



HOW TO SAVE CALIFORNIA FARMLAND?

MAKE URBAN LAND MORE PRODUCTIVE:
IT'S NOT ENOUGH TO SUGGEST DENSITY, IT SHOULD BE ENABLED

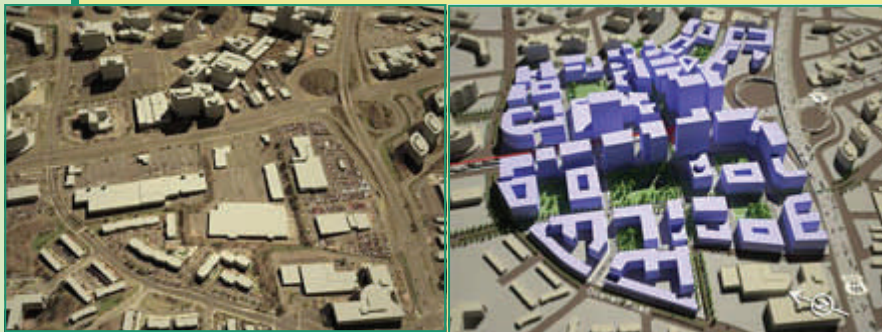
'Bullet Point Briefing' Contents

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I. Summary

Compact development and walkable communities are increasingly sought by Smart Growth and other urban betterment proponents, including agricultural interests seeking to preserve farmland. There is a problem, however, in that density is increasingly harder to accomplish. The productivity of land within an urban service area dictates how much new land is needed to accommodate demand for commercial, residential, and other needs to support a regional population.

When the density required for compact development is infeasible, low density is typically developed. Once built, low density real estate assets have long lives and ongoing demand must be satisfied elsewhere. An alternative is to pre enable density in key locations. Pre enabled density will allow local demand to coevolve with supply, and preclude the tendency to expand to the urban edge to satisfy ongoing demand.

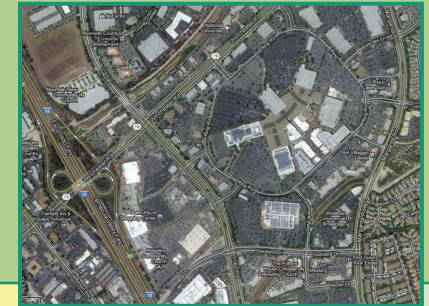


II. The Pervasive Problem: Density is Often Not Feasible

The problem is rooted in property and market economics:

1. First construction often occurs in low activity, low value markets.
2. Low values do not support construction cost, parking, and absorption required for density to be financially feasible.
3. Once constructed, low-density real estate assets have long service lives, often 30 to 50 or more years.
4. Markets evolve but the low density assets can not.
5. Demand is therefore satisfied in alternative locations, often the urban edge.

For more, see: www.Pario.com



III. The Solution: Pre-Enabled Densification

In order to make urban land more productive, and to avoid using farmland to satisfy new demand, we recognize four methods for densification so that in key locations a project can coevolve with local demand:

1. Site infill and building repurposing
2. Temporary buildings, removal, and adding density
3. Additions to building tops and sides
4. A hybrid of these three methods.

Each method varies with regard to cost, development feasibilities, and processes. Locally-appropriate issues to be analyzed include General Plan goals, user needs, design, entitlement, construction, marketing, financial feasibility, taxation, risk, and many other development requirements and issues.

For more, see: www.PlannedDensification.com

IV. Losses without Densification

Even with the numerous agricultural preservation reports and tools that have been assembled, prime farmland is being consumed at high rates, which are expected to increase.

Some losses that occur now because of the obstacles to accomplishing density include:

- * Less vitality in neighborhoods
- * Reduced economic development leverage for urban land inventories
- * Higher infrastructure development costs per square foot of real estate
- * Higher infrastructure maintenance costs
- * Lower property taxes per acre for municipalities
- * Low return-on-investment performance for infrastructure
- * Reduced return-on-investment for transportation investments.

A tool that addresses the property economic obstacles to compact development is needed, because it is property level constraints to land productivity that are a major contributor to development at the urban edge. Most important, the existing farmland preservation tools will continue to be suboptimal until greater density is achievable in urban areas.

V. Gains from Pre Enabling Densification

Densification allows redevelopment and new development to coevolve with ongoing market demand. **Less farmland can be utilized for urban development.**

Each of the losses outlined above can be mitigated and transformed into gains:

- * Greater vitality in neighborhoods
- * Increased economic development leverage for urban land inventories
- * Lower infrastructure development costs per square foot of real estate
- * Lower infrastructure maintenance costs
- * Higher property taxes per acre for municipalities
- * Higher return-on-investment performance for infrastructure
- * Increased return-on-investment for transportation investments.



VI. Agriculture's Opportunity

Agriculture is one of many stakeholders debating what are appropriate growth policies, tactics, regulation, and market interpretations for our cities and regions.

In California, many millions of dollars are being spent studying and concluding on regulatory documents. These include general plans, regional plans, growth management programs, annexations, vision statements, TOD guidelines, and a host of 'toolkits' from professionals, academia, and agencies such as those involved with Smart Growth and urbanism.



By advocating Planned Densification, agriculture can contribute a growth solution that not only helps protect farmland, but also helps other interests achieve their own goals. These include:

- * Municipalities
- * Economic development groups and chambers of commerce
- * Forest land, open space, and recreation lands advocates
- * Historic preservation advocates
- * Real estate developers seeking additional profit opportunities
- * Others groups specific to various localities.

Promoting a universal solution can help agricultural interests in negotiations and achieving the outcome of farmland preservation. While California and local programs may be the initial target, the densification solution can be applied across the United States and around the world to make a new, relevant contribution to the agricultural preservation discussion and toolkit.

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