

AGRICULTURE ON THE EDGE

The urgent need to abate urban encroachment on agricultural lands by promoting viable agriculture as an integral element of urbanization.

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The Problem

Currently Agricultural Land Reserve (ALR) designated lands in southwest British Columbia, particularly those west of Abbotsford, are under threat from urban expansion and other non-agricultural uses. The strategy of relying exclusively on perilous regulatory tools (the ALR and Natural Area Buffers) to ensure land is available for food production, and to provide a buffer between agricultural lands and urban lands, has significant limitations, is politically polarizing, and fails to advance regional food security goals. Can we not also incorporate and utilize good land use and urban design principles and practices that integrate food production and food security into the ALR, particularly at the urban-ALR interface, to enhance agriculture at the metropolitan edge and more effectively address this challenge?

Pursuant to the question posed the intention of this paper is to begin a much needed dialogue; one that now seems polarized and paralyzed on all sides.

Much of the land originally designated to be within the ALR has been abandoned for agricultural purposes, either because it is too small or otherwise inappropriate for “industrial” scale agriculture use and/or because it is being held on speculation. Five interrelated factors contribute to this dynamic, each of which threaten the goal of preserving productive agriculture land and providing some degree of regional food security. They are:

1. Development pressures are mounting as nearly all of the easily developed sites outside of the ALR are either “built out” or planned for building. Developers and local politicians feel there is limited potential for development (e.g. they consider infill, intensification of existing neighbourhoods, or the wholesale reconstruction of existing urban areas to be impractical at this time) within existing urban zones. Absent a substantial change in both the development community and the political culture, this proclivity will likely persist.
2. The preponderance of ALR lands near urbanized areas have been purchased at values orders of magnitude higher (reaching \$100,000 per acre or more) than justified by any form of conventional agriculture utilization. Thus ALR land is clearly being purchased by entities, expressly to hold for speculative investment purpose, fully expecting the ALR to break down in the near future. What is more, land speculators are afforded a tax incentive, as agricultural lands are taxed on an advantageous scale

- with very easily satisfied agriculture production and demonstrated income generation requirements. This makes the cost of holding these lands much more affordable for land speculators.
3. Municipalities have been granted rights to review ALR exclusion requests first. Local municipal councils have proven more likely to allow exclusions than have Provincial boards. Local politicians feel pressures to release lands more acutely than distant Provincial regulators, and therefore find it more difficult to deny an application from someone they may know and that may have political influence. Many concerned citizens are now convinced that municipal exclusions drive the system.
 4. The majority of lower mainland agricultural lands (that are farmed) primarily produce crops for volatile, low margin commodity markets in the global agri-food system. This provides increasingly marginal (and insufficient) return on investment. These lands are not farmed for high value local/ regional markets which generally provide high return on investment. As a result farms continue to consolidate, fewer and fewer individuals and families farm and young persons eschew farming/ agriculture. Other ALR designated holdings are utilized for low intensity agriculture and produce low value per acre crops such as Christmas trees or horses. These two factors significantly undermine our efforts to actualize regional food security and to maintain agriculture sector economic vitality.
 5. The interface between lands designated for agricultural use (either in the ALR or zoned agricultural locally) and the adjoining developed lands at the urban edge has become, in effect, a land use battle zone. Those who live on the urban side of an arbitrary boundary affected by regulation often consider the practices of industrial scale agri-business as an impediment to their quality of life. At the same time that they value the “protected agricultural lands” for little more than their aesthetic value as pastoral open space. Meanwhile, those attempting to farm the lands on the agricultural side of the arbitrary boundary feel threatened by further urban encroachment that brings with it the pressures of speculation on land values and operational conflicts that often arise with industrial scale farm practices.

Singly and collectively these factors pose a significant threat to the long term preservation of regional agriculture lands and to the creation of a secure regional agri-food system. Certainly the problem requires rectifying, and in doing so we cannot ignore the fact that most of the Provincial ALR land at greatest risk today is in fast growing metropolitan

regions and, under present circumstances, contributing very little to regional food security. They are lands protected, solely, by the regulations of the ALR, but not regulated for their agricultural productivity or contribution to regional food security. To be fair the ALR, a far thinking and precedent setting designation, has helped our region and urban settlement areas become more compact than many metropolitan centres in North America. It has become a reasonably effective urban growth containment tool, while faltering in protecting food producing land and failing to promote a robust agriculture sector, both original (and laudable) mandates of the ALR. Clearly, new measures are called for to ensure a sustainable regional agri-food system.

Options

The original intent of the ALR was to promote viable farming, not function as an urban growth boundary. If we all feel that it is, as presently administered, functioning satisfactorily and achieving that goal then little action is required. If, conversely, we feel that the ALR policy is falling short of promoting food security and a viable agriculture sector, and that the trajectory for the ALR is likely to be further compromised, in fits and starts, one acre at a time, until very little is left, then more substantial and creative action may be justified.

We offer that such an action would somehow take all five challenges listed above and recombine them to create the economic and social opportunities necessary to effectively solve this crisis. One seemingly radical but practical solution is summarized below. There may be many others and we certainly hope so. As such the intention of this paper is to begin a much needed dialogue, and break us free from discourse that is paralyzed and polarized on all sides.

A Solution Proposed

What follows outlines six elements of a strategy to compliment and strengthen the ALR. It encompasses a new zoning designation, transfer of some urban edge land value lift to agriculture and the public sector, integration of human scale agriculture with urban dwellers, promotion of a new and critically important agriculture and economic sector and tangible contribution to regional food security. It assumes that this can be accomplished without public sector tax dollars. The elements of this strategy are:

1. The province, the region, and its member municipalities might establish a planning zone of up to 500 meters wide at the interface between urban and agricultural or preservation lands. Such lands to be used for both urban and agricultural purposes. Urban uses would presumably be held to 100 to 200 meters, with the remainder of the planning zone restricted under covenant for intensive agriculture aimed at local markets.
2. This new band could be rezoned for medium to high density living on developed portions. For the sake of this discussion we shall assume a yield of 60 dwelling units per net acre, allowing for significant return on developer investment. Sixty dwelling units per net acre (“net” meaning the number of units per acre on just the development parcels) or 40 dwelling units per acre gross (“gross” meaning the number of units per acre when roads are included in the calculus) would exceed 10 dwelling units per “double gross” acre (“double gross” meaning the average density when open spaces and agricultural lands are also included in the calculus). Ten to fifteen dwelling units per double gross acre is usually considered the minimum density necessary to support viable transit service and local commercial services.
3. Protect, legally and in perpetuity (e.g. via covenant and/ or land trust consignment), two-thirds of this land (relinquished by the owner/developer) exclusively for agriculture. It may be desirable that designated agriculture lands ultimately come under ownership of the associated municipality. If it does we refer to this arrangement as *Community Trust Farming*.
4. Lease (very favorably) these agricultural lands to agricultural entrepreneurs and stipulate they be farmed exclusively for local/ regional markets, thus contributing to the sustainability of our communities and to genuine regional food security. Require that labor intensive, high value crops/ value added products (e.g. organic, direct marketed) be produced and that labor intensive highly productive and sustainable production practices be utilized as opposed to capital and input (pesticides, fertilizers, mechanization) intensive industrial methods.
5. Relegate the oversight of these lands to a non- governmental organization or organizations (NGOs), community/resident associations, or professional consulting agrologists under deed restrictions that would compel use as stated above.

6. Endow these lands with funds garnered at time of land sale to support local and sustainable agriculture in perpetuity. Through Provincial authorization, local governments already exact a Development Cost Charge from development projects, as a means to finance associated public infrastructure and services requirements associated with municipal growth. Per this scheme the local/ regional agri-food system becomes an integral element of municipal growth. Thus it seems reasonable that Development Cost Charge structures could be modified and appropriately used to support the creation and stewardship of municipally focused agri-food system components.

The Key

The economic basis for this concept is simple. When lands shift from agricultural to urban uses the land values increase substantially. The "lift" in value can be huge, from a \$40,000 per acre value as agricultural lands to over \$1 million per acre as urban lands (depending on location and specific development capacity). Typically, the public act of allowing this to occur generates a huge shift in value to land owners and land speculators only, while ignoring or subverting many strongly held citizenry interests, including food security, curtailing urban sprawl/ prevention of agricultural land loss, and having a viable agriculture sector.

The public sector, however, has the right and ability to change this dynamic by capturing a large portion of the value lift at the time of rezoning application, and using it toward desired ends, which might be *Community Trust Farming* or another mechanism supporting local food security. If one-half of the aforementioned value-shift is captured through development fees it would generate, for the sake of our discussion, up to or perhaps over \$500,000 per acre. Using this figure, each ten-acre parcel would then provide \$5 million to endow the activities of local agriculturists and *Community Trust Farming* lands management. Invested value capture would generate roughly \$200,000 per annum (depending on contemporary interest rates) to support each five to seven acres of labor intensive and nutrition rich agriculture operation held and operated in trust. It may also be that some of this captured value can be used to support regional agri-food systems infrastructure and support such as farmers markets, incubator kitchens and extension research and education support services.

In that intensive, ecologically sound, locally/regionally focused agriculture has difficulty competing economically in the current economic and global

agricultural context, some level of support would be beneficial. However the payoff could be large.

Food products generated would, per stipulation, only be sold in local/ regional markets, making healthy, wholesome, diverse and affordable foods available to a larger number of citizens and putting in place an infrastructure requisite for local/ regional food security. The increased nutritional content of sustainably cultivated food crops, a hidden and far reaching economic benefit to consumers and taxpayers, is now documented. For example organic fruits, vegetables, grains and meats have been routinely found to contain significantly higher levels various vitamins, minerals and antioxidants.

A substantial and economically robust local/ regional agri-food sector would result, one that supports entrepreneurship, small business, creates green jobs and contributes to the regional economy. These potential economic and social benefits can not be over-stated. In addition to the straightforward benefits of regional economic diversification, most revenue generated from these farms would stay and circulate within the regional economy multiplying in value and economic effect, rather than quickly leaving to distant corporate headquarters as is increasingly the case. Concomitantly, the nature of a community's agriculture sector profoundly influences its social and economic character. Communities dominated by smaller, family owned farms and agriculturally related business, compared to ones dominated by consolidated, transnational agribusiness, have been found to have overall higher standards of living, lower crime and poverty rates, more retail trade and independent businesses and more parks, schools, churches, newspapers and citizen involvement in democratic processes.

Research also indicates increasing consumer support for small scale regional/local farming, sustainably produced food products and a willingness to preferentially patronize such while paying a premium. In the US farms less than 50 acres (human scale, direct market) and those over 2000 acres (consolidated agri-business) are the only ones prospering and increasing in number, all other are in decline. In North America organic foods is the only product category in retail food sales experiencing growth and in Canada farmer's market sales exceed \$1 billion annually. Consumers are now prepared to economically and politically support an agri-food system that is environmentally sound, promotes a sustainable and secure regional food system and contributes to building economically vital and socially coherent communities. Per our scheme such an agri-food system compliment would emerge without direct taxpayer support. Rather the support comes exclusively from capturing a portion of the value lift associated with rezoning.

What is more, the pattern of development could be configured such that the acreages closest to homes would be farmed in the most unobtrusive ways (i.e. labor intensive and reduced chemical/ noise) to reduce potential conflicts between residential uses and agriculture practice. As you move away from homes larger scale and more mechanized, conventional agriculture would be more suitable. Thus a range and appropriate compliment of agriculture enterprise types could be accommodated in a regional agri-food system. Additionally, in this new agriculture sector conventional farmers may find opportunity for economically advantageous diversification. Finally, even though new buildings might consume 25% to 40% of a site that may have been previously allocated to farming (in reality now mostly fallow or leased to industrial farmers for low yield/ margin products), by requiring small scale labor intensive farming on the remaining acres it is likely that the agricultural productivity of these lands, in terms of caloric output and nutritional value, will be many times greater than before.

Concluding Thoughts

As previously stated we offer the above strictly as an idea to promote creative thinking to solve our growth management, food security and agriculture lands preservation conundrum. They are not three separate problems. They are one problem. We recognize that acceptance of this strategy may require a substantial paradigm shift. But we are reminded of Albert Einstein's sage advice, "*The significant problems we face cannot be solved at the same level of thinking we were at when we created them*".

Let there be no doubt, we are in crisis. Inaction is not a viable or prudent option. Nor is recalcitrance, regardless of ones position. New and creative thinking, that befitting a sustainable 21st century and our progressive communities, is called for. Furthermore we must address this challenge collectively and collaboratively. In this spirit we have brought forth this strategy and if it be found wanting we will remain gratified that constructive and meaningful discourse ensues and that a viable solution is imminent as a result.

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