



Monterey County

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Board Report

Legistar File Number: RES 15-106

December 08, 2015

Introduced: 11/23/2015

Current Status: Scheduled PM

Version: 1

Matter Type: BoS Resolution

Conduct a public hearing to consider and adopt a Resolution to:

- a. Continue two (2) contracts to the 2017 round of applications:
 1. Linda S. De Santiago Living Trust dated December 21, 1998 Application No. 2016-001, to establish a Farmland Security Zone and Contract, and
 2. George R. Work, Colleen M. Work, Jody L. Birks and, Johnita A. Fisher Life Estate, Application No. 2016-002, to establish an Agricultural Preserve and Contract.
- b. Approve nine (9) contracts:
 1. BLS Land Company, LLC, a California limited liability company, Application No. 2016-003, 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. 2016-003
 2. Orradre Ranch L.P., Application No. 2016-004 to establish an Agricultural Preserve and Contract as applicable to the real property described in Exhibit A "Legal Description" to proposed new Agricultural Preserve and Land Conservation Contract No. 2016-004
 3. Beatty Properties, LP, a California Limited Partnership, Nancy V. Larson, Trustee, or their successor in trust, under the Shultz-Larson Joint Revocable Living Trust dated 9/29/1999, Alice M. Kerbo, Trustee of the 2015 Alice M. Kerbo Revocable Trust Dated March 31, 2015, and Dale Schultz and Nancy Larson Trust dated 9-29-1999, Application No. 2016-005, 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. 2016-005
 4. Hitchcock Children's Trust #1, UTA dated January 11, 2011 and David and Susan Gill Family Trust UTA dated January 26, 1983, Application No. 2016-006, 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. 2016-006
And
Rescind a portion of Agricultural Preserve and Land Conservation Contract No. 2014-003 and simultaneously place the property in a 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. 2016-006.
 5. Espinosa Road Salinas LP, a Delaware limited partnership, c/o Joseph Van Wingerden, Application No. 2016-007 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. 2016-007
6. D’Arrigo Bros. Co. of California, a California Corporation, c/o Michael J. Harrington, Application No. 2016-008 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. 2016-008
 7. D’Arrigo Bros. Co. of California, a California Corporation, c/o Michael J. Harrington, Application No. 2016-009 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. 2016-009
 8. John Dalke and Sharren L. Dalke, Trustees of the Dalke Family Living Trust dated September 22, 2005, Tracy G. Foree, and Nicholas Foree aka Nick Foree and, Tim M. Hearne and Kate Hearne, Application No. 2016-010 to establish an Agricultural Preserve and Land Conservation Contract as applicable to the real property described in Exhibit A “Legal Description” to proposed new Agricultural Preserve Contract No. 2016-010
 9. Araich Limited, S.A. f.n.a. Anstalt Araich Ltd. c/o Randy Meyenberg, Esq., Application No. 2016-012 to establish a Farmland Security Zone and Contract as applicable to the real property described in Exhibit A “Legal Description” to proposed new Agricultural Preserve Contract No. 2016-012

And

Rescind a portion of Agricultural Preserve and Land Conservation Contract No. 1996-005 and simultaneously place the property in a 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 2016-012.

- a. Defer one (1) contract to the Board of Supervisors, pursuant to Board of Supervisors Resolution No. 01-486:
 1. Araich Limited, S.A. f.n.a. Anstalt Araich Ltd. c/o Randy Meyenberg, Esq., 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. 2016-011.
- b. Authorize the Chair to execute the recommended, and deferred, Farmland Security Zone Contracts and Agricultural Preserve Land Conservation Contracts.
- c. Direct the Clerk of the Board to record the Farmland Security Zone and Agricultural Preserve Land Conservation Contracts prior to the January 1, 2016 property tax lien date subject to the submittal of recording fees by the property owners of record.

(REF150079 - Williamson Act Contract Applications 2016 - County-wide)

PROJECT INFORMATION:

Planning File Number: REF150079

Owner: Various

Project Location: Various

APNs: Various

Plan Area: Various

CEQA Action: Categorically Exempt per 15317

RECOMMENDATION:

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

- a. Approve nine (9) contracts to establish Farmland Security Zones and Contracts and Agricultural Preserves and Land Conservation Contracts effective January 1, 2016; and
- b. Continue two (2) contracts to the 2017 round of applications: Application No. 2016-001 for Farmland Security Zone and Contract (Linda S. De Santiago Living Trust) and Application No. 2016-002 Agricultural Preserve and Contract (George R. and Colleen M. Work) to the 2017 round of applications; and
- c. Defer to the Board of Supervisors, pursuant to Board of Supervisors Resolution No. 01-486: - Araich Limited, S.A. f.n.a. Anstalt Araich Ltd. c/o Randy Meyenberg, Esq., Application No. 2016-011, to establish a Farmland Security Zone and Contract as applicable to the real property described in Exhibit A "Legal Description" to proposed new Agricultural Preserve Contract No. 2016-011
- d. Authorize the Chair to execute the recommended, and deferred, Farmland Security Zone Contracts and Agricultural Preserve Land Conservation Contracts.
- e. Direct the Clerk of the Board to record the Farmland Security Zone and Agricultural Preserve Land Conservation Contracts prior to the January 1, 2016 property tax lien date, subject to the submittal of recording fees by the property owners of record.

SUMMARY:

Williamson Act Land Conservation and Farmland Security Zone Contracts 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 and a limited number of County approved "compatible uses". Williamson Act Contracts are established as a twenty (20) year term which renews every January 1 to add one (1) additional year to the term unless notice of non-renewal is provided. The Williamson Act (formally referred to as the California Land Conservation Act of 1965) and Board of Supervisors Resolution No. 01-486, "Amending Procedure for the Creation of Farmland Security Zones (FSZ) and Contracts", and Board of Supervisors Resolution No. 01-485, "Amending Procedure for Agricultural Preserves" as amended by Board of Supervisors Resolution No. 03-383, for the Creation of Agricultural Preserves (AgP) and Contracts, **(ATTACHMENT "B")** authorize the Board to enter into these Contracts with private landowners. FSZ Contracts generally pertain to "prime" farmland comprised of row-crop, whereas AgP Contracts are generally applied to "non-prime" grazing and/or dry-farming properties.

Each calendar year, the Board of Supervisors considers FSZ and AgP contract applications. This year, a total of eleven (11) applications have been received for the establishment of eight (8) FSZ Contracts and three (3) AgP Contracts. One (1) application, Linda S. De Santiago Living Trust dated December 21, 1998, Application No. 2016-001, has been carried over from last year. 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 Department,

County Assessor's Office and the Office of the County Counsel. Board action is required to establish by contract, FSZ and AgP status for those selected applications, to commence in the year 2016, if the subject property meets the criteria found under Board Resolution No. 01-486 "Amending Procedures for the Creation of Farmland Security Zones (FSZ) and Contracts" and Board Resolution No. 01-485, "Amending Procedure for Agricultural Preserves" as amended by Board Resolution No. 03-383. (**ATTACHMENT "B"**).

DISCUSSION:

The Agricultural Preserve Review Committee met on October 16, 2015, to review Applications to create FSZs and establish AgPs and corresponding Contracts to commence on January 1, 2016.

An Application for the Creation 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 Government Code 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 procedures for the establishment of Farmland Security Zones as outlined in Resolution 01-486 (**ATTACHMENT B**) require 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..." Application No. 2016-011 (Araich Limited, S.A. f.n.a. Anstalt Araich Ltd. c/o Randy Meyenberg, Esq., to establish a Farmland Security Zone, meets all of the above-listed criteria but is +/- 93 acres in size. Accordingly, it is being deferred to the Board of Supervisors for a determination of "approval" or "denial."

Application No. 2016-001 (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 other parcel, Assessor's Parcel Number 165-101-006-000, while predominantly prime, is not a legal lot of record. The properties are 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. 2016-001 to the 2017 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 already submitted.

Application No. 2016-002 (Work) lacked complete information by the applicants. A continuance will preserve the application fees already submitted and give the applicants ample time to meet the application requirements for processing.

Applications for Agricultural Preserves and Contracts must meet the same criteria as FSZ's, with the exception that they need not be comprised of predominately "Prime" farmland.

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

Approval of the recommended Applications would add approximately 4,217 acres to the approximately 784,000 acres of presently-contracted Williamson Act land (FSZ + AgP) in Monterey County (Note that approximately 285 acres being considered for FSZ are already under AgP contract).

OTHER AGENCY INVOLVEMENT:

The Agricultural Preserve Review Committee, consisting of representatives from the Agricultural Commissioner's Office, Resource Management Agency-Planning Department, County Assessor's Office and the Office of the County Counsel, has reviewed the 2016 Applications and has made its recommendations using the criteria set forth in Board Resolution No. 01-486, Procedures for the Creation of FSZs, and Board Resolution No. 01-485, "Amending Procedure for Agricultural Preserves" as amended by Board of Supervisors Resolution No. 03-383 (ATTACHMENT B).

FINANCING:

Allowing the subject properties recommended for approval to attain Farmland Security Zone and Agricultural Preserve 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 "D"). The Assessor's Office estimates that the annual net tax loss, in the event that the ten (10) applications recommended (or deferred) for approval were to be accepted, would be approximately \$120,872.00

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This report was prepared with assistance by:
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Gregg MacFarlane, Assessor-Recorder's Office
Marc Gomes, GIS Analyst - Agricultural Commissioner's Office

All attachments are on file with the Clerk of the Board:
ATTACHMENT A County-wide map showing the location of the proposed 2016 Farmland

- ATTACHMENT B Security Zones and Agricultural Preserves; APRC Review Sheets and Maps; Williamson Act Application Matrix
Board Resolution No. 01-486 - "Amending Procedures for the Creation of Farmland Security Zones (FSZ) and Contracts" and Board Resolution No. 01-485 - "Amending Procedure for Agricultural Preserves" and Board Resolution No. 03-383 - "Amend Resolution No. 01-485, Amending Procedure for Agricultural Preserves".
- ATTACHMENT C Board Resolution for the establishment of 2016 Farmland Security Zones and Contracts and Agricultural Preserves and Land Conservation Contracts.
- ATTACHMENT D Financial Impact Analysis for Applications

cc: Front Counter Copy; California Coastal Commission; Mike Novo; Jacqueline Onciano, Planning Services Manager; Steve Mason, Associate Planner; Mary Grace Perry, Deputy County Counsel - Office of the County Counsel; Gregg MacFarlane, Senior Agricultural Appraiser - Assessor-Recorder's Office; Robert A. Roach, Assistant Agricultural Commissioner - Agricultural Commissioner's Office; The Open Monterey Project; LandWatch; Project File REF150079