

Agenda Item #:

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: Jan	17, 2012	[X] [X]	Consent Workshop	[] []	Regular Public Hearing
Department:	Planning, Zo	oning &	& Building		
Submitted By:	Planning Div	ision			
Submitted For:	Planning Div	ision			

I. EXECUTIVE BRIEF

Motion and Title: Overview of the Agricultural Reserve

Summary: This is the first of several public workshops requested by the Board of County Commissioners to present the history and evolution of the guiding principles, objectives and policies in the Comprehensive Plan. This first workshop consists of an overview of the history, achievement of goals and continued economic importance of the Agricultural Reserve and will provide context for discussion on policy issues and decisions regarding existing and future land uses in the Agricultural Reserve. (RB, 3 and 5)

Background and Policy Issues: Agriculture is one of the three basic components of Palm Beach County's economy. Given its key location and micro-climate, the Agricultural Reserve is a significant producer of vegetable output in the County. The Agricultural Reserve continues to be one of the most important winter producers of vegetables nationwide and a prime supplier to the hospitality industry in the County. In recognition of these important factors, Palm Beach County has adopted and implemented policies and plans to promote the preservation of agriculture and environmentally sensitive lands within the nearly 22,000 acre Agricultural Reserve since 1980.

Current goals, objectives and policies for this area are contained under the Agricultural Reserve Tier provisions in the Comprehensive Plan. These policies were adopted by the Board in 2001 after multiple years of moratorium, discussions, administrative hearings and settlement agreements with the state and local stakeholders. Residential development options include 1DU/5 ACRE subdivisions and 80/20 and 60/40 clusters.

To date approximately 56 percent of the Ag Reserve acreage has been set aside for agricultural or environmentally sensitive preserves through the AGR-PUD and TMD development options, and government land purchases by state and federal agencies and by the County including lands purchased through Bond funds. Of the remaining land area, approximately 28% is either developed or planned for development, and 3,011 acres (14%) is currently un-committed. Over the past several years, the BCC has been approached with requests by residents, farmers or property owners proposing new uses such as additional retail uses and medical offices and related uses in the vicinity of the Bethesda West Hospital campus, produce stands, farmer and green markets, and expansion and modernization of existing packing facilities. Other requests include proposals for new uses such as packing plants and schools to be allowed within lands set aside as AGR-PUD preserves.

Attachments: Executive Summary, Exhibits and Maps.

Recommended by:	Balan Atton	1-9-12
-	Executive Director	Date
Approved By:	Qu	1/13/12
	Deputy County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fis	scal Impact:
-----------------------------	--------------

Fiscal Years	20 <u>12</u>	20 <u>13</u>	20 <u>14</u>	20 <u>15</u>	20 <u>16</u>
Capital Expenditures	,,, .,, ., ., ., ., ., ., ., .				
Operating Costs	<u> </u>				
External Revenues					
Program Income (County	()		<u> </u>		. <u> </u>
In-Kind Match (County)	-			. <u></u>	
NET FISCAL IMPACT	23	<u></u>		<u> </u>	<u>Tataanaa ahaa a</u>
No. ADDITIONAL FTE POSITIONS (Cumulative	≥)				
is item included in Curre	nt Budget?	Yes	No <u>X</u>		
Budget Account No.:	Fund Object		t Uni		

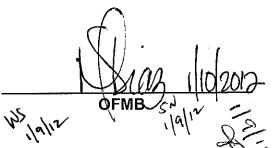
B. Recommended Sources of Funds/Summary of Fiscal Impact: There is no fiscal impact associated with agenda. This is a workshop only.

C. Departmental Fiscal Review:

at

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:



na Contract Dev. and Contro

B. Legal Sufficiency:

Assistant County Attorney

C. Other Department Review:

Department Director

AGRICULTURAL RESERVE WORKSHOP EXECUTIVE SUMMARY

The Agricultural Reserve covers nearly 22,000 acres of unincorporated land located west of the Turnpike and north of the Broward County Line. This location's micro-climate unique in Florida, allows for optimal year-round conditions for agricultural cultivation, and contains uniquely located wetlands. (*Map 1- Location*) The Agricultural Reserve is one of the largest producers of winter vegetables in the nation and the prime supplier of local fresh vegetables to the hospitality and restaurant industries. This highlights its continued economic value and contribution to the County's economy.

- In recognition of the factors enumerated above, the County has adopted and implemented policies to preserve agriculture and environmentally sensitive lands while allowing for limited development options, since 1980. (Exh.1- Policies)
- The 1989 Comprehensive Plan established a moratorium while studies could be developed. Regulating policies have evolved through years of moratorium (1989-1995), challenges and settlement agreements with stakeholders (1994-1995), studies and planning efforts with extensive public participation and development of a Master Plan (1999), and \$150 million Bond Issue approved by voters (1999). The Board of County Commissioners implemented the Master Plan through adopting the policies contained under the Agricultural Reserve Tier of the Comprehensive Plan in 2001. (*Exh. 2 Chronology*)

These provisions are designed to promote agricultural and environmental preservation by allowing a density bonus (of up to 1 unit per acre) for Planned Developments that set aside a significant portion of the area for preservation (through either a 60/40 or 80/20 option). They were designed to maintain agriculture and supporting uses while allowing balanced development to occur.

OVERVIEW OF THE AGRICULTURAL RESERVE

The Comprehensive Plan goals for the Ag Reserve have generally been achieved and its policies implemented as anticipated in the provisions of the Comprehensive Plan and the Master Plan. The resulting land use pattern has changed through the years, yet much of the land area remains in agricultural production as shown in Table 1. Approximately 50% (10,970 acres) of the land is currently being used for agriculture, down from 62% (13,656 acres) in 1995.

Uses	1995	2011
Agriculture	13,656	10,970
Wetlands & Open Space	6,900	6,080
Development Areas	1,425	3,407
Vacant/Other Uses	0	1,524
Total Ag Reserve	21,981	21,981

TABLE 1 - Existing Land Uses 1995-2011

As shown in Table 2 below, the total land in agriculture today also includes 6,058 acres set aside as agricultural preserves, and 2,767 acres with no development approvals. The latter includes most of the "uncommitted" lands, the majority of which are actually owned by existing

farmers, and include lands where the 5 existing packing facilities are located in the Ag Reserve. It also includes 2,212 acres of unbuilt land with current residential development approvals. This unbuilt land will eventually be developed, which will reduce in the future the actual land dedicated to agriculture to 8,858 acres or 40% of the total land in the Agricultural Reserve. (*Map 2 – Status of Agriculture*)

Current agricultural practices include diversified operations which include niche farming venues, such as Organic Farming or Chinese Vegetables, where Palm Beach County is the lead producer in the State of Florida; existing processing facilities have been expanded and modernized. Other new Ag-related businesses include Bedner's Produce Stand; the expanded and modernized Pero Farms headquarters and packing facilities, which are one of the local producers of organic products; the Monte Package Company, producing all type of packaging products for farmers; Florida Farm Equipment, and others to name a few. There are a number of equestrian venues and equestrian AGR-PUDs where the preserve areas are contiguous to the development area, such as Palm Meadows, a very large, state-of-the-art thoroughbred racing horse training facility. *(Exh. 3 – Economic Importance of Ag Reserve)*

Overall, as shown in Table 2 below, a total of 12,220 acre or approx. 56% of lands have been preserved for the stated purposes of Ag preservation, water management and open space, and development rights have generally been retired for most of those lands. (See Map 3 - Preserves)

Existing Land Use	Total Acres	Development Areas ¹	Preserve ²	No Approval	Other Uses
Agriculture & Equestrian	10,970	2,112	6,058	2,767	59
Conservation	6,080		6,040	_	40
Built	3,407	3,311	-	96	-
Vacant	868	694	-	148	-
R.O.W., Canals, Gov. Use	656	119	123	-	415
Total Land Area	21,981	6,236	12,220	3,011	514

Table 2- Ag Reserve Land Use Snapshot 2011

1. Includes Subdivisions, AGR PUD/TMD Buildable Areas, Vested/Built Uses

2. Includes AGR PUD/TMD Preserves, Government Owned Lands for Agriculture or Conservation

Residential and non-residential development has occurred approximately at the anticipated locations in the Master Plan (*Map 4- Master Plan*), accounting for 28% of total lands. 2,112 acres have been developed between 1995 and 2011, largely with the development of residential uses. Of the 4,194 units built in the Ag Reserve today nearly 91% (3,796 units) have been built since 2001. The construction of a hospital in the north end of the reserve –a regional use not anticipated - has introduced a new perceived need and demand for medical-related land uses primarily along the Boynton Beach Blvd. corridor. The use of development rights associated with public lands owned by the South Florida Water Management District has resulted in the approval of approximately 1,200 additional residential units that were not originally accounted for. (*Exh. 4 – Current Status of Development*)

Overall, approximately 86% of the land is designated as preserves, development areas, or other land uses, leaving the remaining 14% (3,011 acres) available for continued agriculture, non-residential uses allowed within the AGR future land use designation or future areas for development/preserve through the AGR-PUD/TMD development options. (*Map 5– Current Status*)

farmers, and include lands where the 5 existing packing facilities are located in the Ag Reserve. It also includes 2,212 acres of unbuilt land with current residential development approvals. This unbuilt land will eventually be developed, which will reduce in the future the actual land dedicated to agriculture to 8,858 acres or 40% of the total land in the Agricultural Reserve. (*Map 2 – Status of Agriculture*)

Current agricultural practices include diversified operations which include niche farming venues, such as Organic Farming or Chinese Vegetables, where Palm Beach County is the lead producer in the State of Florida; existing processing facilities have been expanded and modernized. Other new Ag-related businesses include Bedner's Produce Stand; the expanded and modernized Pero Farms headquarters and packing facilities, which are one of the local producers of organic products; the Monte Package Company, producing all type of packaging products for farmers; Florida Farm Equipment, and others to name a few. There are a number of equestrian venues and equestrian AGR-PUDs where the preserve areas are contiguous to the development area, such as Palm Meadows, a very large, state-of-the-art thoroughbred racing horse training facility. (*Exh. 3 – Economic Importance of Ag Reserve*)

Overall, as shown in Table 2 below, a total of 12,220 acre or approx. 56% of lands have been preserved for the stated purposes of Ag preservation, water management and open space, and development rights have generally been retired for most of those lands. (See Map 3 - *Preserves*)

Existing Land Use	Total Acres	Development Areas ¹	Preserve ²	No Approval	Other Uses
Agriculture & Equestrian	10,970	2,112	6,058	2,767	59
Conservation	6,080	-	6,040	-	40
Built	3,407	3,311	-	96	-
Vacant	868	694	~	148	
R.O.W., Canals, Gov. Use	656	119	123	-	415
Total Land Area	21,981	6,236	12,220	3,011	514

Table 2- Ag Reserve Land Use Snapshot 2011

1. Includes Subdivisions, AGR PUD/TMD Buildable Areas, Vested/Built Uses

2. Includes AGR PUD/TMD Preserves, Government Owned Lands for Agriculture or Conservation

Residential and non-residential development has occurred approximately at the anticipated locations in the Master Plan (*Map 4- Master Plan*), accounting for 28% of total lands. 2,112 acres have been developed between 1995 and 2011, largely with the development of residential uses. Of the 4,194 units built in the Ag Reserve today nearly 91% (3,796 units) have been built since 2001. The construction of a hospital in the north end of the reserve –a regional use not anticipated - has introduced a new perceived need and demand for medical-related land uses primarily along the Boynton Beach Blvd. corridor. The use of development rights associated with public lands owned by the South Florida Water Management District has resulted in the approval of approximately 1,200 additional residential units that were not originally accounted for. (*Exh. 4 – Current Status of Development*)

Overall, approximately 86% of the land is designated as preserves, development areas, or other land uses, leaving the remaining 14% (3,011 acres) available for continued agriculture, non-residential uses allowed within the AGR future land use designation or future areas for development/preserve through the AGR-PUD/TMD development options. (*Map 5– Current Status*)

NEW ISSUES AND REQUESTS

Recently the BCC has been approached with requests by residents, farmers or property owners for new uses on the remaining lands within the Ag Reserve without development approvals or within AGR-PUD preserves, or to expand existing uses. *(Exhibit 5- New Issues)* These requests can be summarized as follows:

- Non-Ag uses currently not permitted in AGR-PUD preserves include schools; other requests include additional retail, and medical-related uses in the vicinity of the Bethesda West Hospital campus.
- Agricultural uses include packing plants, which are not permitted in AGR-PUD preserves; produce stands, farmer and green markets, and expansion and modernization of existing packing facilities, all of which are permitted elsewhere in the Ag Reserve with limitations.

FUTURE OF THE AG RESERVE

Current and future requests for a variety of non-agriculture uses are likely to occur in the remaining lands, due to the scarcity of large parcels; lower land values, especially for PUD-Preserve lands, as compared to lands within the urbanized area east of the Turnpike; existing and future residents' expectations and other potential factors. The combination of these factors could trigger changes in land uses that could erode the preservation of agricultural lands and threaten the expansion of the agricultural industry in the Ag-Reserve.

The two most significant issues arising from the recent requests are:

- The benefits of removing limitations for agriculture in order to maintain and support the agricultural industry and the economic viability of large scale farming. Suggested topics for consideration may be affording more flexibility for the expansion of packing facilities, produce stands, farmer and green markets, and other services supporting the farming community.
- The need to maintain existing policies designating AGR-PUD Preserves for agricultural uses while directing development to other currently available non-preserve lands in the Agricultural Reserve.

EXHIBIT 1 AG RESERVE WORKSHOP January 17, 2012

AG RESERVE POLICY BACKGROUND

The Agricultural Reserve is located in southeastern Palm Beach County between the Loxahatchee National Wildlife Refuge and the coastal urban areas. This location enjoys a micro-climate unique in Florida, which allows for optimal year-round conditions for agricultural cultivation and also contains unique wetlands.

The Ag Reserve was designated for the first time in the 1980 Comprehensive Plan. Regulating policies have evolved through years of moratorium (1989-1995); administrative hearings and settlement agreements with the state and local stakeholders (1994-1995); and studies and planning efforts with extensive public participation (1889-1999), A detailed Chronology of events is shown Exhibit 2. Key provisions include the following:

- Policies for the Ag Reserve since its inception have allowed for a combination of agricultural preservation and development. Current policies are located under the Agricultural Reserve Tier and are the result of two decades of planning efforts and agreements with a variety of stakeholders (1980-2001).
- Development options originally included 5-acre-lot subdivisions and an 80/20 cluster with development concentrated in 20% of the land. A new 60/40 cluster option was added in 1995, with the ability to designate preserve areas off-site, which increased the attractiveness of the Ag Reserve for development.
- In addition, Palm Beach County voters approved in a 1999 referendum a bond issue for \$100 million to purchase agricultural lands and \$50 million for environmentally sensitive lands.
- A Master Plan for the Ag Reserve was completed and approved by the Board in 1999 with the purpose of supporting the bond issue, to preserve and enhance agricultural activity and environmental and water resources in the Ag Reserve.
- The master plan was incorporated into the Ag Reserve Tier in 2001, in the form of policies to govern agricultural activities and criteria to implement development options including the creation of agricultural preserves.

These actions have guided for the most part development and land preservation activities in the area during the last decade, which have resulted in both substantial development and maintenance of farming activities that continue to be a viable economic industry in this region of the County. The effectiveness of these actions and the achievement of goals are analyzed in Exhibit 3.

EXHIBIT 2 AG RESERVE WORKSHOP January 17, 2012

CHRONOLOGY OF EVENTS

Origins- 1970 & 1980 Comprehensive Plans

Starting with Palm Beach County's 1972 Land Use Plan, the area now known as the Ag Reserve was designated from a larger area as "Residential Estates" with densities ranging from 1 dwelling unit (DU) per acre to 1 DU per 2.5 acres. In 1980, the County's Comprehensive Plan formally created the reserve area and defined its boundaries. The emphasis was preservation of agriculture and densities, which were reduced to 1 unit per 5 acres. It also allowed "80/20 Planned Unit Developments (PUDs)" with 1 unit per acre clustered on 20 percent of the land with a minimum of 40 acres, and established provisions for Transfer of Development Rights (TDRs) outside of the Ag Reserve.

The 1989 Comprehensive Plan – Moratorium declared

In 1989 the County's Comprehensive Plan revised the area's boundaries to remove noncontiguous portions and reflect land use changes made during the 1980s. These revisions reduced the area by more than 5,000 acres resulting in its current boundaries encompassing 20,923 acres. Also, a moratorium was enacted until a study could be completed to evaluate the long-term viability of agriculture. TDR options were still permitted, but the 80/20 PUD option and 1 DU per 5 acres provision were suspended.

1990 Ag Reserve Study

In 1990, the County hired Dames and Moore to conduct a phased study of the Ag Reserve, which included two initial phases:

- Phase I: An economic impact analysis and an analysis of agricultural determinants (Feb 1991)
- Phase II: A land use suitability analysis (October 1991) and development of alternative scenarios, related strategies, and impact assessment (February and March 1992)

Alternative scenarios ranged from maintaining agriculture (TDRs, Purchase of Development Rights, and Agricultural Districts), through an "anti-sprawl" development option with protection of natural resources and environmental sensitive lands, to expansion of development with no effort to preserve agriculture.

<u>1993 Purchase of Agricultural Conservation Easements (PACE) Program</u>

In May 1993, the County Planning Division staff completed a preliminary report as part of Phase III of the work to be originally completed by Dames and Moore. The report made recommendations for establishing a Purchase of Agricultural Conservation Easements (PACE) program. The study concluded that as much as \$100 to \$200 million would be needed to fund the PACE program.

1994-1995 New Ag Reserve Provisions & Lifting of Moratorium

The BCC adopted in 1994 new provisions for the Ag Reserve, based in some of the recommendations of the previous studies. These new provisions were found "Not In Compliance" by DCA. Subsequently in 1995, after an administrative hearing process, the Board adopted a Remedial Plan Amendment, which included an additional 60/40 development option with a minimum of 150 acres of preserve area and development clustered in 40% of the land. Preserve areas under this option were not required to be contiguous to the development area, and development was limited to areas east of SR7. The moratorium was lifted in 1995 allowing all the development options to proceed.

<u>1996-1999 Ag Reserve Bond Issue</u>

A PACE committee was established in 1996 with very little success, which led to exploring a bond issue to fund the PACE program. This resulted in a 1998 recommendation to utilize a Bond Issue to preserve agriculture in the Ag Reserve. In 1999 Palm Beach County voters approved a referendum authorizing a \$150 million bond issue to purchase agricultural and environmental sensitive lands. The PACE program was officially repealed in 2001 and its committee replaced with the then existing Conservation Land Acquisition Selection Committee (CLASC), which carried through the purchase of agricultural and environmental sensitive lands. Close to 2,500 acres were purchased with Bond moneys to date. The County has subsequently sold 167 acres with no development rights and deed restrictions to the SWA and farmers.

1998-1999 Master Plan for the Ag Reserve

In July 1998, the Palm Beach County Board of County Commissioners (BCC) authorized CH2M HILL to proceed with the development of a Master Plan for the Agricultural Reserve in south-central Palm Beach County. The master planning effort was a cooperatively funded agreement between the County and the South Florida Water Management District. Phase I Report was completed by the end of 1998 and Phase II (Development of the Master Plan) was completed by mid 1999 with the collaboration of Dover, Kohl, and Partners.

2000-2001 Managed Growth Tier System - Ag Reserve Tier

The County adopted in 1999 the Managed Growth Tier System (MGTS) which identified different development tiers. One of the Tiers created was the Ag Reserve Tier. In 2001, there was a re-writing of the Ag Reserve provisions to convert them into the Ag Reserve Tier. This effort included incorporating the Ag Reserve Master Plan into the Comprehensive Plan. These are the current provisions in the Comprehensive Plan to date.

Post 2001 Managed Growth Tier System – Ag Reserve Tier Developments

Several developments utilizing the 60/40 development option and one utilizing the 80/20 option had already been approved by the time the Ag Reserve provisions were re-written in 2001. Subsequent to 2001, several more 60/40 planned unit developments were approved including two commercial developments utilizing the 60/40 Traditional Market Place Development (TMD) option adopted in 2001. The TMD developments were restricted by the Comprehensive Plan policies to just two intersections in the Ag Reserve.

Post 2001 Managed Growth Tier System –Unanticipated Events

A few events occurred in the Ag Reserve that were not anticipated by the Ag Reserve Master Plan or its incorporation into the Ag Reserve Tier provisions:

- The first was associated with the approval of the Appolonia Farms 60/40 AGR-PUD in 2004. This development approval included over 1,500 acres of which 610 acres were proposed as the development area and 918 acres, owned by the South Florida Water Management District, proposed as offsite preserve area. The utilization of SFWMD lands to meet preserve area requirement of AGR-PUD's was not contemplated. Those SFWMD lands were in fact excluded during the formulation of the Master Plan with respect to the potential units that could be built in the Ag Reserve. However, the inclusion of the Strazzula tract as preserve was associated with the County's acceptance of 547 acres of land in north County for conservation purposes. The BCC therefore determined that there was a greater good served by allowing the Strazzula tract to be approved as preserve area only for the Appolonia Farms AGR-PUD.
- The second event was in 2005 when the County sold a 40 acre property that was previously purchased with the voter approved Bond money, to the Solid Waste Authority (SWA) for the purpose of locating a Waste Transfer Station in the Ag Reserve. The absence of a facility in the area was contributing to capacity overloads at other facilities. The BCC adopted an amendment in 2005 to change the Future Land Use designation on the property from Agricultural Reserve with a Preserve Note (AGR-PR) to Transportation and Utilities Facilities (U/T) to allow the transfer station to develop.
- The third event was the adoption of a land use amendment in 2005 on a 63 acre site to allow for the development of the Bethesda West Community Hospital. Such a facility along with associated medical office development on the campus was not envisioned in the Ag Reserve Master Plan or policies adopted in the Comprehensive Plan. Although Institutional uses are allowed east of State Road 7, those uses were not envisioned to serve the needs of a population beyond the farm workers and residents of the Tier. The locating of a major hospital campus in the Ag Reserve has also increased development pressure on some surrounding properties resulting in property owners near the hospital campus submitting applications to change their land use designations in order to accommodate additional medical office.
- Late in 2005 and then in 2006, several GL homes projects included several hundred acres of SFWMD lands again to meet the preserve requirements without utilizing any units associated with those preserve areas. This concept of allowing the inclusion of SFWMD lands, and not the units, had been done before with the approval of Appolonia Farms PUD. For the new approvals, the SFWMD reached a roughly 20 million dollar agreement with GL homes. The County was supportive given the intent of the SFWMD was to then obtain a flowage/conservation easement over 335 acres of property near the Bee Line Hwy, known as the Gentle Ben property.
- Subsequent to the 2005 and 2006 approvals, based on another agreement between GL Homes and the SFWMD wherein the district received additional money, roughly 10 million, the district then agreed to allow GL Homes to utilize any units associated with those same district owned lands approved as preserve in 2005 and 2006 and some additional lands, a total of over 1,300 acres. The agreement did not include the 2004 approved Strazzula tract. Since the agreement, nearly all of those lands,

and the units associated with them, have been included in GL Homes AGR-PUD approvals to not only meet the preserve requirements but also to utilize the units associated with the preserve areas to increase densities in the development areas.

The result of the unanticipated events above related to AGR-PUD approvals have, in effect, increased the units above what was originally anticipated to be built in the Ag Reserve by roughly 1,300 units. Additionally, the inclusion of SFWMD lands as preserve area has, in effect, decreased the amount of land that would have been preserved for agriculture since those developments were not forced to seek out other alternate preserve areas, areas other than publicly owned lands, to meet their preserve requirements. The location of a hospital in the Ag Reserve has resulted in significant development pressure to develop properties proximate to the Hospital with commercial medical office development.

T:\Planning\CURRENT\AgReserve\2012\Jan 2012 BCC Wshop\Final Workshop Documents\Exhibit 2 - Chronology.doc

EXHIBIT 3 AG RESERVE WORKSHOP January 17, 2012

ECONOMIC IMPORTANCE OF AGRICULTURE IN PALM BEACH COUNTY

The Palm Beach County agricultural industry is one of the largest industries in the County. The total economic impact to the county from agriculture is \$2.6 billion. This includes agricultural row crops such as sugarcane, rice, sod, vegetables, specialty crops, nursery crops, equestrian and other livestock animals. It also includes packing houses, mills and the co-generation plant which support agronomic endeavors.

- The industry employs a range of between 9,000 12,000 workers in Palm Beach County with agricultural wages reaching \$340 million. These employees are both highly skilled professionals and technicians and minimally skilled laborers.
- Currently, 459,865 acres are in production. Palm Beach County leads the state in agricultural sales. Palm Beach County is among the top ten largest agricultural counties in the United States. Palm Beach County is the largest agricultural county east of the Mississippi River. Palm Beach County leads the nation in the production of sugarcane, bell peppers and fresh sweet corn and leads the state in the production of rice, lettuce, radishes, Chinese vegetables, specialty leaf produce and celery. Palm Beach County ranks second in the state in nursery plant production (behind Miami-Dade) with an economic impact of \$279 million.
- Palm Beach County is unique in that we have at least two very distinct soil types; the sand lands which are prevalent in the Agricultural Reserve and the organic muck lands in the Everglades Agricultural Area. The diversity of soil allows for a great diversity of produce to be grown.

Over 40 different vegetables and more than 80 different vegetable varieties are grown in Palm Beach County. The greatest varieties of vegetables are grown on the sand lands in the Agricultural Reserve. These same crops cannot be grown in the organic muck lands of the Everglades Agricultural Area.

THE AGRICULTURAL RESERVE

Approximately 10,970 acres are currently in agricultural production in the Ag. Reserve – 7,770 acres are in row crops; 2,300 acres are in plant nurseries and over 900 acres are pastureland.

Why is the Agricultural Reserve so valuable for agricultural production?

a. During the winter, the Ag. Reserve is the warmest vegetable production area on the eastern seaboard of the United States. In almost 60 years, there has not been a hard freeze in the Ag. Reserve. When other vegetable production areas

are hard hit by cold weather events, fresh produce is available from the Ag. Reserve.

- b. The Ag. Reserve is very valuable agronomic land. The return per acre can be twice the value of acreage in the EAA.
- c. Infrastructure is already in place. Crops can be easily transported.
- d. Specialty crops that hotels and restaurants depend on are grown in this area.
- e. Packing houses are operational year round and support the packing of locally grown fresh produce as well as from other areas of Florida and the Caribbean basin.
- f. Field trials done in the Agricultural Reserve test new varieties of vegetables brought to your table and other markets throughout the country.

2

The future of agriculture in Palm Beach County is very optimistic. Palm Beach County has rich agricultural lands and an ideal climate allowing for significant and varied agronomic potential. As our population increases, so does the demand for food. Palm Beach County growers feed our community, and many other areas in the world. Our growers meet the demand for high quality produce for hotels and restaurants, adding to the quality of life for residents and visitors. There is an unprecedented interest in locally grown foods, better nutrition and recommendations for increased consumption of fruits and vegetables. Many tropical plants, so desired by consumers, are grown in the Agricultural Reserve. Agriculture changes over time based on demand, current research and technology and one would expect it to change in the future. No one can predict the future, but exciting prospects are on the horizon, including energy crops for fuel and plastics, tropical fruit, essential oils from herbs, plants for pharmaceuticals and more.

EXHIBIT 4 AG RESERVE WORKSHOP January 17, 2012

CURRENT STATUS OF DEVELOPMENT, LAND PRESERVATION AND AGRICULTURE IN THE AG RESERVE

The land use pattern in the Ag Reserve has changed through the years, yet much of the land area remains in agricultural production as shown in Table 1. Approximately 50% (10,970 acres) of the land is currently being used for agriculture, down from 62% (13,656 acres) in 1995. This also includes most of the "uncommitted" lands, the majority of which are owned by existing farmers, and include lands where the 5 existing packing facilities are located in the Ag Reserve. Approximately 2,000 acres have been developed between 1995 and 2011, largely with the development of residential uses. Of the 4,258 units built in the Ag Reserve today, nearly 90% (3,804 units) have been built since 2001.

Uses	1995	2011	
Agriculture	13,656	10,970	
Wetlands & Open Space	6,900	6,080	
Development Areas	1,425	3,407	
Vacant/Other Uses	0	1,524	
Total Ag Reserve	21,981	21,981	

TABLE 1 - Existing Land Uses 1995-2011

The most significant land use change in the Ag Reserve since 1995 has been through the establishment of preserve areas for agriculture or conservation purposes, both through the bond issue and through the AGR-PUD/TMD approval process. As shown in Table 2, 56% (12,220 acres) of the Ag Reserve has been set aside as preserve areas, with approximately ½ in agriculture and ½ in conservation uses.

Existing Land Use	Total Acres	Development Areas ¹	Preserve ²	No Approval	ROW/Canals /Gov
Agriculture & Equestrian	10,970	2,112	6,058	2,826	-
Private Agriculture	8,400	2,112	3,488	2,767	
Public Agriculture	2,570	-	2,570		-
Conservation	6,040	-	6,040	-	-
Private Conservation	391	-	391	-	-
Public Conservation	5,649		5,649	-	· _
Built	3,407	3,311	-	96	-
Vacant	868	694	-	148	-
ROW/Canals/Government	696	119	123	=	455
Total Land Area	21,981	6,236	12,220	3,070	514

1. Includes Subdivisions, AGR PUD/TMD Buildable Areas, Vested/Built Uses

2. Includes AGR PUD/TMD Preserves, Government Owned Lands for Agriculture or Conservation

Non-residential uses in the Ag Reserve, in addition to the AGR-TMD areas include grandfathered in uses such as Faith Farms Ministries on SR7, and a few industrial uses on Atlantic Avenue have expanded and modernized; and certain uses have relocated and expanded due to road R.O.W. acquisitions, such as Caridad Clinic, Four Points gas station and others. For the above table, these uses are identified within the "Development Areas' column as part of the 'built' figure.

Overall, approximately 86% of the land is dedicated preserves, development areas, or other land uses, leaving the remaining 14% (3,011 acres) to be considered 'uncommitted' and available for continued agriculture, non-residential uses allowed within the AGR future land use designation, or future areas for development/preserve through the AGR-PUD/TMD development options. Currently these lands include agricultural operations including the 5 functioning packing facilities, several active farms and nurseries, farmer produce stands, and other Ag serving facilities.

Land Preservation

A total of 12,220 acres have been set aside equivalent of 56% of total land in the Ag Reserve. After lifting of the moratorium and adoption of new regulations that allowed for development and preservation of land for agriculture, wetlands and other uses, developers, government agencies and the County found themselves "competing" for the purchase of lands. The unintended consequence was the accelerated valuation of lands in the Ag Reserve, which limited the purchasing power by government agencies. As a result, the County was only able to purchase 2,500 acres worth of bond issue money for the preservation of agriculture. The County sold approximately 167 acres of this land but retained conservation easements that removed development rights. Other lands have been purchased by the County with sources other than bond issue moneys, mostly for future parks. The County owns a total of approximately 3,000 total acres today, of which approximately 80% is used for agricultural operations. Government agencies currently own approximately 8,700 acres within the Ag Reserve, most of which (6,750 acres) is located on the west side of SR7 that have been set aside by state and federal agencies for water management and restoration projects. The largest government land owner is the South Florida Water Management District with nearly 4,000 acres. (See Map 2 - Preserves)

The implementation of the AGR-PDD development options has yielded preserved over 6,800 acres of preserve areas secured with conservation easements. Approximately ½ of this land is used for agriculture and the remaining ½ is used for conservation purposes.

Agriculture in the Ag Reserve

Agriculture continues to be a viable business in the Ag Reserve despite development activity and land preservation for purposes other than agriculture. Currently there are nearly 11,000 acres being utilized for agricultural cultivation and equestrian activities in the Ag Reserve. Approximately 2,000 acres of land in agriculture has approvals for development under the AGR-PUD or AGR-TMD development options. (See Table 2 Status of Agriculture)

Farmers are farming their own lands or leasing lands from the County and other government entities. They also lease land from developers in lands either dedicated as preserves or undeveloped lands with development orders in place. They have diversified their operations to include niche farming venues, such as Organic Farming or Chinese Vegetables, where Palm Beach County is the lead producer in the State of Florida; and their processing facilities have been expanded and modernized. There are a number of equestrian venues and equestrian AGR-PUDs where the preserve areas are contiguous to the development area, such as Palm Meadows, a very large, state-of-the-art thoroughbred racing horse training facility. Other new Ag-related businesses include Bedner's Produce Stand; the expanded and modernized Pero Farms headquarters and packing facilities, which are one of the local producers of organic products; the Monte Package Company, producing all type of packaging products for farmers; Florida Farm Equipment, and others to name a few.

Development Areas

Approximately 28% of the land (6,236 acres) is currently developed or planned for development. Approximately 53% (11,555 acres) of the Ag Reserve has been approved under the AGR-PUD and AGR-TMD development options, of which nearly 7,000 acres are within the preserve areas. An additional 1,200 acres of the Ag Reserve is approved for subdivisions which are largely built out. Overall, this areas combined with the non-residential lands either built or approved, account for approximately 6,236 acres of developable acreage. To date, nearly 10,000 dwelling units are approved within the AGR-PDD areas for which approximately 4,117 units have been built (largely since 2001) and approximately 5,809 units remain.

Master Plan Implementation

Residential and non-residential development has occurred at the anticipated locations (See Map 3- Master Plan). Additional components of the master planning effort that have been implemented include:

- Construction of the Lyons Road Rural Parkway is underway;
- Construction is also going on for the two Traditional Market Place (TMD) locations at the intersections of Lyons Road with Boynton Beach Blvd. and West Atlantic Avenue;
- Accommodation and/or relocation of original existing non-residential developments have occurred; uses allowed by right in land not dedicated as preserves, such us Churches and schools have been built. Finally,
- Expansion of SR7, Boynton Beach Blvd, and portions of West Atlantic Avenue was completed, and extension of water, wastewater and reclaimed water services for the developments in the area are in place.

The Master Plan did not anticipate the following:

- The Bethesda West Hospital Campus is way underway at the intersection of SR7 and Boynton Beach Blvd. The approval of this regional use has altered the character of along the Boynton Beach Boulevard corridor.
- The SWA Transfer Station is fully operational.
- A United States Postal Service distribution center was built and has been operational for several years.
- The sale of development rights by the SFWMD effectively increased the number of residential units in the Ag Reserve. The utilization of SFWMD-owned land as preserves also had the effect of increasing the land available for developments. These actions resulted in changes in development trends and pressures to allow non-residential uses at locations that could have been preserved for agriculture.

EXHIBIT 5 AG RESERVE WORKSHOP January 17, 2012

NEW ISSUES AND USE REQUESTS IN THE AG RESERVE

Recently the BCC has been approached with requests by residents, farmers or property owners for new uses on the remaining lands within the Ag Reserve without development approvals or within AGR-PUD preserves, or to expand existing uses. These requests can be summarized as follows:

- Requests for additional medical related uses along the Boynton Beach Corridor, following the approval of the Bethesda West Hospital campus on lands;
- Requests additional retail and commercial uses along the Boynton Beach Corridor;
- Requests for more intense agricultural related uses such as produce stands, farmer and green markets, and expansion and modernization of existing packing facilities; and
- Requests for new uses to be allowed within the preserve areas of AGR-PUDs. Currently uses within the preserve areas are strictly limited to agriculture and conservation. Requests have been submitted for more intense agricultural uses (packing plants) and non-residential uses such as private and charter schools within AGR-PUD preserves.

Specific requests during the last couple of years include:

- **Packing Plants in Preserves:** The Planning Division is processing a text amendment carrying out BCC direction to allow Packing Plants in AGR-PUD Preserves. This amendment was prompted by a specific parcel with an existing "packing plant" which was built without permit on an AGR-PUD preserve, where this use is not allowed by the Plan or the Code. Intense agricultural activities are allowed throughout the Ag Reserve, except for AGR-PUD Preserves.
- Medical Offices: A second text amendment would allow medical offices in Institutional future land use designations for parcels surrounded by the Bethesda West Hospital. A concurrent FLUA site-specific amendment is being processed by the property owners of these parcels, seeking an Institutional designation.
- Charter Schools: A group of AGR-PUD residents is supporting the location of a charter middle school near their residences. This group is encountering difficulty in their search for a site where the school could be built, in the vicinity of the existing Elementary School. They are looking at AGR-PUD Preserves where this use is not allowed.
- Private Schools: A similar request was initiated a few years back looking to place a school in AGR-PUD Preserves. That attempt resulted in the swapping of land between AGR-PUD s and AGR-TMD preserves, where institutional uses are permitted.

- Retail Uses: Other property owners have been seeking to utilize their properties, some with existing buildings or facilities, for diverse retail uses. Commercial retail uses are restricted in the Ag Reserve, based on Board direction contained in the Agricultural Reserve Tier polices, that limit new commercial locations to two specific sites and restrict commercial uses to a maximum number of acres, which have already been absorbed by existing approvals.
- Expansion of Existing Packing Plants: These facilities have been the subject of extensive modernization and expansion. Some of them are encountering difficulties to expand based on current Code and Plan provisions.
- **Ag-Related Uses:** Recent trends to expand "Produce Stands" and similar Agrelated uses like green markets or farmer markets, many of which are permitted for agricultural products, but limited in other products by current provisions in the Plan and the Code.
- **High-Value Added Ag-Uses:** Other recent requests include the location of Jatropha processing facilities. Jatropha is a crop utilized in the production of bio-fuels by extracting essential oils from the leaves and seeds of the plant. This proposed facility was considered by residents as an unwanted use and the proposal was eventually dropped.

