolerant of their side effects, resulting in conflict.

The intentional encouragement of residential clusters in agricultural areas can create similar problems. Local right-to-farm ordinances can be helpful in these situations, but do not address the full range of potential conflicts (see next topic, below).

While cities have made great strides in recent decades to improve the compatibility of residential and non-residential uses in the urban setting, most urban uses, including housing, are intrinsically not suitable neighbors for agricultural operations, and most cities (residents as well as government representatives) recognize this by, among other things, mandating buffers between them. Finally, major facilities—public or private medical or educational facilities, or campuses of mega-churches—can operate as "growth poles" by attracting related or supporting development; such uses should not be encouraged in agricultural areas.

Right-To-Farm Ordinances And Legislation

Farming in close proximity to an urban area can create problems for the farmer. In the past, non-farm neighbors have sought to have agricultural practices declared as "nuisances" to establish grounds for discontinuation

or modification of those practices, which typically relate to air quality (dust, pesticide drift, odor, etc.) or noise (farm equipment, including machinery for moderating temperatures or deterring pests).

To protect agricultural operations from limitations on normal agricultural practices, local governments in California began, in the 1980s, to adopt right-to-farm ordinances. The purpose of the Lodi ordinance is set forth in the box on the next page.

California has enacted state legal protection from nuisance for farm operations that have been in place for three or more years (Cal. Civ. Code § 3482.5).[67] Local ordinances (about 100 counties and cities have them) remain in place, typically focused on prevention of conflict via disclosure.[68] Observers of right-to-farm legislation note, however, that "the generally benign and undemanding character of disclosure requirements, as compared to the more stringent regulatory tools of zoning, buffers, and subdivision review."[69]

Lodi Right-to-Farm Ordinance – Purpose Statement

It is the policy of the City to protect, preserve and encourage the use of viable agricultural lands for the production of food and other agricultural products. When nonagricultural land uses extend into or encroach upon agricultural areas, it is likely that conflicts will arise between such land uses and the agricultural operations. These conflicts often result in an involuntary curtailment or cessation of agricultural operations, are detrimental to the local economy, and discourage investment in such agricultural operations. The purpose of this chapter is to reduce the occurrence of conflict between agricultural and non-agricultural land uses within the city. (Ord. 1519 § 1 (part), 1991)

Mitigation Ordinances

Conversion of agricultural land to urban uses can be discouraged by imposing mitigation requirements. At a minimum, such measures can be use to avoid future conversions of other agricultural lands by securing those lands in perpetual agricultural use.

Agricultural land mitigation programs generally require developers of agricultural land to negotiate for and purchase land (or an easement over

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[67] *County Right-to-Farm Ordinances in California: An Assessment of Impact and Effectiveness,* Wacker, Matthew, *et al.,* University of California, Agricultural Issues Center, May 2001.

[68] *Farmland Protection Action Guide,* p. 117.

[69] *County Right-to-Farm Ordinances in California,* p. 1.

land that will keep the land from being developed) or to pay an alternative in-lieu fee.

The most common mitigation ratio is "one-to-one": one acre of agricultural land to be preserved for each acre developed. Fee rates vary widely depending on local land and crop values. "Paying the in-lieu fee is usually easier and less time-consuming for the developer, but…means that the agency must devote resources, such as staff time and acquisition funds, to purchasing conservation easements. In such cases, several local agencies have found it beneficial to work with local land trusts that have expertise in working with landowners and negotiating easements."[70]

The County of San Joaquin adopted an agricultural mitigation program in November 2006. The ordinance states that an ultimate goal of the county is that all seven cities in the county "participate in or adopt an agricultural mitigation ordinance that is the same as or substantially similar to" its ordinance. Mitigation requirements are triggered when:

1) A General Plan Amendment changes the designation of any land from an agricultural to a non-agricultural use; and

2) A Zoning Reclassification changes the permitted uses from agriculture to a nonagricultural use, regardless of the General Plan designation.

The mitigation ratio is 1:1; that is, one acre of land committed to conservation for each acre changed to a non-agricultural use. The ordinance provides direction with respect to the types of land appropriate to serve as agricultural mitigation lands. A fee may be substituted under certain circumstances, and the fee is subject to amendment.

The City of Stockton adopted an agricultural mitigation fee ordinance in May 2007 requiring that, for each acre of farmland that is converted to non-farm use, one acre must be permanently protected. Key components of the ordinance are summarized in the box below.

Stockton Agricultural Mitigation Fee Program[71]

I. Introduction. The City of Stockton ("City") proposes to adopt an Agricultural Mitigation Fee, consistent with the Mitigation Fee Act (California Government Code §66000, et seq.).

II. Purpose and Use of the Fee. The purpose of the Agricultural Mitigation Fee

[70] *Farmland Protection Action Guide*, p. 48.

[71] From introductory section, *City of Stockton Agricultural Mitigation Fee Nexus Study*, prepared for City of Stockton by ESA, June 21, 2006.

is to mitigate for the loss of agricultural land in the City of Stockton through conversion to private urban uses, including residential, commercial and industrial development.

For the purpose of the Agricultural Mitigation Fee, "agricultural land" means important farmland, as defined by the California Department of Conservation's Farmland Monitoring and Mapping Program (FMMP) and as shown on the most recent available FMMP map of San Joaquin County. Important farmland includes prime farmland, farmland of statewide significance, and unique farmland. This definition is consistent with the purpose of the Fee, and with the definition of "agricultural land" found in the California Environmental Quality Act (Public Resources Code Section 21060.1).

The Agricultural Mitigation Fee shall be used by the City and/or a qualifying land trust (as defined below) to purchase agricultural mitigation land. "Agricultural mitigation land" means an easement or fee interest in property that restricts the primary use of the land to agricultural production in perpetuity.

Agricultural Conservation Easements. An agricultural conservation easement (ACE) is a voluntary, recorded agreement between a landowner and a holder of the easement that preserves the land for agriculture. The ACE places legally enforceable restrictions on the land. The exact terms of the ACE may vary, but restricted activities will include subdivision of the property, non-farm development, and other uses that are inconsistent with agricultural production. It is assumed that the ACE will allow construction of one dwelling unit as a rural residential homesite. Other structures and improvements must be consistent with the agricultural zoning. An ACE is permanent, unless otherwise specified, and runs with the land.

Land Purchase. In addition to purchasing ACEs, funds collected through the Agricultural Mitigation Fee may be used to purchase agricultural land (a fee interest) by the City or a qualifying land trust. Such lands may not be used for any purpose inconsistent with agricultural production, including subdivision or non-farm development. If the land is subsequently sold, an ACE shall be placed on the property, as described above.

Holders of Agricultural Mitigation Land. Agricultural mitigation land, whether an ACE or fee interest, may be held by either a qualifying land trust, or the City. A qualifying land trust is a nonprofit public benefit 501(c)3 corporation operating in San Joaquin County for the purpose of conserving and protecting farmland and open space, and which administers contributions from public agencies and private persons for such purposes and prepares audited financial statements for public review on an annual basis. The Central Valley Farmland Trust is identified as a qualifying land trust by this study.

Applicability of Fee and Geographic Scope. The Agricultural Mitigation Fee will apply to all forms of development that would convert agricultural land to a non-agricultural use, and under the jurisdiction of the City of Stockton. Development includes residential, commercial, and industrial uses not related to agricultural production. Uses and activities related to agriculture and permitted on land zoned for agricultural use are not subject to the Agricultural Mitigation Fee.

In general, mitigation fee programs, as described, raise funds from fees imposed on developers of agricultural land that are then applied to the purchase of other agricultural land, or the retirement of development potential on that other land, to maintain its availability for agricultural use

in perpetuity. Questions that arise with respect to such fee programs include these:

1. What is the nature of the mitigation provided?
2. Does the mitigation adequately compensate for the impact?
3. Are there appropriate guidelines in the program to assure the most beneficial application of the mitigation fees?

In principle, the mitigation provided is suitable: for farmland that is converted to development, farmland is secured in perpetuity. The question of the adequacy of the mitigation is more difficult.

The farmland that is secured by the mitigation is already farmland; no "new" farmland is created by the mitigation. Thus, the mitigation does not effect a "no-net-loss" outcome with respect to the overall supply of farmland, and the term "mitigation" is in that sense somewhat misleading.

The term "mitigation" has, however, been in use for some years by biologists for situations in which habitat areas are secured in perpetuity when other habitat areas are approved for development. While sometimes a biological mitigation measure requires habitat loss to be mitigated by creation of new habitat (which comes closer to full mitigation), there has been acceptance by biologists that securing other habitat can be substituted for habitat loss. On the other hand, the mitigation found acceptable in those cases commonly requires a ratio greater than a one-to-one substitution: ratios of two-to-one, five-to-one, and even higher are regularly imposed, depending on the species and the quality of the habitat lost.

The City of Davis has also imposed a farmland conversion mitigation fee; the Davis fee program requires a two-to-one replacement. No new farmland is created by the Davis fee, either, but in requiring a more substantial commitment to protection of agricultural land, it comes closer to recognizing not only the impacts of a project on the farmland it directly converts, but also the cumulative effects on the overall supply of farmland.

Farmland mitigation programs can be tailored in a variety of ways. These options include the following:

- Requiring a higher ratio than one-to-one, as just discussed;
- Scaling the mitigation according to the quality of the land converted, or the character of the development proposed, or other factors;
- Designating areas within which the mitigation land is to be secured; and
- Eliminating the fee option or raising the fee to a level equal to the value of the land proposed for conversion.

Such improvements would make agricultural mitigation fees both more powerful in deterring farmland conversion and more useful as elements of overall farmland protection programs.

If there is no specification on the location of the mitigation farmland, then the developer can offset conversion of farmland that has a high development value with farmland more remote from development areas that may be unlikely to be developed in any case in the near to mid term and, therefore, with a low development value. Whether the mitigation takes the form of acres on a one-to-one basis or fees needed to purchase one acre, the developer gains the difference in land value. The incorporation of the improvements described above into farmland mitigation programs would transform this developer gain into a more appreciable level of actual mitigation.

Unless the mitigation—whether land or fee—is required to be directed toward acquisition of land or (theoretical) development potential that is actually in a greenbelt-designated area, the mitigation is not a greenbelt measure but is only a blunt tool to discourage farmland conversion and, in its basic form, not as effective as it could be.

Table 5 compares mitigation fee programs with development credit programs.

Table 5: Comparing Mitigation Fee Programs with Development Credit Programs

	Mitigation Fee	*Development Credits*
Acquisition	Funds available from in-lieu fee revenue used by local agency to purchase conservation easements.	Developer must locate farmers willing to sell and negotiate credits.
Intermediaries	Local agency can act on its own or work with a land trust to negotiate and hold easements.	Development credit bank facilitates transfers; land trust holds easements.
Public Education	Some education necessary, but easier to understand, particularly for developers.	Market may not readily understand what constitutes a "credit."
Thresholds	Lends itself to bigger parcels except where land values are exceptionally high.	Can be designed to accommodate small parcels.
Setting the Fee	Amount charged to developers is set by formula and is usually updated annually.	Determined by willing buyers and sellers.

Source: Farmland Protection Action Guide, Institute for Local Self Government, 2002, p. 49.

ASSURE APPROPRIATE LAND MARKET CONDITIONS

Minimize Competition for Land

One reason for the steady reduction in agricultural land area is the use of that land for non-agricultural purposes. Restriction of uses to those that are directly agricultural would minimize competition for land resources in rural areas. This point has been raised above (p. 36) in connection with avoiding non-residential uses unrelated to agriculture within or proximate to agricultural preservation areas. Such uses (which include highway commercial, institutional, etc.), if allowed, tend to attract other like or dependent uses, increasing competition for, and development pressures on, agricultural lands.

Channel Urban Development to Sites within Established Urban Areas

Pressure for agricultural conversion can be reduced if cities assure maximum efficient use of land within city limits. One of the premises behind establishment of growth boundaries is to help contribute to urban infill development. Agricultural (or open space) preservation and efficient reuse or infill of urban sites can be pursued jointly by the kinds of TDC programs discussed above (beginning on p. 29). San Luis Obispo County's approach to this issue is described in the box below.

San Luis Obispo County TDC Program[72]

San Luis Obispo County has put in place a transferable credit program allowing development at levels of 50 percent over the maximum density in "receiving areas" when sufficient credits are purchased from "sending areas." To further encourage compact development, the bonus percentage decreases as the distance increases from the development to the urban center: the farther the farmland is from the urban core, the lower the bonus.

Avoid Urban Infrastructure

Extension of urban infrastructure into rural areas is often an essential preliminary to development. A city that intends to maintain surrounding agricultural uses in farming will not extend water or sewer services into farmland. See box in section 4.3 about how Gilroy, Santa Clara County, and that county's LAFCo are addressing this issue.

STRENGTHEN AGRICULTURAL ENTERPRISES

Lodi's consideration of a greenbelt has included participation by property owners within the target area. Their comments frequently include the observation that making agriculture work requires that it be profitable economically.

Tax Relief

Many factors enter into the profitability of an agricultural enterprise; one that government can influence is taxation. The State of California has long recognized this point. In 1965, California enacted the California Land Conservation Act (the "Williamson Act"), which permits counties to establish procedures under which farmland may be assessed at agricultural use value, under a ten-year (annually renewable) contract between the county and the landowner committing the landowner not to develop the land during the contract period. The Department of Conservation estimates that landowners in Williamson Act contracts save 20 to 75 percent in property tax liability each year.[73]

In 1998 and 1999, additional legislation created the so-called "Super Williamson Act." This act authorized the creation of farm security zones which allow for a longer contract (20 years) and a minimum preserve size

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[72] *Farmland Protection Action Guide,* p. 46.

[73] *Ibid.,* p. 66. Since the passage of Proposition 13, which limits year-to-year increases in taxable property values, the landowner benefits of Williamson Act provisions have diminished in importance.

of 100 acres. San Joaquin County offers both 10-year contracts and farm security zones to interested landowners."[74]

Value-Added Enterprises

Zoning can allow facilities on agricultural land for activities that increase the value of production on the farm itself. These may include initial processing, providing direct access to customers (such as "u-pick" arrangements), or allowing fruit stands for produce grown on that farm. (Note, however, that a proliferation of buildings to serve as retail outlets, tasting rooms, and so forth can reduce the amount of land actually in agricultural production.)

Branding

The direct marketing model represents a more ambitious effect to develop a regional brand that distinguishes local produce in the broader marketplace, establishing an identity something like what an appellation does for a wine. Sonoma County has such a program. It is possible that, given a distinct and particularly noteworthy local crop (like Gravenstein apples in Sonoma County), a strategy for improved market positioning of local farm products can be implemented. Such an effort might require significant investment and the payoff would be long term.

ASSURE A SUPPORTIVE ECONOMIC CONTEXT FOR FARMING

Maintain Agricultural Infrastructure

Agriculture-support infrastructure is essential if farm operations are to be able to continue operations over time. Farms depend on an adequate irrigation water supply and a network of offsite businesses and services that support agricultural activities.

Cities can assist neighboring farming areas by questioning any proposed alienation of farm water supplies from agricultural lands to other types of uses and by supporting assure the continuation of farm-related operations within the city, a policy Petaluma's General Plan specifically articulates (see box below).

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[74] Chandler Martin, San Joaquin County Planning Department, e-mail communication to Mundie & Associates, May 17, 2007. Figure 5-1 in the draft Lodi General Plan EIR identifies those lands south of Lodi that are in Williamson and "Super Williamson" contracts.

Petaluma: Supporting Farm-related Operations in Town[75]

The Petaluma General Plan includes a policy to "Identify and encourage…activities that…enhance local agricultural businesses and local agricultural products." Programs include (1) the potential use of redevelopment powers to assist major agriculture-related businesses to expand and/or relocate in Petaluma, and (2) soliciting from representatives of agriculture-support businesses recommendations on steps the City of Petaluma can take to increase their viability.

Farm-Friendly Policies and Programs

A number of local actions to strengthen agriculture are available; the need and usefulness of such programs varies with local circumstances. Examples include permit simplification, adjustments in fee structures, coordinating local government policies affecting agriculture with the agriculture community, assisting with environmental compliance, using local government housing elements and programs to help assure adequate housing for farmworkers, and integrating agriculture into the overall economic development programs of local and area governments.

Economic Development Component

Economic development strategies have been articulated by many California cities to evaluate strengths and weaknesses in attracting development of various kinds and to identify practical steps to improve the local economy.

Such strategies often focus exclusively on the municipality, and may not take into account the character of a broader economy that includes the agricultural enterprises in the surrounding area. Agriculture contributes not only to the community's setting (which can be an important economic draw), but also to the community's resource inputs to production, and it is a customer of the community's goods, services, and labor. For these reasons, integrating agriculture into a subregional strategy makes sense for both urban and rural interests.

A connection between urban and outlying activities that commonly is noted is that of tourism. Particularly in where local agriculture has a specialty product—and wine is the most prominent example—building on that product to enhance the attraction of a local community to tourism is often suggested as an economic development strategy.

Such a strategy may contribute to a heightened interest in protecting vineyard lands and enhancing their attractiveness. It may also, if local promotion activities take that direction, improve local sales of local wines, and of other local products sold in conjunction with wines (typically jellies and

[75] Petaluma General Plan, draft update, May 2007. (The public hearing on this General Plan update closed on May 21, 2007.)

jams, preserved fruit, and condiments like mustard and vinegar). These can be important benefits to growers, and can enhance the community's image to visitors and potential visitors.

Encouraging agriculture-related tourism can be part of an integrated regional economic strategy. To the degree it is successful, farms gain by means of increased on-farm purchases of farm products and nearby communities gain in the form of increased visitor volume at hotels, inns, restaurants, and retail outlets.

The communities that enjoy the maximum benefits of such tourism are those that also offer other assets of importance to visitors, including scenic beauty and an array of activities. Where the latter assets are not strong, tourism will be a smaller factor in the local economy. In any event, tourism it tends to be seasonal, very sensitive to the economic cycle, and associated with low-wage-paying jobs. Agricultural tourism is most successful where "geography and specialty crops combine to create an especially attractive rural character."[76] Elsewhere, payoffs are limited.

BUILD PUBLIC SUPPORT

Gain Stakeholder Consensus

Establishing a greenbelt that is functional and secure is facilitated if it has the support of stakeholders. Among the stakeholders, the landowners are particularly important, since it is their input—land—that is the critical ingredient of the greenbelt. Without their support, a greenbelt concept will be more difficult to implement.

A difficulty in gaining consensus among landowners is that a greenbelt may have effects on them that work in opposite directions:

- A greenbelt strengthens farmers' ability to farm over the long run, and may include as well an array of supportive measures that reduce the costs of farming (both monetary and non-monetary), enhance benefits, and provide greater security. A greenbelt designation is typically accompanied by a strengthened policy statement supporting agricultural use and parcel sizes appropriate to commercial agriculture (like San Joaquin County's 40-acre minimum parcel size in its AG-40 General Plan area).
- A greenbelt limits land use. Some landowners react against this aspect of greenbelt designation without recognizing that a proposed greenbelt may represent no change in land use regulations already on the books. South of Lodi, for example, where San Joaquin County's zoning ordinance limits development potential to a minimum parcel size of 40 acres in AG-40 General Plan areas, the

[76] *Ibid.*, p. 108.

record does not show that either Lodi or the Count supports increasing the current minimum parcel size: the land use designations and densities of the County would remain applicable

Individual farmers themselves may feel conflicted about a greenbelt designation. When that is the case, farmers who oppose the designation are likely to have the strongest voices, and it may be difficult to build consensus around a program that would prevent agricultural land from transitioning to very low density residential development.

Use Outreach and Education to Garner Public Support

Statewide, there appears to be a consensus that conversion of farmland to urban land has been substantial, it is continuing, and the public is concerned. A national polling organization has reported[77] that:

- 57 percent of Californians believe that the loss of farmland is a very serious problem, and
- 90 percent of Californians agree that agricultural land is an essential part of California's identity and we must fight to preserve it.

Nevertheless, conversion in the San Joaquin Valley continues:[78]

- Of San Joaquin County's 630,000 acres of important farmland, 40 percent is expected to be lost by 2080;
- More than a fourth of the farmland in the San Joaquin Valley is expected to be absorbed by urban growth in the next four decades; and
- Each year, urban sprawl consumes 15,000 acres of farmland in the Central valley…the valley's $16.5 billion in annual agricultural production could be slashed by as much as $2.1 billion by 2024.

Building consensus locally may be the best way to grapple with the evident discontinuity between expressed public concern and what is happening in the field.[79] Local consensus can be grounded in awareness of land use

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[77] Poll conducted by the national polling organization Fairbank, Maslin, Maullin & Associates (July 13, 1999) as reported in *Farmland Protection Action Guide*, p. 2.

[78] Ben Hulse, former Community Development Director for San Joaquin County, reporting to a meeting of the Delta Protection Commission (January 25, 2001); *Urban Development Futures in the San Joaquin Valley*, a 2005 report by Michael B. Teitz *et al.; Farmland Protection Action Guide*, p.8.

[79] *Farmland Protection Action Guide*, pp. 133-136, has some common-sense suggestions about consensus building. The caution expressed earlier in this report—that maximizing public support may involve weakening greenbelt measures in ways that jeopardize their effectiveness (p. 27)—needs to be kept in mind.

change at the local level, and such awareness can encourage both dialogue and action.

Chapter 5 identifies building blocks for a Lodi greenbelt.

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5 Recommendations for Lodi

The first four chapters of this paper explain the concept of a greenbelt, describe Lodi's efforts to establish a greenbelt, present information about the area south of Lodi designated as a "target area" for a greenbelt, and review strategies for establishing a greenbelt. This chapter turns to the question of what can be drawn on in the analysis and experience of others to help shape a greenbelt program for Lodi.

5.1 LODI'S SPECIAL CIRCUMSTANCES

Lodi has shown considerable interest in recent years in creating a greenbelt that would protect some of the important farmland resources in its setting, and specifically in establishing a community separator to distinguish Lodi's southern hinterland from Stockton's urban expansion. These are different objectives that have a substantial overlap: both are pertinent in the band of land that runs west to east south of Lodi, where agriculture is the principal land use.

The process of considering a greenbelt in the south-of-Lodi area was suspended late in 2006 to allow participants to consider the program elements that had been proposed to the City Council, to provide time for obtaining input from San Joaquin County, and to learn more about the experience of other local agencies that might be applicable locally. Consultation with the County was to be made by property owners in the greenbelt target area and information on the greenbelt concept as applied elsewhere was to be provided through the General Plan update process (hence this paper).

The research that has informed this paper calls attention to the specific local conditions that will affect the prospects for greenbelt establishment and success in the south-of-Lodi area:

- Land in the greenbelt target area is mostly agricultural, making agricultural protection measures an important element of an overall greenbelt strategy.
- The San Joaquin County General Plan land use designation in the greenbelt target area is generally Agriculture-General paired with zoning requiring a 40-acre minimum parcel size; some parcels have Agriculture-Limited General Plan designations with minimum parcel sizes as low as five acres.
- Most of the land in the greenbelt target area is in private ownership by individuals or firms. San Joaquin County owns a site of 31.55 acres within the total area of 2,646 acres.
- Land in the target area is held by about 129 owners, exclusive of the County. Three owners (with 200+ acres each) hold collectively

724 acres. The next 32 largest owners hold 1,453 acres collectively, with a minimum holding of 20 acres and an average holding of 45. The majority of owners, 94, own less than 20 acres, and their average holding is less than five acres.

- The smaller parcels appear to be selling at prices exceeding agricultural values.
- Stockton's plan for substantial urban expansion in close proximity to the greenbelt target area has probably contributed to a "speculative" component of land prices in the area.
- Stockton's draft General Plan would establish the northern edge of its planning area along Armstrong Road south of Lodi, which is about in the middle of the greenbelt target area's north/south dimension. Inclusion of these lands in Stockton's planning area may qualify them for easement acquisition under Stockton's agriculture mitigation fee program.
- Lodi has not yet enacted a farmland conversion mitigation ordinance. Conversion of farmland resulting from development has been addressed by ad hoc mitigation measures.

5.2 LESSONS FROM ELSEWHERE

FIRST PRINCIPLES

Review of the literature on greenbelts and on agricultural land preservation, together with the experience of communities elsewhere, suggest the following principles for establishing a greenbelt in an agricultural area:

- The most effective greenbelt programs combine regulations to protect greenbelt-appropriate uses with some level of compensation to landowners for agreeing to use limits.
- Local greenbelt programs vary according to local circumstances; correspondingly, what will work for Lodi is a program that is strategically tailored to Lodi's circumstances and needs.
- Local government should be opportunistic in recognizing and capitalizing upon unforeseen opportunities to establish a greenbelt or strengthen an established greenbelt.
- The collaboration of local jurisdictions is a valuable—possibly an indispensable—ingredient of successful greenbelt establishment and operation.
- Community commitment to a greenbelt, and the integrity of the program put in place, are reinforced by integration of the greenbelt into the community's general plan.

PROGRAMS THAT MODEL COMPONENTS OF A POTENTIAL PROGRAM FOR LODI

A number of existing programs have put in place programs reflecting some of the principles set out above. Brief descriptions of the programs[107] are presented in boxes on the next several pages, follow by discussions of program essentials and applicability to Lodi.

#1: Agricultural Land Preservation Initiative

Napa County

Measure J, an initiative approved by Napa County voters in 1990, amended the County's General Plan to forbid rezoning of agricultural land until 2021 without another public vote.

This measure effectively locked urban-rural boundary lines and minimum parcel requirements of 40 acres on the floor of the Napa Valley and 160 acres on the surrounding hillside rangelands that are the valley's watershed. A response to the widespread practice by local officials of frequently amending general plans at the request of developers, Measure J withstood a court challenge.

1. *Regulation/High Minimum Parcel Size*: *Napa County Agricultural Land Preservation Initiative*

Program Essentials. Established a minimum parcel size of 40 acres in the most intensively cultivated area of the county (the floor of the Napa Valley) and secured the measure from amendment for the long term (30+ years).

This is an example of a strong regulatory approach. It has been effective in Napa County because agricultural land values are high, discouraging all but the most wealthy (and possibly the wealthy, too) from purchasing vineyard land for anything other than agricultural production.

Applicability to Lodi. The concept is sound. Lodi agricultural land values are not as high as Napa's, however, so a 40-acre minimum parcel size may not be large enough to discourage purchase by non-farmer owners. Purchases of 40-acre agricultural parcels by non-farmer owners (whose intentions to continue agricultural use are not known) are reported to be occurring currently in Stanislaus County.

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[107] The case study sketches summarized in the boxes in this chapter are drawn primarily from *Case Studies in Agricultural Land Protection in California* (American Farmland Trust), 2006 unpublished draft available on the internet at http://www.calregions.org/regcivic/bln/20061129/agriculturalcasestudies.pdf.

Napa County's minimum parcel size regulations were imposed by the County; in the Lodi area, regulation of land use outside the city limits would be the responsibility of San Joaquin County. Since San Joaquin County already has zoned a considerable amount of land between Lodi and Stockton as 40-acre-minimum parcel size, what would be needed is commitment of the County to maintain that condition.

Such a commitment could be made through a Memorandum of Understanding (see discussion of this approach in Chapter 3, pp. 34-35). Since the County is about to undertake a General Plan update, the timing is right to support the current minimum parcel size in agricultural areas.

#2: Agricultural Land Trust and Agricultural Zoning

Marin County

The Marin Agricultural Land Trust (MALT) was the first local organization of its kind in the United States dedicated explicitly and exclusively to preserving land for agricultural production. MALT pioneered the concept of compensating farmers and ranchers for relinquishing the development value of their land, while permanently protecting its agricultural value through purchase of agricultural conservation easements.

Using this approach, MALT has permanently protected approximately 38,000 acres on 57 farms and ranches in voluntary transactions with landowners. Strong agricultural zoning by the County is credited with supporting MALT's effectiveness: development pressures in west Marin have been reduced by limiting rural residences to one per 60 acres. This "hybrid" approach of carrot-and-stick is typical of successful local farmland protection programs across the country.

2. *Regulation Combined with Purchase: Zoning in Western Marin County and the Marin Agricultural Land Trust*

Program Essentials. Establishment of strong agricultural zoning in combination with compensation of farmers and ranchers who agree to relinquish the development value of their land. This "hybrid" approach has resulted in a very effective program package.

Applicability to Lodi. Regulation and incentives should be combined for the strongest possible program. To activate an incentive element of a similar program in the Lodi area would require a source of funds. Lodi's ability to raise funds for purchase of development rights has not been determined.

#3: Joint Agreement on Growth Boundary and Agricultural Area

City of Gilroy, Santa Clara County, and Santa Clara County LAFCo

These three local jurisdictions entered into a formal agreement that established a 20-year growth area for the City of Gilroy east of U.S. 101, thus providing greater certainty that agricultural land beyond the boundary would not be threatened by development. The agreement, signed in 1996, was incorporated into the city and county general plans and LAFCo annexation review policies. The intention is to facilitate development approvals inside the growth boundary while providing stronger protections for farmland outside it within the designated Gilroy Agricultural Lands Area. Santa Clara County committed to complement the agreement by taking proactive steps to promote and support the local agriculture industry.

3. *Identification of 20-year New Development Area and Agricultural Lands Protection Area through Interjurisdictional Agreement: Gilroy, Santa Clara County, and Santa Clara County LAFCo*

Program Essentials. Establishment of an agricultural preservation area in tandem with securing agreement by principal parties to honor the preservation area by not encouraging or permitting development within it (or otherwise beyond a defined growth area) over a 20-year period.

Applicability to Lodi. The concept of a multi-jurisdictional agreement is particularly applicable to Lodi, since land that might be within a Lodi greenbelt is likely to lie outside the city limits, even if within the City's defined planning area. Applicable jurisdictions for Lodi include San Joaquin County, LAFCo, and Stockton. A 20-year time limit, however, would not be applicable in Lodi's situation: a greenbelt is normally envisioned as a very long term commitment.

#4: Farmland Conversion Mitigation Ordinance

City of Davis

Davis is the first city to require developers proposing to develop farmland to protect at least an equivalent amount of farmland in exchange. A one-to-one mitigation ratio, established at the beginning of the program in 1995, was changed in 2001 to require that (1) every acre developed should be mitigated on a two-to-one basis, and (2) the mitigation land should be located next to the land proposed for development in such a way as to establish a permanent community edge. Payment of an in-lieu fee may be substituted. The program was successful in collecting more than $1 million in fees and protecting about 3,000 acres of farmland.

4. *Farmland Conversion Mitigation Ordinance: City of Davis*

Program Essentials. Imposes a two-to-one farmland commitment requirement on farmland converted to development and establishes criteria for suitable mitigation lands.

Applicability to Lodi. If, under the updated General Plan, Lodi would program expansion onto farmland, a farmland conversion mitigation ordinance would be a useful tool. Like Davis, Lodi should impose more stringent requirements than those in the current Stockton program (which is one-to-one mitigation with no locational or other specifications for determining the appropriateness of mitigation land), keeping in mind that an acre-for-acre program does not actually replace lost farmland, and does not take cumulative effects into account.

#5: Raising Funds for Farmland and Open Space Preservation

County of Sonoma

The first jurisdiction in the country to establish a special district for agricultural protection, Sonoma County was authorized by the electorate to impose a one-quarter percent sales tax in 1990; the measure was re-authorized in November 2006 by a 75 percent vote. The total revenue generated has enabled the county's Open Space District to secure 65,400 acres, much of it productive farm and range land.

5. *County Revenue Measure for Funding Agricultural and Open Space Preservation: County of Sonoma*

Program Essentials. Counties can raise funds for preserving agriculture and open space. Those funds can be used to focus strategically on agricultural areas that might otherwise be subject to conversion.

The Sonoma County Open Space District is reported to have recently updated its strategic acquisition plan to target small farm areas around cities (as well as coastal agriculture), indicating the potential of a county-wide program to respond to city farmland protection priorities.

Applicability to Lodi. A county open space district funded by a revenue measure like a sales tax would substantially increase the resources available for protection of farmland and other open space uses throughout the county. The initiative for such a district and for the sales tax as a funding source lies with the County of San Joaquin, but Lodi and other cities in the county could be effective advocates for such a measure, making the case for non-city funding measures to provide for strategic farmland and open space preservation outside city limits.

#6: Raising Funds for Farmland and Open Space Preservation

City of Fairfield

Special districts established under the state Mello-Roos Community Facilities Act have been used in Fairfield to finance the preservation of farmland and other open space surrounding the city. Annual fees levied on new homes and commercial buildings within the districts prove revenue to finance bonds used by the Solano Land Trust to purchase conservation easements, which have been used to preserve land in rural uses.

6. *City Revenue Measure for Funding Agricultural and Open Space Preservation: City of Fairfield*

Program Essentials. Cities can raise funds for preserving agriculture and open space, and Fairfield provides one model. Mello-Roos funding is appropriate for capital facilities, and purchase of land is a capital cost. For a larger, and growing, city like Fairfield, this approach can produce a significant level of funding ($3 million so far, applied to protect lands in the Green and Suisun valleys).

Applicability to Lodi. The applicability of the Fairfield example to Lodi is its innovation, since Mello-Roos would not normally be considered an approach to fund the purchase land or development credits by a city government. It can prompt Lodi to consider a range of measures that could include a tax (a parcel tax is one option[108]), a voluntary check off on property tax bills, grants from the federal and state governments, and grants from public and private institutions.

#7: Agricultural Mitigation and Development Plan

County of Alameda and City of Livermore

Alameda County and the City of Livermore, with citizen input, developed an innovative plan to direct growth into the city while generating funds for the Tri-Valley Conservancy to permanently protect 3,300 acres of farm and ranch land, and to expand wine grape plantings and the viticulture industry. The South Livermore Area Plan (1993), adopted as part of the County's General Plan, and the South Livermore Valley Specific Plan (1997), adopted by the City of Livermore to implement it, both require preservation of one acre of farm or ranch land in a designated rural area in

[108] The parcel tax concept received widespread coverage in the most recent state election, since it was proposed as a source of funds for K-12 education programs. Parcel taxes have been used by local governments for a variety of purposes including public utilities improvements, flood control facilities, libraries, open space and recreational improvements, and education. Typical parcel taxes are up to $100/year (though higher rates have been proposed) and there is normally a termination date.

exchange for every acre and every housing unit developed within a specific urban area. A transfer of development credits program was added to the Specific Plan in 1999.

7. *Intergovernmental Cooperation on Creative Agricultural Development: County of Alameda and City of Livermore*

Program Essentials. This program is a demonstration of what can be accomplished when local governments and committed members of the public work closely together over a period of years to tailor a preservation plan to meet specific local conditions and requirements. The plan does not eliminate development, but manages it very tightly to maximize agricultural activity and benefits. A factor in the success of the plan was the early interest of property owners in strengthening the public image of the Livermore Valley wine district. Within the district, access, requirements for establishing vineyards along access routes, provision of limited and design-appropriate visitor uses, development of a high-profile recreational facility nearby, and various other ingredients have melded together to provide a set of public benefits that reinforce the landowners' commitments to, and private benefits from, the program.

Applicability to Lodi. The South Livermore Valley process required about ten years of planning, including detailed analysis to identify applicable economic support and consistent efforts to work toward consensus among agencies, individuals, and the public. The achievement is impressive, but it was neither easy nor quick, nor does it assure year-to-year success for growers and winemakers.[109]

For Lodi, the lesson of the Alameda County/City of Livermore model is that equivalent results will require a similar long term effort. An important first step would be action by the local governments potentially involved—Lodi, Stockton, and San Joaquin County—to maintain (possibly, to strengthen) regulations affecting minimum parcel size to signal commitment to an equivalent program for an area south of Lodi. The duration of such action should be sufficient to allow the needed preliminary work to be accomplished (as noted, the model case took about ten years) and another five to ten years to allow the program to become firmly established.

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[109] See, for example, an article in the *East Bay Business Times*, "Livermore Wine Region Hits Its Peak," September 5, 2003 (http://www.bizjournals.com/eastbay/stories/2003/09/08/story1.html).

5.3 POTENTIAL ELEMENTS OF A LODI PROCESS

The models presented in this chapter, together with the discussions in the preceding chapters of the planning history, resource conditions, and potential tools for greenbelt establishment make clear that the evolution of a working program for Lodi would require public leadership and citizen commitment, ingenuity, multi-jurisdictional collaboration, consistent effort, commitment of financial resources, and time.

Of these ingredients, time is the most immediate consideration. No commitment should be made to alter existing minimum parcel sizes pending a comprehensive effort, with the participation of all three local governments with interests in the greenbelt target area, in framing a plan that could bring to this area of San Joaquin County the kinds of benefits that are being realized in the South Livermore Valley.

An appropriate first action would be a formal agreement among the jurisdictions to put any possible changes in land use regulations between Lodi and Stockton on hold pending the formulation of a plan of action to deliver a local area plan equivalent to the South Livermore Valley model.

Meanwhile, elements that can contribute to developing such a plan and moving it forward would include the following:

- Purchase of agricultural easements outside the city limits can be encouraged through funding sources other than local general purpose governments. Possibilities include:
  - *Donations and other voluntary contributions.*

    Donations can include voluntary gifts to public agencies or to private entities, such as a land trust. Such gifts can provide tax benefits to the donor. Encouraging gifts of land or developments rights requires establishing a vehicle for the acceptance of such donations and outreach to potential donors.

    Voluntary gifts include check offs on tax payments. Federal individual tax forms, for example, provide an option for the taxpayer to contribute to public financing of elections; City and County of San Francisco property tax forms have offered check offs to support public programs for open space and the arts. Lodi has roughly 18,400 private parcels subject to local property taxes. A voluntary check off on the local property tax bill averaging $5 would raise over $90,000annually—a sum that could support agricultural land use planning and grant applications by staff.

  - *Private or public grants.* Both public agencies (State Department of Conservation) and private philanthropic foundations (Packard) have contributed to agricultural preservation indi-

rectly through policy and planning grants and directly to local agricultural protection programs.

- *Participation by a land trust*. The American Farmland Trust helps local agencies identify funding sources for farmland purchases. The Central Valley Land Trust has supported agricultural protection planning and land acquisition in the four-county northern San Joaquin Valley. Once a Lodi plan achieves a broad consensus, support and participation of this regional land trust should be sought.

- A dedicated source of public funds through a general tax measure would provide substantial revenues for agricultural preservation in a greenbelt. The two-thirds vote required by such measures has not prevented many cities and counties from supporting publicly-funded programs for open space and other public benefit goals. In considering such a measure, criteria include the total revenue generated, the year-to-year stability of the revenue source, the administrative cost, and the possible collaboration of neighboring jurisdictions. Public support depends on a well-conceived program that the electorate sees as clearly serving a goal of importance to the community.

  Potential types of revenue measures include:

  - *Parcel tax*. Communities have used parcel taxes to raise funds for public benefit activities: education, public works, flood control, parks, libraries, and open space. Parcel taxes are generally $100 or less per parcel per year but range upward to several hundred dollars. They commonly have a stated expiration date. A $100 parcel tax in Lodi, over a 10-year period, on the approximately 18,400 parcels subject to such a tax would be roughly $20 million.

  - *Sales tax*. In the Sonoma County example cited above, a county-wide sales tax of 1/4 percent is used for agricultural protection purposes. Even at this relatively low tax rate ($50 on a car selling for $20,000) such a tax can raise substantial funds: $10 million per year, in Sonoma's case.[110] A County-wide tax might be of interest to San Joaquin, since the goal of agricultural protection is shared by a large segment of the public.

- An agricultural mitigation program for Lodi. While Lodi has negotiated mitigation with developers for a number of projects on

[110] *Farmland Protection Action Guide*, p. 146 (citing as its source a 1999 article in the *Sacramento Bee*; current cumulative revenues from this source would be higher).

an ad hoc basis.[111] A formal program would be a practical statement of the City's ongoing commitment to agricultural protection.

Desirable elements of an agricultural mitigation program for Lodi include:

- Mitigation ratios or fee levels should reflect the development value of the land proposed to be converted.
- If the mitigation takes the form of land, the land should be equivalent in agricultural value. Its location should be strategic, forestalling urban development pressures and contributing to the maintenance of a large block of land in agriculture,
- If the mitigation take the form of a fee, the fee should be high enough to (1) compensate the (often considerable) cost of finding and securing sufficient and appropriately located easements and (2) act as an incentive for the developer to mitigate by means of land (or development rights), relieving local government (or a participating trust) from the burden of having to negotiate and purchase the mitigation land (or development rights).
- Focusing mitigation of agricultural lands on the greenbelt target area. If the greenbelt target area or separator between Lodi and Stockton represents the focus for greenbelt conservation efforts, then it is imperative that this area should be the priority for conservation, rather than remote locations elsewhere in the county that in any case are not under threat of urbanization.

Note that Lodi's traditional managed-growth, non-expansionist approach to agricultural preservation, if pursued, would minimize urban expansion onto agricultural land and, therefore, mitigation fee revenue is unlikely to be substantial. (In the end, avoidance of conversion is a better strategy for farmland protection than the collection of fees.)

- Application of County and/or Stockton mitigation fees to acquisition of agricultural easements in the southern portion of the greenbelt target area. This is a possibility Lodi should pursue.
- Prepare a coordinated plan for agricultural preservation. The kind of plan that has been implemented in the South Livermore Valley

[111] Agricultural mitigation arrangements have been negotiated between the City of Lodi and the developer in the cases of Reynolds Ranch, Vintners Square, the Southwest Gateway project, and the Westside project.

is an attractive option for Lodi, since it would serve multiple public purposes while providing some land use options for owners (limited residential and appropriate visitor-serving uses on-site as well as, potentially, the ability to sell development credits).

The development and implementation of such a plan takes vision, time, and considerable private involvement and support, since virtually every parcel must be integrated into the plan. As noted above, the South Livermore Valley planning effort required some 10 years. If Lodi pursues this path, retaining existing minimum parcel sizes in the greenbelt target area in the interim would be essential. The fact that such an effort has been successful elsewhere may be a stimulus to forge a public-private collaboration to put a similar plan in place south of Lodi.

- Establish, on a collaborative basis with other San Joaquin County jurisdictions, a common menu of approaches to agricultural land mitigation. Even if some of the policies of individual local governments differ, some components of their approaches will gain sturdiness from joint implementation: the amount of the agricultural mitigation fee, the mechanism for adjusting that fee over time, the defining characteristics of lands considered suitable to serve as mitigation lands, countywide coordination of priorities for easement acquisition, and designation of appropriate organizations for transfer of easements. The San Joaquin County agricultural mitigation fee program (see discussion p. 49) looks hopefully toward adoption of a common ordinance among the county's seven cities. That may not happen, but working toward a common skeleton approach, such as is suggested here, would strengthen all local programs, and coordination (for example, in establishing a common mitigation fee) would buttress the legal defense of each city's program.

5.4 CLOSING

The record of successful greenbelt establishment elsewhere indicates that the path is rarely straight or smooth, and that there are real monetary costs. A successful plan requires that costs be distributed fairly, meaning equitable financial participation of all interested parties, public and private. Building a consensus for a system that will work is a major undertaking, but local governments in partnership with each other and the public is up to the task.

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