

Exhibit A

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EXHIBIT A

DISCUSSION

DISCUSSION:

Background

The RTC Land Company, LP owns an approximately 173 acre parcel (Assessor's Parcel Number 221-011-017-000) located south of the City of Greenfield and east of Highway 101, between Espinosa Road and Elm Avenue (see **Exhibit C**). A portion of the property is within the City of Greenfield's Sphere of Influence (SOI) boundaries and is proposed to be annexed into the City of Greenfield. The proposed annexation is consistent with the "Final Greater Greenfield Area Memorandum of Agreement (June 24, 2013)" between the City of Greenfield, County of Monterey and LAFCO Monterey. The annexation would be part of the City's South End Annexation which involves four (4) parcels (including the subject parcel) with a total of approximately 290 acres located at the City's southern edge. State Highway 101 bisects the South End Annexation area into eastern and western sections. On the east side of the highway the site is bounded by agricultural uses to the south and east, Espinosa Road to the south, and agriculture and light industrial uses to the north. On the west side of Highway 101 the site is bounded by Greenfield High School and Vista Verde Middle School to the north, and agricultural uses to the south and west. The St. Charles Place mixed use development sits between the project's eastern and western sections, between El Camino Real and Highway 101. Most of the area proposed for annexation, including the subject parcel, consists of irrigated farmland currently used to grow row crops and vineyards.

On September 14, 2006, the applicant filed an owner initiated Notice of Nonrenewal of Williamson Act Agricultural Preserve Land Conservation Contract No. 73-9 (hereafter, "Ag P LCC No. 73-9" or "Contract") for the entire 173 acre parcel in 2004 (recorded in 2006). Per the Notice of Nonrenewal, the existing Contract would expire on December 31, 2023. The applicant proposes to cancel the Williamson Act Contract on the land to be annexed to make it possible for development on this parcel to occur prior to the anticipated December 31, 2023 expiration date to help provide economic activity, jobs, and revenue to benefit the City of Greenfield.

Tentative Parcel Map

The Tentative Parcel Map would divide the property into a 121.4 acre parcel (Parcel 1) that would be annexed into the City and developed for commercial and industrial land uses and a 51.6 acre parcel (Parcel 2) that would remain within unincorporated Monterey County under the existing Williamson Act Contract. Parcel 1 would have a seventy foot (70') wide Agricultural Buffer Easement Deed across the easterly property line and a ten foot (10') wide Agricultural Buffer Easement along the southern property line adjacent to Espinosa Road, encumbering approximately 6.7 acres of the property (the Buffer Easement Property) which would be held by the Ag Land Trust and the County of Monterey.

The lot design is consistent with the Lot Design Standards of the Monterey County Code (MCC) Section 19.10.030. MCC Section 19.10.030.B establishes minimum and maximum lot

dimensions for newly created parcels unless they are created as part of a planned unit development. The minimum lot width required is sixty feet (60') and the minimum depth required is eighty five (85'), but not more than three (3) times the width. Both of the proposed lots will meet the minimum lot width and depth requirement. Also, both lots will exceed the minimum size requirement of 40 acres.

Consistency with General Plan, Zoning and Subdivision Ordinance Requirements

The proposed minor subdivision is consistent with General Plan policies because the proposed subdivision of agricultural lands is consistent with the minimum lot size (i.e., 40 acres) specified in the 2010 General Plan, the Central Salinas Valley Area Plan/Land Use Plan and the underlying zoning, which regulates parcel size and allowed use of the property.

General Plan Policy LU-1.19 requires application of a Development Evaluation System (DES) for projects where five or more (5+) lots/units are created or development would exceed the equivalent of 5+ units relative to traffic, water or wastewater intensity. Development of Parcel 1 with commercial and industrial uses would create traffic, water and wastewater impacts that exceed the policy threshold equivalency of five (5) units. Staff finds that the project is consistent with the intent of Policy LU-1.19 to avoid unplanned, leap frog growth that could impact infrastructure and/or services. This project is located adjacent to, and planned for incorporation into, a City where there is infrastructure and services to support the planned uses. Once Parcel 1 is annexed, Monterey County General Plan policies will no longer apply to the 121.4 acre property. No development is proposed on Parcel 2. Parcel 2 consisting of 51.6 acres would remain in agriculture and subject to the existing Williamson Act Contract and the proposed permanent Agricultural Conservation Easement.

Subdivision of Land under Williamson Act Contract

The property is under Williamson Act Contract (Agricultural Preserve Land Conservation Contract No. 73-9) and therefore subject to California Government Code Section 66474.4. The project, as proposed and conditioned, meets the required findings: consistency with the general plan policies and objectives, and zoning classification; compliance with rules regarding agricultural use, minimum lot size, and parcels/land remaining under contract; and compliance with Government Code Section 66474.4 of the Subdivision Map Act, which provides as follows, at Section 66474.4. (b) (2):

- (2) For purposes of this section, agricultural land shall be presumed to be in parcels large enough to sustain their agricultural use if the land is (A) at least 10 acres in size in the case of prime agricultural land, or (B) at least 40 acres in size in the case of land that is not prime agricultural land.

Agricultural Conservation Easements

The Petition to Cancel a Williamson Act Contract is for the parcel (Parcel 1) that would be annexed to the City. The cancellation is being proposed as a step towards placing Parcel 2 under a permanent agricultural conservation easement, as well as two (2) other properties that would be placed under permanent agricultural conservation easements through the Williamson Act Easement Exchange Program (WAEPP) administered by the Department of Conservation

(DOC). The permanent agricultural easements would be held and managed by the Ag Land Trust of Monterey County. The two (2) off-site properties where permanent agricultural conservation easements are proposed are shown in **Exhibit L**.

Somavia Ranch (APN 137-151-009-000) – Somavia Ranch contains approximately 66.09 acres located northeast of the intersection of Somavia Road and Highway 101 between Salinas and Chualar. The property is designated as Heavy Industrial in the Monterey County General Plan and zoned HI/B-5 60 AC (Heavy Industrial/Building Site 60 Acre Minimum Lot Size). This parcel is currently in row crops and would continue to be farmed after an agricultural conservation easement is placed on it.

Redding Ranch (APN 221-011-040-000) – Redding Ranch contains approximately 317.97 acres located southeast of the intersection of Underwood Road and Highway 101. The property is designated as Farmlands in the Monterey County General Plan and is zoned F-40 (Farmlands Minimum 40 acres). This parcel is currently in row crops and would continue to be farmed after an agricultural conservation easement is placed on it.

Table 1: Properties Involved in the WAEPP Proposal

	Somavia Ranch	Vanoli Ranch	Redding Ranch	Totals
CONTRACT NO.		Ag P LCC No. 73-9		
APN(S)	137-151-009	221-011-017	221-011-040	
FMMP CLASSIFICATION	Farmlands of Statewide Importance	Prime	Prime	
ZONING	HI/B-5 60 AC	F/40	F/40	
TOTAL CONTRACTED ACRES	66.09	173.1	317.97	555.66
ACRES TO BE REMOVED FROM CONTRACT THROUGH CANCELLATION	0	119.8	0	119.8
ACRES TO BE ANNEXED/VALUE	0	119.8 acres/ \$3.6 Million	0	119.8
ACRES TO BE ENTERED INTO A PERMANENT AG EASEMENT/VALUE	66.09 acres/ \$943,000	51.6 acres / \$361,000	317.79 acres/ \$1.0 Million	435.48 acres

Under the WAEPP, a Williamson Act contract being cancelled is exchanged for a permanent agricultural conservation easement in lieu of monetary payment of a cancellation fee. The easement must have a monetary value equal to or more than the amount of the cancellation fee.

In addition, the easement land must be the same size or larger than the land under contract. The cancellation fee is 12.5% of the value of the 119.8 acres that are proposed for contract cancellation, or approximately \$1,262,500 (see **Exhibit I**). The lands put under easement through the WAEEP process are in lieu of paying a cancellation fee to the State, and cannot be considered mitigation for conversion of land. A portion of the 435.48 acres to be placed in permanent agricultural conservation easements would be used in lieu of paying the approximately \$1,262,500 cancellation fee. The remaining acreage would be used as mitigation for the loss of farmland.

The applicant proposes that the Department of Conservation accept the Agricultural Easement appraised value of the Somavia Ranch APN 137-157-009 by John Piini (\$943,000) and current appraised value of the 51.6 acres (Parcel 2) of the Vanoli Ranch Minor Subdivision by Tom Pettitt (\$361,000) which totals \$1,304,000 as mitigation for the cancellation fee designated by Monterey County Assessor's office in the amount of \$1,262,500 (representing 12.5% of \$10,100,000 Monterey County appraised value).

The Somavia Ranch APN 137-157-009 (66.09 acres) and Parcel 2 of the Vanoli Ranch (51.6 acres) will be placed in Permanent Agricultural Conservation Easement Deeds (Deeds) to be managed by the Ag Land Trust in perpetuity after the final map for the subject Vanoli Minor Subdivision is filed with the Monterey County Recorder and prior to the annexation of Parcel 1 (consisting of the 121.4 acres resulting from the subject Vanoli Minor Subdivision) into the City of Greenfield. These Deeds will be recorded with the assistance of the Ag Land Trust and its Executive Director Sherwood Darington.

In addition, the applicant proposes that 317.79 acres of the Redding Ranch APN 221-011-040 be used to mitigate the 121.4 acres of the subject Vanoli Ranch Minor Subdivision which are being processed for cancellation from the existing Williamson Act Contract Ag P LCC No. 73-9 and which will be considered for Annexation into the City of Greenfield by LAFCO Monterey in the very near future. Placing the Redding Ranch acreage into a Permanent Agricultural Conservation Easement Deed to be managed by the Ag Land Trust offers more than a 2:1 mitigated land ratio to the County of Monterey and LAFCO.

The proposed Permanent Agricultural Conservation Easement Deed to be placed on the Redding Ranch will be recorded with the assistance of the Ag Land Trust and its Executive Director Sherwood Darington upon completion of the proposed partial cancellation of Williamson Act Contract Ag P LCC No. 73-9 and Permanent Agricultural Conservation Easement exchange and prior to the effective date of the annexation into the City of Greenfield.

Required Findings for Cancellation of Williamson Act Contract

Per Government Code Section 51282:

- (a) The landowner may petition the board or council for cancellation of any contract as to all or any part of the subject land. The board or council may grant tentative

approval for cancellation of a contract only if it makes one of the following findings:

- (1) That the cancellation is consistent with the purposes of this chapter.
- (2) That cancellation is in the public interest.

In order for a Williamson Act contract to be cancelled, for purposes of paragraph (1) of subdivision (a) cancellation of a contract shall be consistent with the purposes of this chapter only if the board makes all of the findings per Government Code Section 51282 (b) which requires that all five (5) of the following findings be made:

Finding 1. That cancellation is for land on which a notice of nonrenewal has been served pursuant to Section 51245.

Finding 2. That cancellation is not likely to result in the removal of adjacent lands from agricultural use.

Finding 3. That cancellation is for an alternative use which is consistent with the applicable provisions of the city or county general plan.

Finding 4. That cancellation will not result in discontinuous patterns of urban development.

Finding 5. That there is no proximate noncontracted land which is both available and suitable for the use to which it is proposed the contracted land be put, or, that development of the contracted land would provide more contiguous patterns of urban development than development of proximate noncontracted land.

Below is an evaluation of the five (5) required statutory findings for a partial cancellation of Williamson Act Agricultural Preserve Land Conservation Contract No. No. 73-9 (AgP LCC No. 73-9) pursuant to California Government Code Section 51282. This analysis is based on evaluating the proposed alternative use against Monterey County and City of Greenfield General Plan policies and the provisions of the “Final Greater Greenfield Area Memorandum of Agreement (June 24, 2013)” between the County of Monterey, the City of Greenfield and LAFCO Monterey (**Exhibit G**) as well as addressing the five (5) cancellation findings.

Finding #1: That the cancellation is for land on which Notice of Nonrenewal has been served, pursuant to Section 51245 of the Government Code.

An Owner initiated Notice of Partial Nonrenewal for AgP LCC No. 73-9 was recorded with the Monterey County Recorder’s Office on September 14, 2006 as Document No. 2006080679. This Notice of Nonrenewal is for the 173 acres (sometimes referred to as “subject property”) which are the subject of the Francioni (sometimes referred to as “Owner” or “applicant”) petition for cancellation (Planning File No. PLN150619). The date of partial expiration of AgP LCC No. 73-9 as applicable to the subject 173 acres is December 31, 2023.

Based on the facts stated above, Finding No. 1 can be made.

Finding #2: That cancellation is not likely to result in the removal of adjacent lands from agricultural use.

The subject property, commonly known as the Vanoli Ranch consists of an approximately 173 acre parcel (Assessor's Parcel Number [APN] 221-011-017-000). The Tentative Parcel Map would divide the property into a 121.4 acre parcel (Parcel 1) that would be annexed into the City of Greenfield and developed for commercial and industrial land uses and a 51.6 acre parcel (Parcel 2) that would remain within unincorporated Monterey County under the existing Williamson Act Contract. The applicant proposes to cancel a portion of an existing Williamson Act Agricultural Preserve Land Conservation Contract (AgP LCC No. 73-9) consisting of a 121.4 acre portion (Parcel 1) of the property to establish commercial and industrial land uses, while the remaining 51.6 acres (Parcel 2) would continue to be farmed and subject to AgP LCC No. 73-9. The subject property is currently zoned F-40 (Farmlands-40 acre minimum), within the unincorporated area of Monterey County and is within the City's Sphere of Influence. The specific and unique nature of these 121.4 acres (i.e., the property's soils conditions as well as its proximity to the City of Greenfield and Highway 101) were the reasons the subject property was included in the "Greater Greenfield Area Memorandum of Agreement" and is part of the City of Greenfield's pending "South End Annexation" proposal. The remaining 51.6 acres of the Vanoli Ranch located adjacent to and easterly of the 121.4 acres proposed for cancellation, are located outside of the City's adopted Sphere of Influence (SOI) and will remain under the jurisdiction of Monterey County. Parcel 2, consisting of 51.6 acres, will remain under the existing Williamson Act Contract and/or may be placed under a new/amended Williamson Act Contract. Parcel 1 (121.4 acres) will be subject to and encumbered by an Agricultural Buffer Easement Deed intended to benefit Parcel 2 (51.6 acres). The subject Minor Subdivision of the Vanoli Ranch (APN 221-011-017-000) will result in Parcel 1 and Parcel 2 as described below.

- Parcel 1. Create a 121.4 acre parcel that would be annexed into the City of Greenfield and developed for commercial and industrial land uses. Parcel 1 would have a seventy foot (70') wide Agricultural Buffer Easement across the easterly property line and a ten foot (10') wide Agricultural Buffer Easement along the southern property line adjacent to Espinosa Road, encumbering approximately 6.7 acres of the property (the Buffer Easement Property) which would be held by the Ag Land Trust and the County of Monterey.
- Parcel 2. Create a 51.6 acre parcel that would remain under the existing Williamson Act contract AgP LCC No. 73-9 or placed under a new/amended Williamson Act Contract.

Policy AG-1.3 of the 2010 Monterey County General Plan states that subdivision of Important Farmland which is designated as "Farmland" shall be allowed only for exclusive agricultural purposes. An exception is allowed for community plan areas. The property immediately to the north (Scheid Parcel) is also included in the City's SOI, a subject of the "Final Greater Greenfield Area Memorandum of Agreement (June 24, 2013)" (**Exhibit G**) and, is also a part of the City of Greenfield's "South End Annexation" proposal. The area further to the north is already urbanized and located within the City of Greenfield. Adjacent agricultural land to the east and across Espinosa Road to the south is located within Monterey County and is not within the City's adopted SOI. These adjacent areas will remain under active agricultural production. Monterey County General Plan Policy AG-1.4 states that viable agricultural land uses shall be

conserved, enhanced and expanded through agricultural land use designations and encouragement of large lot agricultural zoning.

Based on the discussion above, staff does not believe that removal of the 121.4 acre portion of the site from Williamson Act Contract restrictions will result in removal of adjacent land from agricultural use. Therefore, Finding #2 can be made.

Finding #3: That the cancellation is for an alternate use which is consistent with the applicable provisions of the city or county general plan.

The 121.4 acres of the Vanoli Ranch proposed for partial cancellation of AgP LCC No. 73-9 are being subdivided to accomplish annexation into the City of Greenfield. The 121.4 acres are “specific” acreage that have been included in the 2013 Memorandum of Agreement between the City of Greenfield, Monterey County and LAFCO and are within the City of Greenfield’s established Sphere of Influence (SOI). These 121.4 acres have been included in the City’s SOI because of their immediate proximity to Highway 101 and the city’s southern boundary. Further, the subject property’s soil quality provides for an inferior agricultural growing environment due to the abundant existence of “Greenfield Potatoes” (a local term for river rock of potato size) which make farming on the subject property a less desirable and more expensive endeavor due to wear and tear on farming equipment and extra labor necessary to clear the field of these rocks before and after plantings. The subject property provides for many harvesting issues due to the abundance of potato sized rocks.

The subject property is located directly adjacent to the Highway 101 North Espinosa Road exit from State Highway 101, which makes said property easily accessible to traffic on Highway 101 North. This accessibility also makes the subject property more attractive to develop into commercial property which would benefit the City of Greenfield and all of the other cities in south Monterey County.

The 121.4 acres when annexed as part of the “South End Annexation” proposal will be designated for commercial use (60 acres immediately adjacent to Highway 101) and industrial use for the remainder of the parcel. Due to the easy access from Highway 101, the City of Greenfield is planning on encouraging business growth in the form of a travel plaza, hotel(s) and restaurants. This would provide services for travelers and encourage visitors to come to visit the Pinnacles National Park and the River Road Wine Trail. Increased tourism in this area would provide economic growth and revenue to the City of Greenfield and provide jobs for local residents.

Since the SOI of Greenfield is contiguous with the city limits being expanded in a manner that reflects the General Plan and future growth that has been addressed by Monterey County, the annexation of the 121.4 acres of the Vanoli Ranch will maintain a consistent growth pattern because it is immediately adjacent to current land that is either currently within the City limits or being annexed concurrently into the City limits.

Based upon these facts and circumstances, the proposed alternate use is consistent with the City of Greenfield General Plan.

Finding #4: That the cancellation will not result in discontinuous patterns of urban development.

The 121.4 acres subject to the Petition for partial cancellation are located within the City of Greenfield's Sphere of Influence (SOI) approved by LAFCO. The SOI was delineated taking into account factors critical for orderly growth and economic development as required by the applicable Cortese-Knox legislation. The City's boundary and the SOI limit growth in the area surrounding the City and protect Agricultural land now and in the future.

The land that is to be annexed into the City of Greenfield has the added cost of growing and harvesting due to the soil type (abundant and reoccurring "Greenfield Potatoes"). The value that the subject property will add to the City of Greenfield because of its location and accessibility outweighs the agricultural benefit that it currently offers. These are the findings of Monterey County, LAFCO and the City of Greenfield through their Memorandum of Agreement (**Exhibit G**).

The only adjacent properties that would be involved in the City's annexation process are also included in the City's General Plan, the MOA and the SOI. Any future City growth that might involve agricultural land would be in accordance with the Monterey County General Plan, the City of Greenfield General Plan, and LAFCO procedures and policies.

The 51.6 acres remaining within AgP LCC No. 73-9 are proposed for inclusion within a permanent Agricultural Conservation Easement in conjunction with the proposed annexation and the Petition for Cancellation of 121.4 acres. The proposed Agricultural Conservation Easement on the 51.6 acres which will remain within the unincorporated area of Monterey County will prevent these remaining 51.6 acres from being removed or converted from agricultural land and developed for non-agricultural uses in the future.

Since the SOI of Greenfield is contiguous with the city limits being expanded in a manner that reflects the City's General Plan and future growth that has been addressed by Monterey County, the annexation of the 121.4 acres of the Vanoli Ranch into the City will maintain a consistent growth pattern because it is immediately adjacent to current land that is either currently within the city limits or being annexed concurrently into the city limits with the subject property.

Therefore, the proposed cancellation will not result in discontinuous patterns of urban development.

Finding #5: That there is no proximate noncontracted land which is both available and suitable for the use to which it is proposed the contract land be put or, that the development of the contracted land would provide more contiguous patterns of urban development than development of proximate noncontracted land.

City of Greenfield General Plan Figures 2-3 and 2-5 show the city's land use pattern. One of the proposed uses, heavy industrial, is in support of the agricultural industry and is designated nowhere else on the land use diagram. This makes the proposed cancellation land the only land available for industrial purpose. There are other highway commercial properties available north of Apple Avenue but they are encumbered by ownership and residential proximity that would

limit traveler friendliness. There is also a Mixed Use overlay which is not compatible with the proposed commercial use. The parcels south of Espinosa Road adjacent to Highway 101 are under Williamson Act contract. Therefore, there is no proximate non-contracted land available for this purpose. In addition, these 121.4 acres are “specific and unique” to the City’s Sphere of Influence, and the MOA which have already been approved by Monterey County, the City of Greenfield, and LAFCO (**Exhibit G**).

In conclusion, based upon the analysis of the proposed petition for cancellation, and the statutory cancellation findings required pursuant to Government Code Section 51282(b), all five (5) of the findings required for cancellation of a Williamson Act contract can be made in this instance. Therefore, staff recommends that the Board of Supervisors adopt the findings set forth above, and approve the petition for the proposed partial cancellation of AgP LCC No. 73-9 pursuant to California Government Code Section 51282 (Petition for cancellation of contract; grounds).

Environmental Review

On August 8, 2006, the City of Greenfield City Council certified the South End Sphere of Influence (SOI) Amendment Final EIR and approved the SOI Amendment and related amendments to the City’s General Plan. In July 2016, the City prepared a Supplemental EIR (SEIR) to evaluate the current proposal and differences in the project description. The public review period for the Draft SEIR was from July 22, 2016 to September 5, 2016. The Final SEIR was certified by the City of Greenfield on October 11, 2016. The County is a Responsible Agency for this project pursuant to the California Environmental Quality Act (CEQA).

The SEIR evaluated potentially significant impacts to aesthetics and visual resources, agricultural resources, air quality, biological resources, cultural resources, geology, soils and geologic hazards, site hazards and hazardous materials, hydrology and water quality, land use and planning, noise, traffic and circulation, public services and utilities and greenhouse gas emissions. Mitigation measures that are the responsibility of the County to implement include MM 3.2-2a (Agricultural Resources), MM 3.2-3 (Agricultural Resources) and MM 3.7-4.b (Hazards/Risk of Upset). These mitigation measures are included in the Mitigation Monitoring and Reporting Program.

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