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*From the Los Angeles Times*

## **Battle Builds Over a Coveted Parcel**

**Yolo County wants to wrest bucolic Conaway Ranch from developers -- and then leave it as is.**

By Eric Bailey

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WOODLAND, Calif. — Due east of town, life unfolds on the vast expanse of Conaway Ranch much as it has the past century. Tractors and pickups trundle down farm roads. Geese, ducks and egrets swarm rice fields and flood plains spreading toward Sacramento's distant skyline.

But the modern world is creeping toward Conaway, with conflict swirling over the future of this huge and venerable slice of Central Valley real estate.

The ranch has become the subject of a courtroom clash and a public relations battle rife with intrigue, a classic California fight over water rights and suburban sprawl, and government's use of eminent domain.

While the forced sale of land for a road or a big-box retailer is not uncommon in America, Yolo County leaders say they want to acquire Conaway Ranch — all 17,300 acres of it — so they can essentially let it be.

They cite fears that the current owners, a group of developers mostly from across the river in Sacramento, aim to build houses on Conaway or perhaps sell the ranch's water to Southern California or some other faraway metropolis.

"They want to cannibalize Conaway Ranch," Yolo County Supervisor Mike McGowan said. "They want to strip that property to maximize their investment."

But the motives and methods the county is utilizing to purchase the land have raised questions locally and beyond.

To finance the deal, county leaders have turned to the region's deepest pocket, the Rumsey Band

of Wintun Indians, owners of the profitable Cache Creek casino and resort. The price of the site will be determined in court. Some say that a loan from the casino tribe, itself a major landowner and development presence in the county, represents a conflict of interest and could make the county beholden to the Rumsey Band in the future.

The tactics of the 10 developers who own Conaway have also raised eyebrows. Calling itself the Conaway Preservation Group, its members have mounted an exhaustive campaign to sway public opinion, erecting freeway signs that say "oppose county land grab" and sponsoring tri-tip barbecues to sell their ideas.

The developers insist that Conaway won't be covered in houses. Instead, their group can profit from continued farming and from permanently protected easements on Conaway to other builders searching to offset the environmental damage of big developments elsewhere in the region. Yolo County, they add, has no justification for the public good to forcibly buy the ranch.

It's nothing short of a return to colonial days, said Tovey Giezentanner, spokesman for the group. "It's like the time of sovereigns, when the arbitrary actions of a few politically connected players determined who gets what."

The fight comes on the heels of the U.S. Supreme Court's decision last June in a Connecticut case, *Kelo vs. New London*, that reinforced the power of local governments to acquire residential property for use as a private economic development that generates more tax dollars. The decision outraged property rights advocates and prompted lawmakers in Texas, Alabama, Pennsylvania and Michigan to impose stricter limits.

Critics of Yolo County say the Conaway Ranch case goes further than *Kelo*, setting a dangerous precedent by allowing a local government to take land if it doesn't trust the owners to use it the right way.

So far, the county is winning the battle.

On Nov. 30, Superior Court Judge Timothy Fall ruled that Yolo County has the right to wield its eminent domain authority and buy the land. Left undecided is the cost. A jury will set the price at a trial scheduled for June, a date that gives both sides plenty of time to negotiate — and to continue their war of words.

Conaway Ranch has long been a coveted piece of property. It covers 27 square miles, nearly double the size of next-door Woodland, spreading across table-flat turf toward the west bank of the Sacramento River. Nearly half the property lies in the Yolo Causeway, which absorbs wintertime rains when the river brims.

The ranch has always been awash in water, with rights to 50,000 acre-feet. Depending on how it is calculated, that's enough to support a municipality of 250,000 — and it represents a potential resource for Yolo County cities now dependent on groundwater. In the early 1990s, Conaway was owned by a Pacific Gas & Electric Co. subsidiary that planned to develop 4,000 homes on an edge

abutting Woodland, but the plan never went anywhere.

Among the partners in the unsuccessful development was Steve Gidaro, a Sacramento developer and waterfowl-hunting aficionado. Although he sold his stake a decade ago, Gidaro retained the hunting rights. Through the years he's remained a presence on the ranch, building strong ties to the two dozen farmers who lease the land.

But he's hardly so well-liked among Yolo County officials. Supervisors and elected leaders in most cities voice a slow-growth mantra, and Gidaro has enough projects in the pipeline to sprout 5,000 homes on parcels scattered near the county's western edge.

Gidaro, who declined through a spokesman to be interviewed, became Conaway's principal landowner a year ago.

After the county mounted a failed bid to buy Conaway and then turned to eminent domain, Gidaro stepped in with an investment group made up almost exclusively of big developers. They purchased the property for a reported \$60 million in the last weeks of 2004 from National Gas and Energy Transmission, a successor to PG&E Properties.

Despite the sale, Yolo County pressed ahead with its eminent domain efforts. The bid got a big boost last May, when the Rumsey band and county officials forged what both called a "handshake deal" to finance the forced purchase. No terms have been announced, though county officials have made it clear that the tribe will be included in future decisions about the ranch.

From the start, the agreement drew scorn from property rights advocates. State Sen. Tom McClintock (R-Thousand Oaks), who is expected this year to renew his effort to reform eminent domain law, called the county-tribe partnership a "corrupt alliance."

Closer to home, folks were puzzled.

"You just don't do things like a handshake deal when you're talking about something that at a minimum will be \$60 million," said Dudley Holman, president of the Yolo County Taxpayers Assn. and a former Woodland mayor. "This whole thing has 'suspect' written all over it."

Joe Heidrick, one of Yolo County's biggest farmers, can see a tribal motive: "They'd like to see a casino sitting on I-5, just this side of the levee."

County leaders and the tribe reject such conclusions, saying the loan agreement simply reflects an unusually good working relationship between two governments sharing mutual respect and a desire to protect prime real estate from developers they consider rapacious.

"I know it's hard for people to understand," said Yolo County Supervisor Helen Thomson. "Mostly what the tribe is getting out of this is a great deal of goodwill."

"There's no quid pro quo, no secret deal, no hidden agenda," added McGowan. "It ain't there."

Howard Dickstein, the tribe's attorney, said its aim is to preserve the land and ensure that Conaway's water isn't shipped out of Yolo County. Talk of Conaway becoming reservation land or home to a casino is absurd, he said. "Loyalty and reciprocity and partnership in the long term are important values to this tribe."

But among farmers, there is fear — about losing their water, about losing their land.

"If they can do it to Conaway, they can do it to anyone to get our water," Heidrick said. "We don't want to see them take our property."

Duane Chamberlain, a farmer recently elected to the Board of Supervisors on a vow to fight the eminent domain deal, sees it as a "total misuse" of government powers and worries about the precedent of using gambling money to finance the acquisition.

Chamberlain also said environmentalists want to turn the ranch back into wetlands. The county could preserve the land, he said, without spending a dime by negotiating deed restrictions and water contracts.

"If you've got to put a road or pipeline through a ranch, we can understand that," Chamberlain said. "But taking a 17,000-acre ranch? That's a whole lot different."

Giezentanner, the landowners' spokesman, said they're willing to negotiate development and water restrictions with the county. "They know we're interested in cutting a deal," he said. "This is their chance."

But county officials say they worry about the future and that the best way to preserve the ranch is to take it out of the hands of developers.

"These are men who have covered the Sacramento Valley with rooftops," Thomson said. "It's hard to imagine them changing their stripes."

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