

THE EFFECTIVENESS OF THE SPECIAL FARM USE
ASSESSMENT PROGRAM IN JEFFERSON COUNTY,
OREGON -- A COMPARATIVE STUDY

by

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THE EFFECTIVENESS OF THE SPECIAL FARM USE
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ABSTRACT: Oregon's Special Farm Use Assessment program is investigated in this paper for its effectiveness in preserving farmland from urban sprawl. Basic research for this study was conducted in Jefferson County, a rural central Oregon county. Data from a similar study conducted in Washington County, an urbanizing northern Willamette Valley county, is used for comparative geographic analysis. It was found that though these counties are very much dissimilar in physical environments and population pressures, the performance of the farm use assessment program in the urban-fringe was analogous in each. Observations drawn by this and the previous research are: that most land, once it enters the program, tends to remain in; that given the opportunity, however, most landowners will sell their land for development; and that the program does provide helpful benefits in aiding the serious farmer maintain a viable farm operation. From an educational standpoint it was found that more factual information concerning the Special Farm Use Assessment program needs to be disseminated among rural landowners.

INTRODUCTION

This study attempts to deal with a concept known as farm use assessment or farm tax deferral. The purpose of the state revenue program which incorporates this concept is to short circuit the traditional market mechanisms which tend to remove agriculturally productive lands from farm use. This market interruption has been made necessary due to a general public concern in Oregon over resource use and a demand for farmland owners for property tax relief.

In attempting to explain geographic variation in phenomena, this study compares specific land use changes in two different environments in Oregon, and relates these changes to tax policy. The tax program mentioned above is of geographic interest because this technique is expected to function with equal effectiveness regardless of varying environmental conditions, locations, and degree of human interest and involvement. The first goal then of this study is to conduct a comparative study of the Special Farm Use Assessment program's (SFUA) record in meeting its legislative purpose. For comparative analysis this study of Jefferson County is contrasted with a study of an urbanizing county in the Willamette Valley.¹ This research aspect looks at specific township sections for an objective analysis of the program using official tax lot assessment records.

A second goal of this research is to investigate the opinions and attitudes of farmers, other rural landowners, and appropriate local government officials concerning the SFUA program's performance in retaining agricultural land. This involved interviewing 30 people and

obtaining their reactions to the program via a questionnaire.

Supporting information to this study will indicate a possible alternative to a local tax assessment problem, and a real situation showing the possible tax savings a property owner could be realizing by participating in the statewide program is discussed.

For purposes of comparison, the first set of objectives are the same as those found in the Washington County study. By replicating the study procedure as nearly as is possible, given the different circumstances, this research will be able, in addition to reporting on the local situation, to judge the relative differences in program application, use, and effectiveness. These research objectives are:

- 1) to determine the net gain or loss of farm use assessment property within the study areas over the study time period (1966-1979);²
- 2) to determine the number of acres participating in the SFUA program for each study section on a yearly basis;
- 3) to describe the association between the incentives of the program and the rate of participation;
- 4) to determine the statistical extent of conversion of Farm Use Assessment land; and
- 5) to describe the changes in assessment values for farmland that entered the SFUA program, for land not in the program, and for farmland that has exited from the program.

The second set of objectives are:

- 6) to gather opinions on the effectiveness and equity of the SUFA

program from local landowners and government officials;

- 7) to determine investment and income expectations from landowners for their land over the next 5-10 years;
- 8) to gather suggestions or ideas on how the program could be improved from the central Oregon point of view; and finally
- 9) to gain some measure of general program awareness among landowners.

THE GENERAL STUDY AREA

Jefferson County was chosen over other central Oregon counties as the study site due to its irrigation development in proximity to the growth of the county's small but spreading population around the county seat, Madras. By comparing the location of the county's principal population centers (Madras, Metolius, and Culver) in relationship to the county's prime croplands on the soil capability map, one can readily see that urban growth could affect some of the county's best agricultural lands (see Figs. 1 and 2). Currently, the urban fringe accounts for over 12 square miles³ surrounding Madras while the city boundary encompasses but 750 acres.⁴

A fairly large area to the east of Madras was zoned A-3 (Limited Agriculture) in 1973 and it was anticipated by a special interest group that the urban growth boundary (UGB) would be extended to include this total area. In response to political and social pressures an initial attempt was made to include this area into the UGB for an early comprehensive plan, however it was rejected by the Land Conservation and

FIGURE 1

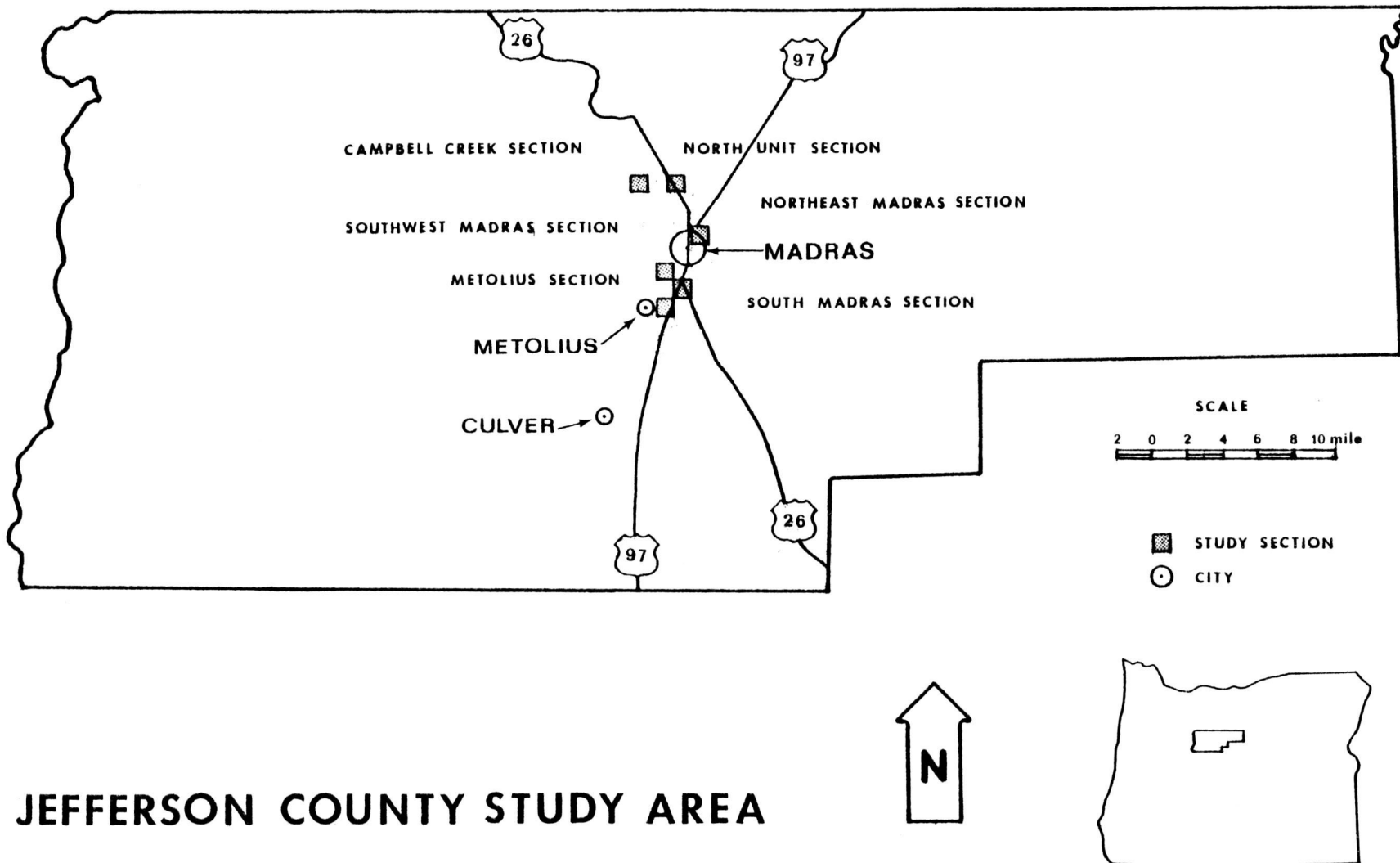
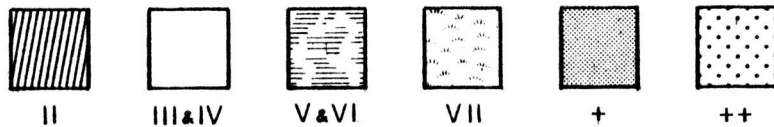
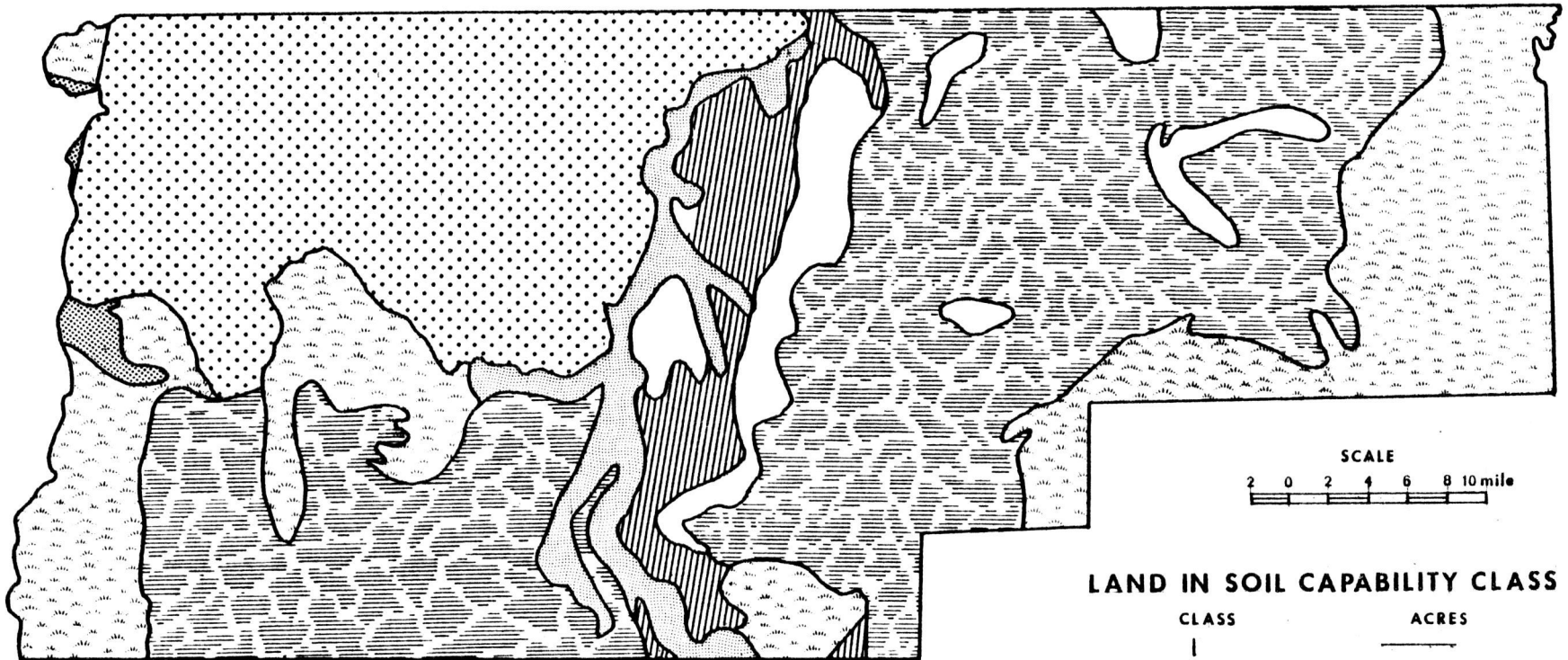


FIGURE 2



SOIL CONSERVATION SERVICE LAND CAPABILITY CLASSIFICATION SYSTEM

LAND IN SOIL CAPABILITY CLASS

CLASS	ACRES
I	
II	184,767
III	77,413
IV	69,736
V	
VI	350,166
VII	77,581
VIII	990
TOTAL ACRES	960,653

SOURCE: OREGON SOIL & WATER CONSERVATION NEEDS INVENTORY, January, 1971

+ Rock Outcrop

++ Warm Springs Indian Reservation

Development Commission as not complying with goal #3 of the statewide Goals and Guidelines.⁵ A revised proposal calls for the inclusion of 1,325 acres to the UGB.⁶

In light of the most optimistic population projections (the county is not expected to increase its current population of 10,200 by more than 40 percent⁷ to the year 2000), it would still seem that the county will have an over-abundance of developable land for the housing needs of the future. The people of central Oregon, however, prefer large-lot, semi-rural living. This accounts for the fact that as many people live in the developed areas immediately surrounding Madras as actually live within the corporate boundary.⁸ With the higher property tax burden in Washington County, non-participating lots tend to be smaller due to higher assessments.

The county government has indicated that it will not permit residential development on irrigated farmland which is outside the UGB.⁹ Today's land use pattern generally follows this policy since most development outside the city is on lands considered other than prime, but will this policy change with a change in county leadership?

PROGRAM HISTORY AND BACKGROUND

In 1961 the Oregon state legislature passed the "Greenbelt Law" which is the forerunner of today's Special Farm Use Assessment program. Initially, this program was limited to just Polk and Washington counties, but in 1963 it was extended statewide. The legislation, following examples developed in a few other states, established this program

because it recognized a need to protect limited, prime agricultural lands.¹⁰ The official intent of this program (ORS 308.345) and the state's "Agricultural Land Use Policy" (ORS 215.243) are to promote the preservation of agricultural productive lands from urban sprawl and high property taxes which may make farming uneconomical, especially in the urban-rural fringe. Accordingly, farmland is to be assessed in terms of its farm use value only; in other words, bona fide properties participating in this program should not be assessed valuations which are based on "urban influences or speculative purchases." The legislature has further declared in its policy statement that: "agricultural land is an effective means of conserving natural resources; that agricultural preservation is necessary for the state's economic resources; that urban expansion onto farmland is a matter of public concern; and finally, that these forementioned reasons justify special incentives and privileges which encourages the continuation of land use as open space or farmland."¹¹

The basic logic behind such programs as Special Farm Use Assessment in addition to the above statement is found in the question of equity. If society wishes to impose restrictions on how an individual may use their land, then that individual should be entitled to some form of compensation. The State of Oregon by setting aside exclusive farm use zones has thus limited a landowner's list of possible uses as defined by law. The assessment for that land should represent value of use as discussed in the preceding paragraph.

The Program Outline

A complete summary of the law is not given here due to space

restrictions, but the reader is referred to several sources if more information concerning specific aspects of the Oregon program and laws are needed.¹² Briefly, to set the stage for the following research presentation, several major points are noted in the Special Farm Use Assessment (SFUA) program, also known as Farm Use Assessment (FUA) and as Farm Tax Deferral (FTD). First, the program is linked to the zoning ordinances in that all farmland in an Exclusive Farm Use (EFU) zone is automatically qualified for special incentives and privileges after making an initial application. Farmland not in a designated EFU zone may qualify for the special tax assessment if the property is used as farmland, makes yearly application, and after 1983 can pass a simple income test. A second important point is that once a property is dropped from the program as a result of an action brought on by the owners, the property shall cease being assessed for the farm use value. It will thereafter be appraised at its highest and best use value which usually means for housing. The landowner is also responsible for all taxes deferred up to 10 years before the conversion, plus interest. The tax is computed somewhat differently between a formerly zoned EFU property that for some reason is allowed to be developed and land that was converted from a general farming zone. In both cases an attempt is being made to recoup the local revenue loss as a result of the program efforts to preserve farmland.

Land Values

Appraising land according to the methods used in Oregon and elsewhere for farmland has some problems when dealing with urban-rural fringes. While it is not the intent of this paper to question the

appraisal methods used, several points are noted. If the preferred method is the income capitalization technique, it is difficult to understand why the Northeast Madras section should have the highest value farmland yet not the best producing land. Obviously factors other than this land's productivity are considered in arriving at those assessments. Quite possibly the comparable sales technique is used though it would seem the unlikely choice for this area since it is experiencing development pressures. It may be appropriate in this particular case to consider a technique for appraising farmland on the rural-urban fringe that a similar type of county in Georgia has used.¹³ Multiple regression analysis is used to estimate farmland prices and thus appraisals on the fringe from prices paid for farmland in strictly rural areas by land classes. It is felt then by using this method that urban influences are not subconsciously being incorporated into the appraisal of farmlands. Some land experts feel that rising property taxes have not, by themselves, driven very much farmland out of such use. While this may or may not be true, spiraling taxes more than likely will hasten the time when conversion is made, quite often prematurely.¹⁴

The U.S. Department of Agriculture has estimated that farms in Standard Metropolitan Statistical Areas (SMSA's) average better than five times the levied taxes as those in rural counties some distance away.¹⁵ While this study confirms this estimate with the Washington County study, it should also be realized, however, that no part of rural America is totally isolated from the land values reflecting urban influences.

METHODOLOGY

The methodological procedure used in part one of this study is patterned after that used by the previously referred to studies for data compatability purposes. Selection of study areas were made after examining two sets of aerial photographs (dated 6-24-61 and 7-9-75), various U.S. Geological Survey 7.5 minute topographic maps, the Deschutes Area Soil Survey, consulting with the county assessor's office and the county's planning director, and by following the criteria outlined in this paper's next section.¹⁶

Basic tax lot data was obtained from an inspection of assessment records in the Jefferson County Assessor's Office. Data was collected from property tax "packets" and property tax cards for six designated study areas.¹⁷

The methodology for the second portion of this study involved obtaining names and phone numbers of farmers and other landowners who might be willing to answer a questionnaire on the SFUA program from the county extension agent. Government officials who are involved with county assessments or planning were also contacted and asked to answer the questionnaire. It was felt desirable to administer the questionnaire on a person-to-person basis, so that questions concerning a particular question(s) and/or the program could be answered. Also, by personally talking with most of the respondents, this researcher was able to gain a good perspective of attitudes and perceptions, not otherwise brought out in the questionnaire.¹⁸

Study Selection Criteria

Previous research which this study attempts to follow in outline has analyzed just two township sections, each on the urban fringe of comparative large cities to that of Madras. While it is well beyond the scope of this study to try and analyze the county as a whole, it was determined that more than two study sections were needed. Six sections covering a variety of land use situations were chosen in order to better determine relative effectiveness of the SFUA program in fulfilling its objectives in terms of farmland preservation. Township sections were identified as being discreet units for study since assessment records are filed according to the township and range system, are easily located, and are of standard size (640 acres). Figure 1 shows the locations of the study areas in relationship to one another and to the population centers.

The two general criteria for selecting all the study sections were that:

- 1) land within each section shall be dominated by soil classes I-VI; it was preferred, however, that most of the section should be in soil class IV or better. (Goal #3 of the state-wide Goals and Guidelines directs that soil classes I-IV in Eastern Oregon be protected and that land in classes I-IV west of the Cascade Mountains be protected. See Figure 2 for soil class distribution in Jefferson County.)
- 2) Agriculture had to be the principal land use prior to the start of this study's time span (1966-1979). The effectiveness of the program was nonexistent before 1971 since no landowners in

the selected study sites had entered the program. For this criteria over 50 percent of any section was needed to be in farm use so as to qualify as a legitimate study section. All sections easily met this requirement with the exception of Northeast Madras which barely scraped by the minimum. It is noted, however, that this section did contain additional farmland, but of which tax lot data were unavailable for analysis. It was further determined that control sections which were not experiencing any development pressures and yet were still fairly close to the population centers would be desirable. Two sections fulfill this need: Campbell Creek and North Unit sections. Next a section was chosen which was undergoing development pressures; the Northeast Madras section filled this bill. Finally, we have three sections which have undergone varying degrees of pressure to develop, but which largely remain in agricultural use: Southwest Madras, South Madras, and Metolius sections.

Data Collection

Property tax data were recorded into the following categories:

FUA - Farm use assessment represents parcels that have or are participating in the SFUA program.

NFUA - Non-farm use assessment represents parcels which are or were not enrolled in the program during the course of the research study time.

The following information was collected from the property tax "packets" and property tax cards for the years including 1966-1979:

- 1) Total acreage of study area in both categories.

2) Total number of tax lots in each category.

3) Assessed valuations for property in either FUA or NFUA.

Once this information was compiled for each section the data were summarized and aggregated into tabular form on a yearly basis for each section. The data were then manipulated to provide yearly mean lot sizes, percentage of land for each category in reference to the section as a whole and the study area within each section. For an explanation of the percentages mentioned here and of problems associated with the compilation of the data, the reader is referred to Appendix C.

Data Analysis

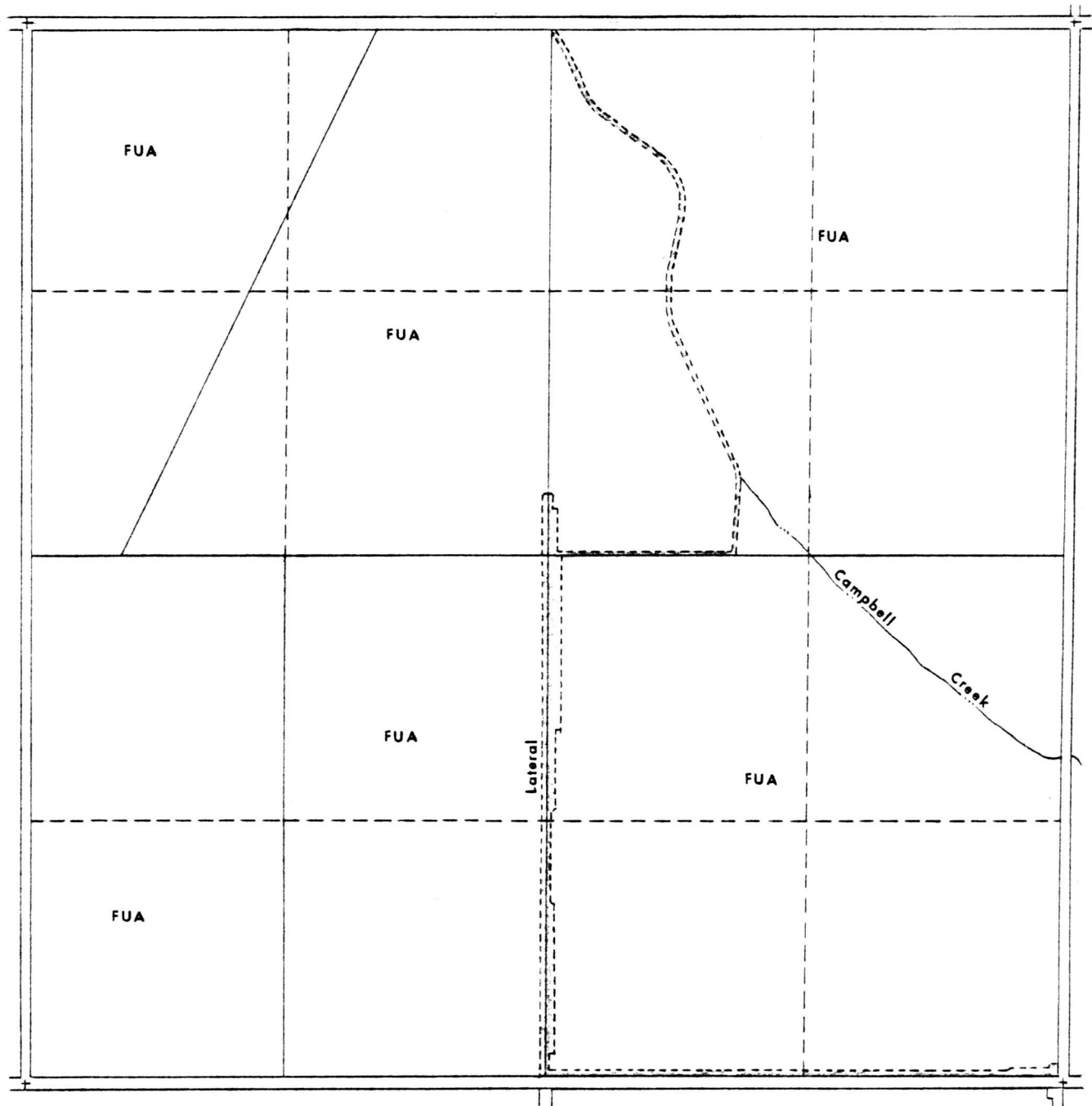
To correlate the findings of this research with the previous studies, the basic data will be analyzed in a similar manner; trend comparisons in lot sizes, assessment values, and relative participation rates for each category during the study's time span are made. Patterns to question responses are noted in the questionnaire analysis and discussion part of this study.

Description of Study Sections

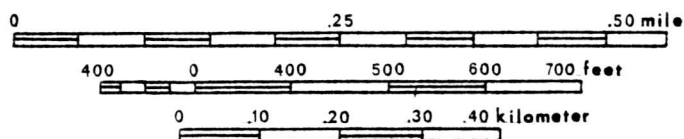
Campbell Creek and North Unit

These two sections serve as a control reference for assessment values. Approximately 95 percent of the sections' areas are in actual farm use and participating in the SFUA program. They are located 4.8 and 3.4 miles north of Madras on what is known as the Agency Plains, where the land is class II soils, is irrigated, and is zoned EFU. The Campbell Creek section is divided among six property owners with a mean acreage total of 103.8 acres (see Fig. 3¹⁹). The North Unit section is crossed by U.S. Highway 26. Land is presently divided

FIGURE 3

SECTION 21 T.10S. R.13E. W. M.
CAMPBELL CREEK

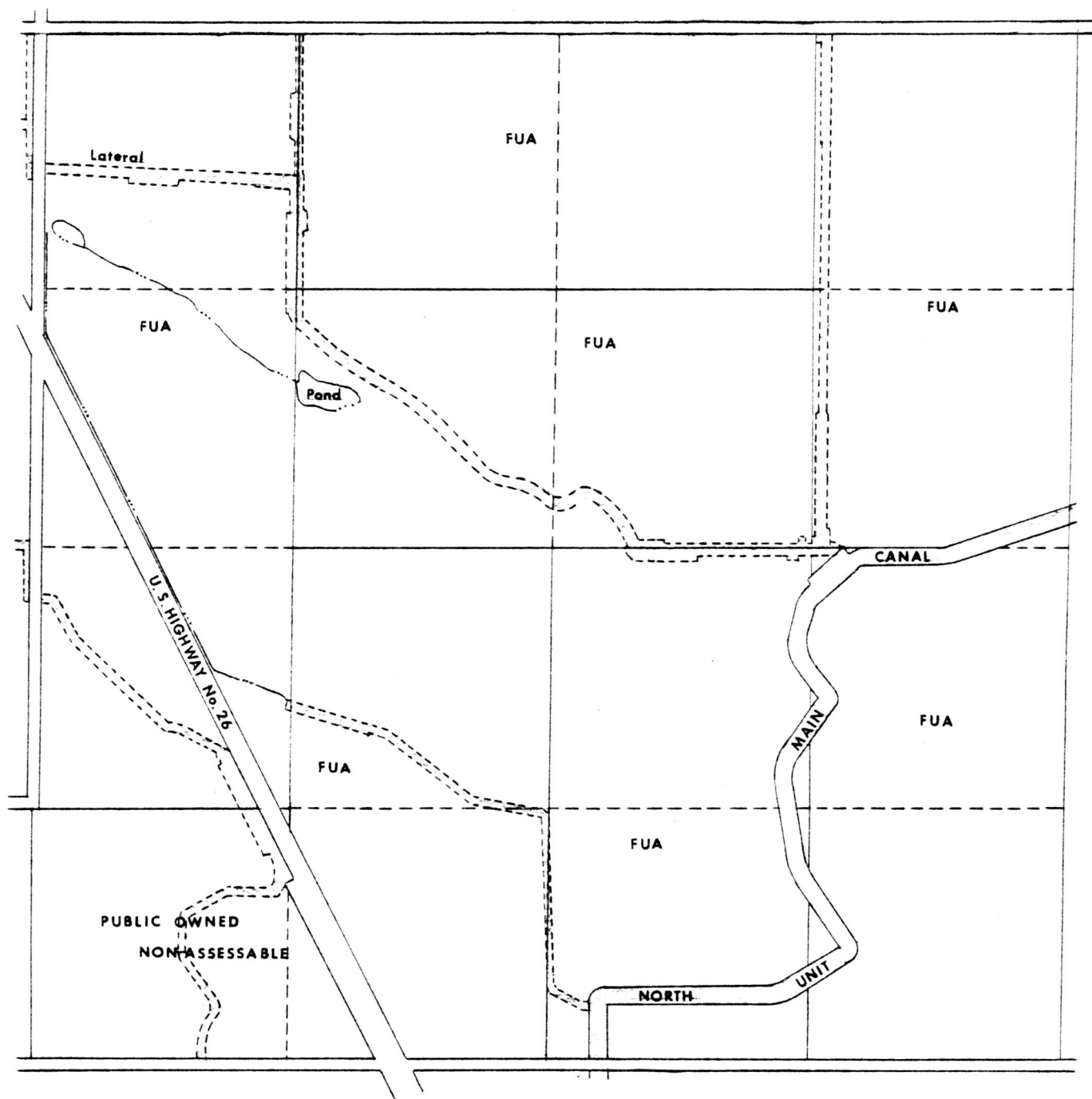
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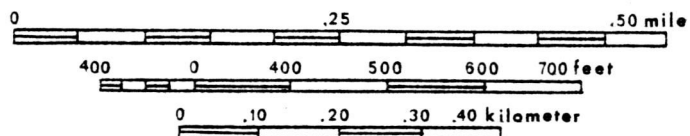
JEFFERSON COUNTY



FIGURE 4
SECTION 23 T.10S. R.13E. W. M.
NORTH UNIT



SCALE 1:9600



JEFFERSON COUNTY



among seven property owners with a mean parcel size of 76 acres (see Fig. 4). Both sections will most likely remain devoted to agricultural use well into the future.

Northeast Madras

The southwest corner of this section forms part of the core area of downtown Madras. U.S. Highway 97 crosses diagonally through the western half of the section while U.S. Highway 26 skirts the western edge. These highways join while passing through Madras as indicated on Figure 5. This section is the most diverse study area for it is both rural and urban. The proposed urban growth boundary includes all but 80 acres in the northeast corner.

Southeast Madras

This section is located about 1.4 miles to the southwest of Madras (see Fig. 6). The Deschutes Railroad passes diagonally across the left-center of this section in addition to the main canal for the North Unit Irrigation District. Approximately five percent of the section is zoned for rural residential housing, while the remainder of the section is zoned for EFU.

South Madras

The South Madras section is located about two miles south of town and has U.S. Highway 97 (also known as the Dalles-California Highway) and U.S. Highway 26 (or the Madras-Prineville Highway) forming an inverted 'V' as they join at the section's northern edge (see Fig. 7). The land is zoned EFU and receives irrigation water.

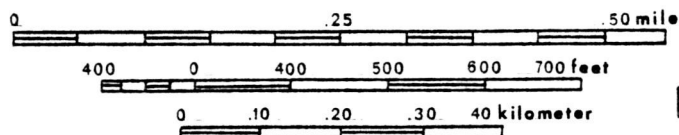
Metolius

The Metolius section is located on the adjoining southwest section

FIGURE 5
SECTION 1 T.11S. R.13E. W. M.
NORTHEAST MADRAS



SCALE 1:9600



JEFFERSON COUNTY

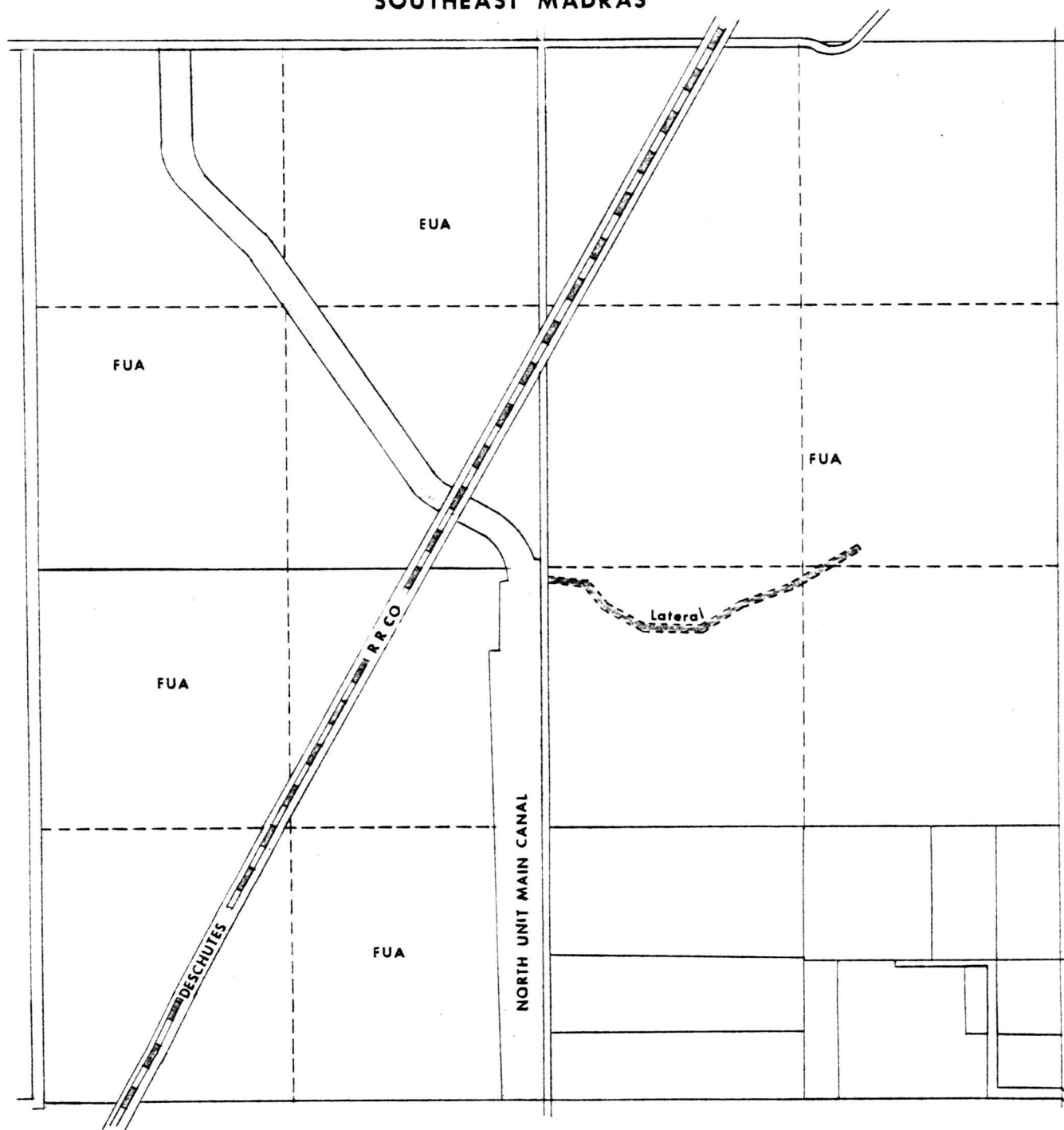
AREA SUBDIVIDED
BEFORE 1966

TAA LOT
DATA N/A

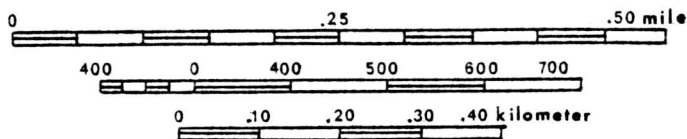


FIGURE 6

SECTION 15 T.11S. R.13E. W. M.
SOUTHEAST MADRAS



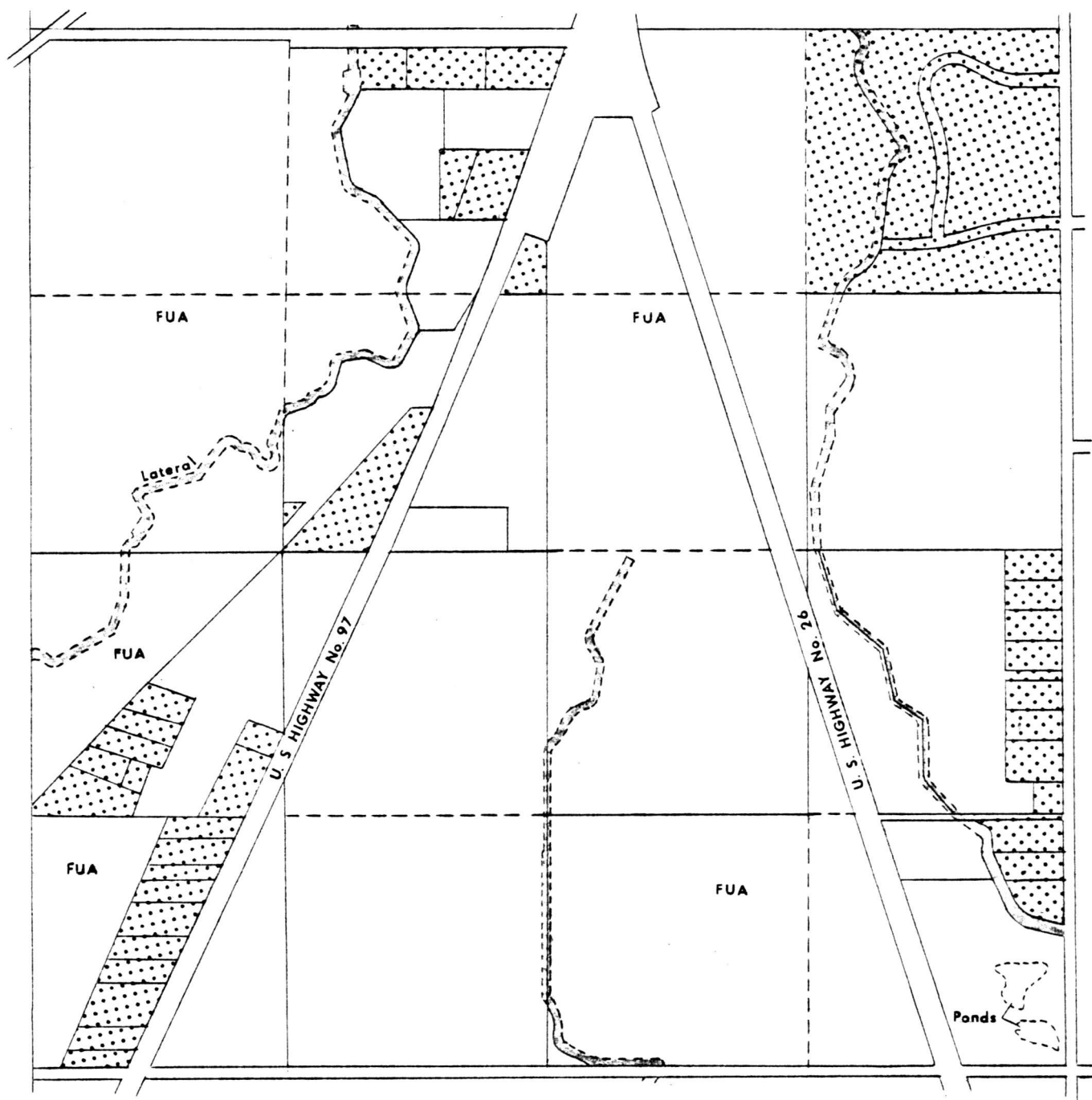
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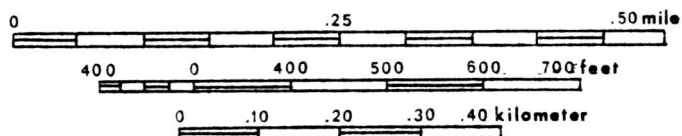
JEFFERSON COUNTY



FIGURE 7
SECTION 23 T.11S. R.13E. W. M.
SOUTH MADRAS



SCALE 1:9600



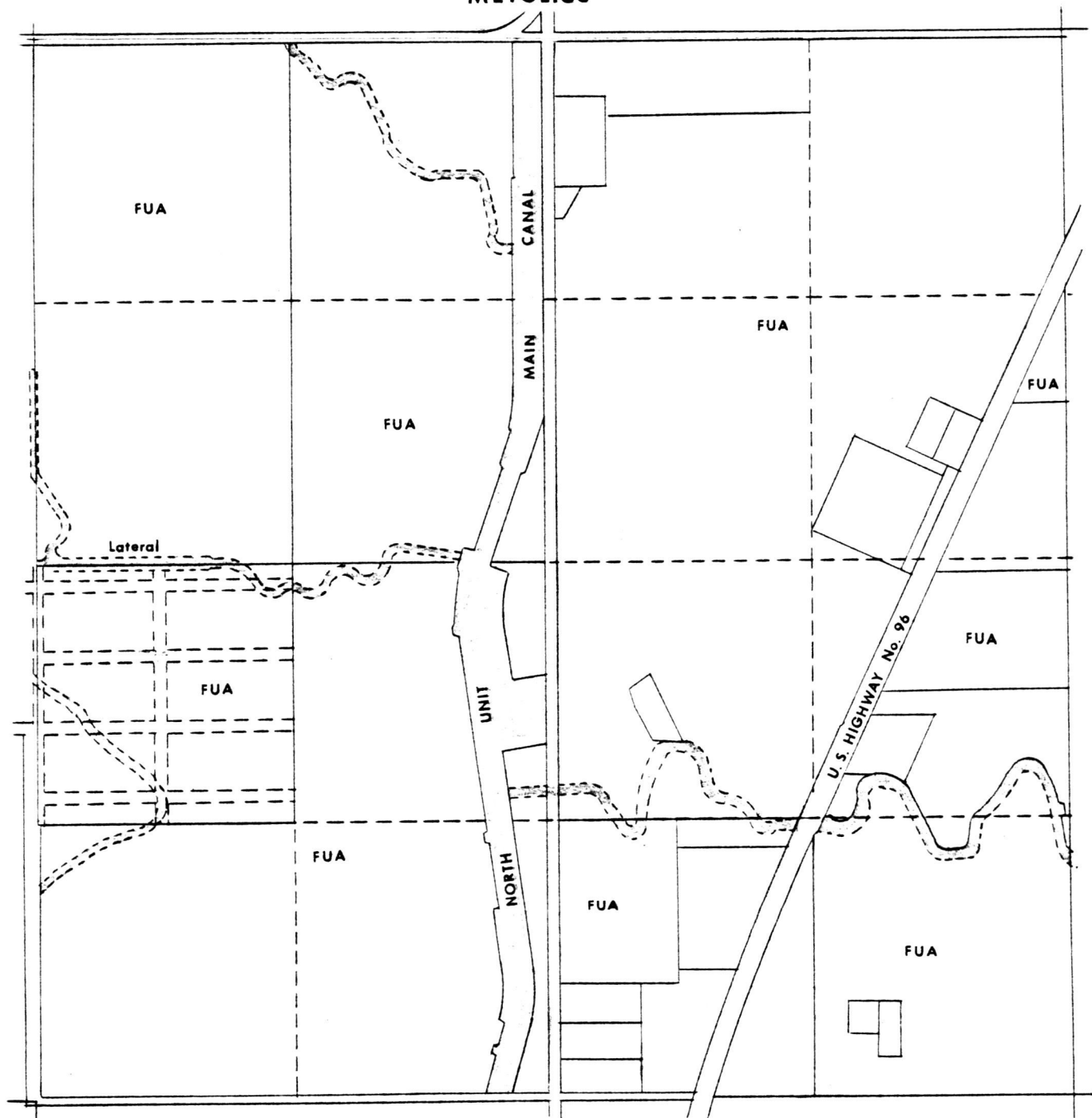
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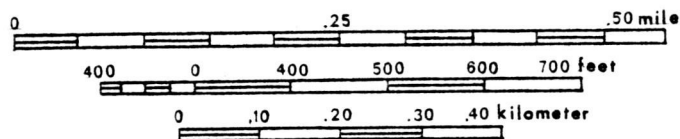
AREA SUBDIVIDED
BEFORE 1966



FIGURE 8

SECTION 27 T.11S. R.13E. W. M.
METOLIUS

SCALE 1:9600



JEFFERSON COUNTY



to the one just discussed (see Fig. 8). The Dalles-California Highway crosses the eastern half of the section while the main unit canal bisects the section in a northerly direction. This section was included in this study because of its relationship to Metolius, which is just to the west of the section, and the developmental influence of the highway. The land is irrigated and is in an EFU zone.

STUDY FINDINGS

Program Participation

This study confirms the conclusion drawn by Heucke in that once a property enters the SFUA program it tends to remain involved. Graphic evidence of this conclusion is provided in Figures 9-12 which show participation rates for each section of the two studies. Table 1 summarizes this participation information for yearly figure reference. Even though the two sections from Washington County had land participating in the program since 1963, eight years before the Jefferson County study sections, these two areas did not reach their peak participation rates (1972, 1973) until about the same time as those in this study (1972, 1974).²⁰

According to a study sponsored by the Council on Environmental Quality, the Oregon SFUA program has had low participation rates in most areas of the state.²¹ The fact that Jefferson County did not begin utilizing the program on an extensive basis before 1971 may not be too surprising considering its rural environment and traditional de facto farmland assessment. It was found that only three individuals

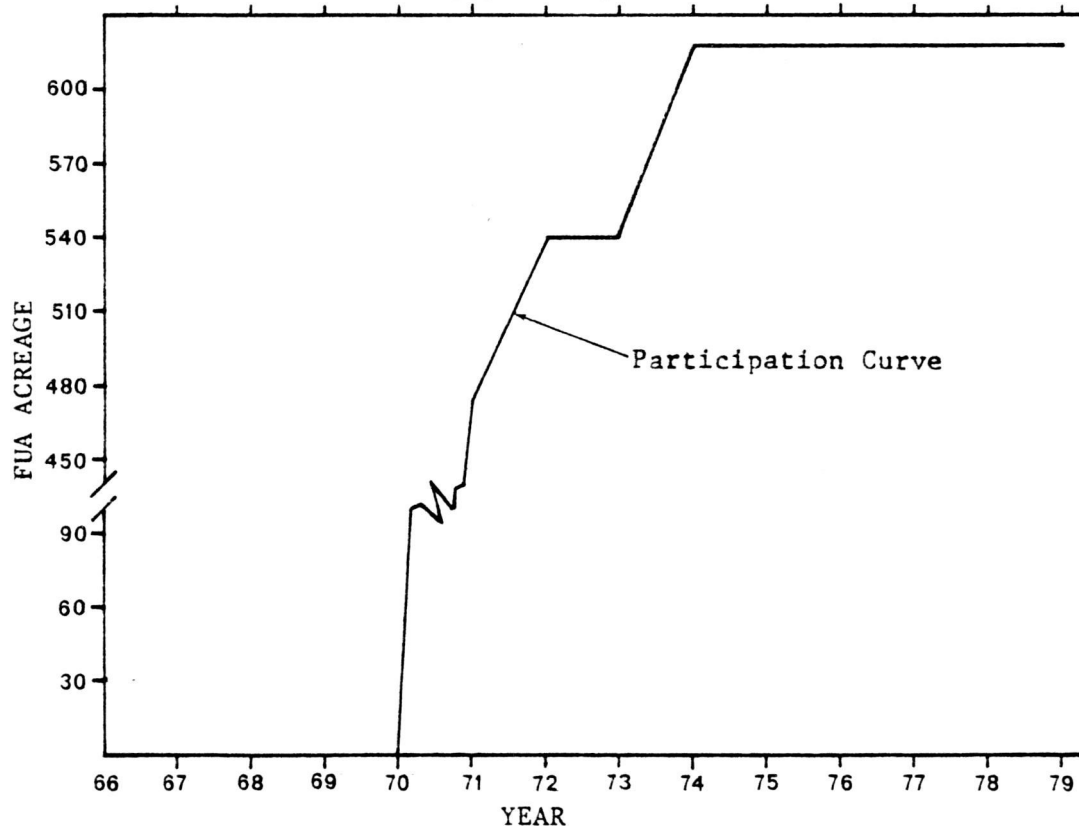
TABLE 1 - PARTICIPATION IN FUA 1963 - 1979

	CAMPBELL CREEK		NORTH UNIT		NORTHEAST MADRAS		SOUTHWEST MADRAS		SOUTH MADRAS		METOLIUS		TUALATIN		BRONSON CREEK	
	TAX LOTS	ACREAGE	TAX LOTS	ACREAGE	TAX LOTS	ACREAGE	TAX LOTS	ACREAGE	TAX LOTS	ACREAGE	TAX LOTS	ACREAGE	TAX LOTS	ACREAGE	TAX LOTS	ACREAGE
1963	-	-	-	-	-	-	-	-	-	-	-	-	2	132	1	54
1964	-	-	-	-	-	-	-	-	-	-	-	-	2	132	2	69
1965	-	-	-	-	-	-	-	-	-	-	-	-	5	407	9	160
1966	-	-	-	-	-	-	-	-	-	-	-	-	5	407	10	188
1967	-	-	-	-	-	-	-	-	-	-	-	-	4	305	6	132
1968	-	-	-	-	-	-	-	-	-	-	-	-	4	305	8	163
1969	-	-	-	-	-	-	-	-	-	-	-	-	4	305	13	207
1970	-	-	-	-	-	-	-	-	-	-	-	-	4	305	14	220
1971	4	474	7	553	3	89	1	77	5	289	11	532	5	334	14	221
1972	5	540	7	553	4	129	1	77	5	289	11	537	5	334	16	236
1973	5	540	7	553	4	129	3	213	5	289	11	537	6	450	16	236
1974	6	618	7	553	4	129	4	275	5	289	11	537	6	451	17	237
1975	6	618	7	553	4	126	4	275	5	277	12	527	6	451	17	237
1976	6	618	7	553	4	126	4	275	5	277	11	522	6	386	17	237
1977	6	618	7	553	4	126	4	275	4	265	11	522	6	386	17	237
1978	6	618	7	553	4	126	4	275	4	265	11	522	-	-	-	-
1979	6	618	7	553	4	126	4	275	4	265	11	522	-	-	-	-

PARTICIPATION IN FUA - FIGURE 9

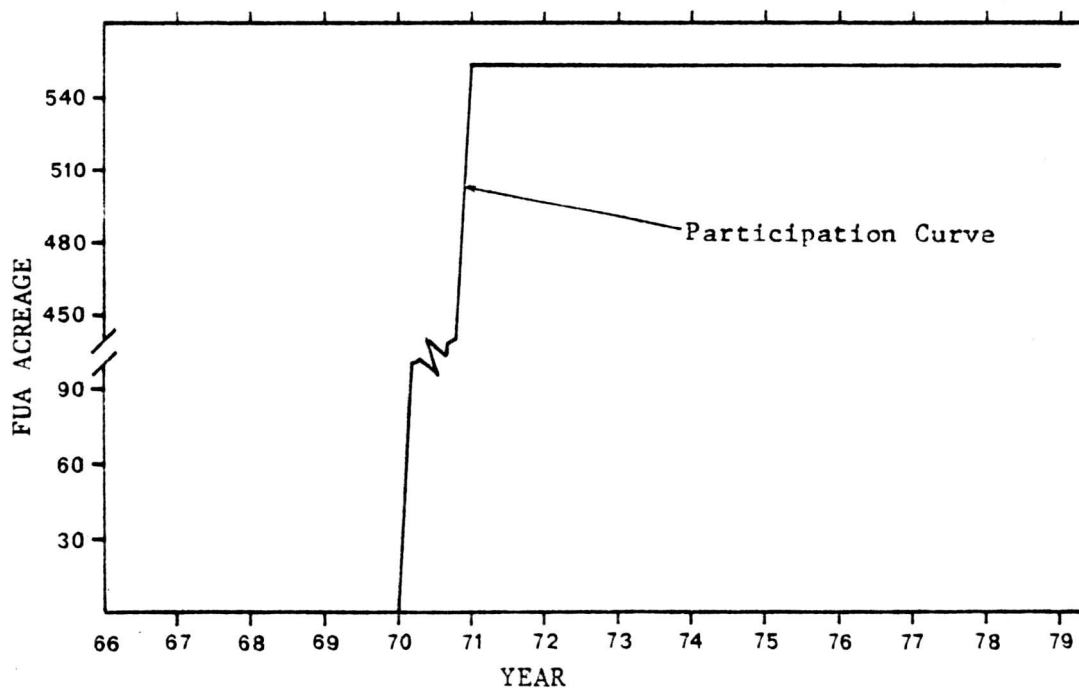
CAMPBELL CREEK

DIFFERENCE BETWEEN FUA-NFUA ASSESSED VALUES IN DOLLARS/ACRE
228 303 261



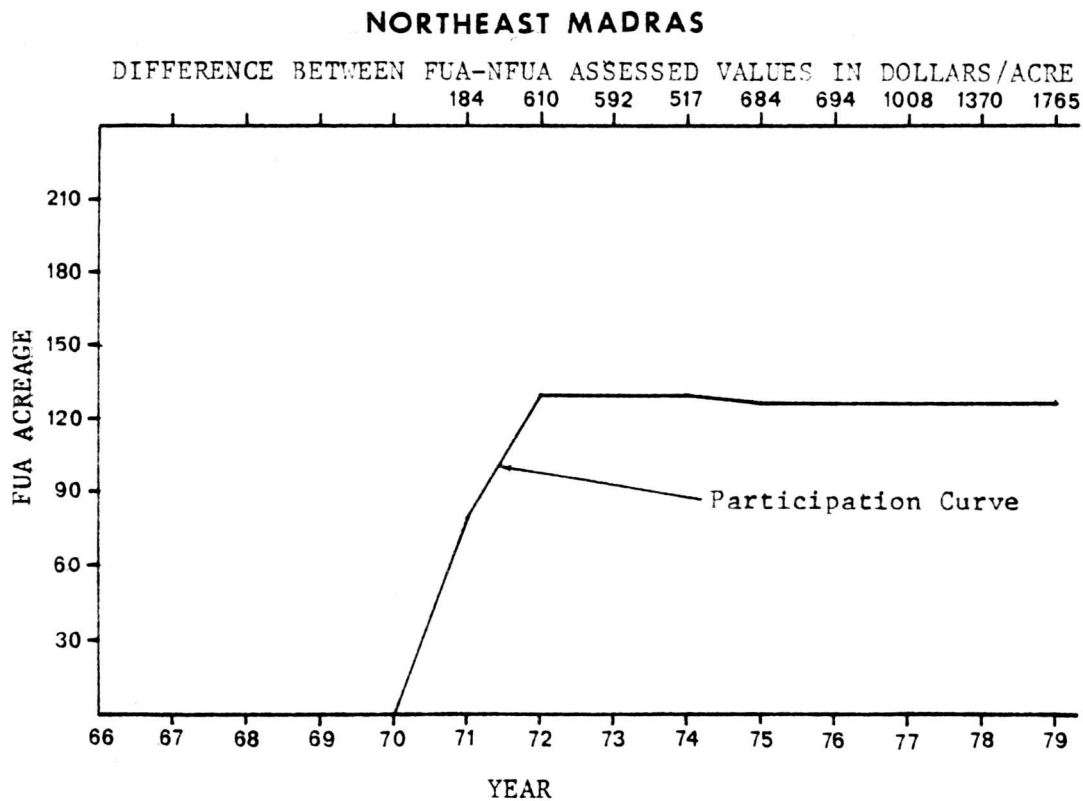
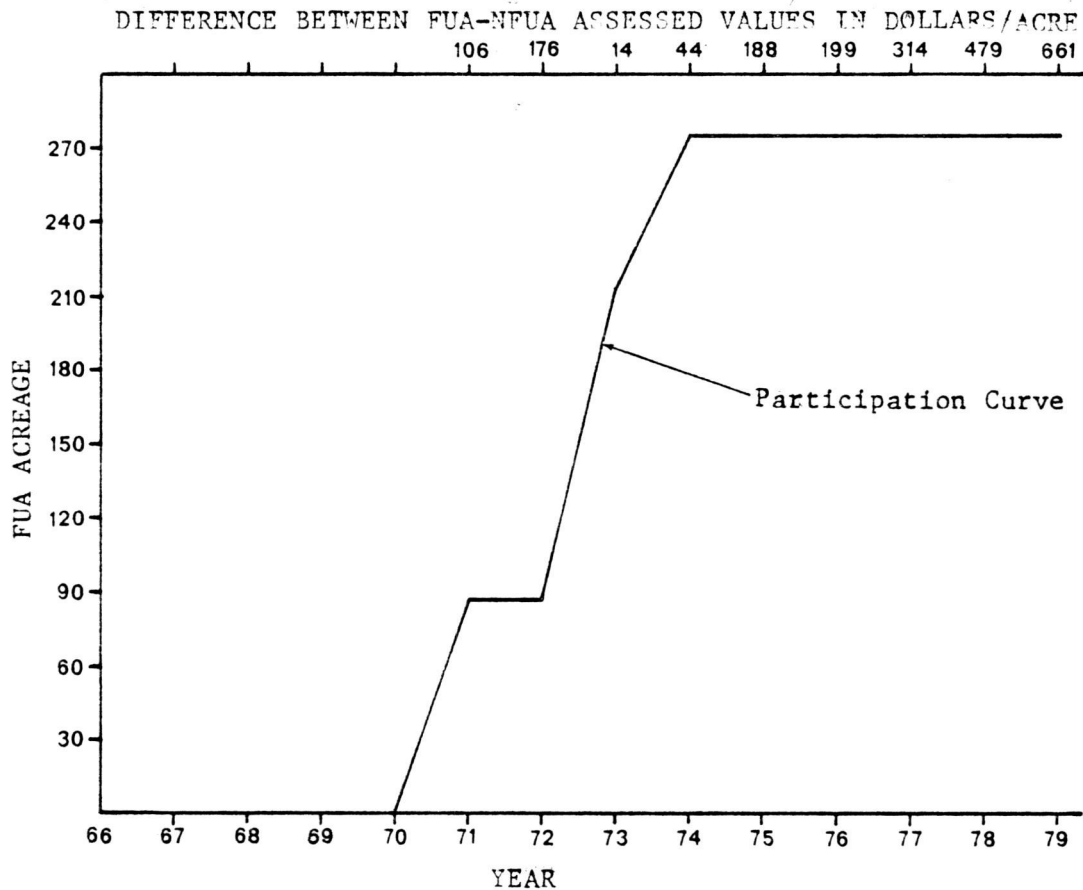
NORTH UNIT

DIFFERENCE BETWEEN FUA-NFUA ASSESSED VALUES IN DOLLARS/ACRE

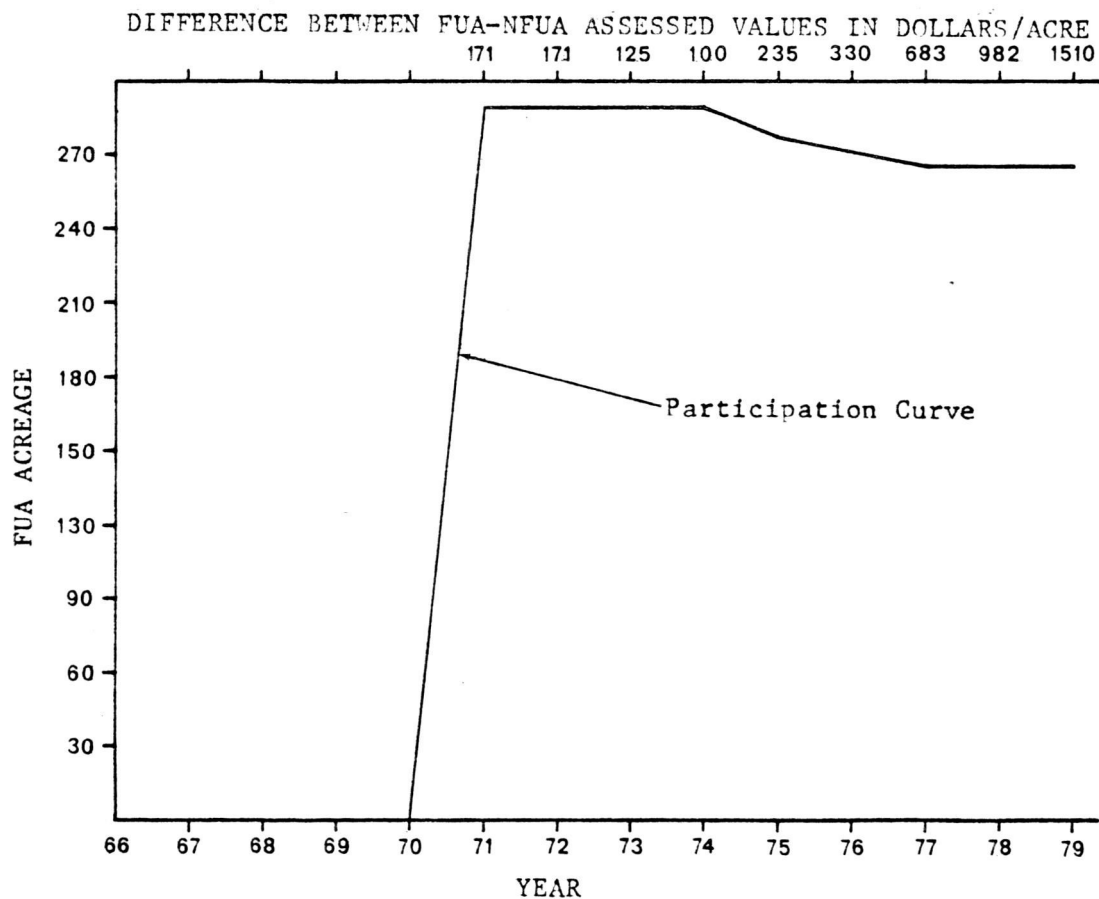


PARTICIPATION IN FUA — FIGURE 10 **SOUTHWEST MADRAS**

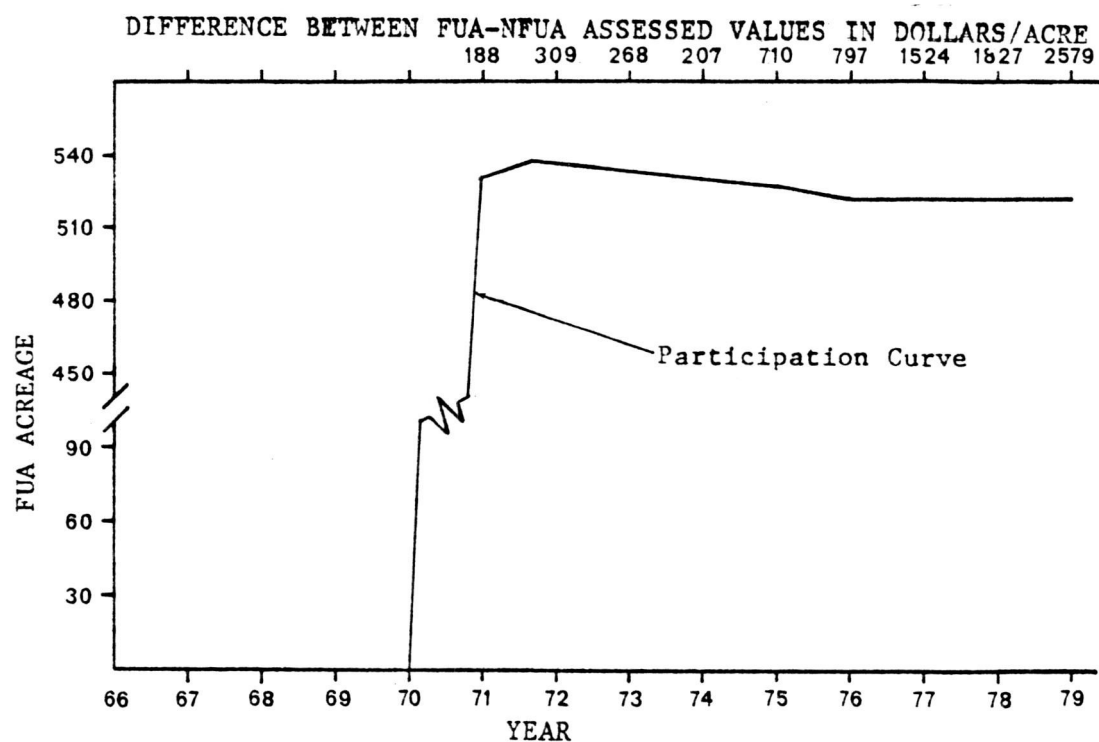
25



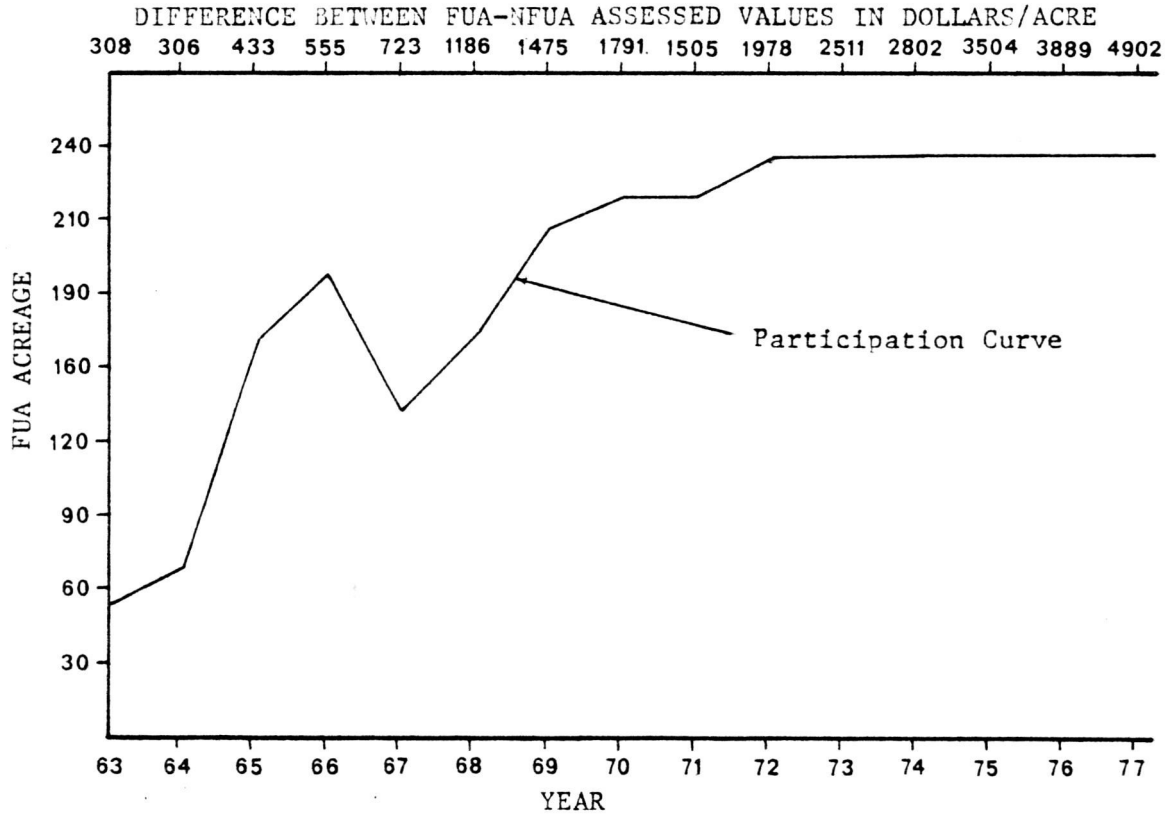
PARTICIPATION IN FUA — FIGURE 11 **SOUTH MADRAS**



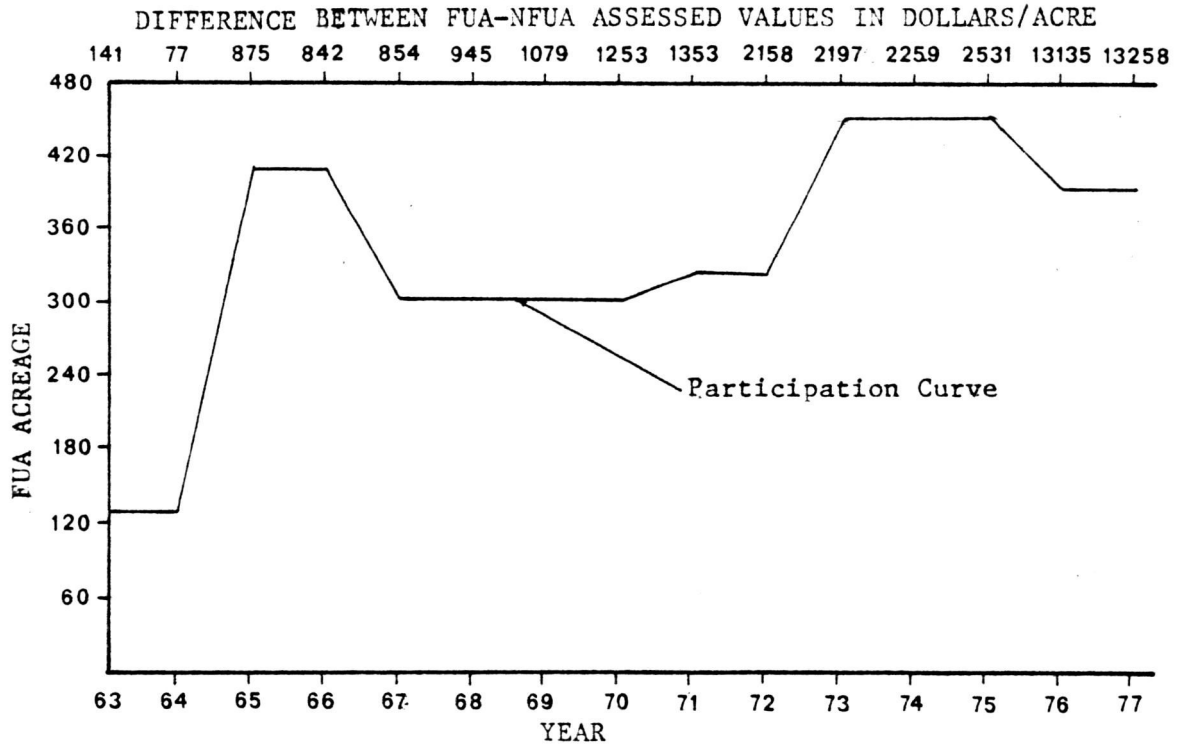
METOLIUS



BRONSON CREEK



TUALATIN



could remember knowing of the program before 1971 (see questionnaire analysis for further discussion).

Program awareness among farmers and other rural landowners in Jefferson County resulted in almost immediate enrollment for qualified land in three sections: South Madras, Metolius, and North Unit. It took three additional years for the Campbell Creek and Southwest Madras sections to realize maximum participation levels, while Northeast Madras, with its modest 129 acres, reached its peak in 1972. It is interesting to note on the Campbell Creek section, which is the most remote in terms of development pressures, that all the land did not enter the program immediately. The two tax lots not in the program initially are on the western edge of the section. The southwest property entered into the program two years ahead of the northwest property. Given more data from surrounding sections a wave-like pattern of program entry may have developed as the difference in valuations became apparent to farmland owners.

The participation graphics indicate that there were less fluctuations within the central Oregon study areas than the Willamette Valley study areas. As Heucke points out, the cause for the 1967 drop (see Fig. 12) in participation was a result of administrative changes which were not made known to all rural landowners rather than a conscious desire to exit the program. However, this administrative snafu was not corrected in the following year by property owners of the Tualitin section in 1973 and subsequent decrease two years later was due to a large parcel which entered the program but dropped out when partitioned. About half of this particular area remained in the FUA program, though it is scheduled for eventual residential development by its owners.²²

The graphics, therefore, indicate rapid response to the SFUA program in Jefferson County once knowledge of the program was gained. The participation response rate in Washington was somewhat slower and fluctuated to an extent. Most land remained in the program throughout the studies' time periods. Some general conclusions can be made concerning the differences between these counties. First, since a majority of land in the Jefferson County study area is in EFU zones and due to the county's policy on rezoning such land, program participation is a logical management decision for most rural land owners (though there may be extenuating circumstances where this is not the best decision). The Northeast Madras section which is not zoned EFU is experiencing the greatest development pressures and thus the lowest participation percentage. Owners of undeveloped land within this section who are not in the program must feel that the program incentives are not sufficient compared to the speculative gains possible over the short term. Where there has been land withdrawn from the program (this is discussed in greater detail in another section), it represents fairly small percentages spread over a number of years.

About a third of the Tualatin section was in EFU zones. This would account for about half of the section's participating land. It would seem likely since this section is undergoing heavy development pressure (urban services are to be provided) and valuations are high relative to those found in Madras, that the landowners are participating in the program only because they wish to slowly develop the land while keeping their holding costs to a minimum.^{2 3}

Net Gain and Loss of FUA Land

According to the data given in Table 1, the participation peaks in

both counties occurred in 1974. Of the 2,401 acres participating in Jefferson County during 1974, only 1.75 percent had been converted to uses other than agriculture by the end of 1979. Even without the influence of the two control sections, the conversion rate was still low, 3.4 percent for the six-year span. A third of the 42 acres involved have been developed as a farm implement dealership's new sales and demonstration facility. The Northeast section, which is almost totally committed in policy to development, lost only three acres from the program. The conversion rate, as would be surmised, was higher in the urbanized county study. There the conversion percentage shot to a bit over 12 percent (65 acres) since 1974 of participating FUA land, but this was primarily due to one large tax lot leaving the program. A total of 3,189 acres participated in the program during the studies' time spans. The available data show that 107 acres, or approximately 3.35 percent, dropped out of the program.

Assessment Differences, FUA-NFUA Land

The FUA land tended to reflect changes in the law (see Appendix C) governing the SFUA program. All sections in the Jefferson County study followed a pattern that in 1971 and 1972 saw decreasing FUA acreage valuations, while they rose from 1973 through 1976 before they again declined over the last three years. The data from the Washington study do not follow this pattern. An insignificant drop in FUA assessments was recorded in the Tualatin section during 1968 before more substantial reductions were made in the years 1969 and 1970. The Bronson Creek section, however, showed a significant decrease in assessments during 1968 and 1969, but an increase in acreage valuations for 1970.

The percentage of increase in value for land which moved from NFUA

to FUA during the study period saw between 20 and 30 percent for all but the Southwest Madras and South Madras sections which had increases of 57 and 59 percent, respectively. The reason for these much greater jumps in mean assessments were due to these sections' initial lower assessments.

The data for Jefferson County (see Appendix A) reveals that FUA property taxes were reduced to assessment levels of between three to four years prior to entry into the program in 1971. By comparing the 1971 assessment figures with the figures for 1967 and 1968, one can see that for all sections but the Northeast Madras area, where land values were the highest, assessments for the year 1971 fall between the previous two years. In four of the six sections, the FUA valuations had risen to the 1970 level within 3.5 years also. It took the Southwest Madras section six years to catch up to the 1970 mean assessment for property while the Northeast Madras section is still well below the 1970 assessment level.

In the valley study the increase in FUA values over this period were 183 percent for the section facing the higher development pressure while the other section's average FUA valuations rose only 53 percent. The NFUA land values in comparison increased substantially. The Bronson Creek section facing the less immediate development pressures had its mean acreage valuations rise 699 percent, which is not out of context with the Jefferson findings. However, the Tualatin section recorded a phenomenal increase of 3500 percent since 1963.

The increase in assessment valuations for the average NFUA property was much more dramatic than for FUA properties as would be expected in Jefferson County. Four sections have data covering the entire study

period. The Metolius section showed the most pronounced upward spiral with a 850 percent increase, next the South Madras section showed a 661 percent rise followed by the Northeast section with 437 percent increase, and the Southwest section with a 321 percent rise in assessment valuations from 1966 through 1979 for NFUA land.

Comparatively, the assessed valuations for FUA (49 percent) and NFUA (373 percent) land in the Washington County study were significantly higher than those in Jefferson County. This is explained by better quality of land, adequate natural precipitation, and location in reference to a major metropolitan center.

Potential Savings Example of the SFUA Program

To indicate the potential tax saving a piece of property could be realizing but is not can be shown in the Southwest Madras section. Here, due to some unusual circumstances, a 234-acre tax lot on the northeast corner has never entered the FUA program, though it easily qualifies by being in an exclusive farm use zone and has been used as farmland. Using the data beginning in 1971 (Appendix A, Southwest Section), the assessment difference between FUA and NFUA is \$106.00. The tax code and rate for this particular year indicates 14.7 percent/\$1000 assessment.²⁴ Simply by multiplying this difference figure in 1971 by the tax rate and the total acreage, we see that this property paid \$365.00 more in taxes that could have been legally avoided. In 1979 with the tax rate at \$16.27/\$1000 assessment and a difference of \$661.00 per acre, the taxes which could have been saved amounted to \$2,517.00. The 1980 appraisal for this same property has increased its valuation by another \$73,000.00 to a total of nearly \$264,000.00.

This example readily indicates that the potential saving in tax dollars paid out by individual farmland owners can be substantial, especially with the larger farm units. The tax savings per acre are the highest in the Northeast Madras section. The fact that only three acres have been withdrawn from the program in the past six years would seem to indicate that the program is realizing some success in an area subject to development. Without such a program much more of this land would most likely have been withdrawn from agricultural production due to the escalating farmland prices and resulting taxation in relationship to stable or declining market prices for agricultural products.

Average Lot Size, FUA-NFUA Land

In Jefferson County the average lot size remained quite stable in FUA land. A similar situation occurred in the Tualatin section of the Washington study; however, the Bronson section experienced an average lot size reduction by 1977 to one-quarter the average in 1963. The cause for this decrease is related to a number of small parcels entering the program rather than partitioning actions. The North Unit section was the only area in which the mean acreage did not waver at all. Therefore, mean lot size for FUA land in seven of the eight study sections remained stable (see Table 2).

For NFUA land the story is different. Here, significant decreases in mean tax lot size occurred in each section. The reason for this given in the Washington County study was because of "opportunity costs" or profit for landowners who had surplus acreage and who did not wish to pay the increasing tax responsibility for unused land. The more likely reason in Jefferson County for this decrease is tied to the

TABLE 2 - AVERAGE LOT SIZE -- FUA, NFUA LAND 1966 - 1979

	FUA						NFUA					
	CAMPBELL CREEK	NORTH UNIT	NW MADRAS	SW MADRAS	SOUTH MADRAS	METOLIUS	CAMPBELL CREEK	NORTH UNIT	NW MADRAS	SW MADRAS	SOUTH MADRAS	METOLIUS
1966	-	-	-	-	-	-	103.8	76.1	20.1	65.8	36.8	37.8
1967	-	-	-	-	-	-	103.8	76.1	19.3	65.8	34.3	33.7
1968	-	-	-	-	-	-	103.8	76.1	19.3	59.2	32.3	31.9
1969	-	-	-	-	-	-	103.8	76.1	19.3	59.2	32.3	31.9
1970	-	-	-	-	-	-	103.8	76.1	13.2	49.4	32.3	31.9
1971	118.6	76.1	29.7	76.7	57.8	48.3	72.0	-	12.6	32.2	20.6	4.4
1972	108.0	76.1	32.3	76.6	57.8	48.8	77.9	-	4.4	28.7	19.0	4.0
1973	108.0	76.1	32.3	70.8	57.8	48.8	77.9	-	4.3	22.3	19.3	4.0
1974	103.8	76.1	32.3	68.8	57.8	48.8	-	-	4.0	18.7	11.8	3.7
1975	103.8	76.1	31.5	68.8	55.4	43.8	-	-	4.0	16.8	10.0	3.4
1976	103.8	76.1	31.5	68.8	55.4	47.4	-	-	4.0	16.8	8.2	3.6
1977	103.8	76.1	31.5	68.8	66.3	47.4	-	-	4.0	15.1	8.4	3.4
1978	103.8	76.1	31.5	68.8	63.3	47.4	-	-	4.0	15.1	7.9	3.7
1979	103.8	76.1	31.5	68.8	53.0	47.4	-	-	3.9	15.1	7.5	3.4

zoning restrictions, particularly EFU zones. Since most land in the FUA program in the Jefferson study is zoned EFU, growth (homesites) has been directed towards non-participating land which is generally of lower quality as mentioned earlier.

Two sections (Campbell Creek and North Unit) did not record any changes in lot sizes or increase in number of lots over the study period. The other sections increased their lot totals as follows: Northeast Madras, 16 to 56; Southwest Madras, 9 to 25; South Madras, 14 to 39; and Metolius, 16 to 27 tax lots. By examining the aggregate data tables for each section, one notices no abrupt increase except with the Northeast Madras section (see Appendix B). In 1972 this area gained 19 new tax lots. This partitioning action caused the mean assessment to jump \$361.00 in the same year. However, most of the new lots were assessed in the \$1600.00 to \$2000.00 range, much higher than the total average. Relative large blocks of land (39, 52, 38, and 26 acres) ameliorated the mean assessment.

OBSERVATIONS

A number of observations can be made about the Special Farm Use Assessment program in Oregon. First, it was found that very little difference was observed in the program's effectiveness in actually preventing urban type of development on farmland. In other words, the program's incentives were enough in most instances to attract qualified participation from landowners. However, if they were given the opportunity through government action, an anxious buyer, or both depending on the circumstances, the program would not by itself prevent conversion.

The economic gain in these cases would far outweigh continued participation benefits. The fact that this study did not back this conclusion with greater evidence--in fact, did just the opposite--is intimately related to the EFU zoning designations under which most of the land in the Jefferson County study sections lie. The county's position on liberalizing the zoning scheme is possible but highly unlikely, especially now that statewide planning goals are a fact.

QUESTIONNAIRE SUMMARY

General Impressions

The SFUA program is inseparably associated with planning in Jefferson County which, of course, is true throughout the state, but this has negative implications to many citizens. As a few of the comments to the questionnaire indicate, land use planning, especially state-ordered and guided planning, is met with scorn and hostility by a certain number and segment of our society. As Hahn points out, and which is especially true in Jefferson County, rural citizens place a high value on individualism and prefer to solve local problems using local solutions rather than imposed solutions.²⁵ The statewide mandated planning and the goals and guidelines which each county must follow thus run counter to the traditional feelings of many people in central Oregon where the air is clean, cattle outnumber people, and land appears anything but scarce.

The issue of agricultural zoning is the hottest of issues in the planning arena for Jefferson County. The mere fact that an area so designated as an exclusive farm use zone will establish a productive,

viable farm is as wrong as to think just because an area is zoned for a shopping center, one indeed will be built. This at least is an attitude held by some farmland owners in Jefferson County. The goal here then should be to develop a system where the individual private decision making is more in tune with the land use goals society feels are necessary.²⁶ Therefore, the constraints to effective farmland preservation in the final analysis are with attitudes, just as with the conservation of our resources. One conclusion that is drawn from the questionnaire results is that a better understanding of landowner behavior in response to farmland preservation programs is needed.

In turn the landowner should have the facts before him regarding programs of this nature so that he or she can make intelligent, reasoned management decisions. A shortcoming of this questionnaire was that it did not provide examples of cases, real or hypothetical, of taxes owed with and without the SFUA program from which landowners could judge their own actual or potential tax savings. Since no landowner in which this study contacted knew what these savings actually were or could be in terms of dollar amounts, it would appear to be an important overlooked consideration in farm financial accounting. Without an understanding, or worse yet an awareness of the property taxing system and available relief programs, the farm manager can only be hurting himself. Therefore, a second conclusion drawn from the questionnaire is that more information concerning the SFUA program is needed among farmland owners. The information is available, however we need to make people aware of it and interested enough to read or ask questions of someone who is informed.

The questionnaire and explanation cover sheet can be found in Appendix D of this report. Table 3 summarizes the responses given by the 30 individuals who answered the questionnaire.

Questionnaire Analysis

Question Number 1

The mean length of residence in Jefferson County for the 30 respondents was 23.5 years. The standard deviation for the group was 15.09. The shortest time of residence was two years and the longest 65 years. Seven respondents had lived in the county five years or less while 22 had lived there at least 18 years. All respondents who had lived in the county five years or less listed their previous residences as being in other Oregon counties, with the exception of two individuals who were from the State of Washington.

Question Number 2

Most respondents were unsure of the exact year in which they had heard of the SFUA program. Only two landowners who farmed at least part-time knew of the program prior to 1971. Of the respondents categorized as government employees, only one individual could be sure about personal knowledge of the program before 1971. A number of individuals in this study learned of the program through their non-farm employment (8). The second most identified source of program awareness was from neighbors (5) followed by the county extension agent (4). Newspapers accounted for three responses while the assessor's office and some form of advanced education each garnered two responses. Other sources of program awareness identified by individuals included the

county equalization board, farm bureau, and land use planning meetings. Two respondents could not identify their source of program knowledge and one individual who is a part-time farmer had "never heard of it."

Question Number 3

In response to this question the majority response was that "the program is somewhat successful." This is, of course, highly subjective and problems develop if one attempts to disassociate the influence of EFU zones with surrounding land uses for the program's effectiveness in terms of this question. There was not a pattern of responses which correlated to any one category of interviewee.

Question Number 4

While a majority of respondents felt that "the present system of incentives and privileges are too limited to really be effective for the preservation of farmland," there were seven individuals who thought the program was about right for today's economic situation. Of the eight government officials, only one was of the opinion held by the majority.

Question Number 5

This question revealed a biased opinion trend of the government officials. Five of the eight officials were of the opinion that the tax penalties for converting farmland to non-farm uses were not severe enough. Other responses were answered in nearly equal numbers indicating that a strong majority of people felt otherwise on the issue of program withdrawal penalties or did not know.

Question Number 6

Most people felt that "it is fair to judge agricultural land

according to its productivity" (or capitalization of income appraisal method) "rather than its true market value." Again, five of the eight government officials indicated a biased trend in stating that in their opinion it was iniquitous to tax farmland differently than any other type of land use. This obviously brings up the question then of whether appraisals reflect only farm use or something higher. This researcher feels it best, however, to mention only this point rather than attempt any further analysis for which he is unqualified. Four government officials clarified their reasons for feeling as they do. It is also of interest to point out that all respondents (11) who were strictly farmers felt the concept was fair, while only four of the nine individuals who were part-time farmers agreed with the concept. This would probably indicate that these individuals would rather see higher valuations which reflect developmental ability or potential.

The following comments were made on the questionnaire in addition to the "yes" or "no" reply given. The capital letters in parentheses at the end of each statement indicate respondent code (see Table 3).

"The bona fide farm is protected from extreme assessments brought about by pressures of development, thus being able to continue farming." (G)

"Productivity is dependent on the local economy, knowledge of the farmer and present technology, too many variables." (G)

"Difficult, a mix of market values & productivity." (N/F)

"Speculators can drive up agricultural land presently zoned EFU." (F)

"It is fair because land is perceived for its investment rather than its earning ability." (F)

"It places too great a tax burden on the individual homeowner on a lot." (G)

"True market value is often inflated due to speculation." (F)

"Everyone else pays on the true cash value, why not the farmer." (G)

Question Number 7

This question registered the second highest response to any one answer on the questionnaire, yet this question also had the highest number of "don't know or have no opinion" responses. Sixteen individuals felt that there were inadequate safeguards built into the program to police it properly while nine didn't know. Government officials were unanimous in their opinion that there were inadequate safeguards.

In trying to tighten up the program so that only "bona fide" farmers may use it, we keep running into the problem of what constitutes a valid attempt to farm or merely to use the program as a tax shelter while speculating on future development. As Hady and Sibold suggest, an alternative approach is to establish a minimum income requirement which grants FUA only when a certain minimum percentage of a landowner's total income is derived from farming, such as in Alaska where 25 percent is the qualifiable minimum.²⁷ The question then remains as to whether we will be protecting farmland from development or just limiting the benefits.

Question Number 8

In this question a feeling is noted that the tax savings are considerable and very important to 10 farmland owners while 7 individuals think of the savings as beneficial but of minor importance in comparison to other farm expenses. It's interesting to note, as mentioned in an

earlier discussion, that while a majority of farmland owners felt that the savings in taxes were beneficial, no one actually knew their savings as realized in specific dollar amounts. They, therefore, based their answer on a preception rather than hard data. A random sampling of study areas indicate an average savings to farmland owners of approximately 35 percent in property taxes.

Question Number 9

A majority of farmland owners (11.5) indicated that they were planning to continue participating in the program over the next 5-19 years. Only one individual planned to sell out due to retirement, while four indicated they would probably sell out due to the increasing cost of farming, three of these four were part-time farmers. Another two individuals had not looked that far into the future.

Question Number 10

Ten farmland owners felt that the SFUA program had not altered their income expectations for their land, but three were of the opinion that future income would be lower as a result of the program. Two people believed their future income would be enhanced, and five answered by indicating that they did not know or had no opinion.

Question Number 11

One respondent, a farmer, suggested that Oregon should adopt a program similar to one used in Pennsylvania where the state is paying some farmers the difference in farm use and development use for a guarantee never to develop the land beyond farm use. Jim Smart, a recently retired Land Conservation and Development Commissioner and also a farmer, is opposed to such an idea because to him it is impractical,

unfair, and economically infeasible for the state.²⁸

In response to this question, the additional feedback given varied considerably. Three responses (see responses B, F, and I) clearly indicate disapproval with the state's attempt to preserve farmland. On the other hand not all farmers were opposed to some state concern in the area of land use planning (see responses A, G, and J). The three replies from government officials (see responses H, K, and L) are directed towards establishing more substantial criteria for allowing properties to participate in the SFUA program.

- A. "I have always felt that the agricultural land furnishes tax revenue disproportionate [*sic*] to the use or benefits the owner or operator can derive. The farm tax deferral system is at least an effort. As to tightening up the system I believe that no farm units of less than 40 acres should be eligible." (N/F)
- B. "Leave farm people alone, let them decide what they want to do with their lands. I do not want any more interference from the government of any level." (F/B)
- C. "Oregon farm prices and income are in a diseaserous [*sic*] state. Terrible over-production of crops. Oregon is trying to retain farm land that should be subdivided. Our growing season being so short, we are very limited on the crops we can produce. Meanwhile the Boise Valley of Idaho and the Sacramento Valley of California are being subdivided." (F/B)
- D. "More information to the public." (F/B)
- E. 'Determine the tax each year based on the SFUA program and tax if not in program.'* (F/B)

- F. 'Complete control on a county basis. Local people are much better qualified to make decisions - the least government is the best government. Every law requires more & more law. I don't believe that SFUA is the answer. The conditions that made the law necessary are somewhere else.'* (F)
- G. "Urban sprawl has got to be stopped. Agricultural profits are going to be marginal if anything. There is going to have to be more incentive to preserve farmland." (F)
- H. "Parcels under 5 acres should not be exempt." (G)
- I. "Eliminate LCDC planning & put it back in the hands of local people who are property owners." (F)
- J. "Deny the SFUA to all non-active farm owners other than direct heirs of a farmer." (F)
- K. "More rigid [*sic*] requirements to qualify for farm use assessment especially rural tracts or rural homesites that are no way a bona fide farmstead." (G)
- L. "Increase penalties for removal, tighten conditions for participation: ex. much greater increase in \$ amount to qualify and greater lot size (5 ac. minimum)." (G) This response may have been prompted by such instances as a 500 square foot parcel which is currently receiving SFUA benefits.

*Response edited to clarify statement.

TABLE 3. - SUMMARY RESPONSE DATA TO QUESTIONNAIRE

QUESTION									INTERVIEW CODE
RESPONSE	3	4	5	6	7	8	9	10	
1	d	a	d	b	b	-	-	-	G
2	d	b	c	a	b	-	-	-	G
3	b	b	c	b	b	-	-	-	G
4	b	c	d	b	b	-	-	-	G
5	b	a	b	b	b	-	-	-	G
6	b	b	c	a	b	-	-	-	G
7	b	a	c	b	b	-	-	-	G
8	b	a	c	a	b	a	a	a	G
9	b	a	c	a	b	a	a	a	F
10	b	c	d	a	d	a	c	a	F
11	e	c	d	a	d	c	e	c	F
12	a	c	a	a	a	a	d	b	F
13	e	c	a	a	d	b	b	b	F
14	b	b	d	a	d	b	b	b	F
15	b	b	d	a	d	b	a	b	F
16	d	c	b	a	d	b	c	b	F
17	b	c	a	a	a	b	a	c	F
18	b	c	b	a	a	a	a	d	F
19	b	c	c	a	b	d	a	-	F
20	b	b	b	b	d	a	d	b	F/B
21	e	a	d	a	d	c	d	d	F/B
22	d	c	a	b	a	b	d	b	F/B
23	c	a	c	b	b	c	e	d	F/B
24	a	d	b	a	b	a	a	b	F/B
25	a	b	b	a	d	a	a	b	F/B
26	b/d	c	d	a	-	a	a/c	d	F/B
27	d	c	c	a	a	a	c	a	F/B
28	d	c	a	b	b	b	a	b	F/B
29	e	c	c	-	d	-	-	-	N/F
30	b	c	c	b	b	-	-	-	N/F
TOTALS									
a	3	7	6	19	5	10	11.5	3	
b	15.5	9	6	10	16	7	1	9	
c	1	13	11	-	-	3	2.5	3	
d	6.5	1	7	-	9	1	3	5	
e	4	-	-	-	-	-	2	-	
n/a	-	-	-	1	1	9	9	10	

*Indicates category of respondents

F = Farmer G = Government Official

F/B = Farmer-Businessman (Individual farmed, but was also engaged in other type of business).

N/F = Landowner, but not a farmer (Both individuals were in farm servicing types of businesses and were acquainted with the SFUA program).

FOOTNOTES

1. Two studies have been conducted in the Willamette Valley, however, this study draws comparisons only with Heucke, Jerry, "A Study of Differential Tax Assessment in Selected Areas of Washington County, Oregon," Master's research paper prepared for the Geography Department at Oregon State University, Corvallis, 1977. This paper was based on a University of Oregon workshop/class which prepared an FUA study dealing with the Eugene, Oregon area. Blevins, Cathe; Faith, Dick; Johnson, Mary A.; Spencer, David; and Yamashita, David. Agri-cultural Land Preservation Policies in Oregon.
2. Heucke's study covered the years including 1963-1977. Records for Jefferson County prior to 1966 are stored in the county highway department's vault. Due to the storage filing procedure used (more or less the "pile method") and the fact that no property lots entered the program before 1971, it was determined that the information, if obtainable at all (this researcher was told that many types of records were totally discarded rather than moved to storage), would have been of little value to this study.
3. City of Madras, Comprehensive Plan for Madras, Oregon, Approved February 27, 1979, p. 13.
4. Martin, Bob, Comprehensive Plan for Jefferson County, Oregon - Draft, Jefferson County Planning Department, 1979, p. 89.
5. Personal Communication: Bob Martin, Jefferson County Planning Director.
6. Martin, op. cit., footnote 4, p. 90.
7. Paulus, Norma, Oregon Blue Book 1979-1980, Secretary of State, Salem: State of Oregon, p. 17.
8. The population of Madras in 1978 was 2,180, therefore approximately the same number of people in Madras' immediate hinterland would yield a total of roughly 4,360 or 40 percent of the county's total.
9. Martin, op. cit., footnote 5, p. 5.
10. California State Office of Planning, "Bibliography of Exclusive Agricultural Zoning Law," Journal of the American Society of Farm Managers and Rural Appraisers, Vol. 27, No. 2, October 1963, pp. 67-73.
11. ORS 215.243.

12. Bureau of Governmental Research and Service, Urban Area Farm Tax Deferrals - A Case Study, Eugene: University of Oregon, 1979, Appendix B, and Oregon State Department of Revenue circulars, (IC-III-80), "Tax Assessments of Farmland in an Exclusive Farm Use Zone," (IC-II6-80), "Tax Assessments of Farmland not in an Exclusive Farm Use Zone." March 1980.
13. Schott, Ried L. and Fred C. White, "Multiple Regression Analysis of Farmland Values by Land Classes," Appraisal Journal, Vol. 45, No. 3, July 1977, pp. 170-178. This Georgia county is agriculturally oriented. The county seat is centrally located with a population of 2,500. The next largest town is only one-fourth that of the county seat and the county is facing development pressures from recreational properties.
14. Clawson, Marion, Suburban Land Conversion in the United States: An Economic and Government Process, Baltimore: John Hopkins Press for Resources for the Future, Inc., 1971, p. 86.
15. Huemoeller, William A., Kenneth J. Nicol, Earl O. Heady, and Brent W. Spaulding, Land Use: Ongoing Developments in the North Central Region, Ames: Center for Agricultural and Rural Development, Iowa State University, 1976, p. 83.
16. The 1961 photographs were produced by the Soil Conservation Service, while the 1976 photographs were produced on a contract basis by CH2M Hill Engineers, Planners, Economists, and Scientists, Corvallis, Oregon. USGS maps used for this study included maps titled Culver, Buck Butte, Madras East Quadrangle, and Madras West Quadrangle, Ams 1773 SW, SE, NE, and NW, respectively, series V892. All maps were compiled in 1957.
17. Assessment records in the property tax "packets" generally went no further back than 1971. Property tax cards were consulted to obtain data for years not covered by the "packets."
18. Arrangements could not be worked out for this researcher to personally interview 6 of the respondents. I talked with them briefly on the telephone and received their responses via the mail.
19. All section maps were redrafted from official assessment maps to eliminate unnecessary information.
20. This research could not determine why there was an 8-year delay in the general use of SFUA program. It was discovered that some land was receiving deferred valuations for unzoned farmland but this figure was insignificant for the county as a whole in 1968.
21. Keene, John C., et al., Untaxing Open Spaces, Washginton, D.C.: Council on Environmental Quality, 1976, p. 21.

22. Heucke, op. cit., footnote 1, p. 21.
23. Heucke, op. cit., footnote 1, p. 5.
24. Personal Communication: Jefferson County Assessors Office.
25. Hahn, Alan J., "Planning in Rural Areas," Journal of the American Institute of Planners, Vol. 36, No. 1, January 1970, p. 47.
26. Anderson, William D., Gregory C. Gustafson, and Robert F. Boxley, "Perspectives on Agricultural Land Policy," Journal of Soil and Water Conservation, Vol. 30, No. 1, January/February, 1975, p. 24.
27. Hady, Thomas F. and Ann G. Sibold, State Programs for the Differential Assessment of Farm and Open Space Land. Economic Research Service, Agricultural Economic Report No. 256, U.S. Department of Agriculture, Washington, D.C., 1974, p. 4.
28. Cotterill, Barry, "Interview with Outgoing Resident Farmer on the LCDC - Commissioner Jim Smart," Oregon Lands, Vol. 1, No. 3, July 1978, p. 4.

APPENDIX A

ASSESSED VALUE/ACRE FUA - NFUA 1966 - 1979

CAMPBELL CREEK SECTION				NORTH UNIT SECTION			
YEAR	FUA	NFUA	DIFFERENCE	YEAR	FUA	NFUA	DIFFERENCE
1966	\$-	\$335.00	\$-	1966	\$-	\$346.00	\$-
1967	\$-	\$335.00	\$-	1967	\$-	\$346.00	\$-
1968	\$-	\$435.00	\$-	1968	\$-	\$420.00	\$-
1969	\$-	\$435.00	\$-	1969	\$-	\$420.00	\$-
1970	\$-	\$455.00	\$-	1970	\$-	\$441.00	\$-
1971	\$358.00	\$486.00	\$228.00	1971	\$358.00	\$-	\$-
1972	\$337.00	\$640.00	\$303.00	1972	\$328.00	\$-	\$-
1973	\$379.00	\$640.00	\$261.00	1973	\$365.00	\$-	\$-
1974	\$515.00	\$-	\$-	1974	\$494.00	\$-	\$-
1975	\$469.00	\$-	\$-	1975	\$475.00	\$-	\$-
1976	\$469.00	\$-	\$-	1976	\$475.00	\$-	\$-
1977	\$431.00	\$-	\$-	1977	\$445.00	\$-	\$-
1978	\$426.00	\$-	\$-	1978	\$435.00	\$-	\$-
1979	\$419.00	\$-	\$-	1979	\$432.00	\$-	\$-

ASSESSED VALUE/ACRE FUA - NFUA 1966 - 1979

NORTHEAST MADRAS SECTION				SOUTHWEST MADRAS SECTION			
YEAR	FUA	NFUA	DIFFERENCE	YEAR	FUA	NFUA	DIFFERENCE
1966	\$-	\$424.00	\$-	1966	\$-	\$251.00	\$-
1967	\$-	\$436.00	\$-	1967	\$-	\$251.00	\$-
1968	\$-	\$581.00	\$-	1968	\$-	\$325.00	\$-
1969	\$-	\$591.00	\$-	1969	\$-	\$325.00	\$-
1970	\$-	\$698.00	\$-	1970	\$-	\$347.00	\$-
1971	\$397.00	\$581.00	\$184.00	1971	\$275.00	\$381.00	\$106.00
1972	\$332.00	\$942.00	\$610.00	1972	\$242.00	\$418.00	\$176.00
1973	\$374.00	\$966.00	\$592.00	1973	\$369.00	\$355.00	\$-14.00
1974	\$500.00	\$1017.00	\$517.00	1974	\$369.00	\$440.00	\$ 44.00
1975	\$479.00	\$1163.00	\$684.00	1975	\$431.00	\$619.00	\$188.00
1976	\$469.00	\$1163.00	\$694.00	1976	\$438.00	\$637.00	\$199.00
1977	\$434.00	\$1442.00	\$1008.00	1977	\$403.00	\$717.00	\$314.00
1978	\$434.00	\$1804.00	\$1370.00	1978	\$396.00	\$875.00	\$479.00
1979	\$510.00	\$2275.00	\$1765.00	1979	\$395.00	\$1056.00	\$661.00

ASSESSED VALUE/ACRE FUA - NFUA 1966 - 1979

SOUTH MADRAS SECTION				METOLIUS SECTION			
YEAR	FUA	NFUA	DIFFERENCE	YEAR	FUA	NFUA	DIFFERENCE
1966	\$-	\$251.00	\$-	1966	\$-	\$314.00	\$-
1967	\$-	\$251.00	\$-	1967	\$-	\$314.00	\$-
1968	\$-	\$368.00	\$-	1968	\$-	\$380.00	\$-
1969	\$-	\$381.00	\$-	1969	\$-	\$387.00	\$-
1970	\$-	\$404.00	\$-	1970	\$-	\$413.00	\$-
1971	\$334.00	\$405.00	\$ 71.00	1971	\$321.00	\$509.00	\$188.00
1972	\$298.00	\$469.00	\$171.00	1972	\$284.00	\$593.00	\$309.00
1973	\$341.00	\$466.00	\$125.00	1973	\$325.00	\$593.00	\$268.00
1974	\$453.00	\$553.00	\$100.00	1974	\$432.00	\$639.00	\$207.00
1975	\$519.00	\$754.00	\$235.00	1975	\$455.00	\$1165.00	\$710.00
1976	\$506.00	\$836.00	\$330.00	1976	\$454.00	\$1251.00	\$797.00
1977	\$412.00	\$1095.00	\$683.00	1977	\$423.00	\$1947.00	\$1524.00
1978	\$403.00	\$1385.00	\$982.00	1978	\$408.00	\$2235.00	\$1827.00
1979	\$399.00	\$1909.00	\$1510.00	1979	\$406.00	\$2985.00	\$2579.00

APPENDIX B

CAMPBELL CREEK SECTION - AGGREGATE DATA

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ ACRE
1966	FUA	-	-	-	-	-	\$-
	NFUA	6	618	96.5%	100%	103.8	\$335.00
	TOTALS	6	618	96.5%	100%		
1967	FUA	-	-	-	-	-	\$-
	NFUA	6	618	96.5%	100%	103.8	\$335.00
	TOTALS	6	618	96.5%	100%		
1968	FUA	-	-	-	-	-	\$-
	NFUA	6	618	96.5%	100%	103.8	\$435.00
	TOTALS	6	618	96.5%	100%		
1969	FUA	-	-	-	-	-	\$-
	NFUA	6	618	96.5%	100%	103.8	\$435.00
	TOTALS	6	618	96.5%	100%		
1970	FUA	-	-	-	-	-	\$-
	NFUA	6	618	96.5%	100%	103.8	\$455.00
	TOTALS	6	618	96.5%	100%		
1971	FUA	4	474	71.1%	77%	118.6	\$358.00
	NFUA	2	144	22.5%	23%	72.0	\$586.00
	TOTALS	6	618	96.5%	100%		
1972	FUA	5	540	84.5%	87%	108.0	\$337.00
	NUFA	1	78	12.0%	13%	77.9	\$640.00
	TOTALS	6	618	96.5%	100%		
1973	FUA	5	540	84.5%	87%	108.0	\$379.00
	NFUA	1	78	12.0%	13%	77.9	\$640.00
	TOTALS	6	618	96.5%	100%		
1974	FUA	6	618	96.5%	100%	103.8	\$515.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	6	618	96.5%	100%		
1975	FUA	6	618	96.5%	100%	103.8	\$469.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	6	618	96.5%	100%		
1976	FUA	6	618	96.5%	100%	103.8	\$469.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	6	618	96.5%	100%		

Campbell Creek - continued

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ AREA
1977	FUA	6	618	96.5%	100%	103.8	\$431.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	6	618	96.5%	100%	-	-
1978	FUA	6	618	96.5%	100%	103.8	\$426.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	6	618	96.5%	100%	-	-
1979	FUA	6	618	96.5%	100%	103.8	\$419.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	6	618	96.5%	100%	-	-

NORTH UNIT SECTION - AGGREGATE DATA*

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ AREA
1966	FUA	-	-	-	-	-	\$-
	NFUA	7	553	84.3%	100%	76.1	\$346.00
	TOTALS	7	553	84.3%	100%	-	-
1967	FUA	-	-	-	-	-	\$-
	NFUA	7	553	84.3%	100%	76.1	\$346.00
	TOTALS	7	553	84.3%	100%	-	-
1968	FUA	-	-	-	-	-	\$-
	NFUA	7	553	84.3%	100%	76.1	\$420.00
	TOTALS	7	553	84.3%	100%	-	-
1969	FUA	-	-	-	-	-	\$-
	NFUA	7	553	84.3%	100%	76.1	\$420.00
	TOTALS	7	553	84.3%	100%	-	-
1970	FUA	-	-	-	-	-	\$-
	NFUA	7	553	84.3%	100%	76.1	\$441.00
	TOTALS	7	553	84.3%	100%	-	-
1971	FUA	7	553	84.3%	100%	76.1	\$358.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	7	553	84.3%	100%	-	-

North Unit - continued

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ AREA
1972	FUA	7	553	84.3%	100%	76.1	\$328.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	7	553	84.3%	100%	-	-
1973	FUA	7	553	84.3%	100%	76.1	\$365.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	7	553	84.3%	100%	-	-
1974	FUA	7	553	84.3%	100%	76.1	\$494.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	7	553	84.3%	100%	-	-
1975	FUA	7	553	84.3%	100%	76.1	\$475.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	7	553	84.3%	100%	-	-
1976	FUA	7	553	84.3%	100%	76.1	\$475.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	7	553	84.3%	100%	-	-
1977	FUA	7	553	84.3%	100%	76.1	\$445.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	7	553	84.3%	100%	-	-
1978	FUA	7	553	84.3%	100%	76.1	\$435.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	7	553	84.3%	100%	-	-
1979	FUA	7	553	84.3%	100%	76.1	\$432.00
	NFUA	-	-	-	-	-	\$-
	TOTALS	7	553	84.3%	100%	-	-

*Forty acres in the southwest corner of this section are owned by the county and leased out to farm use.

NORTHEAST MADRAS SECTION - AGGREGATE DATA

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ ACRE
1966	FUA	-	-	-	-	-	\$-
	NFUA	16	321	50.2%	100%	20.1	\$424.00
	TOTALS	16	321	50.2%	100%		
1967	FUA	-	-	-	-	-	\$-
	NFUA	17	328	51.3%	100%	19.3	\$436.00
	TOTALS	17	328	51.3%	100%		
1968	FUA	-	-	-	-	-	\$-
	NFUA	17	328	51.3%	100%	19.3	\$581.00
	TOTALS	17	328	51.3%	100%		
1969	FUA	-	-	-	-	-	\$-
	NFUA	17	328	51.3%	100%	19.3	\$591.00
	TOTALS	17	328	51.3%	100%		
1970	FUA	-	-	-	-	-	\$-
	NFUA	18	328	51.3%	100%	18.2	\$698.00
	TOTALS	18	328	51.3%	100%		
1971	FUA	3	89	13.9%	27%	29.7	\$397.00
	NFUA	19	239	37.3%	73%	12.6	\$581.00
	TOTALS	22	328	51.2%	100%		
1972	FUA	4	129	20.2%	39%	32.3	\$332.00
	NFUA	45	200	31.3%	61%	4.4	\$942.00
	TOTALS	49	329	51.5%	100%		
1973	FUA	4	129	20.2%	40%	32.3	\$374.00
	NFUA	46	196	30.6%	60%	4.3	\$966.00
	TOTALS	50	325	50.8%	100%		
1974	FUA	4	129	20.2%	40%	32.3	\$500.00
	NFUA	50	199	31.1%	60%	4.0	\$1017.00
	TOTALS	54	328	51.3%	100%		
1975	FUA	4	126	19.7%	38%	31.5	\$479.00
	NFUA	51	202	31.6%	62%	4.0	\$1163.00
	TOTALS	55	328	51.3%	100%		
1976	FUA	4	126	19.7%	38%	31.5	\$469.00
	NFUA	51	202	31.6%	62%	4.0	\$1163.00
	TOTALS	55	328	51.3%	100%		
1977	FUA	4	126	19.7%	38%	31.5	\$434.00
	NFUA	51	202	31.6%	62%	4.0	\$1442.00
	TOTALS	55	328	51.3%	100%		

Northeast Madras - continued

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ ACRE
1978	FUA	4	126	19.7%	38%	31.5	\$434.00
	NFUA	52	202	31.6%	62%	3.9	\$1804.00
	TOTALS	56	328	51.3%	100%		
1979	FUA	4	126	19.7%	41%	31.5	\$510.00
	NFUA	52	185	28.9%	59%	3.9	\$2275.00
	TOTALS	56	311	48.6%	100%		

SOUTHWEST MADRAS SECTION - AGGREGATE DATA**

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ ACRE
1966	FUA	-	-	-	-	-	\$-
	NFUA	9	592	92.5%	100%	65.8	\$251.00
	TOTALS	9	592	92.5%	100%		
1967	FUA	-	-	-	-	-	\$-
	NFUA	9	592	92.5%	100%	65.8	\$251.00
	TOTALS	9	592	92.5%	100%		
1968	FUA	-	-	-	-	-	\$-
	NFUA	10	592	92.5%	100%	59.2	\$325.00
	TOTALS	10	592	92.5%	100%		
1969	FUA	-	-	-	-	-	\$-
	NFUA	10	593	92.5%	100%	59.2	\$325.00
	TOTALS	10	593	92.5%	100%		
1970	FUA	-	-	-	-	-	\$-
	NFUA	12	593	92.5%	100%	49.4	\$347.00
	TOTALS	12	593	92.5%	100%		
1971	FUA	1	77	12.0%	13%	76.7	\$275.00
	NFUA	16	516	80.6%	87%	32.2	\$381.00
	TOTALS	17	593	92.6%	100%		
1972	FUA	1	77	12.0%	13%	76.7	\$242.00
	NFUA	18	517	80.7%	87%	28.7	\$418.00
	TOTALS	19	594	92.7%	100%		

Southwest Madras - continued

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ ACRE
1973	FUA	3	213	33.2%	36%	70.8	\$369.00
	NFUA	17	379	59.3%	64%	22.3	\$355.00
	TOTALS	20	592	92.5%	100%		
1974	FUA	4	275	43.0%	46%	68.8	\$396.00
	NFUA	17	317	49.6%	54%	18.7	\$440.00
	TOTALS	21	592	92.6%	100%		
1975	FUA	4	275	43.0%	46%	68.8	\$431.00
	NFUA	19	318	49.7%	54%	16.8	\$619.00
	TOTALS	23	593	92.7%	100%		
1976	FUA	4	275	43.0%	46%	68.8	\$438.00
	NFUA	19	318	49.7%	54%	16.8	\$637.00
	TOTALS	23	593	97.2%	100%		
1977	FUA	4	275	43.0%	46%	68.8	\$403.00
	NFUA	21	317	49.6%	54%	15.1	\$717.00
	TOTALS	25	592	92.6%	100%		
1978	FUA	4	275	43.0%	46%	68.8	\$396.00
	NFUA	21	317	49.6%	54%	15.1	\$875.00
	TOTALS	25	592	92.6%	100%		
1979	FUA	4	275	43.0%	46%	68.8	\$395.00
	NFUA	21	317	49.6%	54%	15.1	\$1056.00
	TOTALS	25	592	92.6%	100%		

** One large farm (234 acres) is not in the program. The land is held in trust by the First National Bank of Oregon and is leased out for farm use.

Assessments for selected years per acre

1966 - \$215.00

1973 - \$353.00

1980 - \$1136.00

SOUTH MADRAS SECTION - AGGREGATE DATA

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ ACRE
1966	FUA	-	-	-	-	-	\$-
	NFUA	14	515	80.5%	100%	36.8	\$251.00
	TOTALS	14	515	80.0%	100		
1967	FUA	-	-	-	-	-	\$-
	NFUA	15	515	80.5%	100%	34.3	\$261.00
	TOTALS	15	515	80.5%	100%		
1968	FUA	-	-	-	-	-	\$-
	NFUA	16	517	80.7%	100%	32.3	\$368.00
	TOTALS	16	517	80.7%	100%		
1969	FUA	-	-	-	-	-	\$-
	NFUA	16	516	80.6%	100%	32.3	\$381.00
	TOTALS	16	516	80.6%	100%		
1970	FUA	-	-	-	-	-	\$-
	NFUA	16	516	80.6%	100%	32.3	\$404.00
	TOTALS	16	516	80.6%	100%		
1971	FUA	5	289	45.2%	56%	57.8	\$334.00
	NFUA	11	227	35.4%	44%	20.6	\$405.00
	TOTALS	16	516	80.6%	100%		
1972	FUA	5	289	45.2%	56%	57.8	\$298.00
	NFUA	12	228	35.6%	44%	19.0	\$469.00
	TOTALS	17	517	80.8%	100%		
1973	FUA	5	289	45.2%	56%	57.8	\$341.00
	NFUA	15	225	35.2%	44%	15.0	\$466.00
	TOTALS	20	514	80.4%	100%		
1974	FUA	5	289	45.2%	56%	57.8	\$453.00
	NFUA	19	224	35.0%	44%	11.8	\$553.00
	TOTALS	24	513	80.2%	100%		
1975	FUA	5	277	43.3%	53%	55.4	\$519.00
	NFUA	24	241	37.7%	47%	10.0	\$754.00
	TOTALS	29	518	81.0%	100%		
1976	FUA	5	277	43.3%	54%	55.4	\$506.00
	NFUA	29	239	37.3%	46%	8.2	\$836.00
	TOTALS	34	516	80.6%	100%		
1977	FUA	4	265	41.4%	51%	66.3	\$412.00
	NFUA	30	254	39.7%	49%	8.4	\$1095.00
	TOTALS	34	519	81.1%	100%		

South Madras - continued

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ ACRE
1978	FUA	4	265	41.4%	51%	66.3	\$403.00
	NFUA	32	253	39.5%	49%	7.9	\$1385.00
	TOTALS	36	518	80.9%	100%		
1979	FUA	5	265	41.4%	51%	53.0	\$399.00
	NFUA	34	255	39.8%	49%	53.0	\$1909.00
	TOTALS	39	520	81.2	100%		

METOLIUS SECTION - AGGREGATE DATA

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ ACRE
1966	FUA	-	-	-	-	-	\$-
	NFUA	16	573	88.3%	100%	37.8	\$314.00
	TOTALS	16	573	88.3%	100%		
1967	FUA	-	-	-	-	-	\$-
	NFUA	17	573	88.3%	100%	33.7	\$314.00
	TOTALS	17	573	88.3%	100%		
1968	FUA	-	-	-	-	-	\$-
	NFUA	18	575	88.6%	100%	31.9	\$380.00
	TOTALS	18	575	88.6%	100%		
1969	FUA	-	-	-	-	-	\$-
	NFUA	18	575	88.6%	100%	31.9	\$387.00
	TOTALS	18	575	88.6%	100%		
1970	FUA	-	-	-	-	-	\$-
	NFUA	18	575	88.6%	100%	31.9	\$413.00
	TOTALS	18	575	88.6%	100%		
1971	FUA	11	532	79.6%	94%	48.3	\$321.00
	NFUA	8	35	5.6%	6%	4.4	\$509.00
	TOTALS	19	567	85.2%	100%		
1972	FUA	11	537	83.9%	94%	48.8	\$284.00
	NFUA	9	36	5.6%	6%	4.0	\$593.00
	TOTALS	20	573	89.5%	100%		

Melolius - continued

YEAR	CATEGORY	# of TAX LOTS	ACRES	% of SECTION	% of STUDY AREA	AVERAGE LOT SIZE	VALUE/ ACRE
1973	FUA	11	537	83.9%	94%	48.8	\$325.00
	NFUA	9	36	5.6%	6%	4.0	\$593.00
	TOTALS	20	573	89.5%	100%		
1974	FUA	11	537	83.9%	94%	48.8	\$432.00
	NFUA	10	37	5.6%	6%	3.7	\$639.00
	TOTALS	21	574	89.5%	100%		
1975	FUA	12	527	82.3%	93%	43.8	\$455.00
	NFUA	12	41	6.4%	7%	3.4	\$1165.00
	TOTALS	24	568	88.7%	100%		
1976	FUA	11	522	81.5%	92%	47.4	\$454.00
	NFUA	13	47	7.4%	8%	3.6	\$1251.00
	TOTALS	24	569	88.9%	100%		
1977	FUA	11	522	81.5%	91%	47.4	\$423.00
	NFUA	14	51	8.0%	9%	3.7	\$1947.00
	TOTALS	25	573	89.5%	100%		
1978	FUA	11	522	81.4%	91%	47.4	\$408.00
	NFUA	16	55	8.5%	9%	3.4	\$2235.00
	TOTALS	27	577	89.9%	100%		
1979	FUA	11	522	81.4%	91%	47.4	\$406.00
	NFUA	16	55	8.5%	9%	3.4	\$2985.00
	TOTALS	27	577	89.9%	100%		

APPENDIX C

As with previous studies, this research came across information that was ambiguous, contradictory, and initially unfamiliar to the researcher. First, the acreage under study within each section varies for several reasons. Due to the number and size of tax lots at the beginning of the study and the reasoning behind the SFUA program, it was determined not to include data from tax lots of under 2.5 acres. Also roads, canals, and non-assessable property accounted for a part of each section's total area. Second, the property tax cards listed property values beginning in 1966, while the tax lot "packets" began giving assessments in 1971. When comparing the overlap period for assessments and acreage it was found that they often times did not completely agree, though the difference was seldom very large. The "packet" values were the ones used in such cases. Third, the acreage totals for certain tax lots fluctuated without any apparent reason. Again these fluctuations were not large, but they still leave one scratching his head in wonderment. Many of these changes are no doubt due to re-surveying of properties with adjustments being recorded but not explained. Fourth, the state legislature has modified the assessment program during each biannual session. These modifications have generally exempted certain farm-related property from taxing or limited the assessment applied to them. The 1979 session's major adjustments were to provide additional property tax relief to the farmer. Land under a homesite participating in the FUA program is to be valued the same as surrounding farmland. Also, assessments are to reflect 84.7

percent of the appraised value for farm use land.* Assessments, therefore, instead of showing a steady rise due to appreciation, may take a plunge without any change in acreage totals. Fifth, the appraisal of property every sixth year in Jefferson County may make some comparisons between tax code areas less than fully valid on a year-to-year basis. Between the six sections, there were three tax codes, each with a slightly different rate. An abrupt increase in assessment may mean that a tax lot has just been appraised after six years.

Finally, the questionnaire should not be interpreted as a valid statistical sample of a representative cross-section of the county, rather as a survey of concerned citizens willing to take the time to answer the questionnaire. Of those landowners contacted, this researcher received only two negative replies for help in answering the questionnaire.

* Personal communication: Jefferson County Assessor's Office.

FARM USE ASSESSMENT EVALUATION QUESTIONNAIRE

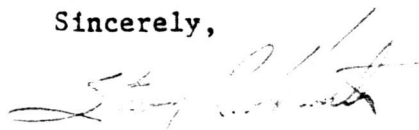
My name is Steve Hunter. I am a graduate student at Oregon State University and am conducting research which is looking into the Special Farm Use Assessment (SFUA) program. The research findings will be incorporated into a paper to meet graduation requirements. Analogous studies have been conducted by the University of Oregon's Department of Urban and Regional Planning and another graduate student in the Department of Geography at Oregon State University. These studies, however, looked at the effectiveness of the SFUA program only in the Willamette Valley and only in urbanized counties. This research focuses on central Oregon and a rural county.

The specific purpose of my study is to examine the effectiveness of the SFUA program according to legislative intent. This program (ORS 215.345) along with the "Agricultural Land Use Policy" (ORS 215.243) are intended to promote the preservation of agriculturally productive lands from urban sprawl and high taxes which may make farming uneconomical, especially in the urban-rural fringe. The state's legislative intent is for farm land to be assessed in terms of farm use only; in other words, bona fide properties participating in this program should not be assessed valuations which are based on "urban influences or speculative purchases." The legislature has further declared in its "Agricultural Land Use Policy;" that agricultural land is an effective means of conserving natural resources; that agricultural preservation is necessary for the state's economic resources; that urban expansion onto farm land is a matter of public concern; and finally that these forementioned reasons justify special incentives and privileges which encourages the continuation of land use as open space or farm land.

The purpose of the attached questionnaire is to provide this researcher with a perspective on the attitudes, opinions, and program knowledge of landowners and local government officials in Jefferson County. All respondents will be identified only by whether they are a farm landowner, a non-farm landowner, or as a government official. You may elect not to be identified in any manner.

Your help in answering this questionnaire is very much appreciated. Feel free not to answer any question you feel uncomfortable with or to withdraw your consent and discontinue participation at any time. If you have a question about either the SFUA program or about the questionnaire, please feel free to ask it at any time. Thank you for your help.

Sincerely,



Steven R. Hunter

SPECIAL FARM USE ASSESSMENT EVALUATION QUESTIONNAIRE

1. How long have you lived in Jefferson County? _____ If you have lived here less than five years where did you live before moving to the county? _____
2. When did you first hear of the special farm use assessment program?
_____ How did you hear of it?
 - (a) extension agent
 - (b) neighbor
 - (c) newspapers
 - (d) other (please specify) _____
3. Do you feel that Oregon's Special Farm Use Assessment program is being effective in controlling the conversion of farm land to non-farm development?
 - (a) the program is a success
 - (b) the program is somewhat successful
 - (c) the program is more a failure than a success
 - (d) the program is not very effective in controlling conversions of farm land to non-farm uses
 - (e) don't know
4. Are the present incentives and privileges to owners of rural lands sufficient to promote continuing agricultural use in the face of developmental pressures?
 - (a) The present system of incentives and privileges are too liberal in aiding farm land preservation.
 - (b) The present system of incentives and privileges seem to be appropriate for today's economic situation.
 - (c) The present system of incentives and privileges are too limited to really be effective for the preservation of farm land.
 - (d) don't know or have no opinion

5. Are the tax penalties in your opinion for converting farm land to non-farm use:
- (a) too severe
 - (b) severe enough to accomplish the program's purpose
 - (c) not severe enough
 - (d) don't know or have no opinion
6. In your opinion, is it fair to assess agricultural land in terms of its productivity rather than its true market value for taxing purposes? Please explain your answer.
- (a) Yes, it is fair to judge agricultural land according to its productivity rather than its true market value.
 - (b) No, it is not fair to judge agricultural land according to its productivity rather than its true market value.
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7. Does the SFUA program adequately guard against program abuses by landowners who are not bona fide farmers?
- (a) There are presently adequate safeguards built into the program to police it properly.
 - (b) There are presently inadequate safeguards built into the program to police it properly.
 - (c) There are no safeguards in the program to minimize abuses.
 - (d) don't know or have no opinion

The next three questions are to be answered by landowners participating in the SFUA program, if you are not participating please go on to question number 11.

8. How important are the tax savings to you in terms of your overall economic stability as a farmer?

- (a) The tax savings are considerable and very important to me in maintaining a viable farm operation.
- (b) The tax savings are beneficial, but are of minor importance compared to other farm related expenses such as fertilizers, energy, labor, and machinery costs.
- (c) The tax savings for me are small and do not help in maintaining my economic stability.
- (d) don't know or have no opinion

9. What are your plans for your land over the next 5-10 years?

- (a) I plan to continue participating in the program.
- (b) I plan to retire and sell my land.
- (c) I plan to retire, but a family member will most likely continue participating in the program.
- (d) I plan to sell all or part of my land due to the increasing costs of operating a farm.
- (e) I have not thought about planning that far into the future.

10. Do you feel that as a result of the SFUA program your investment and income expectations for your land has:

- (a) increased in value and future earning potential
- (b) remained about the same as before I became involved with the program
- (c) decreased in value and future earning potential
- (d) don't know or have no opinion

11. Do you have any suggestions or ideas on how the SFUA program might be improved for central Oregon?

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