

IN MEMORIAM FRITZ BARTZ

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Die Aufsätze von J. J. PARSONS, K. J. PELZER und H. HAHN sind dem Gedenken an Fritz Bartz gewidmet. Die Herausgeber der ERDKUNDE fühlen sich ihm verpflichtet, nicht nur weil er in den Jahren 1949–1960, in denen er das Fachgebiet Wirtschaftsgeographie an der Universität Bonn vertrat, vielfache Anregungen gab, sondern auch wegen seiner Tätigkeit als Schriftleiter in der schwierigen Zeit nach der Währungsreform von 1948. Seinen Bemühungen ist es mit zu verdanken, daß es gelang, die Zeitschrift fortzuführen.

SLICING UP THE OPEN SPACE: SUBDIVISIONS WITHOUT HOMES
IN NORTHERN CALIFORNIA

With 1 Figure and 1 Table

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Zusammenfassung: Grunderwerb im weiteren Stadtumland in Nord-Kalifornien: Parzellierung ohne Bebauung. Massives und anhaltendes Bevölkerungswachstum, verbunden mit einer Ernüchterung über das Leben in der Stadt und einer gewandelten Einstellung gegenüber dem Leben auf dem Lande, hat zu einer neuen Entwicklung im nördlichen Kalifornien, nämlich zur raschen Verbreitung von Zweit- und Ferienhäusern, geführt. Solche Landentwicklungsprojekte („Erholungsgemeinschaften“), die in attraktiven, aber spärlich besiedelten Gebieten mit niedrigen Grundstückspreisen liegen, wie in den Vorbergen der Sierra und in den Küstenketten, verfügen gewöhnlich über ein Klubhaus, einen Golfplatz, einen Flugplatz, immer über einen See oder einen Stausee sowie über gute Straßenverbindungen zum Stadtgebiet der San-Franzisko-Bucht. Einige 40 000 bis 50 000 Parzellen sind im Laufe der letzten Jahre alljährlich in den Bergen Kaliforniens erschlossen worden. Diese neue Landerschließung ist von Anzeigenkampagnen begleitet gewesen, die stets den hohen Anlagewert der kleinen, zum Kauf angebotenen Parzellen hervorheben. Der Umsatz war lebhaft. Bis zu 5000 Baustellen sind in einer einzigen Saison verkauft worden, doch sind nur wenige Grundstücke bebaut worden.

Die ungünstigen ökologischen Auswirkungen derartiger Entwicklungen, die gewöhnlich von großen Erdbewegungen und Vegetationsänderungen begleitet sind, haben seit kurzem Reaktionen in der Öffentlichkeit hervorgerufen. Die für die mißbräuchliche Erschließung ländlicher Gebiete zuständigen Organe haben daher 1971 weitere gesetzgeberische Maßnahmen in Betracht gezogen, um die Zerstörung der Eichen-, Chaparral- und Kiefernwälder zu verhindern. Eine Landnutzungsplanung und -regulierung auf höherer Ebene, etwa der des Staates oder der Region, scheint unvermeidbar.

Contemporary California bulges with some 20 million restless people, most of whom live in urbanized areas that are increasingly congested and chaotic. A

vaguely defined desire to find at least a partial escape from the growing pressures of city life has turned the attention of more and more residents to the attractive oak woodland and the coniferous forest land of the Coast Ranges and the Sierra foothills. Possession of a parcel of property, however small, in a pleasant and somewhat remote part of the state has become a widely held middle class ambition. It has been encouraged by an intensive and continuing advertising campaign by real estate promoters and speculators proclaiming the “investment” potential of such mountain land. Some purchasers may hold the vague intention of one day building a second home on their “recreational tract” lot for vacations and week-ends, or perhaps for retirement, but many more have bought on speculation and as a defense against inflation, expecting to sell later at handsome profits.

The message is pounded home relentlessly on television, radio, and in newspaper advertisements. One is constantly reminded of Andrew Carnegie’s reputed statement that “ninety percent of all millionaires became so through owning real estate.” Our mail is full of almost irresistibly colorful brochures describing new “recreational subdivisions” in the more remote parts of the state. There are invitations to free dinners at which one may learn more about them, and free round-trip excursions on chartered planes to inspect them and perhaps lay down a down-payment on a lot. The purchaser in these planned developments, whether it be a 50-foot lot, a half-acre parcel, or a 20-acre “ranchette”, is of course buying more than a stake in the land. He is also buying the privacy and security, more often than not, of a guarded-gate community, with the privilege of access to a private lake, a modern clubhouse or lodge, a golf course, and perhaps an airport.

Table 1:
Major Northern California "Recreational Subdivisions"

Subdivision & Developer/Owner	Number of Lots	Approximate Acres
1. Klamath River Estates (Boise Cascade Corp., Boise, Idaho)	1,900	6,100
2. Lake Shastina (Beverly Enterprises, Pasadena)	2,500	17,800
3. California Pines (Kaufman & Broad, Inc./Sun Life Insurance Co., Baltimore)	8,000	33,000
4. Moon Valley Ranch (Occidental Petroleum Corp., Los Angeles)	2,089	42,000
5. Lake California (Envirotec General/Superior Equity Corp., Lincoln, Nebr.)	11,000	5,590
6. Wild Horse Mesa (Dorado Estates, Sacramento)	355	14,080
7. Rancho Tehama Reserve (Wm. Lyon Development/American-Standard Corp., New York)	2,000	4,100
8. Shelter Cove (R. J. Beaumont & Assoc., Los Angeles)	4,100	2,640
9. My Rancho (proposed) (Jeff Dennis, Oakland)	8,600	29,000
10. Brooktrails (R. J. Beaumont & Assoc.)	5,600	4,300
11. Sea Ranch (Oceanic Properties/Castle & Cooke, Inc., Honolulu)	2,000	5,200
12. Clear Lake Riviera (Custom Properties, Inc., San Francisco)	2,987	920
13. Hidden Valley Lake (Boise Cascade Corp.)	5,400	3,000
14. Century Ranch (bankrupt) (Dr. Rolf W. Peter, Palo Alto)	1,000	500
15. Royal Pines Lake (Wm. Lyon Development/American-Standard Corp.)	2,000	1,000
16. Lake Wildwood (Boise Cascade Corp.)	4,000	3,400
17. Lake of the Pines (Boise Cascade Corp.)	2,000	2,500
18. Alta Sierra (Lakeworld/Dart Industries, Los Angeles)	3,000	5,500
19. Auburn Lake Trails (Transamerica Corp., San Francisco)	1,600	3,400
20. Lake Camanche Village (Great Lakes Development/Centrex Corp., Dallas, Texas)	3,500	4,470
21. Rancho Calaveras (Boise Cascade Corp.)	3,450	5,600

22. Bar/Circle/Diamond XX (Boise Cascade Corp.)	515	12,200
23. Copper Cove (Great Lakes Development/Centrex Corp.)	1,100	2,000
24. Lake Don Pedro (Boise Cascade Corp.)	8,000	16,000
25. Pine Mountain Lake (Boise Cascade Corp.)	4,870	3,500
26. Yosemite Lakes Park (United Continental Corp., Los Angeles)	2,263	6,700
27. Bonadelle Sierra Hilands (Bonadelle Land Investment Co., Fresno)	1,800	8,400
28. Wells Ranch (proposed) (Boise Cascade Corp.)	5,500	8,000
29. Bear Valley Springs (Dart Industries)	4,500	24,900

No one knows how much of California's foothill and mountain land has been carved up into such subdivisions in recent years. Most of the activity has been centered in northern California, with large-scale promotional developments spread in a giant arc around the metropolitan San Francisco Bay Area. The developments stretch from the North Coast Ranges, through the volcanic plateau country around Mt. Shasta and Mt. Lassen, and down into the attractive Mother Lode of the Sierra foothills where there are large new public reservoirs such as Don Pedro, New Hogan, Tulloch, Camanche, Auburn and Oroville to lure the fishing and water sports enthusiasts (Fig. 1).

Sales promotions, characteristically concentrated in the spring months when the grass is green, the sky clear, and the daytime temperatures not yet excessive, often include free barbecues, regattas, horse shows or rodeos. The strategy is to get potential buyers onto the land. Pressure-cooker sales techniques and subtle applied psychology do the rest of the job. It is apparently difficult for many Americans to say "no" to a salesman in a Stetson hat cast in the tradition of a rough-hewn but friendly cowboy, though he rides a jeep instead of a horse. Thus a Nevada County development could recently proclaim that "72 percent of the people who bought vacation land at Lake Wildwood bought it the first time they saw the place."

Some of the earliest and largest of these remote land-sales ventures were in southern California and in Arizona - at Salton Sea, California City, California Valley, Lake Havasu¹). Another was Madera Acres, some 15,000 acres of hard-pan terrace on the east side of the San Joaquin valley. And then there was Christmas Valley in the desert wastes of southeastern Oregon, where a California land sales promoter bought up an

¹) TAYLOR, R.: Subdividing the Wilderness. McClatchy Newspapers, Sacramento, 1970.

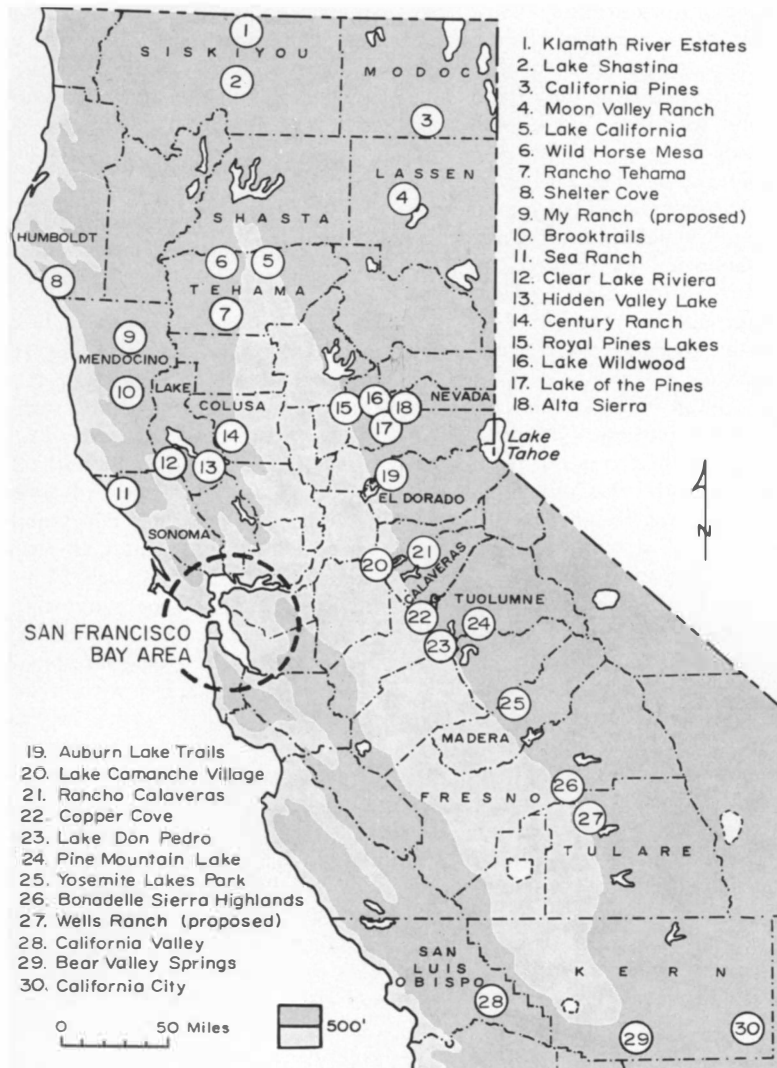


Fig 1: Large scale recreational subdivisions

80,000-acre cattle ranch in 1961 for \$ 10 an acre and built a lodge, golf course, airstrip, and a lake stocked with fish²). It was just what smog-choked southern Californians were looking for and they flocked in to buy up some 10,000 sagebrush-covered lots. Since that time little has happened at Christmas Valley, which ten years later has a population of scarcely 250.

Comparable in area to Christmas Valley, and established in the same year, was California City, a vast tract of Mohave Desert country some 80 miles northeast of Los Angeles where some 45,000 lots have been sold over a 12 year period but only 600 houses built, a construction rate of 1.3 per cent. The 1970 census

gives California City a population of only 1,224 persons. Its original developer has gone on to other challenges and in early 1971 was proposing a 25,000-acre development to be called Battle Creek Park at the north end of the Sacramento Valley. It lies across the Sacramento River from the 11,000-lot Lake California, another elaborate promotion that was linked with the now bankrupt Penn Central Railroad and recently was auctioned off for \$ 8 million to the Envirotec syndicate.

Even more remote is California Valley, an enormous subdivision adjacent to the treeless alkali flats of the Carrizo Plains in southeastern San Luis Obispo county, advertised as being "half way between Los Angeles and San Francisco . . . half way between the Sierras and the sea . . . a strategic spot to stake your future in land." In one day in May, 1963, some 23,000

²) COURTNEY, D. E.: The Oregon Desert, 1967: A Pioneer Fringe? Yearbook Assoc. Pacific Coast Geogr. 29:7-19 (1967).

persons were lured to California Valley by a free barbecue and picnic. Doubtless many of them signed purchase contracts for 2½-acre ranchos. But the 7,000 landowners have not built in this desolate land, nor are many of them likely to do so. The closest high school is still more than 50 miles away. A recent election to establish a Special Services District turned up 26 registered voters in the area. The deluxe motel-restaurant-swimming pool combination at California Valley is apparently supported by property owners who come on week-end trips from Los Angeles simply to "visit" their lot. They may manicure it a bit and speculate on its future or alternatively refurbish the sign offering it for re-sale.

In recent years, with the growing scarcity of large blocks of low-cost land in southern California, the land developers have turned their eyes northward, or to Arizona³⁾. But even in northern California land-project buyers from the Los Angeles area constitute a major part of the market. The rest are from the Bay Area and other northern California points. Almost none are from out-of-state. At Shelter Cove on the remote and foggy Humboldt County coast a majority of the purchasers were southern Californians, many of whom put down their money sight unseen, attracted by visions of green forests and cool, smog-free summers. The maintenance of the development's road net, badly eroded by heavy rains, has threatened to become a severe financial burden on the county. The lot purchasers, not a particularly happy group, face the prospect of steep assessments to pay off a \$ 5.4 million bond issue that helped finance construction of the subdivision. Meanwhile the developer has moved on to some cut-over redwood land at Brooktrails, near Willits in Mendocino county, where parcels priced at \$ 4,000 and up have been moving well.

Some of the country's larger corporations have joined local land developers in exploiting this new and sometimes naive market, slicing up large tracts of remote and inexpensive property and packaging it for sale as "recreational" or "second-home" subdivisions. Among national firms that have entered this lucrative business the Boise Cascade Corporation, a conglomerate of recent evolution (\$ 1 billion a year gross sales) that started as an Idaho lumber company is incomparably the most active. Others include Occidental Petroleum, Penn Central Railroad, Dart Industries (Rexall Drug), Transamerica, Centrex Corporation (a Texas construction firm), Castle & Cooke (Hawaiian sugar factors), and City Investing Corp. (a New York conglomerate). There are indications that others may be on the way. Big money from outside has been bidding up values for California land.

There are at least 25 such speculative, large-scale

recreational subdivisions of more than 1000 lots licensed in northern California excluding the Lake Tahoe area. The formula for a successful "boondocks" land development is fairly straight forward. According to Boise Cascade⁴⁾ it should be located

- 1) Within three hours driving time of a major metropolitan area.
- 2) In an area well-known for recreational values
- 3) At a scenic site, or one suitable for construction of a man-made lake of at least 200 acres extent.

Most developments favor small lots, either one-third or one-half acre, with winding streets not unlike conventional tract subdivisions on the outskirts of American cities. The demand for such property has until recently seemed all but insatiable. Prices range widely, from \$ 2,000 to \$ 20,000, with \$ 5-6,000 being close to the mean. View lots and lakefront lots bring the highest prices. The common requirement has been ten per cent down payment with ten years to pay off the balance at perhaps \$ 40 or \$ 50 a month. The paper is carried by the land company or its financial subsidiary at 7-8 percent interest, so calculated that it may actually work out at a true rate of closer to 12 per cent. Lot ownership carries with it access privileges to a wide range of community facilities which, when the development is sold out, may be turned over to a Property Owners' Association, along with streets and commons. In some developments the streets are maintained by the county. Piped water and electricity are available, but hooking in to them from remote parcels may involve charges equal to 25 per cent or more of the lot price. Waste disposal is always a serious matter. Although septic tanks are much cheaper than sewers to construct and maintain, they require a permeable subsoil to be effective. Their use has been increasingly challenged wherever drainage is into streams or reservoirs providing domestic water supplies, or even into the recreational lakes built by the developers.

Not all large rural subdivisions are speculative land promotions, subdivisions without homes. Some, within a reasonable distance of Sacramento or other Valley towns, are developing as a kind of extension of suburbia with a mixture of retired people and commuters (e. g. Alta Sierra, Lake of the Pines). In the timbered mid-slopes of the Sierra Nevada, and especially in the Lake Tahoe basin, increasing numbers of the more attractive developments boast a substantial percentage of built-on lots with year-round occupancy. Supported by an expanding economic base that includes winter sports, Nevada gambling, and the servicing of a large summer tourist industry, Lake Tahoe (elev. 6,200 feet) has a permanent population of some 28,000 persons and the figure is rising⁵⁾. With the passage of

³⁾ CAMPBELL, C. E.: The Remote Subdivision in Arizona: Characteristics and Distribution. *Jour. Arizona Academy of Science* 6:98-101 (1970)

⁴⁾ BOISE CASCADE FINANCIAL CORP. Prospectus (1970)

⁵⁾ BRONSON, W.: It's About Too Late for Tahoe. *Audubon* 73:46-80 (1970)

time other well-situated recreational developments may mature to the point that they, too, support a significant number of permanent residents. Thus at Twain-Harte, a 45-year old subdivision in the Tuolumne County pine zone, one of the first of the Mother Lode land developments, nearly one-third of the houses are permanently occupied⁶). At nearby Miwuk Village, which dates from 1954, the figure is ten per cent. At Sea Ranch, on the Sonoma County coast, where Castle & Cooke have tastefully developed a 12-mile-long strip of scenic coastal terrace under severe restrictive covenants (natural wood exteriors, no exotic plants, etc.) speculation is generally a quite secondary consideration. Most of the purchasers of these lots, averaging \$ 15,000 each and ranging up to \$ 70,000 for waterfront parcels, probably intend to build, for this incomparably beautiful coast is little more than 90 minutes from downtown San Francisco. Yet even here, after seven years there are only some 80 permanent residents.

Boise Cascade Corporation, the bell-wether among the land developers in California, is in the business nation-wide. Twelve per cent of its net sales in 1969 were from recreational land developments, with 18 of its 29 projects located in California. Boise also has large timber holdings both in the Pacific Northwest and in the Great Lakes area, and it recently acquired the independent Union Lumber Company of Fort Bragg, one of California's largest redwood operations. It is also in the home construction and mobile home business. In the southern part of the state it is more conventionally developing land on the fringes of the built-up areas, as it is at Incline Village on the Nevada side of Lake Tahoe. But at some ten northern California sites it is developing large-scale "recreational communities".

Access to water is a *sine qua non* of a Boise Cascade development. If a lake does not exist Boise will build one. At Lake Wildwood and Lake of the Pines in Nevada County and at Hidden Valley Lake in Lake County its artificial water-bodies are in the Digger pine-chaparral-grassland zone some 2,000 feet above sea level. Here the shadeless summers are furnace hot, but the winters are clear and crisp, above the persistent tule fogs and below the snows of the higher country. At Rancho Calaveras and at Lake Don Pedro in the Sierra foothill zone there is easy access to major public reservoirs. So is there at the proposed Wells Ranch development near the entrance to Sequoia National Park. Boise's Pine Mountain Lake project, on the well-travelled Big Oak Flat road to Yosemite National Park, is higher up in the pine-cedar forest. It sold 334 lots worth \$ 2.6 million in the first month it was open in 1967 and \$ 17.7 million worth of lots in its first year. At Klamath River Estates in the pine-sage-

brush country near the Oregon border, as at the smaller Diamond XX, Triple XX and Bar XX properties in Calaveras County, 20 or 40 acre "ranchos" are featured.

To date there are few homes on the Boise projects, although the company is well established in the modular home industry and stands ready to assist lot owners in financing and designing a vacation home. Even at Lake of the Pines, the company's most successful northern California development and sufficiently close to Sacramento, Auburn, and Grass-Valley-Nevada City to make commuting feasible, only 130 houses had been built on its nearly 2,000 lots after three years. The developers, who had bought the land in 1966 for \$ 876 per acre had been able to sell it for an average of better than \$ 20,000 an acre, close to the going price for sewerfed bay view lots in the Berkeley or Oakland hills⁷). Two-thirds of the lot buyers replying to a questionnaire sent out to all Lake of the Pines lot buyers in 1970 by the Nevada County District Attorney's office indicated that they would not buy again. More than half wanted to sell out but at that time only 27 had been able to do so, and of these only three had made a profit. Yet there is more activity behind the permanently guarded gates at Lake of the Pines than in almost any other such recreational subdivision.

Boise Cascade is a forest products company with vast land holdings. But it did not get into the land business that way, although others, such as Fiberboard Corp., American Forest Products Co., and Weyerhaeuser have done so. At Lake of the Pines, its first northern California venture, it bought out U.S. Land, Inc. of Indianapolis which was also in the business of developing subdivisions around man-made lakes in the East and Middle West. Boise's Rancho Calaveras, Lake Don Pedro, and Klamath River properties were originally owned by Pacific Cascade Land Co., a joint venture that was in part the brainchild of an Oakland developer named Jeff Dennis, earlier a successful salesman at Madera Acres. Dennis had sold out his interest in 1967, but three years later he was back in the news with a controversial plan for cutting up a 29,000-acre tract in remote Round Valley in northern Mendocino County. The 9,000-lot subdivision plan received the approval of the Mendocino County Board of Supervisors after prolonged discussion by a narrow 3-to-2 vote. The truth is that the remote valley's stagnating economy could well use a generous infusion of outside money. But the idea of Round Valley (population 2,000, of whom half are Indians) as a site for a "vacation city" of 35,000 persons would seem to border on fantasy.

Many of the northern California land promotion schemes have been in sparsely settled rural counties

⁶) MCKINNON, R.: *Historical Geography of Settlement in the Foothills of Tuolumne County, California*. M. A. thesis, Univ. of California, Berkeley, 1967, p. 174.

⁷) MYERS, E. B.: *Some Implications of Second Home Development in Rural Areas of Northern California*. M.C.P. thesis, Univ. of California, Berkeley, 1970.

that have been suffering from economic depression and even absolute population losses in recent decades. The members of the Board of Supervisors and the Planning Commissioners in such counties are no match for the well-paid outside professionals hired by the corporate developers. A proposal for a \$ 40 million land development scheme that will create jobs and require services that local businessmen would like to supply can literally turn such a county inside out⁸). Conflicts of interest are almost inevitable. In rural California, as elsewhere, "growth" has tended to be held synonymous with "good" and this is especially true where retail sales are flagging and bank deposits declining. Sharply increased assessed valuations – and assessments are based on recent sales prices of lots, inflated by high commissions, promotional costs, and huge profits – hold out the promise of substantial tax relief to hard-pressed local residents, with the new landowners presumably placing little burden on local schools, police, welfare and other county services. Under such conditions the granting of a subdivision permit, or the revision of a zoning ordinance to conform with a developer's wishes, has until recently attracted little public attention or opposition.

Every California county has, or soon will have, a Planning Commission and a county land-use plan, for these are necessary to qualify for certain federal and state funds. But the Board of Supervisors implements such plans and may change them at will. The campaign to take land-use planning out of local agency hands and make it a state responsibility faces heavy opposition. "Home rule" and the "rights of private property owners" are still sacred cows. For developers the profit is not likely to be in developing land zoned for development, for such property is already relatively expensive. The big returns are to be won from obtaining options to buy low-value rural land zoned as "open space", then convincing the supervisors to re-zone it one's needs.

Most developments seem to be offering a kind of country club atmosphere essentially pitched to urban tastes. The emphasis is likely to be on a kind of snobbery and elitism, although the appeal is also to families with children ("a great place to get acquainted with your kids"). An inordinate share of the buyers seem to come from the newer middle class suburban tracts of such Bay Area communities as Daly City, San Leandro, Fremont, Hayward and the sprawling suburbs of San Jose. The purchaser becomes a part of a social group with a stake in a particular piece of land. He may recognize that he has paid an exorbitant price for his lot, but he is likely to be defensive about his mistake and seek to make the best of it ("Hi, Sucker!"). Even those developments advertised as "fair housing communities" open to all races emphasize their guarded

gates and 24-hour security service. The buyer receives a folksy newsletter, attends picnics, and perhaps the annual meeting of the Property Owners' Association. He is hovered over by a solicitous developer anxious for him to start construction on a home, for each housing start improves the "investment" image of the tract. On week-ends when movement is brisk buyers may be found hanging around the "Howdy House" or "Hacienda", as sales headquarters may be known, wearing a "Howdy Stranger" badge: "My Name is _____ I'm from _____, I own lot No. _____."

There is, of course, much rural land for sale outside of the big developments here described. There are many more subdivisions of 200, 300, 400 lots than there are of the larger-scale ones, but they are not conspicuously promoted nor are the community facilities usually comparable. Recently an almost limitless supply of "investment" parcels of 5, 10, 20 or 40 acres has been advertised, the product of lot splits. Lot splitting is a procedure for quartering and re-quartering property into smaller and smaller pieces that legally by-passes existing restrictions on subdivisions. In Nevada County, for example, there were more than 2000 property splits in the fiscal year 1970–71 compared with a mere 100 two years earlier. Of the county's \$ 9.5 million increase in assessed valuation in 1971–72 more than 60 per cent was attributable to either splits or raw land subdivisions. Many feel that lot splitting has unseated recreational subdivisions as the number one land-use problem in some sparsely populated California counties. Minimum lot sizes have been set in some counties but in others, where pro-development real estate interests may be in control, there is still no limit to the number of times splits may be made. One of the pressures leading to such activities is clearly the rising taxes on rural property in the vicinity of the huge recreational-land developments.

Much of the apparent demand for property in the large projects is probably artificial, for when the sales force and advertising backing departs a true demand will scarcely exist. If so the promise of profits from the re-sale of lots is sure to be illusory. Taxes, Property Owners' Association assessments, and upkeep costs can be high, often as much or more than the monthly installment payments on the principal. It has been calculated that a \$ 10,000 lot at Lake Don Pedro would have to bring \$ 25,000 ten years later simply for the owner to break even – after taxes, assessments, landowner fees, interest charges, and inflation⁹). It is clear that large numbers of buyers would like to get out but can't. Almost all developments have numerous lots up for re-sale at prices below the purchase price. In the summer of 1971, the state legislature passed legislation directing the State Real Estate Commission

⁸) TAYLOR, R.: Subdividing the Wilderness. Sierra Club Bulletin, 56:4–9 (1971)

⁹) BESONE, R.: (student report, Univ. of California, Berkeley)

to require that advertised conditions of purchase be "fair, just and equitable". Such a test has been in effect since 1963 for offerings of out-of-state real estate (chiefly desert land in Nevada and Arizona). This would apply to all conditions under which a parcel of land might be offered, including price. To the real estate lobby this is anathema, for it implies government "price fixing". A more revolutionary suggestion, with little chance of adoption, would place a special tax on unearned increment from land sales.

The environmental impact of large-scale remote subdivisions is attracting increased public attention. In many cases the landscape has been irretrievably scarred with miles of unneeded and unused roads which have created erosional hazards, muddied streams, disturbed wildlife habitats and destroyed vegetation. The potential threat to domestic water supplies, should the subdivisions be built up, has recently attracted special attention. In some areas developments have already outstripped available water supplies. The threat of water pollution has made septic tanks increasingly considered unacceptable, yet piped sewers are costly and often impractical. In early 1971 the State Water Quality Control Board was considering a ban on the use of septic tanks in at least two major Sierra foothill developments, a move that was causing consternation among both developers and lot purchasers.

The unprecedented wave of concern for the environment ("ecology") has inevitably generated a strong reaction against many of these mountain developments. At Lyons Lake, above Sonora in the Tuolumne County forest zone, a proposed 2,345-lot subdivision has been thwarted by united community opposition – it was put forward by William Lyon Corp., a subsidiary of American Standard Corp. (formerly American Radiator & Standard Sanitary), which has other projects at Royal Pines Lake near Grass Valley and Rancho Tehama Reserve in the northern Sacramento Valley. At Lake Edson in El Dorado County an uprising of negative sentiment, led by a feisty Georgetown woman librarian, turned Boise Cascade from its Stumpy Meadows project. Its Wells Ranch development in Tulare County at the approach to Disney's proposed Mineral King winter sports area is similarly threatened. At Battle Creek Park in Shasta County the developer of the huge California City in the Mohave Desert has run into opposition from the Board of Supervisors. On the Oregon border near Hornbrook, in Siskiyou County, another large project was doomed when the state of Oregon refused permission to export the water necessary for the development into California. In Mendocino County a public referendum has overturned the Board of Supervisors' approval of the My Ranch project in Round Valley.

Significantly the largest of the developers, Boise Cascade, has pulled back for another look. With credit tight and environmentalists protesting sales have slowed. After some painful analysis the company has

announced that it is not in the land business for speculation but that it is selling a product for use. Terms of sale to the buyer are said to have been made tougher, the "hard sell" softened, and every buyer required henceforth to physically stand on the land before a sale is consummated. "We've made our mistakes but we're learning" says the general manager of Boise Cascade Recreational Communities (formerly Boise Cascade Properties, Inc.), the land development subsidiary. "We have reacted to the pressure of the ecologists", he continues, "we consider ourselves conservationists . . . what we do in an area leaves that area at least as good as it was when we came in, and if we have done our job right it leaves it better . . . we ask ecologists for an inventory of the environment and then to tell us how we should develop it. The fact that we are a large company enables us to go slow, do it right and preserve the environment while at the same time creating a socially useful project. We can afford to take time, to even abandon a project if it doesn't make sense¹⁰."

Boise says that in the future it will avoid such "ecologically sensitive" areas as Lake Tahoe or the Mendocino Coast because "most of the community, most of the western U.S., feel that they have a sort of vested ownership in the beauty [of such places]. Anything that we could do would be subject to immediate criticism and if we should make a mistake we would really be shot at. To avoid that, our projects will be focused on locations where the ecology (*sic*) is not so good to begin with and where what we do is going to obviously be an improvement."

The public has been made quite widely aware of the threats to the land posed by uncontrolled land developments. A noteworthy series of articles in the McClatchy newspapers ("Sacramento Bee", "Fresno Bee", "Modesto Bee") by RON TAYLOR, and another in the "San Francisco Examiner" by LYNN LUDLOW, has called attention to the more questionable practices of the "boondocks subdividers" who "sell the sizzle but never the steak". A Sierra Club representative has termed these activities the greatest menace to the Sierra Nevada since placer mining. The Nevada County District Attorney, Harold Berliner, who has spoken out vigorously against the continuing and senseless expansion of mountain subdivisions, has observed that unscrupulous developers, using fraudulent and misleading advertising, can take in more money in a single week-end in his county than would ten years of burglaries.

Placed on the defensive, some 12 major developers banded together early in 1971 to form the Western Developers Council to establish a self-policing code of ethics and, incidentally, to fight proposals being

¹⁰) Boise Cascade Financial Information Seminar, Baltimore, Md., Nov. 20, 1970. Proceedings Transcript.

aired before a legislative sub-committee investigating "premature subdivisions" to impose state controls on such activities. Boise Cascade has not joined the group, stating that its own code is already more severe than that of WDC.

The California Commissioner of Real Estate estimates that 40,000 to 50,000 lots in mountain subdivisions have been created annually in recent years, representing some \$ 250 million each year in value¹¹). He has publically questioned that the market can absorb this abundance of offerings. In the four-year period between July 1, 1966 and June 30, 1970, permits issued for subdivisions in remote northern California counties approximated the following¹²) (1970 population of county in parentheses):

Siskiyou (32,000)	5,400 lots on 19,000 acres
Modoc (7,000)	8,600 lots on 11,200 acres
Lassen (14,000)	1,400 lots on 24,700 acres
Shasta (77,000)	2,500 lots on 27,200 acres
Tehama (41,000)	3,700 lots on 20,000 acres
Lake (18,000)	14,500 lots on 13,000 acres

Nevada County has 18,000 lots already subdivided, most of which have been sold to urban dwellers who hoped for profits as land values go up. At present rates it has been projected that within five years all of the private land in the county would be in subdivisions¹³). There are 20,000 lots subdivided in Tuolumne County and there is concern that there is insufficient water to meet their potential needs.

A recent survey by the U.S. Soil Conservation Service¹⁴), concerned about the effect of such subdivisions on runoff and erosion, predicts that between 1967 and 1980 some 800,000 acres may be withdrawn from agricultural, forest and range use in California for recreational and similar subdivisions. Close to one-fourth of this would be in the Mother Lode counties, much of the rest in the far north. Leading counties in these estimates are the larger northern ones: Shasta 70,000 acres, Siskiyou 47,000 acres, Modoc 29,000 acres, Lassen 27,000 acres. One part of the legislation currently under consideration in Sacramento would authorize counties to reject future subdivision proposals if an adequate number of subdivided but unimproved lots already exists to satisfy current and foreseeable housing needs. If enacted this could well cut off further such land developments for a long time

in most northern California counties, where population has stood constant or declined in recent years.

Speculation in land is an American tradition. It was a major motivating factor in the opening of the West. It has flourished where land has been cheap and regulations regarding its use minimal¹⁵). A recent estimate is that some 3,000 acres per day are being bulldozed in the U.S. for new land developments, but most of this has been on the fringe areas, just beyond suburbia. The speculative recreational subdivisions, remote from major cities, seem to represent a new phenomena. There have been many rural subdivisions in the history of the West, but never on this scale and never in the name of "recreation". Its critics argue that a countryside of uninhabited, city-sized lots is being created, and to no purpose; that it may also be creating potential areas of tension through the establishment of private enclaves behind locked gates in the midst of traditionally open rural societies.

The frenzied character of the land boom in the "boondocks" cannot long persist without doing major harm to the California environment. Its excesses are reflected in the fact that less than three per cent of "recreational lots" sold in recent years have been built on. An oversupply of over-promoted and improperly developed lots seems certain to lead to ultimate price collapse with thousands of small buyers the victims. But speculative excesses are not the sole cause of this new form of abuse of the countryside. Our whole system of values is involved. It is equally attributable, as Harold Berliner points out, to the curious idea that we think we need to own a particular plot of land just to use it three weeks a year. "People who sail on the San Francisco Bay", he recently observed, "don't feel compelled to own a particular acre in the middle so they can sail around in that acre and feel it's all theirs. They are willing to share the water with others . . . There is no reason why can't think too of all kinds of new ways of using land without harming it, dividing it up, and fencing it." On all sides there is a growing public concern. Some sort of statewide or regional approach to land use regulation, such as recently has been proposed in the comprehensive and far-reaching "California Tomorrow Plan¹⁶), seems increasingly inevitable, if the state is to remain the attractive place to live that it has been in the past.

¹¹) *The Wall Street Journal*, Dec. 24, 1970.

¹²) *California Dept. of Real Estate*. Subdivisions in California-Public Reports Issued and Lots and Acres by County, 1941-42 to 1969-70. Sacramento, 1970 (mimeo.).

¹³) BERLINER, H.: Plague on the Land. *Cry California*, vol. 5, No. 3 (Summer 1970) pp. 1-11.

¹⁴) *U.S. Soil Conservation Service*. California Soil and Water Conservation Needs Inventory 1967.

¹⁵) YEARWOOD, R. M.: Land Subdivision and Development: American Attitudes on Land Subdivision and Controls. *American Journal of Economics and Sociology* 29:113-126 (1970)

¹⁶) *California Tomorrow, Inc.* California Tomorrow Plan. San Francisco (1970). A First Response . . . Including Remarks from the Third Biennial California Tomorrow Planning Conference. *Cry California* Vol. 6, No. 3 (Summer 1971), p. 13.