

# **Borrego golf water comes at expense of farmland**

## *Rams Hill agreement means palms, citrus to be fallowed*

J. Harry Jones, San Diego-Union Tribune, 1-31-14

**BORREGO SPRINGS** — A settlement reached this week with the Borrego Water District that will breathe new life into the dormant Rams Hill golf course will come at the expense of hundreds of acres of grapefruit and palm-tree groves elsewhere in town.

As part of a complicated deal, the new owners of Rams Hill — a master-planned residential community that features a Tom Fazio designed golf course — have agreed to purchase farms and ranches that hold the trees and let them go fallow over the next five years.

It's a compromise favoring recreation over agriculture that's likely to be repeated on a grander scale in the coming years in this desert community, where water is increasingly short supply — a reality that has little to do with the state's current drought.

The community has for many years been drawing water out of the ground at a faster rate than can be replenished in its underground aquifer — a practice the water district calls an “overdraft.” “As most of you know, this board has made addressing the overdraft a priority,” Borrego Water District President Beth Hart said Friday at a public meeting held to discuss the settlement.

Under the deal reached this week, Rams Hill owners — T2 Borrego LLC — can buy and use two water district wells on their property, and also drill more. The company must fallow farmland for water credits equal to the amount of water they think they'll need to irrigate the golf course. The fallowing will occur over five years, with penalties assessed if the fallowing schedule is not implemented in a timely fashion.

T2 Borrego is currently in escrow on one farm and are negotiating to purchase several other properties.

About 70 percent of the water beneath the Borrego Valley is used by farmers and ranchers. Another 20 percent goes for recreational uses such as golf courses and hotels, and the remaining 10 percent is consumed by residential users.

Fallowing agricultural land has been talked about for a long time in the area, but it appears that it will become a more common method of dealing with the groundwater issues, members of the water board said Friday.

Many Borregans wonder what fallowing may do to the dynamics of the town in the long run. Working farms employ farm workers. Stop farming, and those jobs go away.

But members of the water board said Friday they believe any jobs lost by the fallowing will hopefully be offset by jobs that are created at the golf course.

Don Blaikie, a full-time Rams Hill resident, said Friday he was thrilled an agreement had been reached, but said it took way too long to happen.

“Thank God it’s done,” he said. “Now hopefully this community will be able to have its rebirth properly and enjoy the success people have put their hard-earned earnings into in buying homes here.”

Blaikie said he has heard that one of the properties that will be fallowed is 300 acres and has 50,000 palm trees on it.

“What are you going to do with 50,000 trees?” he said. “That’s a lot of palm trees.”

The Rams Hill development has struggled for nearly two decades and the property has changed hands roughly 11 times since home construction began in the late 1980s. The recession hit the community hard and in 2009, the then-owner sold the main well that irrigated the course to the water district.

Two years later, having suffered huge financial losses, that owner shut down the golf course and sold off much of the irrigation equipment. The course went brown fast, as did many of its trees and other landscaping features.

The hundreds of people who own homes in the development — many of those homes located on fairways — watched as their property values plummeted.

About 18 months ago, T2 Borrego — with CEO Bill Berkley at the helm — began negotiations with the district, even before purchasing Rams Hill last summer. There were many financial issues to deal with, including unpaid fees and other debts.

For a while it looked like everything would end up in court and the golf course would remain brown for years to come. But in September there was a breakthrough in negotiations that eventually resulted in the deal announced this week.

Chamber of Commerce Executive Director Linda Haddock said Friday having the Rams Hill golf course up and running will be huge for the town because it will bring in wealthy golfers eager to play a quality course and to stay a few nights at local hotels.

“We need the jobs,” she said. “We need the golf courses. Golf courses bring in people with disposable income.”

Berkley said the new owners of the recently reopened La Casa del Zorro, just north of Rams Hill, will market the resort and the golf course as a package.

T2 Borrego plans on spending about \$250,000 immediately to buy the irrigation equipment that was previously sold off. Watering may begin as soon as next week, Berkley said.

If all goes according to plan, the clubhouse could be open to business within a month and the golf course could be ready for play by mid-November.

The agreement, Berkley said, makes it financially possible to operate the business. “Hopefully ... our water costs will be about 1/10th of what they would have been if we’d had to buy all of our water from the district.”

In fact, Berkley said, with water conservation plans the course will implement, he thinks the 1,200 acre feet of water the course once used annually before it was shut down can be reduced in half, meaning the 800 acre feet of water being saved by fallowing the farmland could actually be a plus for the water basin.

The 54-page settlement agreement, as well as a lengthy statement from the water board, can be found on the web at [www.borregowd.org](http://www.borregowd.org).