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Yolo County strikes deal averting condemnation of ranch

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Associated Press

SACRAMENTO - Backing away from a potentially costly eminent domain proceeding, Yolo County officials announced Thursday they had struck a deal allowing developers to keep a 17,000-acre ranch coveted for its water rights.

The agreement caps a two-year legal battle that had galvanized property rights advocates around the state as a case of government abuse. It had also been featured by supporters of Proposition 90, an initiative on this November's ballot that seeks to curb government powers to seize property from unwilling sellers.

County supervisors praised the 25-page agreement as one that safeguards the ranch's water reserves and preserves the land for agricultural use. However, ranch owners could sell surplus water and develop small plots of land under strict guidelines.

"It's enough to protect the fundamental interests we set out to protect," said county Supervisor Mike McGowan, who helped negotiate the settlement on the county's behalf.

While the county had won the right to buy the land, its case suffered a setback in June when a local judge ruled that the county would have to pay for the value of the water rights.

The developers, known collectively as the Conway Preservation Group, paid \$60 million for the ranch in 2004 after the county began its eminent domain proceedings on the ranch. But their appraisers estimated it was worth as much as \$240 million for its development potential, water resources and hunting rights.

The Rumsey Band of Wintun Indians, which operates the Cache Creek casino in northwest Yolo County, had offered to loan the county the money to buy the land.

As part of the settlement, which must be approved by the court, the ranch owners agreed cover the county's \$2.4 million in attorneys' fees and court costs. The group extended the offer in an effort to hold on to the ranch, which ranch officials had said they wanted to preserve for farming and hunting.

"We're happy. Now we can get busy preserving the ranch," said ranch spokesman Tovey Giezentanner.

Giezentanner has said the ranch owners planned to make money by marketing the ranch as a conservation investment to developers looking for open space that can be preserved to offset their building enterprises elsewhere.

About half the ranch is used during the winter as a floodplain when the Sacramento River reaches dangerous levels, serving as a crucial outlet for rising waters and as a key link in Sacramento's flood-control plans. Because of that, only the westernmost sliver of the ranch between Woodland and Davis, home to a University of California campus, is eligible for development.

The land comes with title to 30,000 acre-feet of water from the Sacramento River and another 20,000 acre-feet

from groundwater wells. Combined, that's enough to supply 200,000 people a year - 15,000 more than the population of Yolo County, according to U.S. Census Bureau estimates.

Property rights advocates upset over last year's U.S. Supreme Court decision that expanded the governments' right to obtain land had pointed to Conaway as another example of eminent domain abuse. The called the Yolo County deal an "extortion" of private landowners.

"Over the past two years, Yolo County failed to make a convincing case that using gambling profits to seize a ranch was an appropriate use of eminent domain," said Dudley Holman, former mayor of Woodland and a board member of the California Alliance to Protect Private Property Rights.

"Now the county demands \$2.4 million from ranch owners in exchange for abandoning its eminent domain proceedings," he said. "This is not a settlement, it is extortion."

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