

EXHIBIT A DISCUSSION

Project Description

The “Yanks Air Museum Project”, to be constructed on Parcel “A” of the proposed lot line adjustment, was approved by the County in 1997 pursuant to Resolution 97-445 (Project # SH94002, and subsequently extended per Resolutions 04-351 and 08-362). The lot line adjustment consists of two parcels with a total of 440 acres, 340 of which are currently under a Williamson Act Agricultural Preserve (AGP No. 71-041) and Land Conservation Contract No. 71-041 (Contract No. 71-041) which have been in place since 1971. The 1997 approval of the project included a lot line adjustment to create the presently configured 111-acre development parcel and the 329-acre agricultural parcel. The approval also included a 200-foot wide Agricultural Buffer to be located between the development and the adjacent agricultural parcel. Condition of Approval No. 3 of the 1997 approval required that a 306-acre portion of the 329-acre parcel be placed under an Agricultural Conservation Easement in perpetuity. The Air Museum development project was intended to be annexed to the City of Greenfield with the agricultural parcel remaining in the County. Annexation into the City is addressed in a Memorandum of Understanding (MOU) between the City and the County, dated April 25, 2012.

The Yanks Air Museum Project is currently being implemented, including annexation of the development parcel into the City of Greenfield. During the implementation process it was discovered that the Record of Survey reflecting the lot line adjustment component of the Yanks Air Museum project is inconsistent with the legal descriptions of the existing Williamson Act Contract No. 71-041 and Agricultural Conservation Easement Agreement and Deed. These inconsistencies result in portions of the Contract and the Easement being located on the 111-acre development parcel. Since this is clearly inconsistent with the project approval and proposed annexation of the development into the City of Greenfield, the recommended actions must be taken to correct the boundaries.

On September 25, 2012 the City of Greenfield approved the rezoning, submittal of the annexation application to Local Agency Formation Commission (LAFCO), and related actions. This approval included an Addendum to the previously certified Final EIR. The Addendum addresses the mapping and acreage discrepancies that are also the subject of this Lot Line Adjustment application. LAFCO is scheduled to consider the annexation by the end of 2012, but can not take action until the County approves the proposed lot line adjustment and related actions. The recommended actions do not modify the project development as originally approved by the County and analyzed in the Final EIR, including the loss of agricultural land.

The proposed lot line adjustment specifically includes 1) the relocation of the easterly boundary of the existing 111-acre Yanks Air Museum development parcel to the east to include the area where the air strip is approved to be located. This will increase the size of the development parcel by 23 acres to 134 acres; and 2) a reduction in the size of the existing 329-acre agricultural parcel by 23 acres to 306 acres, which is consistent with the

size of the required Agricultural Conservation Easement. Approval of this lot line adjustment will require several related actions: 1) amendment of the legal (metes and bounds) description of the existing 306-acre Agricultural Conservation Easement so that its boundaries align with the adjusted boundary of the 134-acre development parcel; 2) amendment of the existing Williamson Act Agricultural Preserve and Contract to modify the legal description to align with the adjusted boundaries; and 3) relocation of the required 200-foot wide Agricultural Buffer Easement to align with the adjusted boundaries.

Project Issues:

The entirety of the Yanks Air Museum development parcel will be annexed by the City of Greenfield following the approval and completion of this proposed lot line adjustment. The primary issue associated with the proposed lot line adjustment is a reduction of 34 acres in the amount of area to be included in the amended Agricultural Preserve and Land Conservation Contract. The removal of the 34 acres represents 10% of the 340 acres currently under the Williamson Act Agricultural Preserve and Land Conservation Contract. Pursuant to California Government Code 51257, a lot line adjustment which reduces the amount of land under a Williamson Act Contract is allowable as long as at least 90% of the land originally in the contract remains under contract. The proposed lot line adjustment conforms to this requirement. California Government Code Section 51257 requires that specific findings be adopted by the Board of Supervisors to facilitate a lot line adjustment of Williamson Act lands. These required findings have been prepared for the Board's consideration and are contained in Attachment "B."

Environmental Review

In 1997 the County certified a Final EIR for the Yanks Air Museum Project (EIR 95-01) and approved a Statement of Overriding Considerations related to the loss of farmland. On October 28, 2008 the County approved an extension to the project approval and considered a Technical Addendum (Addendum No. 1) to the Final EIR. The proposed actions do not modify the approved development that was analyzed in the Final EIR. On September 25, 2012 the City of Greenfield considered an Addendum to the Yanks Final EIR and approved the rezoning, submittal of the annexation application to LAFCO, and other related actions for the development. County staff has reviewed the City of Greenfield's Addendum (Addendum No. 2) and concurs with its conclusions related to the proposed lot line adjustment, including the determination that no additional significant impacts will result. The City's Addendum is included for consideration by the Board for the proposed lot line adjustment (Attachment F) and is addressed in the Findings and Evidence included in the draft Resolution (Attachment B).

Summary of Background and Procedural Information

On or about February 19, 1971, pursuant to Board of Supervisors Resolution No. 71-14-41 +/- 440 acres were placed under a Williamson Act Agricultural Preserve No. 71-41 (AGP No. 71-41) and Land Conservation Contract No. 71-41 (Contract No. 71-41)

between the County of Monterey and Paul Masson, Inc., which was executed pursuant to the California Land Conservation Act of 1965 (Williamson Act);

On or about August 16, 1988 the lands subject to Contract No. 71-41 were purchased by Charles F. Nichols.

On or about February 28, 1994, said AGP No. 71-41 and Contract No. 71-41 (hereafter, "1994 Amendment") were amended to adjust the boundaries of said AGP No. 71-41 as described in Exhibit C to said 1994 Amendment and to add Smith and Hook Winery, a California Corporation, as a party to the Contract.

Said 1994 Amendment resulted in the exclusion of 100 acres from AG P No. 71-41 and Contract No. 71-41 for the then proposed Yanks Air Museum Project.

On June 24, 1997, the Department of Conservation, the County of Monterey and Charles F. Nichols entered into an "Agreement Regarding Agricultural Conservation Easement".

On November 4, 1997, the Combined Development Permit for the Yanks Air Museum Project ((PLN060582) was approved by the County, including a lot line adjustment to create a 111-acre parcel and a 329-acre parcel. The approval required a 306-acre Agricultural Conservation Easement and a 200-foot Agricultural Buffer Easement.

On August 28, 2001, per Board of Supervisors Resolution No. 01-344, the Board (1) Approved "Amendment (No. 1) to Agreement Regarding Agricultural Conservation Easement" (2) Approved "Agricultural Conservation Easement Agreement and Deed" (3) Authorized the Chair to execute Amendment No. 1 (to the Agreement Regarding Agricultural Conservation Easement) and approve Agricultural Conservation Easement to authorize the Monterey County Agricultural and Historic Land Conservancy, Inc. to hold the Agricultural Conservation Easement related to the Yanks Air Museum Project (SH94002); and (4) authorized the Clerk of the Board and Assessor-Recorder's Office to record the Agricultural Conservation Easement Agreement and Deed.

Condition No. 6 of the Combined Development Permit required an Agricultural Conservation Easement which was recorded on September 4, 2001 as Document No. 2001075023 with the Monterey County Recorder.

Condition No. 20 of the Combined Development Permit required an Agricultural Buffer Easement Deed which was recorded on May 6, 2002 as Document No. 2002043186 with the Monterey County Recorder.

On or about October 12, 2004, the County approved an extension of the Combined Development (PLN060582) pursuant to Board of Supervisors Resolution No. 04-351.

On October 28, 2008, the County approved an extension of the Combined Development Permit (PLN060582) for the Yanks Air Museum Project after considering the previously certified Final EIR and a Technical Addendum (Addendum No. 1).

On October 28, 2008, County approved said permit extension pursuant to Board of Supervisors Resolution No. 08-362 subject to a condition that parking not be allowed in the southern portion of the Agricultural Buffer Easement Deed area.

A (First) Amendment to the Agricultural Buffer Easement Deed was recorded on September 20, 2010 as Document No. 20100512812 with the Monterey County Recorder to eliminate parking, whether visitor or employee, as an allowed use within that portion of the 200-foot Agricultural Buffer Easement Deed property which runs along the southern boundary of the Yanks Air Museum property, as shown in Exhibit D to Amendment No. 1 to said Agricultural Buffer Easement Deed, as long as the adjacent property directly south of the Yanks Air Museum property remains in agricultural use.

On April 25, 2012, the County and the City of Greenfield entered into a Memorandum of Understanding (MOU) related to the future annexation of the Yanks Air Museum development into the City of Greenfield.

During project implementation discrepancies between the parcel boundaries in the Record of Survey recorded for the approved project and the legal descriptions for the Williamson Act Agricultural Preserve No. 71-41 and Contract No. 71-41 as amended by the 1994 Amendment, the Agricultural Conservation Easement Agreement and Deed, and the Agricultural Buffer Easement Deed were discovered.

On April 30, 2012, the Applicant/Owners' legal representative, appeared before the Board of Directors of the Ag Land Trust, Successor Agency to the Monterey County Agricultural and Historic Land Conservancy, Inc. to request approval of a modification to the southwesterly boundary line of the Agricultural Conservation Easement that the Ag Land Trust holds as the Grantee.

The April 30, 2012 minutes of the Ag Land Trust indicate the Agricultural Conservation Easement Agreement and Deed was recorded with an incorrect legal description that did not close and therefore was inaccurate.

The April 30, 2012 minutes of the Ag Land Trust indicate the replacement legal description realigns the southwesterly boundary line and will contain 306 acres.

On April 30, 2012, the Board of Directors of the Ag Land Trust moved to support and agree to the proposed boundary line adjustment and re-recording the documents providing that the replacement legal description of the Agricultural Conservation Easement Agreement and Deed contains 306 acres or more, subject to verification by a local land surveyor that the size of the conservation easement after the boundary realignment is 306 acres or more, and that the cost of the land surveyors billing be reimbursed or paid directly by the Grantor of the conservation easement prior, to signing any documents.

Said legal description for the proposed Amendment to the Agricultural Conservation Easement was verified, confirmed to close mathematically, and contain 306 acres, more or less, by Monterey County Surveyors, Inc. on or about May 18, 2012. On May, 21, 2012, said confirmation was invoiced to the Ag Land Trust (Grantee) and subsequently paid for by the Nichols Family Trust (Grantor). Therefore, the conditions of the Ag Land Trust Board of Directors' April 30, 2012 motion to support and agree to the proposed boundary line have been met.

On June 1, 2012 an application for a lot line adjustment to correct the said discrepancies in the boundaries was submitted to the RMA – Planning Department which includes removal of 11 acres of the land under AGP No. 71-41 and Contract No. 71-41 (as amended in 1994) currently located in Parcel A (Assessor's Parcel Numbers 111-012-017-000 and 111-012-019-000) and removal of 23 acres of land under Contract No. 71-41 (as Amended in 1994) currently located in Parcel B (Assessor's Parcel Numbers 111-012-018-000 and 111-012-020-000), for a total of 34 acres to be added to [Proposed] Parcel 1 for development of the Yanks Air Museum project.

On August 23, 2012, the proposed lot line adjustment was considered by the Monterey County Agricultural Advisory Committee, at which time the Committee recommended approval of the proposed lot line adjustment by a vote of 8-0.

On September 25, 2012 the City of Greenfield considered an Addendum (Addendum No. 2) to the County's Final EIR previously certified by the County Board of Supervisors and approved City of Greenfield Resolution No. 2012-104 which authorized the preparation and submittal of the Annexation application to the Local Agency Formation Commission (LAFCO) and related actions for the Yanks Air Museum Project.

The proposed lot line adjustment will result in two (2) reconfigured separate parcels [Proposed] Parcel 1, consisting of 134.67 acres which shall be developed for the Yanks Air Museum and related mixed use development and [Proposed] Parcel 2, consisting of 306.00 acres which shall continue to be utilized for commercial agricultural production and remain subject to the Agricultural Conservation Easement Agreement and Deed and Agricultural Preserve No. 71-41 and Contract No. 71-41 as amended pursuant to this approval.