



# Monterey County

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## Board Report

Legistar File Number: RES 14-113

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Matter Type: BoS Resolution

Public hearing to adopt corresponding Resolutions to:

- a. Deny G. M. Pomeroy & Sons L.P. Application to create a Farmland Security (FSZ) and Contract as applicable to the real property described in Exhibit A "Legal Description" to proposed new Farmland Security Zone Contract No. 2015-001 effective January 1, 2015.
- b. Partially approve David and Susan Gill Family Trust and Hitchcock Children's Trust Application to establish a Farmland Security Zones and Contract; and, rescind portion of Agricultural Preserve (AgP) Land Conservation Contract No. 12-026 and simultaneously place the property in new Farmland Security Zone and contract as applicable to the real property described in Exhibit A "Legal Description" to proposed new Farmland Security Zone Contract No. 2015-002.
- c. Continue Linda S. De Santiago Living Trust Application to establish a Farmland Security Zone and Contract to 2016 round of applications.
- d. Partially approve V.R. Walker Company, J. Miles Reiter and Roseanne Reiter Family Foundation and Garland and Brenda Reiter Family Foundation Application to establish a Farmland Security Zone and Contract as applicable to the real property described in Exhibit A "Legal Description" to proposed new Farmland Security Zone Contract No. 2015-004.
- e. Approve High Lemons Limited Partnership, a California Limited Partnership Application to create a Farmland Security Zone (FSZ) and Contract as applicable to the real property described in Exhibit A "Legal Description" to proposed new Farmland Security Zone Contract No. 2015-005.
- f. Authorize the Chair to execute the recommended Farmland Security Zone Contracts (Gill/Hitchcock FSZ No. 2015-002, Walker/Reiter FSZ No. 2015-004 and High Lemons FSZ No. 2013-005).
- g. Direct the Clerk of the Board to record the Farmland Security Zone Contracts prior to the January 1, 2015 property tax lien date subject to the collection of the appropriate recording fees.

(REF140061 - Williamson Act Contract Applications 2015 - County-wide)

### RECOMMENDATION:

It is recommended that the Board of Supervisors conduct a public hearing and adopt corresponding Resolution to:

- a. Take action on five (5) Applications to establish Farmland Security Zones and Contracts effective January 1, 2015.
- b. Deny one (1) Application to establish Farmland Security Zone and Contract: FSZ No. 2015-001: G.M. Pomeroy & Sons L. P.
- c. Partially approve one (1) Application to establish Farmland Security Zone and Contract:

- FSZ No. 2015-002: David and Susan Gill Family Trust and Hitchcock Children's Trust

*And*

Rescind a portion of Farmland Security Zones and Contracts 12-026 and simultaneously place the property in new Farmland Security Zone and contract as applicable to the real property described in Exhibit A "Legal Description" to proposed new Farmland Security Zone Contract FSZ No. 2015-002: David and Susan Gill Family Trust and Hitchcock Children's Trust.

- d. Continue one (1) Application to establish Farmland Security Zone and Contract: - FSZ No. 2015-003: Linda S. De Santiago Living Trust.
- e. Partially approve one (1) Application to establish Farmland Security Zone and Contract: - FSZ No. 2015-004: V.R. Walker Company, J. Miles & Roseanne Reiter Family Foundation and Garland & Brenda Reiter Family Foundation.
- f. Approve one (1) Application to establish Farmland Security Zone and Contract: - FSZ No. 2015-005: High Lemons Limited Partnership.
- g. Authorize the Chair to execute the recommended Farmland Security Zone Contracts.
- h. Direct the Clerk of the Board to record the Farmland Security Zone Contracts prior to the January 1, 2015 property tax lien date subject to the collection of the appropriate recording fees.

SUMMARY:

The California Land Conservation Act of 1965, commonly referred to as the Williamson Act, and Board of Supervisors Resolution No. 01-486, Amending Procedures for the Creation of Farmland Security Zones (FSZ) and Contracts authorize the Board to enter into Contracts with private landowners for the purpose of restricting certain parcels of land to commercial agricultural production of food or fiber. In return, landowners receive lower property tax assessments based upon the restricted Williamson Act value as opposed to full market value.

Each calendar year, the Board of Supervisors considers FSZ contract applications. This year, a total of five (5) applications have been received for the establishment of (5) FSZ Contracts. All of the applications received have been reviewed by members of the Agricultural Preservation Review Committee (APRC). The Committee is comprised of representatives from the Agricultural Commissioner's Office, Resource Management Agency-Planning, County Assessor's Office and the Office of the County Counsel. Board action is required to establish by contract, FSZ status for those selected applications, to commence in the year 2015, if the subject property meets the criteria found under Board Resolution No. 01-486 (Procedure for the Creation of Farmland Security Zones and Contracts (**ATTACHMENT "B"**)).

DISCUSSION:

The Agricultural Preserve Review Committee met on October 16, 2014, to review Applications to Establish FSZs and Contracts to commence on January 1, 2015.

An Application for the Establishment of a Farmland Security Zone and Contract must meet the requirements of California Government Code Section 51296 et. seq. (Farmland Security Zones) and Board Resolution 01-486. Government Code Section 51296.8 requires that Farmland Security Zones shall only apply to land that is designated on the Important Farmland Series

maps, prepared pursuant to Section 65570, as predominately one or more of the following:

- (a) Prime Farmland [or producing unprocessed agricultural plant production of not less than \$200 per acre pursuant to Government Code Section 51201 (c) (4)].
- (b) Farmland of statewide significance.
- (c) Unique Farmland.
- (d) Farmland of local importance

County regulations for the establishment of Farmland Security Zones as outlined in Resolution 01-486 (**ATTACHMENT B**) requires that “the parcel or group of contiguous parcels to be included in the preserve contain 100 or more acres.” The Resolution also notes: “...the Board of Supervisors will consider establishing agricultural preserves and/or creating Farmland Security Zones as applicable, of less than 100 acres, but of 40 or more acres if it finds that smaller preserves and/or Farmland Security Zones as applicable, are necessary due to the unique characteristics of the agricultural enterprises in the area...”

The APRC is recommending approval of the High Lemons Limited Partnership, a California Limited Partnership Farmland Security Zone Application No. FSZ 2015-005. The APRC is recommending partial approval of two (2) Farmland Security Zone applications (Gill/Hitchcock) FSZ No. 2015-002 and (Walker/Reiter) FSZ No. 2015-004 because one (1) parcel in each of the two (2) applications is not predominantly prime and therefore, does not meet State and/or County requirements for FSZ admission as outlined above. The APRC is recommending denial of the G. M. Pomeroy & Sons L.P. Application because the property does not meet minimum acreage requirements. The basis for the APRC determinations regarding these applications is summarized as follows (See **Attachment A** for application maps and additional details):

- 2015-001 (G.M. Pomeroy & Sons L.P.): The subject parcel is predominately “Prime Farmland,” however, at 77 acres in size the subject parcel does not meet the minimum 100 acre requirement for the creation of a Farmland Security Zone. The property does not meet the 100 acre minimum established pursuant to Section 11.c (Minimum Size) of Board of Supervisors Resolution No. 01-486. Therefore, the application can only be approved for the creation of an FSZ and Contract at the discretion of the Board of Supervisors in the event the Board finds that approval is warranted “due to the unique characteristics of the agricultural enterprise”.
- 2015-002 (David and Susan Gill Family Trust and Hitchcock Children’s Trust): One (1) of the two (2) contiguous parcels under the application, Assessor’s Parcel Number 139-101-029-000, currently subject to Agricultural Preserve Land Conservation Contract No. 2012-025, is well under 50% “Prime” land, with the majority of the parcel consisting of river channel and scrub brush. Because the property subject to Land Conservation Contract No. 2012-025 is not predominantly prime agricultural land as defined in Government Code Section

51201(c) nor designated on the Important Farmland Series Maps prepared pursuant to Government Code Section and as set forth in Section 11.e. (Prime Agricultural Land) of Resolution No. 01-486, the APRC recommends that this parcel not be approved for inclusion in an FSZ and Contract. The remaining parcel, Assessor's Parcel Number 137-041-019-000, which is currently the subject of Agricultural Preserve Land Conservation Contract No. 12-026 meets FSZ requirements and is recommended for approval.

- 2015-003 (Linda S. De Santiago Living Trust): One (1) of the two (2) contiguous parcels under the application, Assessor's Parcel Number 165-101-008-000, is well under 50% "Prime" land, with the majority of the parcel consisting of uncultivated hillside and Oak woodland. The remaining parcel, Assessor's Parcel Number 165-101-006-000, while predominantly prime, is not a legal lot of record. Further, the property which is the subject of FSZ Application No. 2015-003 is also the subject of a pending application for a four (4) lot subdivision pursuant to Planning File No. PLN030214. Therefore, the APRC is recommending a continuance of FSZ Application No. 2015-003 to the 2016 round of applications to provide the Applicant-Owner with time to legally subdivide the subject property. A continuance, if approved by the Board, will preserve the application fees submitted on September 15, 2014.
- 2015-004 (V.R. Walker Co., J. Miles & Roseanne Reiter Family Foundation, and Garland & Brenda Reiter Family Foundation): One (1) of the three (3) parcels within the application (Assessor's Parcel Number 627-011-009-000, commonly known as Murphy Ranch) is not contiguous with the other two (2) parcels in the application, nor is it contiguous with any other neighboring parcels currently under Williamson Act Contract. This "stand alone" parcel is also well under 100 acres in size. Therefore, the APRC recommends that Assessor's Parcel Number 627-011-009-000 (Murphy Ranch) not be included in FSZ No. 2015-004 because it is not contiguous to the other two (2) parcels and it does not meet the 100 acre minimum. This parcel may only be approved for FSZ Contract, upon submittal of a separate application for the subject non-contiguous property, at the discretion of the Board of Supervisors in the event the Board finds approval acceptable "due to the unique characteristics of the agricultural enterprise". The other two (2) parcels (Assessor's Parcel Number 267-011-006-000, commonly known as Kalich Ranch, and Assessor's Parcel Number 267-021-012-000, commonly known as Hoyt Ranch) meet FSZ requirements and are recommended for approval.
- 2015-005 (High Lemons L.P.): This application, in its entirety, meets all FSZ requirements and is recommended for approval by the APRC.

The above-mentioned parcels which are the subject of the Gill Hitchcock FSZ Application No. 2015-002 (Assessor's Parcel Number 139-101-029-000) and the Linda S. De Santiago Living Trust FSZ Application No. 2015-003 (Assessor's Parcel Number 165-101-006-000 and Assessor's Parcel Number 165-101-008-000) which the APRC has recommended to not be included as FSZ parcels are, and would remain, within the Williamson Act Program as

Agricultural Preserve (AgP) parcels which are not required to meet the same stringent entrance requirements (51%+ "Prime Farmland") as are FSZ parcels. Assessor's Parcel Number 139-101-029-000 (Gill-Hitchcock property) would remain subject to Agricultural Preserve Land Conservation No. 2012-025. Assessor's Parcel Number 165-101-006-000 (Linda S. De Santiago Living Trust Property) would remain subject to Agricultural Preserve Land Conservation Contract No. 73-013. Assessor's Parcel Number 165-101-008-000 (Linda S. De Santiago Living Trust property) would remain subject to Agricultural Preserve Contract No. 73-014.

The property included in each of the applications far exceeds the minimum program admission requirements for established annual income (\$8,000 gross for at least three [3] of the past five [5] years).

There are currently approximately 783,865 acres of combined Williamson Act (FSZ and AgP) contracted land in Monterey County.

OTHER AGENCY INVOLVEMENT:

The Agricultural Preserve Review Committee, consisting of representatives from the Agricultural Commissioner's Office, Resource Management Agency-Planning, County Assessor's Office and the Office of the County Counsel, has reviewed the 2015 Applications, and has made its recommendations using the criteria set forth in Board Resolution No. 01-486, Procedures for the Creation of FSZs.

FINANCING:

Allowing the subject properties recommended for approval to attain Farmland Security Zone status will reduce the assessed valuation of each property involved. The estimated impact amounts for all of the applications to be considered are shown on the Financial Impact Analysis attached herein (Attachment "A"). The Assessor estimates that the net tax loss, in the event that all five (5) applications were recommended for approval in their entirety, would be approximately \$87,618.00.

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The following attachments are on file with the Clerk of the Board:

- Attachment A County-wide map showing the location of the proposed 2015 Farmland Security Zones and Agricultural Preserves; APRC Review Sheets and Maps; Williamson Act Application Matrix; Financial Impact Analysis
- Attachment B Board Resolution No. 01-486 (Procedure for the Creation of Farmland Security Zones and Contracts)
- Attachment C Board Resolution for the establishment of 2015 Farmland Security Zones and Contracts