

Forever Farmland

RESHAPING THE
AGRICULTURAL LAND RESERVE
FOR THE 21ST CENTURY



David
Suzuki
Foundation

SOLUTIONS ARE IN OUR NATURE

Forever Farmland

RESHAPING THE
AGRICULTURAL LAND RESERVE
FOR THE 21ST CENTURY

CHARLES CAMPBELL



David
Suzuki
Foundation

SOLUTIONS ARE IN OUR NATURE

Forever Farmland: Reshaping the Agricultural Land Reserve for the 21st Century

© 2006 David Suzuki Foundation

ISBN 0-9737579-6-5

Canadian Cataloguing in Publication Data for this book is available through the National Library of Canada

AUTHOR

Charles Campbell

ACKNOWLEDGEMENTS

Many people provided invaluable assistance in preparing this report. Among them are Erik Karlsen, Colin Fry, Brian Underhill, Gary Runka, Valerie Roddick, Dave Sands, Barry E. Smith, Herb Barbolet, Heather Pritchard, Corky Evans, Bob Williams, David Perry, Mark Robbins, Steve Thomson, John Russell, John Pierce, Tom Gunton, Art Bomke, David Cadman, Roxy Kuurne, David Zehnder, Isabel Chen, Edgar Smith, Nikolas Cuff, and Jim Campbell. The author would also like to thank the David Suzuki Foundation staff, most particularly Ann Rowan, David Hocking, Jason Curran, Panos Grames, and Jim Fulton.

PROJECT FUNDING PROVIDED BY:




David Suzuki Foundation

2211 West 4th Avenue, Suite 219
Vancouver, BC, Canada V6K 4S2
www.davidsuzuki.org
Tel 604.732.4228
Fax 604.732.0752

DESIGN AND PRODUCTION: Arifin Graham, Alaris Design

PHOTO CREDITS: Ministry of Agriculture and Lands, pages 5, 6, 8, 10, 12, 14, 17, 18, 20, 23, 24, 26, 27;
Agricultural Land Commission, pages 3, 21, 25; Kensington Communications, page 7; Dave Sands, page 22

 PRINTED with vegetable-based inks on Save-A-Tree® 100% post-consumer recycled paper,
process chlorine free

Contents

Introduction	3
Statistics only tell part of the story	5
When needs compete	6
<i>Land loss in a global context</i>	7
Credibility depends on process	8
Best land faces biggest risk	10
Ripple effects of excluding land	11
The history of removals	13
The Six Mile turning point	15
The new vagueness	17
The Abbotsford decision	19
Capturing the elusive windfall	21
A strong ALR, rooted in local values	23
Recommendations	25
<i>Notes</i>	27
<i>References</i>	28

*Agriculture not only gives riches to a nation,
but the only riches she can call her own.*

— SAMUEL JOHNSON



Peace River district near Fort Saint John

Foreword

Financial advisors tell us wise planning involves making decisions today oriented to our future needs. This applies to decisions about personal capital as well as to the natural capital we hold in trust for future generations.

The goal of the David Suzuki Foundation is to make Canada a leader in sustainable living and environmental protection by 2030. This is an ambitious but realizable goal if governments, businesses and individuals make decisions today about the kind of world we want to leave for our children. This vision is captured in our document *Sustainability within a Generation*. Many of the policy tools for making this vision a reality already exist. A good example of land use planning oriented to the future can be found right here in British Columbia.

In the early 1970s, the province of British Columbia designated good quality farmland in the province as an “agricultural lands reserve” (ALR) where non-agricultural land use would be strictly controlled. The rationale for doing so is clearly stated in the act that refers to agricultural lands as a “scarce and important asset.” Farmland anywhere is natural capital – in B.C., it is recognized in legislation.

The Agricultural Land Commission (ALC), which was established at the same time as the ALR, has three very clear objectives: to preserve farmland in B.C. from other forms of development, to encourage farming, and to work with local levels of governments to fulfill those objectives.

Yet as this report shows, decisions regarding the ALR remain as contentious as the day it was created. The very regions where urban population growth and associated development is greatest in the province are where there is strong pressure to remove lands from the ALR.

Losing farmlands to urban development involves more than losing farmers and the productive capacity of the soil. British Columbians are accustomed to seeing a variety of local produce in our markets. Businesses have sprung up that are using the wide range of agricultural items grown in B.C. Farms that produce a wide variety of foods also protect wildlife habitat and support biodiversity. The best, most productive agricultural lands have intrinsic values that should be protected into perpetuity – once developed they can never be adequately recovered or restored.

Protecting farmlands is only one part of the puzzle of how to ensure agriculture provides healthy and nutritious foods while protecting the biodiversity and the quality of the land and waters of this province. Yet the citizens of B.C. should be proud of the visionary land use policy the ALR represents. It is an important accomplishment – so we now must work to ensure perceived short-term needs do not erode the long-term vision.

Instead of whittling away at this important component of B.C.’s natural capital, we can take decisive action to protect the long-term integrity of agricultural lands. Action on the recommendations found in this report would do just that.

Ann Rowan
DIRECTOR, SUSTAINABILITY PROGRAM
DAVID SUZUKI FOUNDATION

Key Recommendations

Agricultural land in B.C. is recognized to be a “scarce and important asset.” Decisions regarding this asset must be geared to protecting the best farmland against other development in the long-term. This report recommends:

- **The Agricultural Land Commission Act and the Agricultural Land Commission’s annual service plan must be revised to ensure they are consistent and clear in their commitment to protect agricultural land from other forms of development.**
- **The application process for Agricultural Land Reserve (ALR) removals, subdivision, and non-farm use must be more open, transparent, and accountable.**
- **The Agricultural Land Commission must move toward a more comprehensive regional planning process and consider “community need” applications for removal only as part of a comprehensive review of ALR boundaries.**
- **The provincial government must undertake or facilitate authoritative research on a wide range of factors likely to impair the viability of farming now and in the future.**
- **The provincial government must develop policies to support farms and farming practices that contribute to the health of communities and the environment.**
- **Municipalities and regional districts must plan to protect existing agricultural land as a permanent legacy for future generations.**

For further detail regarding these recommendations, please see pages 25–27.

Introduction

The Agricultural Land Reserve (ALR) is one of British Columbia's great planning success stories. It's admired in many parts of the world. The U.S.-based Northwest Environment Watch heralded it as the main reason that Vancouver avoided much of the urban sprawl that plagues Seattle. The Ontario government's 2005 Greenbelt Plan to protect farmland and undeveloped land from urban expansion in the Golden Horseshoe draws in part on the ALR example.

Since the legislation to create the reserve and the Agricultural Land Commission, which oversees it, was first passed – on April 18, 1973 – the goal of the Commission has been to protect agricultural land from other forms of development, encourage farming, and work with other governments to fulfil those objectives.

In B.C., large urban centres lie next to the best farmland, protecting agricultural land benefits in many ways. It puts farms close to their marketplace and their labour force. It encourages good land stewardship, provides wildlife habitat and can help mitigate the damage that humans inflict on their environment. It enhances food security, which faces increased pressure from population growth, the erosion of agricultural land elsewhere, rising transportation costs, and potential calamities ranging from pandemic disease to climate change. As we plan for Canada's future, not just decades but centuries ahead, the Agricultural Land Reserve is an enormous asset.

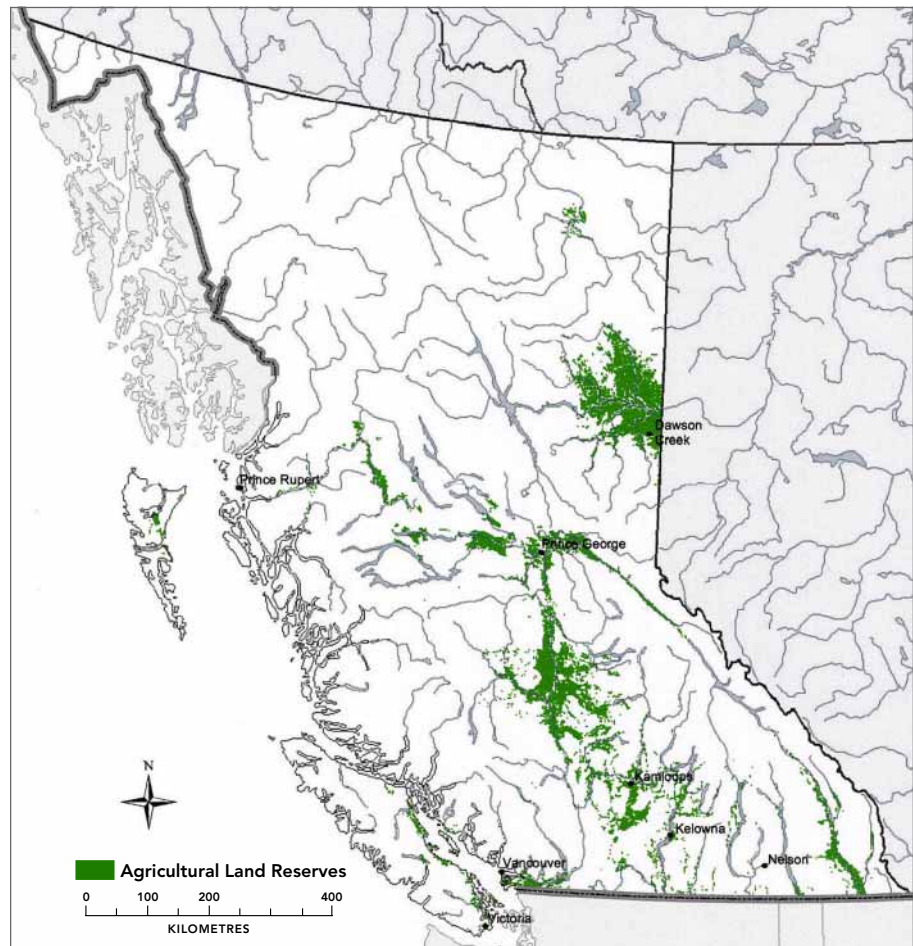


Sumas Prairie, Abbotsford

Provincial politicians almost always say they are committed to maintaining the ALR. In part, that's because the public does not want our government to meddle with it. A Viewpoints Research public opinion survey in 1997 found that 90 per cent of British Columbians felt government should limit urban development to protect farmers and farmland. Seventy-two per cent believed it should be difficult or very difficult to remove land from the ALR.

However, controlling the pressure urban development puts on agricultural land has never been easy. Smaller communities often resent the Agricultural Land Commission's intrusion into what they see as local affairs. As well, various provincial governments have been criticized for overruling Commission decisions and undermining its mandate.

Right now, explicit new guidelines in the Agricultural Land Commission's service plan direct the Commission to consider "community need" in vetting applications to remove land from the ALR. The Commission has been restructured to make it more "regionally responsive." Several contentious applications



to remove land from the ALR for residential, recreational, industrial, and commercial development have been approved by the Commission.

This has prompted a new groundswell of concern among Ministry of Agriculture and Lands bureaucrats, academics, farmers, and citizens around the province. The recently formed ALR Protection and Enhancement Committee has called for a moratorium on removing land from the reserve. Local groups such as the Okanagan's SPADE (Save Penticton's Agricultural Land from Division and Extinction) have vigorously opposed removing land in their communities from the ALR.

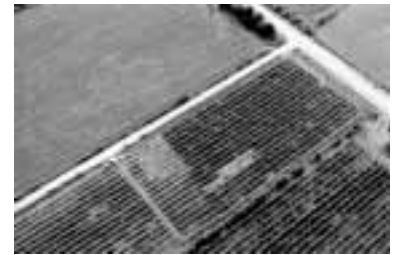
How legitimate is this opposition? Is the Commission approving too many removal applications at the behest of local governments? Are those governments focusing too narrowly on short-term urban growth and economic development needs? What are the long-term implications of current trends? Do the Commission's policies clearly and consistently reflect the public's long-range objectives? Does the Commission have the credible, effective decision-making process required to achieve them?

This report seeks to address these questions and recommend ways to strengthen the Commission's work.

Statistics only tell part of the story

The ALR's total land base has remained fairly consistent throughout its history. The reserve encompasses about five per cent of the province and currently occupies an all-time high of 4,760,000 hectares. Its growth, however, occurred mainly through the addition of less productive land in Northern B.C. Since the reserve was created, according to Agricultural Land Commission statistics, the Lower Mainland, Vancouver Island and the Okanagan have experienced a net loss of more than 35,000 hectares. Ninety per cent of land added to the reserve has been in the north; 72 per cent of land lost has been in the south.¹ There is no question that we have lost a lot of capable agricultural land where it matters most, and such losses continue. The Agricultural Land Commission panels that consider applications are approving removals at a high rate. In the four years ending in March 2005, the Commission statistics show it approved the removal of 71.4 per cent of the reserve's 7,493 hectares under consideration. Land removal rates in the ALC's six regions were highest on Vancouver Island at 86.8 per cent, in the Kootenay region at 84.5 per cent, and in the Okanagan at 81 per cent. On the south coast, 55.5 per cent of land was released, in the Interior the total was 52.6 per cent, and in the north it was 46.8 per cent.²

Recent exclusions in Abbotsford and Penticton have been particularly contentious. And more farmland is at risk – including 441 hectares on Barnston Island (near Surrey) for proposed industrial development and 55 hectares of



Abbotsford raspberry harvest

There is no question that we have lost a lot of capable agricultural land where it matters most, and such losses continue.

The Agricultural Land Commission Act states the Commission shall “preserve agricultural land.”

high-quality federal-government land in Richmond earmarked for housing, sports facilities and a convention centre.

Of course, preserving farmland is only one element in the effort to develop a healthy agricultural economy. There are many issues involved: B.C.’s place in the national and global context; the need for sound agricultural practices; the effect of international food trade; the challenge of maintaining competitive economies of scale on a limited land base; and the tension between industrial and small-scale food production. One mistake, however, is impossible to reverse – the alienation of agricultural land from food production as a result of other forms of development.

In order to look forward and ensure that the system protects us from that failure, we need to understand the extent of the challenge. We also need to look back at the history, structure, successes and failures of the Agricultural Land Commission.

When needs compete

The Agricultural Land Commission consists of an expert staff that analyzes the issues and politically appointed panels that rule on applications regarding the inclusion, removal, subdivision, and use of agricultural land. The Agricultural Land Commission Act states the Commission shall “preserve agricultural land,” “encourage farming on agricultural land in collaboration with other communities of interest” and work with governments to “accommodate farm use of agricultural land and uses compatible with agriculture in their plans, bylaws and policies.”



Aerial of suburban edge between Langley and Aldergrove

Land loss in a global context

Ronald Wright knows the lessons of the past. In his 2004 book *A Short History of Progress*, the Governor-General's Award-winning essayist and historian examines the collapse of civilizations during the past 5,000 years. Last October, at a Bowen Island retreat examining sustainability and the economy in British Columbia, Wright summarized his book in simple terms: "Don't build on your agricultural land. Don't build on your agricultural land. Don't build on your agricultural land."

Historically, the failure to adhere to this critical principle has been a regional problem. Now, trade has made it a global challenge as the world's population explodes and our capacity to sustain human society withers. The 2005 Millennium Ecosystem Assessment report provided a stark warning on this count – humans have changed ecosystems more rapidly and extensively in the last 50 years than in any other period.

High on the Millennium Assessment's list of concerns was our insatiable appetite for new farmland. The report, funded in part by the UN Foundation and conducted by a team of more than 1,300 scientists from 95 countries, declared that more land has been claimed for agriculture in the last 60 years than in the 18th and 19th centuries combined. It estimated that 24 per cent of the Earth's land surface is now cultivated. Much of that agriculture takes place in developing countries on

recently cleared land with thin topsoil that cannot sustain farming activity. A study by the International Food Policy Research Institute released in 2000 found that 40 per cent of the world's active farmland is degraded.

Urban pressure on sustainable prime farmland in both the developing and developed world is adding to the problem. The U.S. Department of Agriculture's National Resources Inventory statistics suggest that from 1992 to 1997 an average of more than 400,000 hectares of agricultural land were developed for other uses each year – up 51 per cent from the rate reported in the previous decade.

A Statistics Canada report released last year stated that in 2001, half of our urbanized land was located of formerly dependable agricultural land. In the preceding 50 years, demand for agricultural land increased by 20 per cent while supply declined by four per cent.

A 2005 *Rural and Small Town Canada Analysis Bulletin* also offered some revealing B.C. statistics. Between 1971 and 2001, the amount of urban land in the province increased to 4,066 square kilometres from 1,674 square kilometres. According to the Canada Land Inventory, B.C. still has 6,692 square kilometres of "dependable agricultural land" (Class 1, 2, and

3 land, which is capable of supporting a wide range of crops). Yet this figure represents a mere 1.4 per cent of the Canadian total.

In B.C., we tend to think we've done well on the food front. We have a very high proportion of family-owned and smaller independent farms. We produce a more diverse basket of foods than any other province in Canada. According to the Ministry of Agriculture and Food, we grow the equivalent of about half of what we eat. We do these things in a province where prime agricultural land comprises just one per cent of our provincial land base.

When we consider the future of our food supply, however, we need to be mindful of the incredible pace of change, both globally and locally. What will our landscape look like 100 years from now?

This concern was the core motivation for creating B.C.'s Agricultural Land Reserve in 1973. Yet despite its great success in protecting agricultural land and encouraging compact urban development, the province's most capable agricultural land is still being eroded.

At the conclusion of *A Short History of Progress*, Ronald Wright said we need to do just one simple thing: move "from short-term to long-term thinking."

That's what we must always do when we consider converting agricultural land to other uses.





Langley

In addition, regulations provide detailed direction on such matters as permitted uses in the ALR, penalties for non-compliance and Commission procedures. While ALC annual reports have traditionally summarized achievements and set objectives, in 2002, the government added a “service plan”, available on the Commission’s website, that provides additional direction, goals, and performance benchmarks.

The September 2005 three-year service plan states that a percentage of Commission decisions to permit non-farm use and subdivision of the farmland protected by the reserve can “be approved on the basis of community need” as long as “commission decisions do not significantly diminish the suitability of land for agriculture.”

For most its first 27 years, one group of five to seven decision-makers carried out the Act’s mandate. They represented the province as a whole, to reflect the long-term provincial need for agricultural land and to ensure decisions were not unduly influenced by local pressure.

In 2000, the ALC was briefly amalgamated with the Forest Land Commission and the Commission was loosely restructured along regional lines. In 2001, the amalgamation was reversed and the restructured Commission was dissolved. In 2002 however, the government built on the regional model by installing six new three-member regional panels. The new panels hear ALR applications only in the region they represent.

The government argues these changes are intended to address local frustrations. Notwithstanding its long history of working with municipal and regional governments to try and address planning dilemmas, the Commission has often been seen as remote from and insensitive to local concerns. Applications were frequently decided without Commissioners or staff visiting the land involved.

Land-use challenges are vastly different in various parts of the province. As well, real and perceived short-term economic development needs outside major urban centres can have a powerful influence on local decision-makers. They can also be a huge factor in the erosion of the ALR.

Credibility depends on process

The current Act gives great latitude to the government and the Commission in how it organizes its decision-makers. The Act requires that an “executive committee of the commission is established, comprised of the chair of the commission and the vice chairs.” It gives very broad powers for the Commission’s Cabinet-appointed CEO (at this writing a vacant position), the chair of the Commission, or the executive committee to make unilateral decisions or to delegate decisions to Commission members or local governments.

In practice, the six three-member regional panels now make significant ALC decisions.

It also gives broad powers to the chair in how regional panels are configured. Section 11 of the Act states: “The chair of the commission may establish up to 6 panels comprised of 2 or more members of the commission. The panels may be established according to geographic regions of British Columbia or according to any other criteria the commission may determine. The chair of the commission may designate a vice chair of the commission to chair a panel.”

In practice, the six three-member regional panels now make significant ALC decisions. The executive committee of the chair and six vice-chairs is intended to provide provincial context, but its deliberations and influence on panel decisions are invisible to the general public.

While the increasingly local and regional outlook of the Commission has been welcomed by some local governments, the shift begs the question of whether the long-term provincial interest in preserving agricultural land is sufficiently considered. The choice to compose panels of local people likely to have a history with the industry and governments they regulate is also an issue in this regard.

The commission’s decisions are often needlessly perfunctory. When the Commission asks itself whether its decision will “significantly diminish the suitability of land for agriculture,” is it a question that applies only to the decision at hand in the current moment, or are they considering the cumulative effect of several decisions over a number of decades?

The Commission’s own procedural rules are looser than those in the Local Government Act, which are quite stringent in ensuring public business takes place in a public manner. The Commission panels can limit public input. Its members can meet privately with an applicant during routine site visits.

As well, the small size of the panels also weakens accountability. A system in which five or seven people make a decision is less vulnerable than one where three individuals rule on the matter. Beyond an increased sample size, the reason for this is simple: when a decision-making body consists of three people, it’s very easy for two of them to come to a private agreement.

In the case of critical land-use decisions, it’s important that deliberations be completely transparent and that reasons for the ruling be fully articulated. Public, landowner, and local government confidence that the ALC will be consistent, rigorous, and independent is critical to its success. Any government committed to “open, transparent and accountable” decision-making must give careful consideration to these issues.

THE ALR: recent threats & removals

PENTICTON

The City of Penticton won a partial victory with the Agricultural Land Commission when the Commission allowed the removal of two of three parcels the city had assembled to develop sports facilities. However, in the November 2005 civic election residents tossed the mayor out and rejected development of the farmland in a referendum. Yet less than 48 hours after the election, the old council still voted to recommend another exclusion from the ALR of 7.2 hectares for a residential subdivision despite the objections of its own agricultural advisory committee. At an ALC public meeting in January, opponents of the exclusion complained that, although the developer’s consultant made a presentation, critics of the plan were not permitted to speak. However, the ALC subsequently rejected the application.

Best land faces biggest risk

The ALC's current service plan states that up to a tenth of a per cent of land in the 4,760,000-hectare ALR can be removed in the 2005-06 to 2007-08 period to meet "community need." That could amount to 4,760 hectares – an area equivalent to 41 per cent of the City of Vancouver.

Pressure for removal is greatest, of course, close to major population centres, where the most productive farmland is also predominantly located. The ALC's 1998 *Planning for Agriculture* guide states that more than 80 per cent of B.C.'s population is located in two regions that produce 78 per cent of its gross farm receipts. Those regions, centering on the south coast and the Okanagan, comprise just 2.7 per cent of our provincial land base. However, they contain much of the province's prime land. Even the less productive land in these areas is essential to provide for both agriculture's growth and its complex, interdependent range of needs.

If the Commission excluded prime land (class 1, 2 and 3 land, which comprises just a fifth of the reserve) at the maximum rate in the service plan guideline on an ongoing basis, B.C. would lose five per cent of its prime agricultural land every 30 years.

What's more, the tenth of a per cent removal provision does not apply to exclusions deemed to be partly, but not mainly, intended to meet "community need." Decisions made to remove ALR land because of "poor agricultural suitability" as a result of a problematic location or lower land quality won't be factored into the amount.

How does the potential rate of loss compare with the circumstances that precipitated the creation of the reserve in 1973? Figures cited by government of the day suggested 4,000 to 6,000 hectares of mostly prime agricultural were being lost to development each year. Provincial Department of Agriculture statistics at the time indicated 20 per cent of the Lower Fraser Valley's arable land had been developed and this area alone was losing 1,200 hectares per year.³

With the ALR, the rate at which B.C. is losing its most valuable agricultural land *has* slowed. Yet one critical question remains: When will the losses stop?

After all, the significant pace of growth in British Columbia shows no signs of abating. Between 1986 and 2001, Greater Vancouver expanded at an annual rate 2.6 per cent, rivalling such Third World mega-cities as Jakarta, Indonesia, and Karachi, Pakistan. Given our need to protect agricultural land for an indefinite future and population base, the loss of good farmland at current rates is a legitimate cause for deep concern.



Farmgate sales, Comox

Ripple effects of excluding land

The problems created by a leaking land reserve are not just the problems of B.C.'s future. The increasing belief that land can be easily removed from the reserve for urban use can drive a speculative market that ultimately affects values and use of agricultural land. Notwithstanding the growth of agriculture in the Fraser Valley, farming is often a financially challenging activity. Farmland in B.C. has historically been quite affordable, and it needs to be for farming to be economically viable in light of inexpensive imports. Yet the cost of agricultural land has risen substantially in the last decade, particularly in areas where there is competition in the form of urban development and between farmers.

Even the perception that land might be removed can drive the price of small lots beyond the reach of farmers. Although the trend is not well quantified, speculators continue to own and acquire B.C. farmland as a secure investment that may eventually yield a huge windfall profit from non-agricultural uses. Much of that land is leased to farmers, which can be a disincentive for the operator to maintain soil quality and invest in improved productivity. In some cases, non-farming owners simply remove their land from production.

ALR land can also be alienated from farming as a result of the relatively small size of farmland parcels in many B.C. agricultural centres. Although there is no comprehensive parcel-size research for B.C., the 2001 Statistics Canada Census of Agriculture showed average farm sizes in the Regional District of Central Okanagan of 21.8 hectares, in the Fraser Valley Regional District of 18.3 hectares, and in the Greater Vancouver Regional 13.9 hectares.

Such a small average farm size constrains the land's range of use.

Very small farms can be highly productive, but they are often converted to rural residential use. Good farmland in parcels of 20 hectares or more in the Fraser Valley costs between \$50,000 and \$100,000 per hectare. Add the permitted house to a small parcel and the value can escalate enormously. Soaring urban housing costs are increasing the upward pressure.

For example, the Glorious Organics Co-op in Langley Township acquired its initial four-hectare property of Class 4 and 5 lands, with a house, for \$75,000 in 1979. In 2000, it bought a virtually identical four-hectare adjoining property for \$450,000. In 2004, 2.5 hectares of adjoining ALR land without a house was originally subdivided for the retired owners to live on. Instead, it was sold for \$600,000, or \$240,000 per hectare.⁴ In Port Coquitlam, a four-hectare ALR property surrounded by farmland was recently offered for sale for \$375,000 per hectare. An Internet advertisement, for the property boasts that the land "would logically become the focus of future residential expansion ... as development pressure intensifies." In the Okanagan, some farmland parcels are selling for \$200,000 per hectare.⁵

THE ALR: recent threats & removals

COURTENAY AND COMOX
In 2003, about 140 hectares of desirable forage land owned by Raven Forest Products on the edge of Courtenay was removed from the ALR for a residential subdivision. The Commission had previously rejected removing the land, which could have allowed an adjoining dairy farm to expand its operation. As part of the application, 318 hectares north of Courtenay was added to the ALR. In 2005, the Commission approved an 85.5-hectare exclusion involving Comox District landowner TimberWest, which promised to add a comparable amount of land from an undetermined location to the reserve. Such trade-offs can be seen as providing for urban growth in a way that doesn't harm the ALR's total land base. However, they alienate capable land from agriculture and encourage speculation.

Despite the apprehension about the impact of rural residential use and the rising cost of farmland, no comprehensive analysis of the impact of these factors in B.C. has been done.

The potential for rural residential and hobby farm use to restrict agricultural expansion is significant. The number of farms in B.C. in 2001 was 20,290, according to the province's Ministry of Agriculture statistics. Yet 10,087 of those farms had gross receipts of less than \$10,000.

The increase in hobby-farm and rural-residential use of ALR land has two clearly problematic effects: it drives up the cost of small parcels of ALR land in areas adjoining urban communities and it results in low-productivity use of those lands.

The disparity in land values escalates even further when other uses come into play. Turn a hectare of farmland into an industrial park and the land can be worth \$1 million. One estimate valued 55 hectares of land that may be excluded near the centre of Richmond for public infrastructure and commercial development at more than \$6 million per hectare.⁶

The difference in values creates a huge incentive for cash-poor municipalities to build a case for "community need," given that they can derive a portion of the increased value, through taxes and development levies, in return for rezoning the land. If the municipality owns it – and Richmond signed an agreement in 2005 to purchase half of those 55 hectares from the federal government for a small fraction of its developed value – there is even more money at stake.

Of course, providing basic service infrastructure for raw land is expensive, and that must be considered when comparing land values. Yet one of the great ironies of developing such land is that levies and taxes usually fail to recover the long-term costs of urban development, which ultimately drives up all municipal taxes. In contrast, agricultural land use is usually a net benefit to a municipal balance sheet.⁷

Despite this irony, real estate development remains a driving force in municipal politics, and many smaller municipalities are likely to seek development of inexpensive farmland in the name of "community need."

Although the solution of developing farmland for urban use is not appropriate, the challenges for some municipalities are certainly real. In the Fraser Valley Regional District, government projections suggest population could double by 2031.⁸ Given the recent sharp rise in B.C.'s urban land values, the money saved by developing accessible, flat agricultural land adjoining existing housing and business centres is an attractive lure. Increasing density in communities outside the urban core is often politically unpopular and locating housing on hillsides or in areas disjoined from existing service infrastructure is expensive.

For the Agricultural Land Commission to say "No" in these circumstances is



Grand Forks

politically difficult. It's hard to tell a community that currently underutilized land on its doorstep can't be developed because our society will likely need it for agriculture in 25, 50, or 100 years.

In a 1999 report for the Agricultural Land Commission, demographer David Baxter noted that our overall agricultural production does have much room to expand. However, Baxter emphasized that B.C. has sufficient non-ALR land needed for development, even in light of demographic changes he believes will require a 72 per cent increase in housing supply between 1996 and 2026. "All of the growth in the Lower Mainland for the next 25 years can be accommodated within the already urbanized portion of the region without making suburbs any denser than the city of Vancouver is today Only if communities make the choice not to change how they use land outside the ALR, must they then turn to the ALR."

Given that we don't have to turn to the ALR to accommodate our growing population, those who want to remove it tend to diminish the usefulness of the land they target.

Of course, the land has been protected for future needs as well as current ones, but that's only part of the story. Agriculture is not only a growing industry; it's a fluid one with complex interrelationships. Ginseng farms in the dry Interior are a relatively recent development. So is B.C.'s healthy wine industry, which is able to use poor quality soils. Marginal agricultural land often provides room for supporting infrastructure, or poultry barns and mushroom farms, or greenhouses, or forage use. Dairy and poultry industries are intimately bound with horticulture through the use of manure as fertilizer.

What's more, the potential for growth in certain commodities is hampered by particular circumstances. As little as a tenth of a per cent of our provincial land base is suitable for tree fruit crops. Almost all the province's good land for raspberries – and estimates suggest we grow at least 60 and perhaps 80 per cent of our country's supply – is utilized. Fraser Valley dairy production is constrained by its need for larger parcels, competition from high value crops and the erosion of forage land. The potential for expansion in the valley is very limited. As B.C.'s population grows, it will be increasingly difficult to locate the industry close to its marketplace.

The history of removals

Superficially compelling reasons to take land out of the ALR abound – affordable houses for young families, a new sports field by the school, an extended-care facility for those with Alzheimer's disease.

Sometimes removals can be justified. When the ALR was created, local zoning, usage, public input, aerial photography, and the Canada Land Inventory

THE ALR: recent threats & removals

PEMBERTON

Spillover from the hot real estate market in the town of Whistler, half an hour's drive to the south, is among the factors driving land values beyond the reach of farmers in this stunningly beautiful agricultural valley. Farmland prices have tripled within the last decade, to more than \$20,000 per hectare.

However, that's not much money to someone considering an alternative to a million-dollar Whistler condo. Local farmers are concerned in particular about the fate of two farms comprised of nine parcels totalling 700 hectares. Some of the land is no longer in production, and the owner has proposed donating an environmentally important wetland to the local government in exchange for approval to subdivide a portion of the agricultural land into small parcels, which would be more suitable for residences.



Big Bend area, Burnaby

were used to define the boundaries. They were often imprecise and have since been carefully refined. Yet there are still a few local anomalies.

The Commission acknowledges these situations, and also shows respect for acute community development challenges. Excluding land to meet a pressing community need through thoughtful local planning efforts has long been part of the Commission's internal practice. The Commission has also helped local governments find alternatives when they target agricultural land for removal.

Still, the Commission often took a hard line on retaining land. This prompted the provincial Cabinet to intervene in a few high profile cases. In 1978, Cabinet permitted the removal of 250 hectares for Langley's Gloucester Industrial Estates. In 1981, it excluded Delta's 300-hectare Spetifore property (which has not been developed because of steadfast opposition from the local municipal council). In 1987, Cabinet excluded Richmond's 181-hectare Terra Nova lands for residential development.

Public debate and scrutiny was substantial in all these cases, in part because the issues became provincial political matters.

In 1988 the government made one of its most controversial decisions: it introduced a regulation that kept the Agricultural Land Commission from preventing golf course development in the reserve. By November 1991, there were 181 proposed golf courses that involved 8,400 hectares of ALR land. Many of these proposals involved residential and resort development.⁹ This opportunistic flood highlighted the pent-up opportunism that can threaten the reserve's integrity.

Among the first acts of the government that took power in 1991 was a moratorium on golf course development in the ALR. Nevertheless, 89 proposals were eventually allowed to proceed, subject to local government approval and conditions set by the Commission.

In 1993, in order to strengthen the authority of the ALC, the government also eliminated direct appeals to Cabinet. In 1994, the Agricultural Land Commission Act was amended to reflect and promote the importance of local government in agricultural planning. The Commission was given the power to delegate some decision-making to local governments, as long as agricultural plans and bylaws supportive of agriculture were in place. Its role in reviewing local plans and bylaws was formalized and administrative procedures were refined to ensure more public input.

The Commission's work with municipal governments on "edge planning" to develop buffers between agricultural and other uses was enhanced by new guidelines and changes to the Local Government Act. In 1996, the government also introduced the Farm Practices Protection (Right to Farm) Act to prevent local municipalities from unduly restricting the sometimes messy, noisy business of farming, which can offend nearby residents. This comprehensive, intergovernmental approach is essential to effective protection of our agricultural land base.

The Commission has also helped local governments find alternatives when they target agricultural land for removal.

The Six Mile turning point

Effective planning was soon overshadowed by politics, however. While direct appeals to Cabinet had been eliminated, Cabinet still had the power to declare a land-use issue to be in the “provincial interest” and refer the matter to an independent commissioner under the Inquiry Act.

In 1997, a developer sought permission for a residential and resort development involving 136 hectares of agricultural land at the Six Mile Ranch, west of Kamloops. The Commission rejected the complex proposal, which included compensatory benefits for agriculture, because of the high quality of the land slated for removal. However, it stated it would consider a smaller proposal that provided improved benefits to agriculture.

Many Kamloops citizens were outraged that bureaucrats from outside their community might deny them an economic development opportunity on land that supported modest agricultural activity. The government feared losing its seats in two vulnerable ridings and pressured the Commission to approve the development.

A facilitator, Murray Rankin, was employed by the Ministry of Agriculture and Food to develop other options. Rankin’s report recommended that Cabinet declare a revised proposal, which provided additional compensating benefits to agriculture, to be in the “provincial interest.” Although the ALC was prepared to reconsider the matter, Cabinet instead appointed lawyer David Perry as a commissioner to hold public hearings on the proposal’s “probable environmental, economic, social, cultural and heritage effects, and without limitation, the agricultural effects,” and make recommendations.

Perry weighed the proposed \$180 million development against the narrowly defined current economic value of a few hayfields and some rangeland that supported 200 cattle. He recommended the project’s approval.

However, Perry expressed serious concern about several aspects of the process. He was frustrated that the potential economic benefits of the project were defined almost entirely by the applicant’s own research. He agreed that the project could create unplanned development pressure on adjoining lands.

In particular, Perry had difficulty with the absence of a definition of “provincial interest” to assist his deliberations. He said he was persuaded during the hearings that the process being employed could affect the security of ALR land throughout the province. “The danger lies in the flexibility of Cabinet in determining what exactly is meant by ‘Provincial Interest.’”

Perry said future cabinets could declare “virtually any type of exclusion” to be in the provincial interest, and noted that because agriculture is in many cases a marginal economic activity “it becomes possible to overwhelm agricultural values.”

THE ALR: recent threats & removals

INVERMERE

Despite the opposition of two local farmers’ associations, 267 hectares of century-old ALR range land was removed last year for residential and recreational development. The Commission stated the land had “no significant agricultural value” and releasing it would lessen development pressure on other agricultural land. The latter argument was used to defend a previous ALR exclusion of adjoining land. From 2001 to 2005, the Commission approved the removal of 85.6 percent of the land under consideration in the Kootenays. Farmers tried and failed to get the decision reversed. In early April the two associations called for the resignation of one commissioner, alleging a conflict of interest.

THE ALR: recent threats & removals

CHILLIWACK

Since 2001, the municipality has supported several contentious removals from the ALR for residential and industrial development. The *Chilliwack Times* headlines tell the story: "Land reserve thaw welcomed," "Land Ahoy," and "Milking our ALR cash cow." A *Times* editorial lauded the municipality's plan to levy a one per cent of the increased value of ALR land removed for other development. "They say you can't stop progress ... but nobody says you shouldn't profit from it." Ironically, the fund will be used to promote the development of agriculture. The latest contentious issue involves the city's own land. Initially, it wanted to remove the land from the ALR to develop a recreational facility on Luckakuck Way. Now, it's supporting the development of the Candy Land theme park as a non-farm use within the ALR, on a 3.83-hectare site. The developer who intends to lease the land from the city recently added a 100-room hotel to his plans.

"'Provincial Interest' should be a defined term, preferably under the ALC Act or at the minimum under the ALC regulations," Perry wrote. He also argued that if the government believes agriculture should dominate when a Cabinet-appointed board or commissioner considers exclusion in the provincial interest, this intent should be stated explicitly in the Act.

"All that is required ... to undermine the integrity of the ALC is for a future Cabinet to create weak guidelines for exercising their discretion," Perry wrote. He noted that much of the opposition to excluding the land was "driven by deep, and valid, concerns that the process adopted by Cabinet ... may undermine the entire structure of the ALC."

As a result, in May 1998, the government commissioned an independent review by Moura Quayle (then the University of British Columbia's Dean of Agricultural Sciences) of the Agricultural Land Commission Act's intent and effects. Quayle consulted with interest groups and the public on how "provincial interest" should be defined and how economic, agricultural, and other effects should be balanced during an inquiry.

Several of Quayle's recommendations, including an establishment of an independent "provincial agrologist" and an agricultural lands trust, were ignored. Quayle also called for clearer, tougher language to protect B.C.'s farmland from politically motivated Cabinet involvement.

This recommendation was acted on; the Act was revised in 1999 to enshrine the preservation of agricultural land as an overriding "provincial interest" and provide clear guidelines to help decision-makers balance competing interests when they consider removing land from the ALR.

Today, these provisions read as follows:

- (3) In determining whether it is in the Provincial interest to refer a matter to the board under subsection (1), the Lieutenant Governor in Council must take into account
 - (a) the preservation of agricultural land as a scarce and important asset,
 - (b) the potential long term consequences of failing to preserve agricultural land, and
 - (c) the province-wide context of the matter.

The board or commission considering the issue must, in making its recommendations, "give weight to the following values in descending order of priority:

- (a) agricultural values, including the preservation of agricultural land and the promotion of agricultural purposes;
- (b) environmental and heritage values, but only if
 - (i) those values cannot be replaced or relocated to land other than agricultural land, or

- (ii) giving weight to those values results in no net loss to the agricultural capabilities of the area;
- (c) economic, cultural, and social values.

The Act also requires public hearings in six regions of the province when “provincial interest” considerations are invoked to ensure British Columbians have input into the process.

In recommending clear language on “provincial interest,” Quayle wrote: “My conclusion is consistent with a decision from the Supreme Court of Canada which considered ‘public interest,’ and concluded that in some situations such an expression needs clarification to avoid being unconstitutionally vague.”

She also emphasized that it is “important to underscore province-wide scale and context” of ALR decisions.

The Act continues to define the role of the Commission itself in a more general manner: “to preserve agricultural land; to encourage farming on agricultural land in collaboration with other communities of interest; to encourage local governments, first nations, the government and its agents to enable and accommodate farm use of agricultural land and uses compatible with agriculture in their plans, bylaws and policies.”

The new vagueness

In contrast, the new “community need” language in the service plan replicates the vagueness that the “provincial interest” revisions to the Act were intended to correct. “The Agricultural Land Commission operates within a dynamic environment influenced by diverse and often competing interests as well as broader agricultural, land use, environmental, economic and societal trends,” the service plan declares. “To achieve its mandate, the Commission must be cognizant of how these interests and trends impact on its activities and must be prepared to respond to the associated risks and opportunities.”

The plan does note that “population growth, demographic changes and housing trends, such as a declining household size, will fuel demand for land to meet housing requirements and non-residential development. These pressures will be most evident in the Lower Mainland, southern Vancouver Island and the

The Act requires public hearings when matters of “provincial interest” are involved to ensure British Columbians have input into the process.



Comox Valley



Vineyard south of Oliver

Okanagan Valley, which together account for 80 per cent of farm cash receipts.” And it declares: “The Commission must work vigorously with local governments and others to preserve agricultural lands in the face of mounting pressure for non-agricultural development.”

However, the service plan also gives a great deal of latitude to the Commission to place other values ahead of agricultural values in making its decisions: “An assessment of the potential impact on agricultural suitability relies heavily on the experience and judgement of the Commission. Depending on the circumstances, the Commission may give different weights to considerations such as the compatibility of the proposed use with agriculture, soil capability of the land, location and whether the proposed use would meet a pressing community need.”

The service plan’s statement that up to a tenth of a per cent of the reserve can be removed over a three-year period encourages panels to remove land to meet “community need,” invites municipalities to plan for the ALR’s urban development, and tells speculators that their investments may be rewarded.

The plan does declare that less than two per cent of Commission decisions to remove land can be based on community need and states that such exclusions “may” take place “in cases where no alternatives exist.” However, the statement that “community need is a factor in some decisions where poor agricultural suitability is also a factor and that the indicator will only include decisions where community need is the primary factor in the decision” creates way too much leeway for removals.

The service plan’s declaration that up to 4,750 hectares of prime agricultural land can be removed to meet community need during the three-year period, and its provisions for unlimited additional removals involving lower quality land are simply not acceptable.

Given the Commission’s longstanding practice of releasing land to meet community need in complex circumstances where no reasonable alternative exists, it’s appropriate to establish clear parameters for the activity. However, it’s hard to argue that the vague, malleable service plan guidelines and targets are sufficient.

The province had more than 30 years to address the reserve’s anomalies and plan around a permanent agricultural land base. In more populated regions of the province where urban uses collide with high-value agricultural land, we ought to be approaching the point where the reserve exists in a relatively steady state.

At this point, the Commission should not consider the removal of thousands of hectares of good land from the reserve. It should not rely on three-year benchmarks to address a challenge that will play out over decades and, in fact, centuries.

Right now, the laws and service-plan guidelines that govern the ALR’s administration are not even internally consistent. The provincial government has

Right now,
the laws and
service-plan
guidelines
that govern
the ALR’s
administration
are not even
internally
consistent.

created a system in which the standard for appeals and mediation related to Commission decisions is much tougher than the standard for the Commission itself.

To reiterate, Cabinet references to a board or commission in the “provincial interest” require that the board or commission place agricultural values ahead of economic, cultural and social values. Such decisions must result in “no net loss to the agricultural capabilities of the area.”

The contradictions between the Act and the service plan are hard to resolve. When the “provincial interest” provisions were created, they were widely seen as a tool to allow the government to develop major public infrastructure, such as a pipeline or a highway. Examples include: the proposed Site C power project, which would flood farmland in the Peace River district, and the planned South Fraser Perimeter Road across farmland from Langley to South Delta. Today, however, it’s far easier to remove ALR land for a minor business interest using the “community need” language in the service plan than it is to remove land for a public power project or highway in the “provincial interest.”

The Abbotsford decision

Recent panel decisions based on “community need” have set a very broad and loose precedent: sports fields in Penticton, recreational development in Invermere, a subdivision with a golf course in Summerland. Chilliwack hopes to lease ALR land it owns to a developer for a “Candy Land theme park.”

Most prominent among recent exclusion controversies was the July 2005 decision of the South Coast regional panel to exclude land in Abbotsford for industrial and business-park use. As the decision acknowledged, Abbotsford had previously been granted an exclusion to meet its declared need for industrial land. The municipality subsequently zoned some of that land for retail use.

The decision also noted that in the past the municipality had involved the Commission in identifying land for industrial expansion and considering the impact of such exclusions. Yet, in this instance, the municipality did not engage the Commission prior to submitting its application.

Nevertheless, the ALC panel agreed to the removal of 178.5 hectares of predominantly prime land – much of which is currently used for dairy, poultry, greenhouse, nursery stock and raspberry production – to meet the municipality’s 20-year projected need for additional industrial land.

In considering whether this met a pressing community need for which no alternative existed, as service plan guidelines for panels suggest, a few facts must be considered. There are 8,207 hectares of non-ALR land in Abbotsford. In comparison, the total area of the City of Vancouver is 11,467 hectares. Commission staff stated in their report to panel members that Abbotsford was asking for

THE ALR: recent threats & removals

HOPE

In January 2006, the new Hope council unanimously confirmed the previous council’s support of an application to the ALC to remove the Flood farm, the community’s oldest and largest working farm, from the reserve. The municipality wants to develop a business park, despite strong opposition from neighbours of the property. Hope Mayor Wilfried Vicktor argued the park will create jobs and inject \$50,000 per year into the city’s coffers.

an increase in its industrial and business land base that would give it more land than is available for the same purposes in the Greater Vancouver Regional District core.

The panel's written decision approving the Abbotsford removal dealt with the issue of community need and lack of alternatives simply by deferring to the local planning authorities. However, in many instances the planning efforts were incomplete. The decision notes, for example, that the application *preceded* the completion of a new Abbotsford Official Community Plan and the development of an Agricultural Area Plan. It notes that the removal request was based on the *City in the Country* plan – a 20-year “economic development strategy” rather than a comprehensive land-use plan.

The decision does, however, note that the municipality “hand-delivered” a draft of its Official Community Plan to the Commission offices once the public process was concluded, just days before the Commission rendered its decision.

In short, the city's application to convert agricultural land to other use preceded the completion of comprehensive planning efforts.

The Commission panel decision cites its discussion that Fraser Valley Regional District is extending its urban growth boundaries into the ALR. The district's October 2004's growth strategy states the area must “balance the need for stable, long-term Agricultural Land Reserve boundaries with the need for additional land to support employment growth in all sectors”. The ALC decision notes the opinion of the panel members that these incursions into the ALR should provide enough land for development for “at least the next 20 years.”

Absent in the Commission's written decision was any discussion of the Ministry of Agriculture study *Farmland Use in Abbotsford*, which analyzed the potential for future growth in agriculture in the community.

The study states that Abbotsford is the most intensely farmed area in Canada, with farm gate sales in 2001 of \$18,800 for every hectare of usable farmland, for a total of \$485 million, with spin-off benefits of another half a billion dollars. Production has tripled in 30 years and output growth over the last decade has averaged five per cent per year. The report states that 91.7 per cent of the land available for farming is actively farmed. While there is room for expansion of poultry, hogs, greenhouse, and mushroom farms, there is “no unused farmland suitable for dairy production and ... only 66 hectares of unused farmland in the airport area for growth in raspberry production.”

The report says agricultural land use is dynamic: “In only one year (2003 to 2004) in Abbotsford, 446 parcels representing 11.5 per cent of the ALR recorded land-use changes.” This makes it difficult “to evaluate land on current use or site-by-site basis.” From 1996 to 2004, the report states, 37.1 per cent of Abbotsford ALR land experienced a change in primary use.

The report says 1,664 hectares of land came into agricultural production



between 1996 and 2001, “almost as much land ... as is currently not being farmed in Abbotsford.” The report also notes that the ALR in Abbotsford has lost 1.2 per cent of its land base to exclusion and an additional 4.8 per cent is alienated from farming due to non-farm use.

Does Abbotsford have all the agricultural land it needs to accommodate growth for at least the next 20 years? Neither the Commission’s decision nor the Fraser Valley Regional District’s growth strategy address this question.

The panel did reject the removal of 121.5 hectares of land, and deferred a decision of another 72 hectares for airport expansion, pending a more comprehensive argument from the municipality. However, the exclusion raises important questions about the current process.

- Is the ALC adequately considering the broad regional context when it considers an ALR removal to meet a particular municipality’s stated need?
- Are there any forms of urban development that do not represent a community need?
- The service plan declares that the Commission “may exclude suitable agricultural land to meet community needs in cases where no alternatives exist.” What is the Commission’s definition of “no alternative”? How does it determine that no alternative exists?
- Should the Commission approve requests for “community need” removals based on 20-year plans given that in 20 years the municipality might well request another removal for the same purpose?
- What prevents municipalities from requesting a removal for one purpose and then using it for another, given the Commission’s tolerance of this in the past?
- Does the Commission have the resources it needs to confirm or refute claims made by applicants? If not, is the limited public input that the Commission allows sufficient for panel members to establish the facts required to make informed decisions?
- In what manner does the Commission consider the cumulative effect of its decisions to exclude land?
- Has the explicit inclusion of the “community need” mandate encouraged Commission panels to take on a broad planning role beyond their means and expertise, at the expense of their primary mandate to protect agricultural land?

Capturing the elusive windfall

Agricultural land adjoining urban communities has a disproportionately high value throughout North America. How does B.C. compare with other jurisdictions in this regard? Has the ALR been an effective damper on that price escalation? How much land do speculators, including offshore owners, own? How much land is alienated from agricultural production as a result of such

THE ALR: recent threats & removals



BARNSTON ISLAND

One of the most contentious proposed developments involves Barnston Island in the Fraser River, near the Surrey-Langley border. Barnston is home to the Avalon Dairy, whose operators describe the island as very good land for their purposes. However, proponents of a 456-hectare exclusion for development argue the water table is high, limiting the land’s use, and the island’s barge ferry needs to be replaced with a bridge to improve access. One Agricultural Land Commission panel member expressed sympathy with the bridge argument, leaving some opponents wondering if the ALC is usurping the planning role of the Greater Vancouver Regional District, which has jurisdiction over the island and is opposed to the removal. The application to remove the land has been tabled by the development’s proponents, but the ALC expects to consider the application in the spring of 2006.



Site of future industrial park
in Chilliwack

ownership? Unfortunately, there is no wide-ranging current analysis.

The *Farmland Use in Abbotsford* study does provide some clues. “One fifth (20.8%) of the lots touching an urban boundary or Fraser Highway are unused while only 6.3 % of the lots in the remaining portion of the ALR are unused,” it states. “A more in depth analysis is needed to determine why these parcels are less likely to be farmed.”

Since the ALR was established, the escalating value of farmland and the huge profits that can accrue to those who benefit from removals have been an issue for legislators and policy-makers.

If someone owns and works a small piece of farmland for an extended period, benefits from favourable property tax treatment, and then sells it for rural residential use at considerable profit, should the provincial government be entitled to recapture some of the tax benefit that owner has received?

Mechanisms to recapture tax benefits were used in B.C. in the case of the Forest Land Reserve, but the legislation to permit that was recently repealed. Governments use a variety of mechanisms to recapture windfall profits from zoning changes. The City of Vancouver has created a wide range of community benefits, from new arts facilities to the protection and restoration of heritage buildings, by granting increased density to developers and allowing the sale of existing zoning rights to other properties. Sophisticated policies help ensure equity in the process.

Are municipal efforts to capture a portion of windfall profits through development levies and other forms of taxation sufficient to check the ALR’s erosion? Are they even consistent? Or are developers and municipalities simply doing the minimum required to get what they want?

In the case of the Six Mile Ranch exclusion, the developer offered to fund irrigation to bring isolated land into production, add forage land in northern B.C. to the reserve, and create other benefits to agriculture. The City of Abbotsford’s 2005 application promised the remediation of ALR lands degraded by gravel extraction and a fund to assist the development of agriculture.

However, such bargaining to promote land removals from the ALR is relatively arbitrary. The Agricultural Land Commission tries not to involve itself in such matters, and in the past has explicitly rejected the practice. Today, the issue remains a huge grey area.

Some observers object entirely to this sort of bargaining. They see it as a dangerous kind of salesmanship that undermines the protection of scarce agricultural land for the future.

If we accept the idea that the ALR boundaries are truly fixed, particularly in more developed areas where they have received a lot of attention, this is a credible argument. However, in areas where boundaries are less refined, and in instances where a significant, well-established public interest requires

Bargaining
to promote
land removals
from the ALR
is relatively
arbitrary.

agricultural land to be removed from the reserve, it's important that taxation, windfall profit, and compensatory benefit issues be treated in a consistent way.

Moira Quayle suggested the creation of an Agricultural Land Trust so that citizens concerned about agriculture could donate their land or money to the trust, which would ensure public land could be developed for agriculture. Others have suggested that recaptured taxes resulting from a change of use and windfall profit could fund the development of such a trust.

Of course, those advocating removal of land from the ALR for other development could use any resulting benefits to such a trust as a way to justify the alienation of good agricultural land from farming. A trust is to some extent a solution to the failure of the ALR.

However, a consistent mechanism for capturing benefits derived when land is removed from the reserve would certainly be preferable to the current horse-trading. It might also dampen both agricultural land values and the speculative purchase of agricultural land by those seeking a windfall profit.

A strong ALR, rooted in local values

If B.C. wants to build a strong, sustainable agricultural tradition, it needs to build it community by community. The Agricultural Land Commission has played an important role in this effort through its work with local governments to develop municipal and regional plans that protect and support agriculture. The Commission's very lean staff of 20 offers essential advice to Commissioners on applications for exclusion, subdivision and non-farm use. That staff also enforces rules intended to prevent the inappropriate use or degradation of agricultural land.

Does the Commission have the resources it needs to meet all these obligations? Until recently, it examined all municipal and regional plans and bylaws to ensure agricultural interests were protected. Now the service plan states: "The Commission is moving from reviewing all plans and by-laws of local government to a risk-based program of comprehensive audits of a sample of plans with ALR." Only a dozen B.C. municipalities currently have comprehensive agricultural plans. The Commission wants to increase this total by two each year during the next three years.

In many regions of the province, community plans and bylaws aren't a significant factor in the preservation of agricultural land. As such, the Commission believes its energy is best directed to those areas where they play an important role. Yet as local planning plays an increasingly critical part in protecting agricultural values, it is clear the Commission could do much more in this area. Ultimately, these efforts would pay off in the future, by reducing the burden of poorly considered applications for exclusion.



Corn stand in Matsqui Prairie, Abbotsford

Does the Commission have the resources it needs to meet all these obligations?



GVRD's Matsqui Trail, Abbotsford;
Matsqui Prairie, Abbotsford

British Columbia has many issues to confront beyond the simple protection of our agricultural land base through good land-use planning and decision-making. Agricultural values are best protected when community-based processes instil values supportive of agriculture. Ultimately, rules are no substitute for culture. We need to continue to foster community values that understand and support the activity that feeds us.

When the Commission encourages local governments to create agricultural plans and advisory committees, it plays a very important role. It's something even ALR abolitionists would not likely challenge and the Commission's role in such planning needs to be strengthened.

It's also true, though, that in order to do its job properly, the Commission must make unpopular decisions. Sometimes those decisions will exclude land. Mostly, though, those decisions must protect it.

When David Perry – a pariah to the ALR's most vociferous defenders – recommended that Cabinet exclude the Six Mile Ranch, he also affirmed the critical role played by the Agricultural Land Commission – “The ALC is a necessary bulwark against the constant pressure to pave over agricultural land that is present in every developed area of the province.”

In order to protect it, he emphasized that government must be clear in its definition of “provincial interest” and define how various interests are balanced. Two governments have affirmed those concerns in successive revisions to the ALC Act. Yet changes to the mandate and policies of the Agricultural Land Commission, particularly the formalized deference to “community interest,” have taken the process in the opposite direction.

An Agricultural Land Commission that defers too frequently to local governments, which are sometimes ill equipped to consider complex issues that extend far beyond their own boundaries, is an institution in trouble.

Ensuring that agriculture in B.C. has a bright long-term future is an extremely complex challenge. But it begins with protecting a precious, finite land base and ensuring farmers can afford to work it. The province needs clear, comprehensive, consistent, and resolute provincial policies to deliver that. Public confidence in the system is also important.

In spring 2006, the provincial government embarks on 18 months of public consultation on agriculture's future in B.C. The Agricultural Land Commission is examining its new panel structure to consider how it might be strengthened.

Based on this report's analysis, we believe the government must take the following actions.

Recommendations

The Agricultural Land Commission Act and the Agricultural Land Commission’s annual service plan must be revised to ensure they are consistent and clear in their commitment to protect agricultural land from other forms of development.

- The ALC must immediately define “community need” in its service plan in a manner that reflects the Agricultural Land Commission Act’s existing restrictive language that governs the removal of land in the “provincial interest.”
- The Commission panels must be directed to approve removals based on “community need” only where the applicant can clearly demonstrate that the need cannot be met through the use of other land in the region. Applicants must also be required to ensure there is no net loss to an area’s agricultural capability.
- The provincial government must revise the Act to incorporate the concept of “community need” in a manner consistent with the language on “provincial interest.”

The application process for ALR removals, subdivision and non-farm use must be more open, transparent and accountable.

- The ALC must ensure that all such applications involving “community need” are heard by a seven-member panel that includes three members from the region where the application originates and three from outside that region, plus the Chair of the Commission.
- In appointing future ALC panel members, the government must ensure that a broader range of skills and interests are represented, in order to limit the potential for conflicts of interest and enhance the Commission’s ability to make sound decisions that serve all British Columbians.
- Appointments to all boards and tribunals in the province should be made by a public agency that operates at arm’s length from the government, in the manner of the Auditor General and Ombudsman’s offices. Until that takes place, appointments to the Agricultural Land Commission panels, and most particularly the



Sumas Prairie, Abbotsford



Fruit and vegetable stand,
Keremeos

appointments of the Commission's Chair and CEO, must be vetted by an all-party committee and approved by the Legislature.

- The Commission must establish more comprehensive terms of reference and more rigorous procedures for its panels. They must also ensure that the broad range of factors, such as location and climate, that make land suitable for agriculture are duly considered. Staff should be provided with sufficient time and resources to make clear, fully informed recommendations to the panel members on all applications – most particularly those involving “community need.”
- The Commission panels must receive, carefully consider, and make available all written and oral submissions related to applications involving “community need.” Commission procedures must be made consistent with the *Local Government Act* rules designed to protect the public interest.
- The Commission must maintain more detailed statistics on ALR land trends in order to provide a clear and immediate picture of trends in the reserve's administration. While the Commission's open-door policy regarding the files in its Burnaby office is laudable, it must improve Internet access to current and past documents in order to ensure the public throughout the province can easily obtain them.

The Agricultural Land Commission must move toward a more comprehensive regional planning process and consider “community need” applications for removal only as part of a comprehensive review of ALR boundaries.

- Applications to remove ALR land submitted or sanctioned by local governments must only be considered when they are the result of a complete local and regional planning process and are consistent with those plans. Those plans must not be seen as a sufficient precondition for removal.
- The ALC must move gradually to a system where individual applications to remove land are not considered in the Okanagan, South Coast and Vancouver Island regions. ALR boundaries in these regions should be adjusted only as part of a comprehensive planning process within each of the three regions and involve Commission staff, Ministry of Agriculture staff, and local municipal, regional, and First Nations governments.
- Applications involving “community need” from other regions should only be considered by the ALC when the land involved has been designated for non-agricultural use as a final result of a comprehensive regional and, where applicable, local government planning process.

The provincial government must undertake or facilitate authoritative research on a wide range of factors likely to impair the viability of farming now and in the future.

- The committee of five government MLAs recently entrusted to examine agriculture's long-term future in the province must be expanded to include Opposition MLAs, to ensure a full and open discussion of the issues related to the ALR.

- The Ministry of Agriculture must undertake or facilitate comprehensive research on the rising cost of agricultural land, the underlying reasons for that, and its effect on agriculture's viability. This research must examine the extent of speculative purchases of agricultural land and the effect of increased rural-residential and recreational use of agricultural land on both its value and use.
- The provincial government must look at a range of mechanisms to dampen the escalating value of agricultural land. These include recapturing tax benefits to agricultural landowners when land is converted to other uses and a provincial assessment to capture the increased value of agricultural land when it is removed from the ALR and rezoned for other purposes.
- The Agricultural Land Commission must ensure that it acts in a consistent manner across the province when it considers compensatory benefits to agriculture offered as an enticement to remove or subdivide agricultural land.

The provincial government must develop policies to support farms and farming practices that contribute to the health of communities and the environment.

- Significant third-party ownership of farmland in some areas can contribute to poor farm practices that degrade soil. The provincial government should examine the benefits of soil conservation legislation and incentives that encourage farmers to conserve or enhance soil.
- In many parts of the province, farmland maintains wildlife habitat, controls water flows, and provides other environmental benefits. The provincial government's management of agricultural land must ensure that the wide range of social and environmental benefits farmland provides are duly considered.
- While the *Farm Practices Protection (Right to Farm) Act* protects farmers from unreasonable local government restriction on their activities, small farms are often hurt most by provincial regulations. In an effort to standardize farm practices to fulfill public health and international trade criteria, small farms are penalized. The scale of farming operations must be considered and the provincial government should ensure that small farms are encouraged rather than impaired by its regulations and policies.

Municipalities and regional districts must plan to protect existing agricultural land as a permanent legacy for future generations.

- Comprehensive agricultural plans and permanent agricultural advisory committees must become an integral feature of local land-use planning in jurisdictions that contain agricultural land.
- Official Community Plans and regional growth strategies must respect the boundaries of the Agricultural Land Reserve, except in those rare circumstances that cannot be addressed locally or regionally through other means.



NOTES

- 1 Curran 2005 cites these numbers based on an analysis of Smith 2005 of ALC statistics (http://www.alc.gov.bc.ca/alr/stats/A5_incl-excl_RDallyears.htm)
- 2 B.C. Agricultural Land Commission. 2005c.
- 3 Petter. 1985.
- 4 Interviews with Herb Barbolet and Heather Pritchard, key figures in the development and operation of the Co-op.
- 5 Oliver Chronicle, December 2005.
- 6 The City of Richmond paid \$4.77 million for title to one-half per cent of the property – about \$2 per square foot. Richmond city councillor Derek Dang estimated adjoining commercial land at \$65 per square foot, which is equivalent to \$6,996,535 per hectare.
- 7 Agricultural land use provides municipal and regional governments with about \$1 in revenue for every \$0.35 it costs to service the land, according a 2001 report for the US Department of Agriculture. The Farmland Information Center's 2003 report cites research that shows that after a decade of comparable population growth in Atlanta, Ga., and Portland, Ore., Portland increased in size by two per cent while Atlanta doubled. During the same period, ending in the mid-1990s, Atlanta raised property taxes 22 per cent while Portland lowered property taxes by 29 per cent.
- 8 City of Abbotsford 2004 and B.C. Statistics.
- 9 B.C. Agricultural Land Commission 1999.

References

- Agricultural Land Commission Act*. S.B.C. 2002, Chapter 36 <http://www.alc.gov.bc.ca/Legislation/Act/alca.htm>
- Agricultural Land Reserve Use, Subdivision and Procedure Regulation*, 2004. BC Reg. No. 171/2002. http://www.alc.gov.bc.ca/legislation/Reg/ALR_use_subd_Proc_reg.htm
- ALR-Protection and Enhancement Committee. 2005. *Protecting the Agricultural Land Reserve: Our Foodlands Under Threat*. www.greenbelt.bc.ca/getpdf.php?org=oALR_PEC_background_document.pdf
- Artemis Agri-Strategy Group. 2002. *An Economic Strategy for Agriculture in the Lower Mainland*. Burnaby: GVRD et al. [http://www.gvr.bc.ca/agriculture/pdf/3.EconomicStrategyforAgriculture_Main_\(July_2002\).PDF](http://www.gvr.bc.ca/agriculture/pdf/3.EconomicStrategyforAgriculture_Main_(July_2002).PDF)
- Baxter, David. 1998. *Demographic Trends & the Future of the Agricultural Land Reserve in British Columbia*. Burnaby: ALC. http://www.alc.gov.bc.ca/Publications/Archives/Visioning_Project_docs/visionpaperdavid.htm
- B.C. Agricultural Land Commission. 1993. *Preserving Our Foodlands*. Burnaby: ALC. <http://www.alc.gov.bc.ca/Publications/preserve/preserve.htm>
- B.C. Agricultural Land Commission. 1999. *History of the ALR: Highlights from the First 25 Years of Preserving Foodlands*. Burnaby: ALC http://www.alc.gov.bc.ca/publications/Alr_history.htm
- B.C. Agricultural Land Commission. 2002. *Land Reserve Commission 2001/02 Annual Report*. Burnaby: ALC. http://www.gov.bc.ca/prem/down/annual_rpts/21lrcweb.pdf
- B.C. Agricultural Land Commission. 2002. "New Legislation" *Reserve Opinion 1:1-4*, p.4. www.alc.gov.bc.ca/publications/Archives/brochures/Reserve_Opinion_v1n4_02-03.pdf
- B.C. Agricultural Land Commission. 2002. *ALC Community Planning Guide C34*. Burnaby: ALC. http://www.alc.gov.bc.ca/Publications/Community_Planning_Guidelinescolour.pdf
- BC Agricultural Land Commission 2005a. *Interim Governance Policy for the Land Reserve Commission*. Burnaby: ALC. http://www.alc.gov.bc.ca/commission/Governance_Policy/GP02_toc.htm
- B.C. Agricultural Land Commission. 2005b. *Agricultural Land Commission Service Plan Update 2005/06 - 2007/08*. Burnaby: ALC. <http://www.bcbudget.gov.bc.ca/sp/alc/default.htm>
- B.C. Agricultural Land Commission. 2005c. *2001-2005 Summary Statistics*. Burnaby: ALC. http://www.alc.gov.bc.ca/alr/stats/2001-05Summary_main.htm
- B.C. Agricultural Land Commission. 2005d. *Application Summary, Application # MM-35445: City of Abbotsford*. Burnaby, B.C.
- B.C. Crown Agencies Secretariat. 2005. *A Summary of the Government of British Columbia's Crown Agency Accountability System*. March.
- B.C. Ministry of Agriculture, Food and Fisheries. 2004. *Farmland Use in Abbotsford and the Potential for Future Growth*.
- B.C. Ministry of Agriculture and Lands. 2005. *Fast Stats: Agriculture and Food 2005*. Victoria: BCMAL. <http://www.agf.gov.bc.ca/stats/index.htm>
- B.C. Ministry of Sustainable Resource Management. 2002. *2001/02 Annual Report: A New Era Update*. Victoria: MSRM. http://www.gov.bc.ca/prem/down/annual_rpts/20ssrmweb.pdf
- B.C. Statistics. April 2005. *Population Projection-B.C. and Regional*. Victoria, B.C.: Ministry of Management Services. <http://www.bcstats.gov.bc.ca/data/pop/pop/popproj.asp>
- Boyd, David. 2004. *Sustainability Within a Generation: A New Vision for Canada*. Vancouver: David Suzuki Foundation. <http://www.davidsuzuki.org/files/WOL/DSF-GG-En-Final.pdf>
- City of Abbotsford. 2004. *City in the Country Plan*. Abbotsford, BC: City of Abbotsford <http://www.abbotsford.ca/Page405.aspx>

- Chilliwack Times. 2003. "Land reserve thaw welcomed." December 9.
- Chilliwack Times. 2004 "Milking our ALR cash cow." February 13.
- Chouinard, Mike. 2004. "Council should look elsewhere for land: ALR." *Chilliwack Times*. 2004. March 16.
- Chouinard, Mike. 2004. "City milks ag land cash cow." *Chilliwack Times*. December 9.
- Curran, Deborah. 2005. *Protecting the Working Landscape of Agriculture: A Smart Growth Direction for Municipalities in BC*. Vancouver: West Coast Environmental Law Research Foundation. http://www.smartgrowth.bc.ca/downloads/WCEL_ALR.pdf
- Depner, Wolf. 2005. "Council Supports Land Reserve Exclusion Near Elementary School." *Penticton Western News*. November.
- Farm Practices Protection (Right to Farm) Act*. 1996. R.S.B.C. NK
http://www.qp.gov.bc.ca/statreg/stat/F/96131_01.htm
- FarmFolk, CityFolk. 2004. Growing Green project. <http://www.ffcf.bc.ca/GrowingGreen.html>
- Farmland Information Center. 2003. *Why Save Farmland?* Washington, DC:FIC.
http://www.farmlandinfo.org/documents/29493/Why_Save_Farmland_Color.pdf
- Fraser, Evan D.G. 2004. "Land tenure and agricultural management: Soil conservation on rented and owned fields in Southwestern British Columbia." *Agriculture and Human Values* 21: 73-79.
- Fraser Basin Council. 2004. *State of the Fraser Basin Report: Sustainability Snapshot 2*. Vancouver: FBC.<http://www.fraserbasin.bc.ca/>
- Fraser Valley Regional District. 2004. *Choices for Our Future: Regional Growth Strategy for the Fraser Valley Regional District*. Chilliwack, BC:FVRD.
<http://www.fvrd.bc.ca/fvrd/About+the+FVRD/Regional+Growth+Strategy>
- Hansen, Darah. 2005. "Richmond will apply to pull farmland from reserve, despite opposition." *Vancouver Sun*. November 29.
- Heap, Nicholas. 2004. "Double-bagging the City to Prevent Leakage: the combined use of conservation and concentration boundaries in promoting Smart Growth" draft prepared for Pembina Institute.
- Heimlich, Ralph and William D. Anderson. 2001. *Development at the Urban Fringe and Beyond: Impacts on Agricultural and Rural Land*. Washington DC: Economic Research Service US Department of Agriculture.
<http://www.ers.usda.gov/publications/aer803/>
- Hofmann, Nancy, Giuseppe Filoso and Mike Schofield. 2005. "The Loss of Dependable Agricultural Land". *Rural and Small Town Canada Analysis Bulletin*. January. p.1-16. Ottawa: Statistics Canada.
<http://www.statcan.ca/english/freepub/21-006-XIE/21-006-XIE2005001.pdf>
- Hope Standard. 2006 "Fate of farmland now in the hands of ALC." January 19.
- Local Government Act*. 1996. R.S.B.C.Chapter 323
http://www.qp.gov.bc.ca/statreg/stat/L/96323_00.htm
- Millennium Ecosystem Assessment Board. 2005. *Living Beyond our Means: Natural Assets and Human Well-being*. New York: United Nations Environmental Programme.
<http://www.millenniumassessment.org/en/Products.BoardStatement.aspx>
- Morry, Lisa. 2003. "Land Ahoy." *Chilliwack Times*. December 9.
- Northwest Environment Watch and Smart Growth B.C. 2002. *Sprawl and Smart Growth in Greater Vancouver: A Comparison of Vancouver British Columbia with Seattle Washington*.
http://www.smartgrowth.bc.ca/downloads/Sprawl%20and%20Smart%20Growth%20in%20Greater%20Vancouver_without%20maps.pdf
- Nowland, Linda. 1998. *Submission on Amendments to the Agricultural Land Commission Act – Defining the "Provincial Interest" and Expanding the Criteria for Considering the Effects of Proposals to Remove Land from the Agricultural Land Reserve*. Vancouver: West Coast Environmental Law Association.
<http://www.wcel.org/wcelpub/1998/12453.html>

- Oliver Chronicle. 2005. "SmartGrowth and agriculture: are they mutually exclusive for Oliver and area?" December 14.
- Ontario Ministry of Municipal Affairs and Housing. 2005. *Protecting the Greenbelt: Greenbelt Act*. http://www.mah.gov.on.ca/userfiles/HTML/nts_1_22185_1.html
- Penticton Western News. 2006 "Exclusion opponent frustrated." January 20.
- Perry, David. 1998. *G. Perry Commission Report*. Victoria: Government of BC.
- Petter, Andrew. 1985. "Sausage Making in British Columbia's NDP Government: The Creation of the Land Commission Act" *BC Studies*. Spring.
- Pynn, Larry. 2005a. "ALR official says it helps him see both sides of issue." *Vancouver Sun*. August 9.
- Pynn, Larry. 2005b. "B.C.'s Finest Excluded from Land Reserve." *Vancouver Sun*. November 28.
- Pynn, Larry. 2005c. "Good Farmland' Sold Two Years Ago." *Vancouver Sun*. November 29.
- Quayle, Moura. 1998. *Stakes in the Ground: Provincial Interest in the Agricultural Land Commission Act*. Victoria: Province of British Columbia. <http://www.agf.gov.bc.ca/polleg/quayle/stakes.htm>
- Rankin, Murray. 1998. *Six Mile Ranch Kamloops on the Lake Resort Report*. Victoria: B.C. Ministry of Agriculture and Food.
- Smart Growth BC. 2003. *Smart Growth in the Okanagan: A Valley-Wide Dialogue for Action*. Vancouver: SmartGrowth BC. <http://www.smartgrowth.bc.ca/downloads/Okanagan%20Conference%20Summary%20Report.pdf>
- Smart Growth BC. 2005. *Smart Growth BC's Position on the Provincial Agriculture Land Reserve (ALR)*. Vancouver: SmartGrowth BC. www.greenbelt.bc.ca/getpdf.php?org=oALR_Policy.PDF
- Smart Growth BC. 2005. *A Citizen's Guide: Protecting Agricultural Land in British Columbia*. Vancouver: Smart Growth BC. http://www.smartgrowth.bc.ca/downloads/Citizens_Guide_2005.pdf
- Smith, Barry. 1998. *Planning for Agriculture*. BC Agricultural Land Commission. http://www.alc.gov.bc.ca/Publications/planning/pfa_main.htm
- Smith, Barry. 2005. *Agricultural Land in British Columbia: Quality and Quantity*. Unpublished document.
- Statistics Canada. 2001. *2001 Census of Agriculture*. <http://www.statcan.ca/english/agcensus2001/index.htm>
- Sustainable Planning Research Group. 2005. *The Maple Leaf in the OECD: Comparing Progress toward Sustainability*. Vancouver: David Suzuki Foundation.
- Vancouver Sun. 2005. "Prime land has not been removed in Abbotsford, the minister claims." August 12.
- Wright, Ronald. 2004. *A Short History of Progress*. Toronto: House of Anansi Press.

Since 1973, British Columbia's Agricultural Land Reserve (ALR) has served to protect the province's quality farmland from the pressures of urban development. Over the years however, decisions have led to the removal of some of the province's most productive agricultural land where it matters most.

Forever Farmland: Reshaping the Agricultural Land Reserve for the 21st Century sets out a series of recommendations to ensure the long-term viability of the ALR.



David
Suzuki
Foundation

2211 West 4th Avenue, Suite 219
Vancouver, BC, Canada V6K 4S2
www.davidsuzuki.org
Tel 604.732.4228
Fax 604.732.0752