

RURAL POLICY SUB-COMMITTEE'S RECOMMENDATIONS TO THE GROWTH MANAGEMENT STUDY COMMISSION

DECEMBER 1, 2000

Overview

The Rural Policy Sub-Committee recognizes the long-term value of retaining rural lands for agriculture, open space and conservation uses. Protection of traditional rural land uses is essential while allowing compatible economic development that protects natural resources. A thriving rural economy with a strong agricultural base, healthy natural environment, and viable rural communities is an essential part of Florida's present and future vision. Rural land uses such as agriculture are a cornerstone of the state's economy and help to preserve the agricultural heritage of the State. Rural lands comprise more than 60% of the state's total land area, and more than 60% of Florida's privately owned land is used for agriculture. Rural areas also include the largest remaining intact ecosystems and best examples of remaining wildlife habitats as well as a majority of privately owned land targeted by local, state and federal agencies for natural resource protection. These lands provide an essential buffer between intense urban uses and natural areas. In addition to these natural areas, agricultural lands provide areas for open space, aquifer recharge and wildlife habitats, while playing an integral role in the state's economy.

The growth of Florida's population and the demand for low density and moderately priced housing to serve it create increasing pressure to develop rural lands. Florida's growth management policies have not successfully controlled, and have in many instances accelerated rather than reversed this trend. Further, urban land use policy has dominated comprehensive planning in Florida. Rural infrastructure needs have been widely ignored and rural counties have struggled to comply with the requirements of the state's current growth management laws.

The property rights of rural land are assets upon which rural landowners depend in maintaining the value of their property and the economic viability and sustainability of its uses such as, but not limited to, agriculture. Florida's agricultural economy is land rich and cash poor. The value of agricultural lands as collateral for borrowed capital needed to support agricultural operations is based in large part on the underlying development rights for non-agricultural uses. These underlying development rights have been reduced over time as a byproduct of ineffective management and environmental policy. As the alternative uses of rural lands are reduced, so to is the asset value and options available to rural residents to diversify the rural economy and accommodate rural oriented development.

The Sub-Committee suggests the following vision for development of rural Florida:

“A thriving rural economy, with economically robust agriculture, a healthy natural environment, effectively protected ecosystems and complimentary, viable rural communities containing well-planned, clustered patterns of development surrounded by extensive areas of open space.”

Findings and Assumptions

These findings and assumptions were discussed and incorporated as a basis for development of the goal, vision, and recommendations of the Rural Policy Committee.

- The State comprehensive plan has failed to address the increased demands upon Florida's rural lands and the resulting impacts upon its agricultural base, its natural environment, including healthy ecosystems and wildlife habitats, and its rural communities.
- It is not possible to develop rural policy in a vacuum. In developing a rural policy to address rural growth, it will be necessary to also consider and better manage urban growth.
- Florida's population growth will increase by 35% to 20.7-mm in 2020, and by 86% to 29-mm in 2050. At best, only part of this anticipated growth can be accommodated through urban infill.
- As Florida's population growth continues, many rural counties will experience the impact of urban growth by 2020.
- Even with the best efforts at urban infill, the pressures for development will impact almost every rural county.
- The character of rural Florida is rapidly changing due to the effects of population migration and a decline in Florida's traditional rural economy. Approximately 130,000 acres of agricultural land are lost annually.
- The cornerstone of Florida's rural economy is agriculture. Florida's farmers are "land rich and cash poor," operate on borrowed capital, and use the economic value of land for loan collateral.
- Florida lacks a comprehensive growth management policy, which proactively and realistically addresses both the pressures of population growth and the unique characteristics and multiple needs of rural Florida.
- Regulatory controls do not stop growth or permanently assure the protection of habitats or ecosystems. Where permanent protection and management has been achieved based cooperation by land owners.
- Even though lands in active agriculture are subject to much lower ad valorem taxes, agriculture lands produce more tax revenue to local government than the costs of local government services rendered.
- Inheritance taxes on agricultural lands sometimes lead to premature conversion of agricultural lands.

Effect of Growth Management on Rural Areas

The unintended consequence of Florida's current growth management process has produced impacts harmful to the character and economy of our rural areas. Existing statutory flexibility for more innovative planning opportunities have not been well developed or disseminated to rural communities. Primarily focused on downzoning as a means of controlling rural density, the result has been:

- Diminished private property rights
- Negative effect on land values
- Inhibited rural economic development
- Increased sprawl
- Loss of agricultural lands
- Loss of open space and natural systems

There is little objective evidence to suggest that policies that encourage conversion of rural lands from working forestry or agriculture to widely dispersed very low density residential tracts in itself achieves any protection for habitat or ecosystems.

Rural Policy Sub-Committee Questions

1. How can we preserve the State's agricultural heritage and promote rural economies in the face of escalating growth?

- a) By revising the State's comprehensive planning process such that it:
 1. Addresses the needs of urban, rural and agriculture areas,
 2. Is primarily based on incentives rather than constraints,
 3. Restores land values and respects private property rights, and
 4. Takes maximum advantage of the flexibility provided by existing Florida Statutes.
- b) By coupling and coordinating environmental protection and agricultural preservation objectives to the benefit of rural areas and the State as a whole.
- c) By assisting rural communities in developing and diversifying local economies.

2. What factors should be the guiding principles for future development of rural areas?

The guiding principle for future development of rural areas should be identification and protection of areas of compelling state interests, promotion of rural

economic development, maintenance of the viability of Florida's agricultural economy, control of urban sprawl, and protection of the character of rural areas of Florida.

- Identify ecosystems, habitats and resources that merit overriding state protection as compelling state interests and acquire an interest in those lands in either fee or easement through fair compensation payments leveraged by appraisals which reflect the natural resource values.
- Target State involvement in land use decisions upon those areas with compelling state interests.
- Allow local governments in rural areas to control sprawl through innovative growth patterns based on clustering and traditional community design.
- Acquire development rights from lands intended to remain in agriculture in the long term, and allow landowners to reinvest payments for those development rights in the rural economy.

3. Determine the best methods that can be utilized to meet these guiding principles by considering all relevant topics.

The Growth Management Study Commission should endorse the following principles and strategies in order to: (1) prioritize areas of compelling state interest; (2) develop funding to purchase, or obtain conservation easements over, areas of compelling state interest; (3) simplify the process for restoring reasonable densities that would allow sustainable development; and (4) develop funding to assist rural communities in economic development.

- a) A new, dedicated source of revenue for public purchase of conservation and agricultural easements in areas of compelling state interests.
 - Easements could include sustainable yield timberland easements, unimproved pasture easements, wildlife management, etc.
 - Prioritize different levels of conservation easements with varying levels of protections
 - Agricultural easements vested to DACS; high habitat, species, wetlands value easements vest in DEP/TIITF
 - Scientific information on resource values and the relative pressure for conversion of valuable natural resource lands should guide the priorities for using public money for acquisition and less than fee options.
 - Develop bridge mechanism to maintain property prior to state acquisition.
- b) Develop incentives which reward landowners for good stewardship of land and natural resources.

Recognizing and rewarding the natural resource values of rural property will counter the current tendency to convert land to other economic activities for which a higher value is assigned. Incentives could include:

- Valuation of land based on natural resource values
 - Resource conservation agreements
 - A rural lands stewardship program, which includes a combination of incentives
- c) Develop a program of incentives for innovative planning and development strategies which implement the provisions of section 163.3177(11), Florida Statutes.

Local decisions about the most appropriate location and type of growth that occurs in local areas should be part of a program of planning and development incentives for the consolidation of development into discrete clustered patterns that provide ample open space for agriculture, recreation and regional environmental protection. Such a program will require:

- Criteria for the identification of areas in which innovative planning and development strategies may best be applied
 - Guidelines for the implementation of innovative planning and development strategies within rural areas
 - A process which assures that innovative planning and development strategies comply with applicable local plans and development regulations
 - Assignment of transferable density allocations to be used for the implementation of innovative planning and development strategies within rural and adjacent urban areas
- d) Where appropriate, promote the use of best management practices or whole farm plans, developed by agricultural producers in conjunction with regulatory agencies and local governments, to replace the permitting process for agricultural land uses, in order to remove or reduce the financial and bureaucratic obstacles to keeping land in agricultural production.
- e) Develop a collaborative process between cities and counties for determining “urban growth areas” with final review and approval by DCA in collaboration with DEP, WMDs, FWCC and DOT. Criteria for approval of the areas would be based, in part, upon the avoidance of conflicts with resources of statewide significance. Within such areas:
- Local government land use decisions would be exempt from DCA review
 - The DRI process would not be applicable
- f) Undertake initiatives to support rural communities in economic development such as:
- Directing Enterprise Florida and OTTED to include rural communities in their outreach efforts for expanded and improved economic development
 - Establishing a technology outreach program to support rural local governments, farmers and small businesses in taking advantages of Internet and other technology advances.
 - Supporting and further publicizing the Main Street Program (Florida Department of State)

- Offering technical assistance and other support services for small business development and entrepreneurship in rural areas.
 - Providing tools to rural communities for fiscal impact analysis of planning, development and economic development decision-making.
 - Encouraging environmentally sensitive ecotourism and heritage tourism in rural areas.
 - Ensuring adequate funding for infrastructure in rural towns, including but not limited to water, sewer, roads and telecommunications, and providing for mobility between rural and adjacent urban areas.
 - Capitalizing on and enhancing the sustainability features of rural areas, including local food productions, environmental resources and the potential for distributed energy resource technologies.
- g) Legislative adoption of a resolution urging Congress to lift the inheritance tax on agricultural lands.
- h) Amendment of the revenue sharing provisions of Chapter 212, Florida Statutes, to provide a disproportionate increase in the allocation of revenue to rural counties.

Long Term Implementation

The Rural Policy Subcommittee acknowledges that full implementation of the above recommendations - statutorily or otherwise - is a multi-year task and encourages the Florida Department of Community Affairs and the Florida Department of Agriculture and Consumer Services to enter into a Memorandum of Agreement which provides for the development, in conjunction with the Florida Association of Counties, Florida Legislature, and other affected agencies and interests, a process for continued implementation of a comprehensive planning strategy for rural Florida.