Farmland is threatened in every state, and once lost, it cannot be easily replaced. With 945 million acres—300 million of them prime land—in production nationwide, agriculture is the country’s dominant land use. Sources that monitor the status of farming in America indicate that the country is losing as many as 1 million acres per year of prime farmland. The amount lost varies from state to state, but in most states, the rate of agricultural land conversion is higher than the rate of population growth.

The Loss of Farmland in Iowa
In Iowa, the primary threats to farmland include suburban and rural residential development as well as industrial and commercial development. In addition, the acquisition of land for roads, parks, and other public or quasi-public uses accounts for about a fourth of the land that comes out of production. The appeal of country living, the comparatively inexpensive land in fringe areas surrounding urban centers, the sale of land by retiring farmers, the robust economy seen in the last few years— all these are factors leading to the loss of farmland in Iowa and throughout the country.

From 1982 to 1992 Iowa lost 50,000 acres of prime, high quality or unique farmland to some form of urban development. In 1982, there were 115,413 farms in Iowa; in 1997 there were 90,792. In 1998, Iowa State University conducted a land-use inventory to determine how much land in Iowa had been converted from agricultural use to residential, commercial, industrial or public uses over the past decade. All ninety-nine counties were surveyed for the project; however, a detailed study was done only for seven “pilot” counties. Data collected for this study showed that from 1988 to 1998 a total of 314,719 agricultural acres was converted into nonagricultural classes of property. Of that total, 52 percent was converted to residential use, 24 percent to exempt, 9 percent to forest reserve, 8 percent to commercial use, 4 percent was annexed and 3 percent was converted to rural residential or industrial use.

The American Farmland Trust forecasts that farmers and ranchers in fifty years will have to make do with 13 percent fewer acres of high quality farmland. Regardless of whether this is true, the loss of open space, wildlife habitat, groundwater recharge areas and other benefits attributable to farmland are reason enough for this country to develop its land more efficiently, directing development to land not suited for farming.

What Happens to Farmland Being Lost?
Iowa farmland that is removed from production can wind up being used for almost anything, reflecting the changing state economy and its evolving patterns of development. Traditional, large-scale property development— such as industrial development (including agricultural processing) and large, campus-style office development— consumes significant amounts of farmland.

In addition, rapidly expanding suburban development surrounds most of Iowa’s larger cities. Schools and public facilities such as sewage treatment plants, airports, and landfills all require significant amounts of land. In short, Iowa’s growing cities and robust nonagricultural economy are consuming land at an unprecedented rate.

One aspect of this growth remains somewhat hidden in its statistical significance, but it could have a serious long-term impact on Iowa’s agricultural land supply. This factor is the increasing rate of sub-suburban, or rural, large-lot residential development. As modern transportation and communications increasingly “un-tie” workers from desks and even roads, more and more examples of this type of development appear in Iowa. Although it is a growing phenomenon, because relatively few total acres are involved, the statistics do not reflect the potential for a serious problem.

The effects of large-lot rural development are not easily observed. To the casual observer, the sparse sprinkling of residences throughout the countryside seems to pose no threat to agricultural operations. Yet there is a “critical mass” to such development that when reached, drives agriculture into decline. Nuisance complaints and litigation, conflicts between suburban dweller and farmer, competition for the road between commuters and farm vehicles, and increasing land values are all
potential consequences of this type of development. The sobering possibility that such development will become more common in the future demands careful thought.

Is This Happening Everywhere?
Farmland loss in Iowa has some interesting characteristics when compared to surrounding Midwestern states, and certainly when compared to areas of very rapid urban growth in the Sunbelt and on the East and West coasts. In fact, the top ten states in total agricultural market value are a good representative list of these areas: California, Texas, Iowa, Kansas, Nebraska, Illinois, Minnesota, Florida, Wisconsin, and North Carolina.

Compared to Minnesota, South Dakota, and Nebraska, Iowa has much more dispersed population. Particularly in Minnesota and Nebraska, there is a single dominant metropolitan center and no significant second rank of relatively large cities. Iowa thus has many more urban centers experiencing, or with the potential for experiencing, suburban sprawl and loss of farmland. At the same time, however, Iowa has been losing population in the countryside, giving the statewide statistical impression of a decrease rather than an increase in pressure on farmland.

California, Texas, and Florida are much different cases. Urban sprawl is rampant in all three states. In fact, according to the USDA National Resource and Conservation Service’s National Resource Inventory, Texas lost more high-quality farmland to urban development (11.5 percent) than any other state between 1982 and 1992. Even though all three are among the top ten agricultural states, none is anywhere close to Iowa in percentage of its total land area in prime agricultural soil. Thus the pressure on prime farmland in these highly urbanized states is greater than that experienced, or likely to be experienced, in Iowa.

Tools for Preserving Farmland
Numerous techniques are designed to preserve farmland. Programs enacted at the state level include agricultural district laws, conservation easements, executive orders, growth management laws, purchase of agricultural conservation easement programs, right-to-farm laws, and tax relief in the form of differential assessment laws. Programs that can be enacted at the local level include agricultural protection zoning, cluster zoning, comprehensive planning, corn suitability rating development restrictions, mitigation ordinances, transfer/purchase of development rights, and right-to-farm ordinances.

Some of these techniques or a form of them are used in Iowa; the Iowa versions are reviewed in the next section.

County Land Preservation And Use
The Iowa Legislature has long emphasized protections and assistance that maintain a farmer’s right to farm the land, as well as the importance of preserving the state’s finite supply of agricultural land. Chapter 352 of the Iowa Code, County Land Preservation and Use, identifies farmland protection as an essential state goal. This chapter calls for the adoption of land-use plans and policies with the sole purpose of preserving agricultural lands. It allows for the adoption of agricultural land preservation ordinances and the establishment of agricultural areas in which substantial agricultural activities are encouraged, so that land inside these areas or subject to those ordinances is conserved for the production of food, fiber, and livestock. The Legislature has been particularly concerned about placing limits on special assessments imposed by local agencies and the provision of relief for farmers facing nuisance lawsuits.

Agricultural Protection Zoning
The state law that governs city zoning also provides protection to farmland. It stipulates that zoning regulations adopted in accordance with a comprehensive plan must be designed to preserve the availability of agricultural land, consider techniques to prevent the loss of soil from wind and water erosion, and encourage efficient urban development.

Property Tax Relief
The differential property tax assessment used for the agricultural class of property is designed to directly assist owners of farmland. Local governments are required by law to impose a lower tax assessment for farmland than for all other classes of property. Iowa law also provides a property tax exemption for farm buildings and equipment.

Conservation Easements
Conservation easements also can be used to preserve farmland. Iowa law provides for the transfer of such easements for a variety of purposes, including “... to preserve scenic beauty . . . or otherwise conserve . . . the natural beauty [and] natural resources . . . of the state.” The use of eminent domain (condemnation) by government agencies for the acquisition of such easements is specifically prohibited. Private organizations such as the Iowa Natural Heritage Foundation and the American Farmland Trust have used easements in Iowa with willing landowners to provide for legal protection to perpetuate the use of land as farmland.

Techniques closely related to the acquisition of easements are the purchase of development rights (PDR) and the transfer of development rights (TDR). Although not currently used in Iowa, these methods are gaining popularity throughout the country. These techniques are fairly comprehensive and funded by either direct government financing or a government-run market mechanism, so they have application where the problem of farmland loss is most immediate and threatening.
**Are These Techniques Used Elsewhere?**

Some states are moving ahead quite aggressively with farmland protection programs. A good example is New Jersey, where tremendous effort has been made by both government and private organizations to save as much of the state’s disappearing farmland as is possible. Strong public support has been demonstrated by the passage of significant state bond issues for the purchase of agricultural easements from willing sellers.

Pennsylvania, Maryland, and Washington are among the many states with active programs for the preservation of farmland. In Pennsylvania, the emphasis is on the purchase of development rights from willing sellers through a competitive selection process. The program is funded by the proceeds of bond issues approved by state voters.

Maryland takes the purchase of development rights into the private arena by making the development rights that are acquired by a selling owner transferable to the land of another owner who wishes to develop it. These transferable development rights have the advantage of being privately funded instead of requiring public money for purchase.

**Will These Techniques Affect the Ability to Sell Land?**

Two basic issues must be considered in determining the answer to this question. The first is the nature of the restraint or restriction to which the land is subject. Is it a voluntary easement that was willingly sold (or donated) by the owner? Or is it a regulation imposed by a governmental agency, such as a zoning restriction?

Property restrictions such as easements can have effects on the marketability of land ranging from the trivial (e.g., the extra effort to disclose their existence to a buyer who is not concerned) to the severe (e.g., when an owner has sold or donated a very restrictive easement). Theoretically, such a restriction could limit the potential buyer pool to a group that is willing to pay more for the land if other properties in the vicinity are similarly restricted. In this case the restriction could cut both ways: with fewer buyers, the land may take longer to sell, but potentially garners a higher price.

If the restriction is the result of a governmental regulation such as zoning, it should have a smaller impact on the ability to sell, as the marketplace tends to accept uniformly enacted systems of land regulation. Conceptually, if a regulation cannot be easily accepted by the marketplace, its validity may be susceptible to challenge under private property rights law.

**Why Not Let Land Go to Its Best Use?**

Conversion of farmland to urban development, and other non-farm uses, reduces future food production capabilities and may ultimately undermine agriculture as a major economic activity in Iowa. In this state, the loss of production farmland results in another kind of loss, that of the rural character and landscape.

There are many reasons to preserve farmland, including conserving energy, preventing urban sprawl, maintaining open space and rural character, protecting natural resources, controlling public capital and operational expenditures related to the building of municipal infrastructure, maintaining the state and local economic base, promoting local self-sufficiency, reducing premature disinvestment in agriculture, and reducing conflicts between farm and non-farm neighbors.

Additionally, by converting some of its best farmland to urban uses, the United States is limiting future options to deal with social, economic, food security, and environmental problems.

A number of organizations concerned about the loss of farmland have developed policy guidelines for ways states and localities can begin to preserve farms and farmland. Principal among these organizations are the American Planning Association (APA) and the American Farmland Trust (AFT). Some of their main policies are summarized in the following.

The American Farmland Trust concludes that

- the patterns of urban development are scattered and fragmented, thereby increasing the pressures on farmland beyond those acres actually lost;
- efforts in the United States to manage land have, for the most part, failed to protect farmland;
- to date, the vast land resources in the United States have masked the most negative effects of farmland destruction; and
- conflicts at both the local and national level are now escalating over varied uses of the nation’s land resources.

AFT recommends that federal agencies should quantify the impact of farmland conversion on key environmental measures such as water quality, air quality, wildlife populations, rural economic health, and regional food security. It is also recommended by AFT that the U.S. Department of Agriculture should take the lead in defining farmland by its importance and vulnerability to development. This will help to target policy and programs at the federal level and assist states to do the same, including better quantification of farmland of statewide and local importance.

The American Planning Association (APA) has developed a policy guide for its members and others concerned about the loss of farmland. The APA promotes strong
support for agricultural land preservation, calling for legislation that would require long-range planning efforts by localities to consider preservation measures and recommending that state funds for infrastructure facilities (highways, sanitary sewers, etc.) be withheld unless an oversight agency finds that the facilities will not be detrimental the continuation of agriculture.

Iowa has the opportunity and the capacity to develop land-use inventories and systems for tracking the fate of farmland. States and/or local communities should undertake a land inventory and analysis of development trends and risks to encourage agreement on which farmland to save. This system could help to determine which state and local policies adversely affect farmland and assist in implementing policy reform, which would, one hopes, lead to a reversal of the farmland loss seen today and projected for the future.

In Iowa, a process of dialogue and debate should be initiated everywhere the conversion of farmland is significant to develop long-term objectives for the land and mechanisms to share responsibility to protect it. Elected officials and planning professionals should look more closely at the principles of compact growth, including building homes at optimal density, renewing inner cities, and using existing infrastructure.

### Why Worry About Losing Farmland?

With commodity prices so low, and with technology driving ever-increasing levels of production, it may be hard to see farmland loss as a real problem. However, when we look at the issue over the long term, it is clear that small changes over a long period can result in very large problems. These are the toughest issues to deal with, because of our natural tendency to focus on the near future.

From the perspective of an economist’s spreadsheet, it may seem simple to wait until demand and supply reach an equilibrium: that is, until land currently being converted from farming for more valuable uses becomes so scarce (and valuable) that it is more profitable to put it back into farming. Unfortunately, the issue is not that simple, even if our population and economy would tolerate the sky-high food and fiber costs that would result from such a market. Land is not a machine tool that can be put in and out of production easily and rapidly. Nor is farming, at an efficient commodity-oriented level, a type of enterprise that can be stopped, started, and moved around like a dotcom company.

Concentration also is a factor. Because the more rapidly growing states are losing farmland at a much higher rate (with typically smaller amounts to lose), if the process is allowed to continue indefinitely, agriculture could become concentrated in just a few states. Allowing the nation’s food supply to become too concentrated, and thus vulnerable to a disaster in just one region of the country, is not good public policy.

### Conclusion

In Iowa, the importance of the agricultural economy cannot be overstated. Therefore, the loss of its basic input—land—represents an issue that Iowans cannot ignore, no matter how trivial the annual loss may appear. What seems like “no big deal” today may exact a price on our successors that will be difficult for them to pay. Even though the policy choices are difficult, the tools exist today to provide a better solution than we have achieved in the past. It seems wiser to consider the needs of the future before making choices that may be irreversible.