

## Attachment B

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## DISCUSSION:

### *Overview of the County's Williamson Act Program*

A Williamson Act Agricultural Preserve Land Conservation Contract and Farmland Security Zone and Contract are agreements between a property owner and the County whereby the landowner may receive a reduced property tax assessment by agreeing that their property is to be utilized solely for commercial agricultural production of food or fiber and a limited number of "compatible uses." The County of Monterey provides two options for landowners who wish to restrict their land to commercial agricultural uses: *Agricultural Preserves (AGP)* and *Farmland Security Zones (FSZ)*. Entering into these contracts is entirely voluntary for both the landowner and the County. The minimum initial term for an agricultural preserve and farmland security zone contract in the County of Monterey is 20 years. Contracts renew annually on each succeeding January 1, unless either party files a "notice of nonrenewal." If a notice of nonrenewal is filed, the property taxes begin to rise as the contract runs out during the remaining years of the term. Historically, local governments receive an annual subvention of forgone property tax revenues from the State through the Open Space Subvention Act of 1971. Unfortunately, subvention payments were suspended in Fiscal Year 2009-2010 because of the State's fiscal constraints. Regardless of the availability of subvention funds, Williamson Act contracts between landowners and local governments, which provide for a reduced property tax valuation, remain in force.

The following Board of Supervisors' Resolutions authorize the County to enter into Williamson Act contracts with private landowners:

- *Board of Supervisors Resolution No. 01-485, "Amending Procedure for Agricultural Preserves"* as amended by *Board of Supervisors Resolution No. 03-383. (Attachment E);* and
- *Board of Supervisors Resolution No. 01-486, "Amending Procedure for the Creation of Farmland Security Zones (FSZ) and Contracts" (Attachment F).*

The two programs share the following qualifications:

- The parcel or group of contiguous parcels must consist of 100 or more acres. However, land of 40 acres or more may be eligible if the Board finds that smaller preserves are necessary due to the unique characteristics of the agricultural enterprises in the area and that the establishment of preserves less than 100 acres is consistent with the general plan of the County.
- Having a history of being used primarily for the commercial agricultural production of food or fiber for three of the past five years.
- The property must generate at least \$8,000 annually in agricultural gross income during three of the past five years *or* recently improved land must have the potential for generating \$8,000 of gross income during the next succeeding year.
- The land must be consistent with the County's General Plan.
- If the property is within one mile of a city, that city shall be notified of their right to protest the application.

The Farmland Security Zone Program, commonly referred to as the Super Williamson Act Program, has an additional requirement that the land under contract must be at least 51 percent “predominantly prime, Farmland of Statewide Importance or Unique” farmland. Land which qualifies for an FSZ pursuant to the additional criteria typically consists of agricultural land utilized for row crops. Under this program, a property owner receives a greater tax reduction. Lastly, the Farmland Security Zone Program requires that if an application is within the sphere of influence of a city, the County requires the applicant to provide a Resolution by the City of their approval of the application before the County can process the application.

### **2025 Round of Williamson Act Applications**

This year, thirteen (13) Williamson Act applications will be considered for 2025, consisting of 12 applications for the creation of FSZs and to enter into FSZ Contracts and one application to establish an AGP and enter into an LCC. The 13 applications under consideration total 26 parcels and approximately 3,287 acres.

On October 3, 2024, each application was reviewed by the APRC to assess if each application had completed materials and met the program criteria. Four of the applications lie within one mile of a city including the City of Salinas (FSZ Application No. 2025-03 [R2 Hunter LLC]), the City of Greenfield (FSZ Application No. 2025-07 [Ticino California LLC]), the City of Soledad (FSZ Application No. 2025-09 [Irene P. Guidotti and John E. Guidotti, Co-Trustees of the Exemption Trust under the 1995 Guidotti Revocable Trust dated January 12, 1995 Et al.]), and the City of Gonzales (FSZ Application No. 2025-11 [Lisette Moore Allen, Successor Trustee of the Joe S. Moore Trust Agreement dated April 27, 2000 Et al.]). A notification letter was mailed to each city’s jurisdiction on November 1, 2024 (**Attachment G**). No applications are within the sphere of influence of a city.

On October 24, 2024, the 2025 Williamson Act Applications were scheduled for AAC review and recommendation. The AAC recommended approval of the following applications: FSZ Application No. 2025-02 (Berkshire Investments LLC), FSZ Application No. 2025-05 (Silacci Family Trust), FSZ Application No. 2025-06 (Sair Partnership), FSZ Application No. 2025-07 (Ticino California), FSZ Application No. 2025-08 (Riboli Doctor’s Vineyard LLC), FSZ Application No. 2025-09 (Irene P. Guidotti and John E. Guidotti, Co-Trustees of the Exemption Trust under the 1995 Guidotti Revocable Trust dated January 12, 1995 Et al.), FSZ Application No. 2025-10 (Ella J. Guidotti, Trustee of the 1997 Ella J. Guidotti Revocable Trust dated February 6, 1997 Et al.), FSZ Application No. 2025-11 (Lisette Moore Allen, Successor Trustee of the Joe S. Moore Trust Agreement dated April 27, 2000 Et al.), and FSZ Application No. 2025-12 (Arroyo Vineyards LLC). The AAC recommended continuing without prejudice to the 2026 round of applications FSZ Application No. 2025-03 (R2 Hunter LLC) and FSZ Application No. 2025-04 (The 1996 Morgantini Revocable Trust Under Declaration of Trust dated August 16, 1996). Additionally, the AAC recommended denying without prejudice AGP-LCC Application No. 2025-01 (Coker Ellsworth Family Trust dated September 7, 2000 Et al.), which

was continued from the 2024 round of applications, without a refund of the nonrefundable application fee. The AAC also recommended accepting the applicant's request for a withdrawal of FSZ Application No. 2025-13 (Arroyo Vineyards LLC) with a recommendation to issue a partial refund of all but \$1,000 of the \$7,755 nonrefundable application fee, in the amount of \$6,755. The APRC recommendations for each of the applications are summarized below:

**AGP-LCC Application No. 2025-01** – Coker Ellsworth Family Trust dated September 7, 2000, Shawn McNamara, Tom Thompson and Amy Thompson; APNs 423-071-030-000 and 423-071-055-000. Recommendation by the APRC: **Deny without prejudice.**

*Reason for denial recommendation:* This application with 627 acres comprised of two parcels in the Jolon Road area of Bradley for the establishment of an APG and LCC was originally applied for last year under Application No. 2024-01. The application was continued to this year's round of applications to allow the applicant time to meet the requirement for the AGP-LCC of an established commercial agricultural use on the property since the property had been recently purchased. The continuance to this year's round of applications was conditioned on the applicant providing proof of commercial agricultural production *or* the potential for commercial agricultural production within the next succeeding year by September 15, 2024. The applicant failed to provide such proof and has requested a new continuance request in writing (**Attachment I**) asking for additional time to establish an agricultural use or show proof of expenditures for at least \$8,000 spent towards improving the property in its preparation for establishing an agricultural use. The APRC voted to deny the application for lack of commercial agricultural use and lack of proof showing improvement expenditures for the furtherance of establishing an agricultural use.

**FSZ Application No. 2025-02** – Berkshire Investments LLC, a California Limited Liability Company; APNs 267-044-005-000; 267-044-014-000; 267-044-015-000; and 267-044-016-000. Recommendation by the APRC: **Approve the application meeting the minimum qualifications for a Williamson Act FSZ Contract.**

**FSZ Application No. 2025-03** – R2 Hunter LLC, a California Limited Liability Company; APNs 177-081-005-000; 177-081-006-000; and 177-081-007-000. Recommendation by the APRC: **Continue without prejudice to the 2026 round of applications.**

*Reason for continuance recommendation:* This application was originally applied for last year under Application No. 2024-06 and was continued to this year's round of applications. The reason for its continuance was because one of the parcels which is the subject of the FSZ application had a pending code enforcement case due to construction work performed on a ranch house without the benefit of required construction permits. Last year's continuance allowed the preservation of fees paid for the FSZ application, pending compliance with the Code Enforcement Administrative Citation Letter sent to

the applicant on October 3, 2023. Unfortunately, the applicant did not pass construction inspections as of October 2024; however, the applicant is actively working on resolving the code enforcement case. Staff is recommending one last continuance of this FSZ application to the 2026 round of applications that would require the property owner to have received final building permit clearance from HCD-Planning prior to the Williamson Act Application deadline of September 15, 2025.

**FSZ Application No. 2025-04** – The 1996 Morgantini Revocable Trust Under Declaration of Trust dated August 16, 1996, Beverly Joan Morgantini, Trustee; APNs 111-021-005-000 and 111-021-007-000. Recommendation by the APRC: **Continue without prejudice to the 2026 round of applications.**

*Reason for continuance recommendation:* This application was originally applied for last year under Application No. 2024-07. Although the application meets the primarily Prime Soils designation and the financial commercial agricultural requirements for an FSZ, it was continued to this year's round of applications because the Assessor's Office found that the applicant failed to report vineyard planting information for approximately 13 years. This reported information will potentially result in escaped assessments and/or re-assessment of property tax values. The continuance was to allow the applicant time to provide this information to the Assessor's Office; however, the information was not provided by this year's Williamson Act Application deadline of September 15. Staff received a continuance request from the applicant on October 3, 2024 (**Attachment I**). Once the required information has been submitted, the Assessor's Office will need to determine the escaped assessments and/or property tax values. If the required information is timely received, the escaped assessments and/or the re-assessment of the property tax values will be included in the tax roll on or before February 2026, at the earliest. Currently, there is no baseline for the Assessor's Office to determine the outstanding property taxes. The property tax value must be calculated for the Assessor's Office to determine the Williamson Act restricted value. Therefore, the APRC recommends one last continuance of this application without prejudice to the 2026 round of applications for the applicant to submit the required tax valuation information well before the deadline of next year's Williamson Act Applications on September 15, 2025.

**FSZ Application No. 2025-05** – Silacci Family Trust dated June 21, 1982, as to a 50% interest Kenneth A. Silacci Separate Property Trust dated November 16, 2010, as to 50% interest; APN 135-111-005-000. Recommendation by the APRC: **Approve the application meeting the minimum qualifications for a Williamson Act FSZ Contract.**

**FSZ Application No. 2025-06** – Sair Partnership 9 LLC Ranch, a Delaware Limited Liability Company; APNs 223-031-019-000 and 223-071-002-000. Recommendation by the APRC: **Approve the application meeting the minimum qualifications for a Williamson Act FSZ Contract.**

**FSZ Application No. 2025-07** – Ticino California LLC, a California Limited Liability Company; APN 221-011-016-000. Recommendation by the APRC: **Approve the application meeting the minimum qualifications for a Williamson Act FSZ Contract.**

**FSZ Application No. 2025-08** – Riboli Doctor's Vineyard LLC, a California Limited Liability Company; APN 165-013-003-000. Recommendation by the APRC: **Approve the application meeting the minimum qualifications for a Williamson Act FSZ Contract.**

**FSZ Application No. 2025-09** – Irene P. Guidotti and John E. Guidotti, Co-Trustees of the Exemption Trust under the 1995 Guidotti Revocable Trust dated January 12, 1995, John E. Guidotti, a married man as his sole and separate property, Janice Andreotti, an unmarried woman, as her sole and separate property, Ella J. Guidotti, Trustee of the 1997 Ella J. Guidotti Revocable Trust dated February 6, 1997, James E. Guidotti and Paula A. Guidotti, Trustees of the 1998 James & Paula Guidotti Revocable Trust dated March 17, 1998, Roy Anthony Marci and Dorothy Rose Marci, Trustees of the 1992 Marci Revocable Trust dated June 26, 1992, Milton Guidotti and Rosemary Guidotti, Trustees of the 1995 Milton & Rosemary Guidotti Revocable Trust dated December 28, 1995, and Fred H. Guidotti and Judy P. Guidotti, Trustees of the Guidotti Family Trust dated July 19, 2006; APN 165-072-002-000. Recommendation by the APRC: **Approve the application meeting the minimum qualifications for a Williamson Act FSZ Contract.**

**FSZ Application No. 2025-10** – Ella J. Guidotti, Trustee of the 1997 Ella J. Guidotti Revocable Trust dated February 6, 1997, James E. Guidotti and Paula A. Guidotti, Trustees of the 1998 James & Paula Guidotti Revocable Trust dated March 17, 1998, Roy Anthony Marci and Dorothy Rose Marci, Trustees of the 1992 Marci Revocable Trust dated June 26, 1992, Milton Guidotti and Rosemary Guidotti, Trustees of the 1995 Milton & Rosemary Guidotti Revocable Trust dated December 28, 1995, James E. Guidotti and Paula A. Guidotti, Trustees of the 1998 James & Paula Guidotti Revocable Trust U/D/T dated March 17, 1998, Elmer J. Guidotti and Irene P. Guidotti, Trustees of the 1995 Guidotti Revocable Trust U/D/T dated January 12, 1995, Irene P. Guidotti and John E. Guidotti, Co-Trustees of the Exemption Trust under the 1995 Guidotti Revocable Trust dated January 12, 1995, John E. Guidotti, Janice Andreotti, and Fred H. Guidotti and Judy P. Guidotti, Trustees of The Guidotti Family Trust dated July 18, 2006; APN 183-021-032-000. Recommendation by the APRC: **Approve the application meeting the minimum qualifications for a Williamson Act FSZ Contract.**

**FSZ Application No. 2025-11** – Lisette Moore Allen, Successor Trustee of the Joe S. Moore Trust Agreement dated April 27, 2000 (APN 167-052-005-000); Lisette Moore Allen, Successor Sole Trustee of the Joe S. Moore Trust Agreement dated April 27, 2000, and The Louis and Myrna Moore Family Trust, initially created October 4, 2000, Louis Charles Somavia Moore and Myrna Silvia Zepeda Moore as Trustees (APN 223-011-041-000). Recommendation by the APRC: **Approve the application meeting the minimum qualifications for a Williamson Act FSZ Contract.**

**FSZ Application No. 2025-12** – Arroyo Vineyards LLC, a Delaware Limited Liability Company; APNs 109-391-013-000 and 419-491-007-000. Recommendation by the APRC: **Approve the application meeting the minimum qualifications for a Williamson Act FSZ Contract.**

**FSZ Application No. 2025-13** – Arroyo Vineyards LLC, a Delaware Limited Liability Company; APNs 183-021-008-000; 183-021-016-000; 183-021-033-000; and 183-021-034-000. Recommendation by the APRC: **Accept the application withdrawal and issue a partial application fee refund of \$6,755.**

*Reason for withdrawal and partial application refund recommendation:* The APRC originally voted to recommend denial of this application because two of the four parcels at 183 areas (APN 183-021-016-000) and 149 acres (APN 183-021-033-000) are already in an FSZ Contract (Contract No. 2022-02). The two smaller parcels are both approximately 7 acres each (APNs 183-021-008-000 and 183-021-034-000) and do not meet the minimum requirements for an FSZ. The APRC contacted the applicant to inquire why they had applied for the second time. The applicant responded that ownership interests had changed since the FSZ Contract No. 2022-02 was approved by the County in December 2021 and that the application was inadvertently submitted by the current owner. The applicant subsequently withdrew FSZ application No. 2025-13 citing the reason for withdrawal (**Attachment K**) and requested a refund of \$7,755 of the application fees. Staff is not authorized to make refunds as the applications for Williamson Act are *non-refundable* pursuant to Williamson Act Program adopted Board Resolutions (**Attachments E and F**). On October 24, 2024, the AAC recommended that the Board of Supervisors accept the application withdrawal request and issue a partial fee refund of \$6,755 to account for application processing time. The applicant was informed that the request for a refund would be considered by the Board of Supervisors.