

To: Comprehensive Plan Committee
From: Mark Eyerman
Subject: Thoughts on the AG/RP Issue
Date: April 3, 2009

Here are a number of thoughts on the AG/RP issue. They are somewhat free-standing pieces that all tie back into the core issue:

1. What are the City's long term objectives with respect to the AG/RP areas?

I have heard two different visions for the AG/RP areas over the long term which I have tried to lay out below. Depending on the City's objective, the appropriate course of action may be very different.

- At our last meeting Roland very articulately described the AG/RP District as sort of a land bank where a supply of land is held until it is needed for another use. When it is needed, it is then rezoned. Under this vision, open agricultural land is really something of an interim use. It is a way to keep a supply of vacant land available for future use. At the same time, this approach allows people who want to use the land for agricultural use to minimize their carrying costs as a result of low property taxation. An important corollary is that the AG/RP Zone keeps the land from being developed in a way that may compromise or limit its future use when it is needed for something else. For example, the Witham Road area of New Auburn was designated for future industrial use in the current Comprehensive Plan but has remained zoned as Rural Residential and Low Density Country Residential. As a result, a few new homes have been developed along Witham Road which may make it difficult to include that area as part of a new industrial/business park. However, if this area had been zoned AG/RP, it would remain available for future industrial development

- A second, different vision has emerged during the discussion of the North River Road AG/RP area. That vision is that some or all of the AG/RP area would be permanently preserved as open space and conservation land. Under this vision, some limited residential development may be OK if it doesn't compromise the overall character of the area and allows most of the land to be preserved as open space. This is a final use decision and isn't subject to the land being converted to something else when it is needed in the "future". If the objective is to create a "land bank", it may actually be counter productive to have pieces of land permanently preserved as open land unless that fits in with the long term use.

How do these two visions fit with the current AG/RP area? Maybe both visions are appropriate in different parts of the district?

2. Is strip residential development along rural roads good or bad?

The “historic” pattern at least in some of the outlying areas has been to zone the land along the road for residential development (RR or LDCR) with the backland included in the AG/RP District. Since many lots are split between the two districts, this gives a property owner in this situation some limited development potential by creating lots along the existing road frontage. Is that good or bad long-range policy? Here are some thoughts on that.

On the positive side, allowing for some development along the road maintains the interior of the property in a block. Many of these areas are identified as large unfragmented habitats that are capable of supporting a diversity of wildlife. By keeping development along existing roads, it minimizes the encroachment on the habit block. From the property owner’s perspective, these are easy lots to create. They don’t require the construction of roads or utilities so the land owner can create a lot incrementally often without subdivision review and with limited out-of-pocket costs. This allows the property owner to raise cash when they need it while retaining the balance of the property.

On the negative side, stripping off lots along these rural roads can change the character from rural to suburban, especially if the houses are close to the road or can be easily seen from the road. Seeing lot after lot being created along a road is often cited as being a constant reminder of the suburbanization of rural areas – it changes how people feel about the area. In addition, as we discussed when we talked about rural roads, creating driveways every 200 feet along these roads limits their future potential as collectors to move traffic. It sets up the potential for residential neighborhood versus through traffic conflict. Finally, if the AG/RP District really is intended to be a land reserve that may be converted to other uses in the future, allowing residential development along the road frontage makes that transition more difficult if not impossible.

3. Does rezoning AG/RP land create an unfair “windfall” for property owners?

It appears that the lack of development potential in the AG/RP District has been “internalized” into the market value of land. Land in the AG/RP sells for less than comparable land in other zones. If the AG/RP zone is changed or the land is rezoned to create residential development potential, the land may become substantially more valuable. In very simple terms, if someone owns 50 acres in the AG/RP district with say

1000 feet of road frontage, its market value may be \$50,000 or \$60,000. But if it is rezoned to RR and the property owner can easily cut-off 4 or 5 lots along the road that are each worth say \$50,000, the value of that land may now be \$200,000-250,000. That increased value is a “windfall” to the property owner that has resulted from the change in the zoning. Some land economists suggest that the community should get something in return for creating that increased value. This is a somewhat controversial position but one that is worth considering in this situation

4. What do we mean by rural?

Different people mean different things by the term “rural” or even “agriculture”. Some people think of mowed fields, white fences, and scenic views when they say rural. Rural is almost a synonym for open space. But “working rural” is very different from that or at least has been. That rural involves farm dumps, equipment repair, noises and smells, and related uses. There has been some discussion in the committee about how broadly or narrowly the types of non-residential uses allowed in the AG/RP should be drawn.

5. What is a farm in today’s terms?

This is a key issue. The current ordinance defines farm as having a minimum lot of 10 acres, devoting at least 10 acres to the production of field crops or the grazing of at least 20 head of livestock, and from which the occupant and his or her spouse derives at least 50% of their income. This definition is somewhat dated. In the today’s world, this definition excludes many of the things that might be considered to be commercial agriculture such as:

- a horse stable/farm
- commercial greenhouses
- an organic vegetable or flower operation on less than 10 acres
- a Christmas tree farm
- a cranberry bog

It also excludes many agricultural businesses based upon the 50% of income test. My sense is that many “commercial” farms rely on an outside source of income to allow the agricultural business to continue. It also excludes the “hobby farm” in which the agricultural activity is only an incidental portion of the household’s income. In some communities, horses have become a major agricultural use that allows people who own horses for their own use to stable, breed, and train other people’s horses but this is probably not the majority of the household’s income.

If the objective of the AG/RP is to encourage agricultural use of land as an interim use, any and all of these types of uses may be valuable in doing that. But the next question becomes - and when is that enough use to justify allowing them to construct a home in conjunction with that use? The objective probably needs to be to avoid creating a loophole that allows residential development that really isn't related to the use of the land for agricultural or other natural resource purposes.