

WHEN RECORDED MAIL TO:  
Monterey County Government Center  
Clerk of the Board  
PO Box 1728  
Salinas, CA 93902

Stephen L. Vagnini  
Monterey County Recorder  
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Fees.... 63.00

Taxes...

Other...

AMT PAID \$63.00

**Farmland Security Zone Contract No. 2017-005**  
**APN 153-011-054 & 153-011-055**

**FARMLAND SECURITY ZONE CONTRACT No. 2017-005**

**THIS CONTRACT** is made and entered into as of the last date opposite the respective signatures by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California, hereinafter called "County" and **JR Norton Ventures Limited Partnership, an Arizona Limited Partnersip**, hereinafter called "Owner."

**WITNESSETH:**

**WHEREAS**, Owner possesses certain real property located within the County of Monterey, State of California, which is presently devoted to the production of food and fiber and is described in Exhibit A (hereafter, "the property") attached hereto and made a part hereof; and

**WHEREAS**, the legislature of the State of California has found and declared that it is desirable to expand options available to landowners for the preservation of agricultural land, and has enacted legislation for the establishment of farmland security zones; and

**WHEREAS**, Owner has expressly requested that County create a farmland security zone, which requires placement of the property under a new Farmland Security Zone and Contract (**No. 2017-005**) established by County Resolution (**No. 2016- 314**); and

**WHEREAS**, both Owner and County desire to limit the use of the property to agricultural-and compatible uses; and

**WHEREAS**, the property is designated on the Important Farmland Series Maps pursuant to Government Code Section 65570, or predominantly prime agricultural land as defined in Government Code Section 51201(c); and

**WHEREAS**, the property is not enforceably restricted pursuant to the Open-Space Easement Act of 1974 (commencing with Government Code Section 51070); and

**WHEREAS**, the property is not located within a city's sphere of influence; or, in the alternative, the creation of the farmland security zone within the sphere of influence has been expressly approved by resolution by the city with jurisdiction within the sphere; and

**NOW, THEREFORE**, County and Owner agree as follows:

1. **CONTRACT SUBJECT TO CALIFORNIA LAND CONSERVATION ACT OF 1965, AS AMENDED**

This contract is entered into pursuant to Article 7. "Farmland Security Zones" (commencing with Section 51296) of Chapter 7, of Part 7 Of Division 1, of Title 5 of the Government Code, and Chapter 7 (commencing with Section 51200) of Part 1, Division 1, Title 5 of the Government Code, which is known as the California Land Conservation Act of 1965, or as the Williamson Act. This contract is

subject to all of the provisions of this act including any amendments thereto which may be enacted from time to time.

2. APPLICABILITY

This contract shall only apply to property that is designated on the Important Farmland Series maps, prepared pursuant to Government Code Section 65570 as predominantly one or more of the following: (1) prime farmland; (2) farmland of statewide significance; (3) unique farmland; or, (4) farmland of local importance. If the property is in an area that is not designated on the Important Farmland Series maps, the property shall qualify if it is predominantly prime agricultural land as defined in subdivision (c) of Government Code Section 51201. (Government Code Section 51296.8). To the extent that any portion of the property is zoned or used inconsistently, with the provisions of this Contract, or the legislative purpose or intent for the creation of Farmland Security Zones, that portion of the property shall be excepted from, and shall not receive the benefits of this Contract.

3. RESTRICTION ON USE OF PROPERTY

During the term of this contract, and any and all renewals thereof, the property described in Exhibit A shall not be used by Owner, or Owner's successors in interest, for any purpose other than the production of food and fiber for commercial purposes and uses compatible thereto. A list of all such compatible uses is set forth in Exhibit B, attached hereto and by this reference incorporated herein. County, by uniform rule adopted by the Board of Supervisors of County, may from time to time during the term of this contract and all renewals thereof, add to the list of compatible uses which shall be uniform throughout the agricultural preserve in which the property in Exhibit A is located; provided, however, County may not during the term of this contract or any renewal thereof, without the prior written consent of Owner, remove any of the compatible uses for the subject property which are set forth in Exhibit B. The provisions of this contract and any uniform rule supplementing the list of compatible uses are not intended to limit or supersede the planning and zoning powers of County.

Pursuant to Government Code Section 51296.7, during the term of this Contract, Owner shall not engage in, and County shall not approve any use of the property within the Farmland Security Zone, based on the compatible use provisions contained in Government Code Section 51238.1 (c).

4. PROPERTY TAX VALUATION AND SPECIAL TAXES

During the term of this contract, both of the following shall apply to property within the designated farmland security zone: (1) The land shall be eligible for property tax valuation pursuant to Section 423.4 of the Revenue and Taxation Code. (2) Notwithstanding any other provision of law, any special tax approved by the voters for urban-related services on or after January 1, 1999, on the property or any living improvement shall be levied at a reduced rate unless the tax directly benefits the land or the living improvements. (Government Code Section 51296.2).

5. RESTRICTION OF ANNEXATION AND EXCEPTIONS

Notwithstanding any provision of the Cortese-Knox Local Government Reorganization Act of (1985) (Division 3 (commencing with Government Code Section 56000)), a local agency formation commission shall not approve a change of organization or reorganization that would result in the annexation of the property within the designated farmland security zone to a city. However, this provision shall not apply under any of the following circumstances: (1) If the farmland security zone is located within a designated, delineated area that has been approved by the voters as a limit for existing and future urban facilities, utilities, and services. (2) If annexation of a parcel or a portion of a parcel is necessary for the location of a public improvement, as defined in Section 51290.5, except as provided in provision 6. below. (3) If the landowner consents to the annexation. (Government Code Section 51296.3(c)).

Notwithstanding any provision of the Cortese-Knox Local Government Reorganization Act of 1985 (Division 3 (commencing with Government Code Section 56000)), a local agency formation commission shall not approve a change of organization or reorganization that would result in the annexation of land within the designated farmland security zone to a special district that provides sewers, nonagricultural water, or streets and roads, unless the facilities or services provided by the special district benefit land uses that are allowed under this contract and Owner consents to the change of organization or reorganization. (Government Code Section 51296.4).

6. RESTRICTION ON SCHOOL DISTRICT USE OR ACQUISITION

Notwithstanding Article 5 (commencing with Government Code Section 53090) of Chapter 1 of Division 2 of Title 5, a school district shall not render inapplicable a county zoning ordinance to use of the property by the school district (Government Code Section 51296.5).

Notwithstanding any provision of law, a school district shall not acquire the property, nor any portion of the property, within the designated farmland security zone. (Government Code Section 51296.6).

7. TERM OF CONTRACT

This contract shall become effective on the date opposite the respective signatures and shall be recorded on or before the 31st day of December, in order to meet the January 1 property tax lien date and, shall remain in full force and effect for an initial term of twenty years. The initial term of twenty years shall be measured commencing as of the first day of January next succeeding the date of execution. Each succeeding first day of January shall be deemed to be the annual renewal date of this contract. This contract shall be automatically renewed on each succeeding January 1 and one additional year shall be added automatically to the initial term unless notice of nonrenewal is given as provided in paragraph 12.

8. NO COMPENSATION

Owner shall not receive any payment from County in consideration of the obligations imposed under this contract, it being recognized and agreed that the consideration for the execution of this contract

is the substantial benefit to be derived therefrom, and the advantage that may accrue to Owner as a result of the effect upon the assessed value of the property on account of the restrictions on the use of the property contained herein.

9. SUCCESSORS IN INTEREST

This contract and the restrictions imposed hereunder shall run with the property described in Exhibit A and shall be binding upon the heirs, executors, administrators, trustees, successors, and assigns of Owner. This contract shall also be transferred from County to any succeeding city or county acquiring jurisdiction over the property described in Exhibit A. On the completion of annexation proceedings by a city, that city shall succeed to all rights, duties and powers of the County under this contract for that portion of the property described in Exhibit A annexed to the city.

Nonetheless, each new Owner who succeeds to ownership of the aforesaid property shall be obliged to execute a new contract identical to or more restrictive than this contract in order to perfect his rights under the Land Conservation Act.

10. DIVISION OF LAND

The property described in Exhibit A shall not be divided without the written approval of the County first had and obtained. This contract is divisible in the event the property described in Exhibit A is divided. Owner agrees to submit any proposed division to County for its approval and County, if it approves said division, shall, as a condition of its approval of the division, require the execution by Owner of a contract identical to this contract on each parcel created by the division. Owner agrees to execute such contract or contracts, as necessary. The division of land under contract within an agricultural preserve will not be approved unless it can be reasonably established that there will be no loss in the production of food and fibre within the agricultural preserve from said division.

11. EMINENT DOMAIN OR OTHER ACQUISITION.

(a) All of the provisions of Article 6 (commencing with Government Code Section 51290) shall apply to farmland security zone contracts created pursuant to Article 7 except as specifically provided in Article 7 (commencing with Government Code Section 51296) (Government Code Section 51297.1). When any action in eminent domain for the condemnation of the fee title of any land described in Exhibit A is filed or when such land is acquired in lieu of eminent domain for a public improvement, as defined in Government Code Section 51290.5, by a public agency or person, or whenever there is any such action or acquisition by the federal government, or any person, instrumentality or agency acting under authority or power of the federal government, this contract becomes null and void as to the land actually being condemned or so acquired as of the date the action is filed or so acquired.

(b) Eminent domain or other acquisition proceedings shall be governed by the provisions of Article 6 (commencing with Government Code Section 51290 et seq) except as specifically provided in Article 7 (commencing with Government Code Section 51296) (Government Code Section 51297.1).

Notice of intent to consider land in agricultural preserve pursuant to this contract for condemnation or acquisition, shall be provided by the public agency, or person, or authorized agent, to the Director of Conservation and to the local governing body responsible for the administration of the preserve in accordance with Government Code Sections 51291 and 51291.5. The Director of Conservation shall provide a copy of any material received from the public agency, or person, or authorized agent, relating to the proposed acquisition, to the Secretary of Food and Agriculture in accordance with Government Code Section 51291(b). When land in an agricultural preserve pursuant to this contract is acquired by a public agency, the public agency shall notify the Director of Conservation within 10 working days in accordance with Government Code Section 51291(c).

(c) If after giving notice required under Government Code Sections 51291 (b) and 51291 (c) and before the project is completed within the preserve, the public agency, person or agent proposes any significant change in the public improvement, it shall give notice of the changes to the Director and the local governing body responsible for administration of the preserve. Within 30 days thereafter, the Director or local governing body may forward to the public agency, person or agent their comments with respect to the effect of the change to the public improvement and the compliance of the changed public improvement with Article 6. Any action or proceeding regarding notices or findings required by Article 6 filed by the Director of Conservation or local governing body administering the preserve shall be governed by Government Code Section 51294 (Government Code Section 51291(e)).

## 12. NOTICE OF NONRENEWAL

(a) Nonrenewal of a farmland security zone contract shall be pursuant to Article 3, (commencing with Government Code Section 51240), except as otherwise provided in Article 7, (commencing with Government Code Section 51296) pursuant to Government Code Section 51296.9.

(b) If either party desires in any year not to renew this contract, that party shall serve written notice of nonrenewal pursuant to Government Code Section 51245 upon the other party in advance of the annual renewal date of this contract. Unless such written notice of NONRENEWAL is served by Owner at least 90 days prior to the renewal date, or by County at least 60 days prior to the renewal date, this contract shall be considered renewed as provided in paragraph 7 above.

(c) If either party serves written notice of nonrenewal in any year within the time limits of (b) above, this contract shall remain in effect for the balance of the period remaining since the original execution or the last renewal of this contract, as the case may be.

## 13. LIABILITY UPON NOTICE OF NONRENEWAL

Pursuant to Revenue and Taxation Code Section 426, as may be amended from time to time, notwithstanding any provision of Revenue and Taxation Code Section 423 to the contrary, if either the County, or the Owner of the property subject to this Contract, has served Notice of Nonrenewal as provided in Section 51091, 51245, and 51296.9 of the Government Code, the County Assessor shall, unless the parties shall have subsequently rescinded the Contract pursuant to Government Code Section 51245 or 51255, value the property as provided herein.

(a) If Owner serves Notice of Nonrenewal, or the County serves Notice of Nonrenewal and the Owner fails to protest as provided in Section 51091, 51245, and/or 51296.9 of the Government Code, subdivision (b) below, shall apply immediately. If the County serves Notice of Nonrenewal and the Owner does protest as provided in Section 51091, 51245, and/or 51296.9 of the Government Code, subdivision (b) shall apply when less than six years remain until the termination of the period for which the property is enforceably restricted.

(b) Where any of the conditions in subdivision (a) apply, the Board or Assessor in each year until the termination of the period for which the property is enforceably restricted shall do all of the following:

(1) Determine the value of the property pursuant to Section 110.1 of the Revenue and Taxation Code. If the property is not subject to Section 110.1 of the Revenue Code when the restriction expires, the value shall be determined pursuant to Section 110 of the Revenue and Taxation Code as if it were free of contractual restriction. If the property will be subject to a use for which the Revenue and Taxation Code provides a special restricted assessment, the value shall be determined as if it were subject to the new restriction.

(2) Determine the value of the property by capitalization of income as provided in Section 423 and without regard to the existence of any of the conditions in subdivision (a).

(3) Subtract the value determined in paragraph (2) of subdivision (b) by capitalization of income from the full cash value determined in paragraph (1) of subdivision (b).

(4) Using the rate announced by the board pursuant to paragraph (1) of subdivision (b) of Section 423, discount the amount obtained in paragraph (3) of subdivision (b) for the number of years remaining until the termination of the Contract.

(5) Determine the value of the property by adding the value determined by capitalization of income as provided in paragraph (2) of subdivision (b) and the value obtained in paragraph (4) of subdivision (b).

(6) Apply the ratio prescribed in Revenue and Taxation Code Section 401 to the value of the land determined in paragraph (5) of subdivision (b) to obtain its assessed value.

#### 14. TERMINATION OF FARMLAND SECURITY ZONE DESIGNATION

Upon termination of the farmland security contract, the farmland security zone designation for the property shall simultaneously be terminated (Government Code Section 51296.1.(e)).

#### 15. CANCELLATION

A petition for cancellation of this contract may only be filed by the property owner/s. The Board may grant a petition only in accordance with the procedures provided in Article 5 (commencing with

Section 51280) if both of the findings of Government Code Section 51282(a)(1&2) are made and only if all of the requirements of Government Code Section 51297 are met. It is understood by the parties hereto that the existence of an opportunity for another use of the property shall not be sufficient reason for the cancellation of this contract. A potential alternative use of the property may be considered only if there is no proximate non-contracted land suitable for the use to which it is proposed that this property be put. The parties further understand that the uneconomic character of an existing agricultural use shall not be sufficient reason for cancellation of this contract, but may be considered only if there is no other reasonable or comparable agricultural use to which the land may be put.

(a) Upon the written request of Owner to cancel this contract, the Board of Supervisors of the County of Monterey may by resolution, grant a petition in accordance with the procedures provided in Article 5 (commencing with Government Code Section 51280), and only if all of the requirements pursuant to Government Code Sections 51282 and 51297 are met. Prior to the adoption of a resolution consenting to the request of the landowner to cancel this contract, the Board of Supervisors of County shall hold a public hearing on the matter. Notice of the hearing shall be mailed to each and every owner of property under contract within the agricultural preserve in which the property described in Exhibit A is located, and shall be published pursuant to Government Code Section 6061. In addition, at least 10 working days prior to the hearing, a notice of hearing and a copy of the landowner's petition shall be mailed to the Director of Conservation pursuant to Government Code Section 51284. At the hearing, or prior thereto, the owner of any property in which this agricultural preserve is situated may protest such cancellation to the Board of Supervisors.

(b) The Board of Supervisors may by resolution, grant a petition by the Owner/s to cancel this contract only if the Board makes both of the findings specified in Government Code Sections 51282 (a)(1) and 51282 (a)(2) and finds based on substantial evidence in the record that (1) The cancellation is consistent with the purposes of the California Land Conservation Act of 1965 as amended (Government Code Section 51282(a)(1)) and, (2) the cancellation is in the public interest (Government Code Section 51282(a)(2)) and, only if all of the following requirements are met pursuant to Government Code Section 51297:

(i) That no beneficial public purpose would be served by the continuation of the contract.  
(ii) That the uneconomic nature of the agricultural use is primarily attributable to circumstances beyond the control of the landowner and the local government.

(iii) That the landowner has paid a cancellation fee equal to 25 percent of the cancellation valuation calculated in accordance with subdivision (b) of Section 51283.

(iv) The Director of Conservation approves the cancellation. The director may approve the cancellation after reviewing the record of the tentative cancellation provided by the city or county, only if he or she finds both of the following:

(A) That there is substantial evidence in the record supporting the decision.

(B) That no beneficial public purpose would be served by the continuation of the contract.

(v) A finding that no authorized use may be made of a remnant contract parcel of five acres or less left by public acquisition pursuant to Government Code Section 51295, may be substituted for the finding in Government Code Section 51282 (a).



16. LIABILITY OF OWNER UPON CANCELLATION

(a) Prior to any action by the Board of Supervisors giving tentative approval to the cancellation of this contract, the County Assessor shall, pursuant to Revenue and Taxation Code Section 401, determine the full cash value of the land as though it were free of the contractual restrictions imposed by this contract. The Assessor shall certify to the Board of Supervisors the cancellation valuation of the land for the purpose of determining the cancellation fee.

(b) The Board of Supervisors shall thereafter and prior to giving tentative approval to the cancellation of this contract determine and certify to the County Auditor the amount of the cancellation fee which the Owner must pay the County Treasurer as deferred taxes upon cancellation. That fee shall be an amount equal to 25% percent of the cancellation valuation of the property, calculated in accordance with Government Code 51283(b) (Government Code Section 51297).

(c) If the Board of Supervisors recommends that it is in the public interest to do so, and the Secretary of the Resources Agency so finds, the Board may waive any such payment or any portion thereof, or may make such payment or portion thereof, or may extend the time for making the payment or a portion of the payment contingent upon the future use made of the property and its economic return to Owner for a period of time not to exceed the unexpired term of the contract had it not been canceled, provided: (1) the cancellation is caused by an involuntary transfer or change in the use which may be made of the property and the property is not immediately suitable, nor will be immediately used, for a purpose which produces a greater economic return to Owner; and (2) the Board of Supervisors has determined it is in the best interests of the program to conserve agricultural land use that such payment be either deferred or is not required; and (3) the waiver or extension of time is approved by the Secretary of the Resources Agency pursuant to Government Code Section 51283.

(d) Owner shall make payment of the cancellation fee in full prior to the cancellation becoming effective.

17. NOTICES

All notices required or permitted by this contract shall be given in writing and may be mailed or delivered in person. If mailed, the address of Owner shall be the last known address on the assessment records of County, and County's address shall be In Care of Clerk of the Board of Supervisors, Government Center, 168 W. Alisal Street, First Floor, Salinas, California 93901, and deposit in the mail, postage prepaid, shall be deemed receipt thereof.

18. COSTS OF LITIGATION

In case County shall, without any fault on its part, be made a party to any litigation commenced by or against Owner, then Owner shall and will pay all costs and reasonable attorneys fees incurred by or imposed upon County by or in connection with such litigation, and Owner shall and will pay all costs and reasonable attorneys fees which may be incurred or paid by County in enforcing the covenants and agreements of this contract.

19. ENFORCEMENT

In the event of breach of this contract, including but not limited to: (1) incompatible use, or (2) failure of successors in interest to sign a contract similar to this one, or (3) failure to obtain the approval of the Board of Supervisors for a division of the land under contract, all the affected property under contract shall be reassessed at full cash value pursuant to Revenue and Taxation Code Section 110.1.

However, such reassessment for the period encompassed by the breach shall not terminate the contract. Reassessment shall be in addition to the other remedies available to the County including, but not limited to, an action to enforce the contract by specific enforcement or injunction under Government Code Section 51251.

If incompatible uses during the period of breach have diminished the ability of the property to contribute to the production of food and fibre on the lien date, the property shall be reassessed at full cash value, and the Farmland Security Zone designation shall be terminated.

The period of breach is the period commencing upon breach as set forth above, and ending upon cure of the breach. If the lien or assessment date falls within the period of the breach, all the property under this contract will be reassessed at full cash value pursuant to Revenue and Taxation Code Section 110.1, or as otherwise provided in provisions 13. or 16. above, as applicable as determined by the County Assessor, consistent with the provisions of the Revenue and Taxation Code, as may be amended from time to time.

**IN WITNESS WHEREOF** the parties have caused this contract to be executed by Owner on the date affixed next to the signature of each, and by County on the date affixed next to the signature of

the chairperson of the Board of Supervisors.

**COUNTY OF MONTEREY**

Dated: \_\_\_\_\_

By: Jane B. Parker

**Jane Parker**

**Chair, Board of Supervisors**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**ACKNOWLEDGMENT**

State of California     )

County of Monterey    )

On December 12, 2016, before me SALLY N. KIDALOV,  
[Deputy Clerk] [Clerk] of the Board of Supervisors, personally appeared  
JANE B. PARKER, who proved to me on the basis of satisfactory evidence to  
be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that  
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their  
signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted,  
executed the instrument.

***I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.***

WITNESS my hand and official seal.

GAIL T. BORKOWSKI

Clerk of the Board of Supervisors of  
Monterey County, State of California

By Sally N. Kidalov

[COUNTY SEAL]:

Legal Reference for Acknowledgment by County Official:

Civil Code Sections 1181, 1184, 1185, 1188, 1189

Code of Civil Procedure Section 2012

OWNER/S:

JR Norton Ventures Limited Partnership, an  
Arizona Limited Partnersip

Dated: 11/28/16

John P. Norton  
John P. Norton, General Partner

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF ~~NEVADA~~ <sup>CA</sup> California  
COUNTY OF Monterey

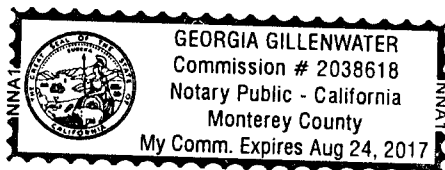
On Nov. 28, 2016, before me, Georgia Gillenwater, Notary Public, personally appeared John P. Norton, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

*I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.*

WITNESS my hand and official seal.

Georgia Gillenwater  
Notary Public

[SEAL]



**EXHIBIT A**

The land referred to is situated in the unincorporated area of the County of Monterey, State of California, and is described as follows:

Parcel I:

All that certain real property situate, lying and being in the County of Monterey, State of California, described as follows:

A portion of the Rancho El Alisal (Bernal); beginning at a 4" x 4" post marked E.A. BE. A. standing on the boundary line between the Ranchos El Alisal (Bernal) and Llano de Buena Vista, at its intersection with the Northwesterly side of a 50 foot County Road leading from the California State Highway to the Alisal Road, and from which point of beginning the common corner to the Ranchos Llano de Buena Vista, Alisal (Hartnell), El Alisal (Bernal) and Encinal y Buena Esperanza bears South 62° 10' East 25.1 feet distant said common corner of said Ranchos being in the center line of and at an angle in said 50 foot County Road; thence according to the true meridian, the variation of the magnetic needle being 17° 30' East, following the grant line and old picket fence between the Ranchos Llano de Buena Vista and El Alisal (Bernal)

1) North 62° 10' West 3463.1 feet to station, at 2747.3 feet fence corner and Northwesterly corner of that certain 74 acre tract conveyed by Carmel Martin, et ux, to W. R. Reeves by deed dated October 30, 1920 and recorded in Volume 177 of Deeds at Page 100, Monterey County Records, and being also the most Easterly corner of that certain 360.51 acre tract conveyed by Modesta Silacci, et al, to Iver C. Madsen, by deed dated December 1817, recorded in Volume 153 of Deeds at Page 93, Monterey County Records; thence along the Northeasterly line of said 360.51 acre tract of Iver C. Madsen at 3463.1 feet station and flag in said Rancho boundary; thence still along said Rancho boundary and old picket fence

2) North 62° 03' West, 2053.2 feet to fence corner, this being the Northwesterly corner of said 360.51 acre tract of Iver C. Madsen and the most Easterly corner of that certain 317.57 acre tract conveyed by A. J. Arguello and L. L. Arguello to Henry Bardin by deed dated October 14, 1905 and recorded in Volume 88 of Deeds at Page 152, Monterey County Records; thence along the Northeasterly line of said 317.57 acre tract of Henry Bardin, and still along the Rancho boundary and old picket fence

3) North 62° 01' West 1504.1 feet, at 1194.1 feet a 4" x 4" post marked A-B Line-HDP standing on rise of land overlooking lake bottom known as Heyn's Lake, at 1249 feet the top of bank 15 feet high bordering Southern side of Heyn's Lake bottom, at 1274 feet the edge of bank and bottom land in Heyn's Lake, and thence across the floor of same 1504.1 feet to a 4" x 4" post marked B-A-P-HDP; thence leave the boundary between the Ranchos Llano de Buena Vista and El Alisal (Bernal)

4) North 38° 52' East, 4106.6 feet at 1588.4 feet cross fence at former shore line of Heyn's Lake and ascend low shoulder of upland, at 1703.5 feet a 4" x 4" post marked P-A-Line HDP standing at tip of low shoulder of upland, descent slope, at 1832.5 feet recross fence at foot of

upland and thence across flat bottom land, up the flat, at 2282.1 feet again recross fence, at 2449.6 feet a 4" x 4" post marked P-A-Line HDP, at 2456.6 feet intersect Southwest corner of Chimney and fireplace of bunkhouse (line passes through bunkhouse), at 2484.9 feet line emerges from bunkhouse near the Northwest corner of same, at 2721.5 feet a 4" x 4" post marked P-A-Line HDP, standing near end of fence, and from which post a 10 inch diameter water well used for domestic water supply bears South 29° 59' West, 168.4 feet distant; and thence along line of fence, 4106.6 feet to a 4" x 4" post marked P-A-C RD-HDP, standing at fence corner on the Southwesterly side of the Alisal Road; thence along the old picket fence on the Southwesterly side of said Alisal Road with the following four (4) courses and distances:

5) South 35° 13' East 917.3 feet, at 690 feet South edge of bottom land, ascend bank, 917.3 feet to a 4" x 4" post marked A-CRD, HDP; thence

6) South 35° 52' East, 3877.0 feet to a 4" x 4" post marked A-CRD HDP; thence

7) South 35° 31' East, 1351.1 feet to a 4" x 4" post marked A-CRD HDP; thence

8) South 35° 20' East, 924.9 feet to a 4" x 4" post marked WP-WW7 standing at fence corner and intersection of the Southwesterly side of the Alisal Road with the Northwesterly side of the 50 foot County Road above mentioned leading from the California State Highway to the Alisal Road; and thence following the Northwesterly side of said 50 foot road and the Northwesterly side of that certain 0.5 acre tract and strip of land 25 feet wide conveyed by B. F. Porter Estate to the County of Monterey, for road purposes, by deed dated February 25, 1924, recorded in Volume 47 of Official Records, at Page 91, Monterey County Records, this last course and distance being 25 feet Northwesterly from and parallel with the boundary line between the Ranchos El Alisal (Bernal) and Alisal (Hartnell)

9) South 33° 45' West 886.4 feet to the place of beginning.

Excepting therefrom all that portion conveyed in the deed from James D. Anderson, et al, to William Rollin Reeves, dated October 23, 1926 and recorded October 28, 1926 in Volume 98 of Official Records at Page 8, Monterey County Records.

#### Parcel II:

All that certain real property situate, lying and being in the County of Monterey, State of California, described as follows:

A portion of the Rancho El Alisal (Bernal), Monterey County, California, being a portion of that certain 747.97 acre tract (with 12.65 acres excepted therefrom) awarded to Kate H. Porter and Mary Porter Sesnon, one-half (1/2) interest each, in the Final Decree in Partition, Action No. 1504 in the Superior Court of Santa Cruz, State of California, in the matter of the Estate of Benjamin F. Porter, Deceased, a copy of which is of record in Volume 96 of Deeds at Page 393; Records of Monterey County, California, the same property being later conveyed by Kate H. Porter and Mary Porter Sesnon to B. F. Porter Estate (a corporation) by deed dated September 17, 1907, said deed being of record in Volume 102 of Deeds at Page 71, Records of Monterey County, California and more particularly described as follows:

Commencing at a 4 x 4 survey post marked A, P, C, R, HDP, standing on the Southwesterly side of the Alisal Road, at the most Northerly corner of that certain 392.81 acre tract conveyed by B.

F. Porter Estate to James D. Anderson, Leo V. Anderson and Jessie M. Anderson, by deed dated May 28, 1926, recorded June 2, 1926 in Volume 84 of Official Records at Page 345, Records of Monterey County, California; thence from said point of beginning following the Southwesterly side of the Alisal Road, North 35° 16' West, 1849.0 feet to a 4" x 4" survey post marked M2, P, C.R. HDP, standing at fence corner, and from which the most Northerly corner of land now or formerly of Chris P. Mortensen, et al, bears North 35° 16' West, 1618.8 feet distant; thence leave Alisal Road and following a fence South 54° 41' West, 4980.2 feet; at 971.5 feet a 4" x 4" survey post marked M2A, P-Line; at 2071.7 feet a 4" x 4" survey post marked M2B-P-Line; at 3418.5 feet a 4" x 4" survey post marked M2C-P-Line at 1428.2 feet a 4" x 4" survey post marked M2D, P, Line; at 4980.2 feet a 4" x 4" survey post marked M3, P, B, HDP, standing in the fence and division line between land of B. F. Porter Estate and that certain 155.05 acre tract conveyed by Cecilia H. Anderson to Oliver P. Bardin, et al, by deed dated January 2, 1902 said deed being of record in Volume 66 of Deeds at Page 417, Records of Monterey County, California, and from which point the most Western corner of land now or formerly of Chris P. Mortensen, et al, bears North 61° 41' West, 1806.8 feet distant; thence along fence and line between land now or formerly of Oliver P. Bardin and B. F. Porter Estate, South 61° 41' East, 426.9 feet to a 4" x 4" survey post marked B3-LGH; thence South 51° 30' West, 448 feet to a 4" x 4" survey post marked B2-LGH; standing in the fence and boundary line between the Rancho El Alisal and Rancho Llano de Buena Vista, at Southwesterly corner of land of Oliver P. Bardin, et al, and on the Northwesterly line of land now or formerly of Martha Bardin; thence along the grant line between land of B. F. Porter Estate and land now or formerly of Martha Bardin, South 62° East, 2865.5 feet to a 4" x 4" survey post marked B.A.P. HDP; standing at the most Westerly corner of the 392.81 acre tract conveyed to James D. Anderson, et al, as aforesaid; and thence leaving said Rancho boundary and following the Northwesterly line of said 392.81 acre tract North 38° 52' East, 4106.6 feet; at 1703.5 feet a 4" x 4" survey post marked P-A-Line-HDP, standing on top of low shoulder of upland; at 2449.6 feet a 4" x 4" survey post marked P-A-Line-HDP; at 2721.5 feet a 4" x 4" survey post marked P-A-Line-HDP, standing near end of fence and from which post a 10" diameter water well used for domestic water supply bears South 29° 59' West, 168.4 feet distant; thence along line of fence 4106.6 feet to the place of beginning.

Courses all true, variation of the magnetic needle bearing 17° 30' East.

Excepting from Parcels I and II above the following Parcels (A), (B), (C), (D), (E) and (F) described as follows:

(A) That certain parcel of land described in the deed from James D. Anderson, Leo V. Anderson and Jessie M. Anderson, single persons, to United States of America, dated September 1, 1942, recorded November 25, 1942 in Volume 778 of Official Records at Page 393, Monterey County Records

(B) That certain parcel of land described in the Final Decree of Condemnation vesting title in Salinas, a Municipal corporation, Plaintiff, and showing A. May Bardin, et al, as Defendants, dated April 14, 1941, recorded April 14, 1941 in Volume 712 of Official Records at Page 362, Monterey County Records.

(C) All of that certain 1.806 acre tract of land as described in deed from James D. Anderson, et al, to Kenneth John Anderson, dated April 5, 1951 and recorded April 5, 1951 in Volume 1293 of Official Records of Monterey County, California at Page 253 therein, and a portion of that certain 66.35 acre tract of land as described in deed from James D. Anderson, et al, to Kenneth

John Anderson, dated April 14, 1961 and recorded April 19, 1961 in Volume 2141 of Official Records of Monterey County, California at Page 500 therein, said real property being more particularly described as follows, to-wit:

Beginning at a 1 1/2 inch diameter iron pipe standing on the Southwesterly side of Alisal Road (a County Road) at the most Northerly corner of the above mentioned 1.806 acre tract of land; and running thence along said side of road and the Northeasterly boundary of the 1.806 acre tract

- 1) South 35° 39' East, 269.61 feet to a 1 1/2 inch diameter steel bar standing at the corner common to said 1.806 acre and 66.35 acre tract; thence continue along said side of road and the Northeasterly boundary of the 66.35 acre tract
- 2) South 35° 16' East, 166.81 feet to a 3/4 inch diameter iron pipe; leave side of road and said boundary
- 3) North 75° 13' 30" West, 554.40 feet to a 3/4 inch diameter iron pipe; thence
- 4) South 89° 51' 30" West, 147.14 feet to a 3/4 inch diameter iron pipe; thence
- 5) North 35° 19' West, 66.02 feet to a 3/4 inch diameter iron pipe standing on the Northwesterly boundary of the 66.35 acre tract; thence along the said boundary
- 6) North 54° 41' East 53.46 feet to a 3/4 inch diameter iron pipe; thence
- 7) North 73° 23' 30" East 435.41 feet, at 106.29 feet a 1 1/2 inch diameter iron pipe at the corner common to the 66.35 acre and 1.806 acre tracts of land, and continue 435.41 feet to a 1 1/2 inch diameter iron pipe; thence
- 8) North 54° 34' 30" East 9.45 feet to the place of beginning.

(D) A part of the Rancho El Alisal, being a portion of those lands acquired by Kenneth John Anderson under Decree of Distribution entered in the matter of the Estate of James David Anderson, Deceased, dated December 17, 1965, a certified copy of which was recorded December 17, 1965 in Reel 439 of Official Records of Monterey County, California at Page 21 therein, said portion being more particularly described as follows, to-wit:

Beginning at a 4" x 4" post marked "R,A, H.D.P." standing on the boundary common to the Ranchos El Alisal and Llano de Buena Vista and at the most Southerly corner of the above mentioned lands of Kenneth John Anderson and being the most Westerly corner of that certain 22.023 acre tract of land as described in deed from James D. Anderson, et al, to William Rollin Reeves dated October 23, 1926 and recorded October 28, 1926 in Volume 98 of Official Records of Monterey County, California at Page 8 therein; and running thence along said Rancho boundary

- 1) North 62° 10' West, 2350.4 feet; thence leave Rancho boundary
- 2) North 34° 35' East 2421.2 feet to the Southwesterly line of Alisal Road (a County Road); thence along said line of road



- 3) South 35° 52' East, 1128.8 feet to a 4" x 4" post marked "A,C, Road, H.D.P."; thence
- 4) South 35° 31' East 1351.1 feet to a 4" x 4" post marked "A,C, Road, H.D.P.", being the most Northerly corner of the before described 22.023 acre tract; thence leave line of road
- 5) South 34° 35' West, 1307.3 feet to the place of beginning.

(E) Those certain parcels of land described in the deed from Kenneth John Anderson and Ila L. Anderson, his wife, to Salinas, a Municipal corporation, dated October 29, 1973 and recorded November 30, 1973 in Reel 882 of Official Records of Monterey County at Page 1116, and re-recorded February 13, 1980 in Reel 1390 of Official Records of Monterey County, at Page 25.

(F) That certain parcel of land described in the deed from JR Norton Ventures Limited Partnership, an Arizona Limited Partnership to City of Salinas, a Municipal corporation recorded August 25, 1999 in Official Records, as Instrument No. 9964229, Monterey County Records.

APN: 153-011-054 & 153-011-055

## **EXHIBIT B**

### **FARMLAND SECURITY ZONE - COMPATIBLE USES**

The following is a list of land uses determined to be compatible with the agricultural use of the land subject to this agreement and planning and zoning restrictions:

1. The drying, packing or other processing of an agricultural commodity usually performed on the premises where it is produced.
2. Structures necessary and incidental to the agricultural use of the land.
3. Single family dwellings incidental to the agricultural use of the land for the residence of the owner, and the family of the owner. Single family dwellings incidental to the agricultural use of the land for the residence of the lessee of the land and the family of the lessee.
4. Dwelling for persons employed by owner or lessee and the family of employee or lessee incidental to the agricultural use of the land.
5. An aircraft landing strip incidental to the agricultural use of the land.
6. The erection, construction, alteration or maintenance of gas, electric, water or communication utility facilities.
7. The erection, construction, alteration or maintenance of radio, television or microwave antennas, transmitters and related facilities.
8. Public or private hunting of wildlife or fishing.
9. Public or private hunting clubs and accessory structures.
10. Public or private rifle and pistol practice range, trap or skeet field, archery range or other similar use.
11. Public or private riding or hiking trails.
12. Removal of natural materials.
13. Disposal site for oil field wastes, provided that any such use shall be made only in accordance with the use permit and other permits issued by the County of Monterey and the California Regional Water Quality Board and such other governmental authority as may have jurisdiction over this use. "Wastes received (discharged) at the site have been, and will continue to be, limited to petroleum and oil field wastes, such as muds, oily water, tank bottom wastes, and brine waters."
14. Shall not be based on the compatible use provisions contained in Government Code Section 51238.1(c) (*Government Code Section 51296.7*).