



New Land Use Rules to Live by in Osa County

by Timothy L. Woodruff

New Sheriff in Town

Recently, a young and energetic new mayor, Alberto Cole, was elected to lead the County of Osa, in the Province of Puntarenas, Costa Rica. In early April 2007, he dropped a bombshell, sending shock waves across the country and abroad as the news spread. Mr. Cole's Municipal Council declared an immediate freeze on all development in the entire stretch of mountain range known as the the coastal ridge (fila costeña), which extends along the coast from Dominical to Palmar Norte.

This literally stopped all the tractors and bulldozers in this part of the county in their tracks. The only exception was for work that had already commenced under previously granted permits. Henceforth, the official goal, declared Municipal Agreement no. 06-2007, would be "sustainable development."

Shot Heard Round the World

Environmentalists were elated, and big developers deflated. International media picked up the story, portrayed by many as David standing up to Goliath. After all, most municipalities in rural Costa Rica are underfunded and understaffed to the extreme. Nobody expects them to declare ground-breaking environmental principles, and much less, to actually implement them.

In a nutshell, what Mayor Cole has done represents an excellent step in the right direction. We have high expectations that his initiative will work in the long run. For that to happen, he and the Municipal Council will need the support of all of us who live and work here, and especially of the expatriate community which is responsible for so many of the developments. Here is a behind the scenes look at what is really going on, and what we can expect in the future.



Osa County

First, some background on the area. Osa County encompasses 2,380 sq. kilometers. (920 square miles; see map, inset). A large part of it consists of national park and protected land in the Osa Peninsula. But it also covers an unprotected parallel strip of mountains from Palmar to the Barú River by Dominical. This chain, called "la fila costeña," or "the range along the coast," lends much scenic beauty to this region. With steep hills tapering down to the sea, waterfalls stud the beaches and spectacular ocean views abound from the hills just minutes above the beach, evoking frequent comparisons with Hawaii. This is what will distinguish Osa from Guanacaste forever: mountains looming over beaches for miles and miles.

Although a great deal of the original jungle here was cleared decades ago by local farmers, primary rainforest still remains in the steepest and most remote areas; and everywhere you find emerging secondary growth forests, recovering steadily from having been clear-cut by the ubiquitous cattle ranchers years ago. A rich variety of fauna roams the woods, including jaguar, ocelot, otter, boar, deer, coyote, sloth, honey bear (kinkajou), anteater, coatimundi, not to mention three

species of monkey (capucin, titi, and howler), etc.

The range also nourishes local communities with spring water, and feeds the rivers of Ballena National Marine Park and Sierpe-Térraba National Wetlands. The

latter is a delicate ecosystem that includes the largest mangrove forest in the country. In addition, this is home to the "The Path of the Tapir," a biological corridor that stretches 100 km along the Pacific coast from Corcovado National Park in Osa Peninsula, up to Manuel Antonio National Park near Quepos. A local environmental group, ASANA, led by US lawyer turned local tree farmer, Jennifer Smith, and founder Jack Ewing, is championing the preservation of these mountains (for more on the work of ASANA, and info on how you can help, please visit www.asana.co.cr).

Progress Comes to Paradise

These highlands are mostly in the hands of private citizens, local and foreign. And, as noted, they enjoy no nationally protected status whatsoever. In times past, the region's remoteness from San Jose was its sanctuary. But now, for the first time in history, it is increasingly becoming accessible. The reason is a series of extrinsic developments, such as major new roads being built or paved, plans for a new international airport, new marinas, improvement of local physical and financial infrastructure, etc. Today, long before most of the works are in place, evidence is in the air that the boom has already begun. Mean-

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while, the "buzz" continues to stir excitement among homesteaders and investors from all over.

But what happens when profit motives collide with environmental concerns? Of course, under the laws applicable to development, you are supposed to get a permit from the Muni before you build roads or move soil in any way. Moreover, if the land has forest or rivers or is otherwise sensitive ecologically, the Muni will refer an owner to MINAE (sort of the EPA of Costa Rica) and SETENA, the government's development agency. When or if these entities sign off on the development, then the Muni would automatically give the go-ahead.

But as you might expect when "gold rush" atmosphere meets lack of control by the authorities, many abuses have occurred. A typical scenario: someone bought a steep piece of ex-coffee farm, punched out a quick and dirty series of roads and house sites, without permits and in a non-sustainable manner, then put the subdivided parcels on the market in hopes of making a quick profit.

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El Salto del Avión Achiotal 9.26 hectares 22.87 acres

US\$ 300,000

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This beautiful farm has a number of unique features such as a section with completely untouched primary forest harboring a natural spring, a river with a 15m (45 feet) waterfall which forms the major part of the boundary as well as a cave measuring 80m² (850 sq. ft.)! A creek carrying water all year round cuts the property just about in half.

This really is a delightful private hideout, but the property could

easily be developed for up to 20 potential home sites, of which 7 are on elevated positions and the rest along the river. The upper section opens up to beautiful views of the surrounding valleys, rivers, and forests.

El Salto del Avión is located off the road linking the Pan American Highway with the town of Pejibayé. Currently, access is possible only on foot or on horseback. The closest power line is about one

kilometer from the property.

Despite its private location, this farm is only a short 45 minutes drive from San Isidro de El General, the fastest growing city in Central America. In the other direction, the beautiful beaches of the Pacific Ocean such as Ventanas, Ballena, Piñuela, Arco and Uvita are another 45 minutes across the mountain range.

Vista Catarata 2 Las Tumbas 7.85 hectares 19.4 acres

US\$ 154,000

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The Diamante River forms the southern boundary of this pasture land property whereas the waterfalls of the Diamante river may be seen in the background of this beautiful piece of land. Located at an altitude of 370m (1,210 feet) above sea level the air is fresher and less humid than on the Pacific coast.

There are up to three good river-front house sites on the property, one of which even opens up to a

distant ocean view. Water and electricity are about 1km (0.6m) from the property. The 5km (3m) long road from Tinamastes to Las Tumbas is wide and gravel-topped and is well maintained.

Vista Catarata 2 is only 30 minutes from San Isidro de El General, Central America's fastest growing city. The surfer's beach of Dominical can be reached in 30 minutes and the beaches of the Parque Nacional Marino Ballena (Colonia,

Arco, Ballena, Piñuela, Ventanas) in 45 minutes.

La Isla en la Montaña Platanillo 11.8 hectares 29.14 acres

US\$ 230,000

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This medium-sized farm is located just off the main road from Dominical to San Isidro in the mountain village of Platanillo. The farm features many possible building sites (four are already in place), some with great mountain and valley views, some with ocean view. The lots are sold separately or the property is sold as a whole.

The farm is located about 300 meters off the main road and thus is easily accessible. Both (city) water

and electricity are only 300 meters away. Internal roads are in place and will be graveled shortly (money can be held back to guarantee this will be finished). Four building sites have already been made and in total up to 14 building sites are possible on the property. The property is currently subdivided in 4 separate lots and can easily be subdivided further. The property is surrounded by creeks on all sides (crossings are already in place) and

is a virtual island in the mountains.

From the property the closest beach (Dominical) can be reached in 20 minutes, while San Isidro, the largest city outside the Central Valley, is less than half an hour away. The town of Platanillo features a cool climate, which has attracted a large number of foreigners. However, Platanillo is still much more a Costa Rican town than Dominical.



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US\$ 3,300,000

**Hidden Valley Ranch
Matapalo**
130 hectares
315 acres

This eminently developable farm is only minutes from the wide open, deserted beaches of the South Pacific. It is perched on a series of gentle ridges 500-800 ft. above sea level and 25-40% of the farm has gorgeous ocean and coastal views. You can watch the waves break on Playa Matapalo from there. The rest of the land is nestled in its own valley of rolling hills and mostly flat land which features very nice mountain and valley vistas.

There are four spectacular ocean view sites on the ocean side of the farm and four more modest ocean view sites on the east side. The first four would be worth an average of \$250,000 in today's market, and the second four about \$150-175,000 apiece.

In addition, on the west side there is a ridge that runs parallel to the coast for one kilometer which supports another 20 ocean view sites. Finally, there are many valley

and mountain view potential home sites located all over the East side of the farm. The River Matapalo runs through the property, and it also features numerous fresh springs and year round streams. Main power poles run right along the public road that divides the property for two kilometers.



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US\$ 1,728,000

**Finca Perfecta
Ojo de Agua**
60 hectares
148.2 acres

This is one of our finest large fincas with incredible 360° views, a perfect location, easy access, two 30ft waterfalls, and lots of primary forest. Although it has development potential, it is better suited for someone who wants a personal estate or for an exclusive hotel. There are about 15-20 possible house sites that could be developed, but there is a central ridge that sits right off the public road like a peninsula into the property and a huge multi-layered building site, surrounded by virgin forest.

This site would be a spectacular location for a great house or fine hotel. There is water and electricity and telephone service along the highway.

The property has two waterfalls at the bottom of the farm which are accessible by a summer road along the front of the property. It has a few hectares of flat land that run along the Coastal Highway, then the land gets steep and runs up to about 250 meters of altitude. A well built

rocked road with sturdy drainage leads all the way to the top of this.

Playa Ventanas is a short 15 minutes drive from the main house site and Ojochal, Ojochal is 10 minutes away and is a full service town with many fine restaurants, hardware stores, a grocery store, a liquor store, a gas station, and more. A brand new hospital is just down the road. This farm, however conveniently located, remains extremely private because of its size and position.



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US\$ 385,000

**Casa Armonía
Ballena**
1.22 hectare
3.01 acre

Casa Armonía was originally conceived as a small bed and breakfast and is the only property in the Perla de Ballena development with the right to operate a rental business. It would make a delightful bed-and-breakfast or a yoga retreat or simply a private house with a gorgeous view.

The house has four bedrooms and each has its own private bathroom. There is a living/dining area on the

lower floor with a kitchen and two guest toilets. There is a small lookout patio between the two bedrooms on the upper floor.

The property has a beautiful unobstructed view of the Parque Nacional Marino Ballena with the famous Rock of Ballena, a major landmark, and the rock formation of the Tres Hermanas in direct sight. There are also beautiful vistas of the coastal mountains and the surrounding fincas. There is ample space around the property

to build a swimming pool and more rental units.

This is part of a fully explored eco-development with roads, water, and electricity. The beaches of the National Park are literally at your feet since the brand new Costanera Sur coastal highway is only a short 1.5km (1m) away. The full service town of Uvita is just down the road and the area has a number of good restaurants to choose from.





Dominical · Costa Rica

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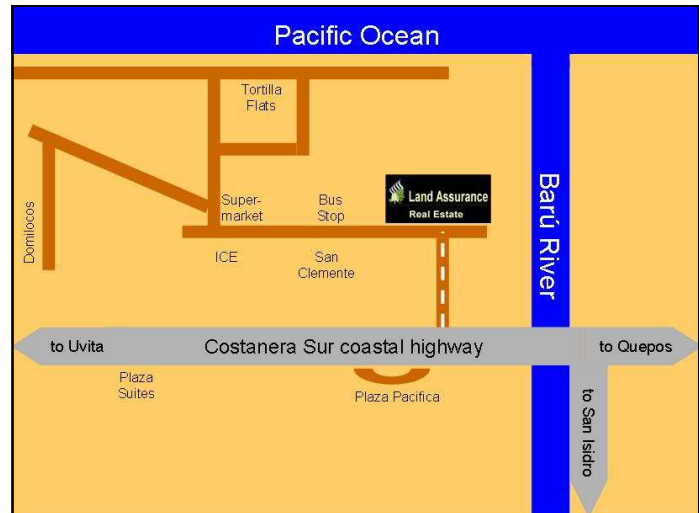
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When There is No Plan

One of the main problems has been that the Municipality could only afford two inspectors for the whole county. It lacked the manpower to enforce the regulations. A similar scenario has been evident with MINAE. It is widely believed that MINAE inspectors are sometimes over-worked, and that they may not always be able to stop the abuses which they encounter. As if a lack of inspectors were not bad enough, the municipality has also lacked the necessary county wide zoning plan, called "plan regulador." Currently, Mr. Cole intends to have the plan written and published by December 2007, with the assistance of The Nature Conservancy and the University of Costa Rica.

Meanwhile, in the absence of a zoning plan for the rural areas, the Municipality continues to apply a patchwork of other regulations, as do many other rural munis that have yet to adopt their own county-wide

zoning plan. This is the way it has always been. Yet the uncodified rules were designed years ago for rural life, which until recently had to do more with cattle and crops than million dollar condos. They are inadequate to manage, for example, the housing developments that are sprouting in the hills.

When Mayor Cole initiated the county-wide stop order, he was reacting to the widespread perception in this area that a lot of so-called eco-development is really a cover used to make short-term profit by carving unsustainable house sites and roads. After the municipal accord was declared, there was a ten day period in which the Municipality invited public commentary. At the end of the ten days, the accord was published in the official *Gazeta*, after which time it took on the force of law in Osa.

Interview with Mayor Cole

During the ten-day period, I went to the municipal offices in Cortés to speak with the mayor and exchange views. In my interview with him, I expressed the support of many people in the community for his declared goal of sustainable development (see Land Assurance Real Estate Newsletter November 2006, Sustainable

Development: Our Responsibility). Mayor Cole named three main problems that he was asking the business community to help him with:

1. All businesses operating in the county should have their county permits, or *patentes*, up to date, and pay the corresponding tax; he noted that sometimes people break this rule due to the shortage of inspectors;
2. Overdue taxes should be collected on an expedited basis, so that the county could hire several additional inspectors immediately;
3. All real estate closings should declare the actual value of the transaction and pay the appropriate property tax to the Municipality on a yearly basis (it's just 1/4 of 1 percent); Mayor Cole noted that rampant cheating reduces the municipality's income by at least 60%.

If only these fairly modest proposals could be implemented on a county-wide basis, Mayor Cole stated that the municipality would have enough money to be able fulfill its responsibilities. Meanwhile, until the new zoning plan is approved next year, the mayor said the regulations promulgated in the *Gazeta* will remain in force in Osa County.

New Rules in Effect

The Municipality will continue to issue certain subdivision and earth moving permits, but on a much reduced, case by case basis, in which heightened scrutiny will be applied to all proposals. Effective immediately, permits will be considered only after an inspector has been to see the property, and such permits will not be given where the land is deemed too steep for roads or houses. In addition, even after SETENA has officially approved a development, the new municipal administration under Mayor Cole will require that the site be inspected again by the cantonal inspector, which in the past was not necessary.

In conclusion, there's a new sheriff in town, a new set of rules for us to live by. From now on, it's not going to be business as usual around here. This part of Costa Rica actually has a chance to develop at its own pace while staying "emerald green", and the new mayor is on the right track towards making that happen.