



SAN LUIS OBISPO COUNTY

DEPARTMENT OF PLANNING AND BUILDING

DATE: AUGUST 1, 2011

TO: AGRICULTURAL LIAISON ADVISORY BOARD

FROM: WARREN HOAG, DIVISION MANAGER, CURRENT PLANNING

SUBJECT: PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE TO IMPLEMENT THE LAND CONSERVATION (WILLIAMSON) ACT OF 1965

SUMMARY:

At today's meeting, staff will discuss the proposed amendments to the Rules of Procedure to Implement the Land Conservation Act of 1965 recommended by the Agricultural Preserve Review Committee.

RECOMMENDATION:

Receive the staff update on the amendments to the Rules of Procedure to Implement the Land Conservation Act of 1965 recommended by the Agricultural Preserve Review Committee and make a recommendation to the Board of Supervisors for their consideration.

DISCUSSION:

At their meetings on May 23 and July 18, 2011, the Agricultural Preserve Review Committee (APRC) discussed possible amendments to the County's Rules of Procedure to Implement the Land Conservation Act of 1965 in response to the Board of Supervisor's direction to provide more focused eligibility criteria for new Williamson Act contracts. The APRC discussed revisions to Table 1, "Minimum Ownership Sizes for Qualification and Minimum Parcel Sizes for Conveyance of Land & New Land Divisions," to raise the eligibility requirements for new contract applications. The Review Committee recommended increasing the acreages that non-prime property would need to have to qualify for an agricultural preserve and land conservation contract from 100 to 160 acres for Class 3 and 4 soils (dry farm land) and from 100 to 320 acres for Class 6 and 7 soils (grazing land).

The basic purpose of the changes is to increase the size of non-prime land proposed for new land conservation contracts so that they better reflect the land's agricultural income-producing potential. It is recognized that many agricultural operations are actually not self-supporting and often either involve leases by non-owner operators on multiple properties in the case of dry farming and range land, or rely on the owner's non-farm income to help keep the farm or ranch solvent. Re-focusing the eligibility of non-prime land on larger and potentially more productive properties is the underlying reason for this amendment.

These amendments would result in the minimum qualifying acreage for putting non-prime land under contract being equal to the minimum parcel size acreage for conveyance or subdivision and would

simplify the conveyance and subdivision aspects of transferring ownership of such properties. The amendments would only apply to new applications and not affect parcels already under contract that qualified on the basis of the lower qualifying size.

The specific text changes to the Rules of Procedure recommended by the APRC are shown in Attachment 1. The ALAB and APRC recommendations on the amendments will be forwarded on to the Board for their consideration on September 13, 2011.

ATTACHMENT:

1. Amendments to the County Rules of Procedure to Implement the Land Conservation Act of 1965 – Agricultural Preserve Review Committee recommendation, *July 18, 2011*

ATTACHMENT 1

**AMENDMENTS TO THE COUNTY RULES OF PROCEDURE TO IMPLEMENT THE
LAND CONSERVATION ACT OF 1965**

AGRICULTURAL PRESERVE REVIEW COMMITTEE RECOMMENDATIONS

JULY 18, 2011

Amendments to the County Rules of Procedure to Implement the Land Conservation Act of 1965

Agricultural Preserve Review Committee recommendation, July 18, 2011

(New text is shown with underlining and deleted text is shown with strike-throughs)

B. AGRICULTURAL PRESERVES FOR AGRICULTURAL USES

1. ELIGIBILITY CRITERIA FOR AGRICULTURAL PRESERVES AND LAND CONSERVATION CONTRACTS

This section contains the criteria for properties to qualify for agricultural preserves and land conservation contracts. The combined criteria in subsections a (general plan consistency), b (minimum preserve size) and c (minimum ownership size) apply to the majority of potentially eligible lands. The criteria in subsection d (special qualification provisions) apply to special or unusual circumstances.

a. General Plan Land Use Designations. Land to qualify for an agricultural preserve may be located in any rural land use designation of the San Luis Obispo County General Plan if it meets preserve and ownership size eligibility requirements. The California Land Conservation Act of 1965 requires that the establishment of any agricultural preserve within the county must be found to be consistent with the county general plan. Most eligible land is already located in the Agriculture category of the Land Use Element or Agriculture designations of the 1998 Agriculture and Open Space Element. When not already included in agricultural designations, all lands for which agricultural preserves are approved based on agricultural uses will be placed in these agricultural designations by general plan amendments initiated by the county within one year after the agricultural preserves are established.

b. Agricultural Preserve Size. The minimum agricultural preserve size shall be 20 or 40 acres for prime land as defined below. For non-prime land, the minimum preserve size shall be 160 acres for non-irrigated Classes 3 and 4 soils and 320 acres for Classes 6 and 7 land. ~~and 100 acres for nonprime land.~~ Preserves may consist of either a single ownership or contiguous ownerships of at least 10 acres per ownership if each ownership meets the qualification requirements in subsection B1c. The California Land Conservation Act of 1965 requires that an agricultural preserve, which may consist of one ownership or two or more contiguous ownerships, shall be at least 100 acres in size unless the county finds that smaller preserves are necessary due to the unique characteristics of the agricultural enterprises in the area and that the establishment of preserves of less than 100 acres is consistent with the county general plan. The county's interpretation of uniqueness provides for the establishment of agricultural preserves smaller than 100 acres if the preserve consists of 20 or 40 acres or more of prime land as defined below.

Prime Land: The definition of prime land, which is used to determine the eligibility of agricultural preserves less than 100 acres in size for the San Luis Obispo County agricultural preserve program, means any one of the following:

- (1) Land with a Natural Resources Conservation Service land capability rating of Class ~~1~~ 1 or Class ~~2~~ 2 (all land to qualify for these ratings must be irrigated), or

- (2) Other irrigated lands that have suitable soils, climate and water supply which sustain irrigated crops valued according to one of the following criteria:
- (a) Land planted in crops which have produced an annual gross value of \$1,000 or more per acre for three of the previous five years. Production value is to be substantiated by requiring landowners to submit commodity sales receipts or agricultural income forms from their income tax records.
 - (b) Land planted in orchards, vineyards and other perennial crops that would produce an average annual gross value of \$1,000 or more per acre if in full commercial bearing. Value is calculated by multiplying the average production per acre by the average value of the commodity for the previous five years as determined from the Annual Reports of the San Luis Obispo County Department of Agriculture and Measurement Standards.

(3) **High Productivity Prime Land (Small Specialized Farms)**

Minimum Preserve Size: 20 acres gross

Minimum Soil Requirements: 10 of the 20 acres must be Class I 1 or Class II 2 soils fully planted in irrigated crops (excluding home sites, accessory structures and land not suited as farmland).

Productivity Requirements: Must include land planted in crops which have produced an annual gross value of \$2,000 or more per acre for three of the previous five years. Production value is to be substantiated by requiring land owners to submit commodity sales receipts or agricultural income forms from their income tax records. (Alternatively a land owner may provide crop production records from the Agricultural Commissioner's office if available, subject to review and approval by Planning Department staff in consultation with Agricultural Commissioner's staff.)

Minimum Parcel Size for Division or Conveyance:

Class I 1 – 20 acres

Class II 2 – 40 acres

- c. **Qualification Requirements for Individual Ownerships.** An individual property must satisfy the minimum standards in Table 1, Column 2, as well as subsections B1a and b above, to qualify for the agricultural preserve program. These standards apply to eligibility of land, not to land division and conveyance of existing parcels (minimum parcel sizes for new land divisions and conveyance of existing parcels are shown in Column 3 of Table 1 and are discussed in Section B2 of the Rules of Procedure).

Qualification standards in Table 1 emphasize the existing and potential use of a property for cropland and/or grazing. An agricultural specialty use (most of which are defined in the Land Use Element as specialized animal facilities, animal raising and keeping, and nursery specialties) may not qualify unless the balance of the property consists of cropland or grazing uses or the entire property consists of land capability classifications that satisfy the minimum acreage requirements in Table 1.

TABLE 1

MINIMUM OWNERSHIP SIZES FOR QUALIFICATION AND MINIMUM PARCEL SIZES FOR CONVEYANCE OF LAND & NEW LAND DIVISIONS		
Natural Resources Conservation Service Land Capability Classification	Minimum Acreage¹	
	To Qualify²	To Convey Existing Parcels³ or Create New Parcels
<i>20 or 40-Acre Minimum Preserve Size⁴</i>		
Class I ⁵	10	20
Class II ⁵	10	40
Irrigated Classes III, 3, IV, 4, V, 5, VI, 6 & VII, 7 with Orchards or Vineyards ⁶	20	40
All Other Irrigated Classes III, 3 & IV, 4	40	40
Mixed Irrigated & Non-irrigated Use ⁷	10/20/40	80/160
<i>100 160 or 320-Acre Minimum Preserve Size^{8,9}</i>		
Non-Irrigated Classes III, 3 & IV, 4	100 160	160
Classes VI, 6 & VII, 7	100 320 ⁸	320
Class VIII, 8	NA ⁹	320

Notes:

1. Portions of a property with different land capability ratings and agricultural uses will be considered to determine qualification and appropriate minimum parcel size(s) per Appendix Section E1
2. Qualification also requires compliance with the minimum agricultural preserve size standards in Section B1b, where a single ownership or two or more contiguous ownerships totaling less than 100 acres must contain at least 40 acres of prime land as defined in the Rules of Procedure.
3. The total land area described in any land conservation contract may be conveyed in its entirety to a new owner even if the property is smaller than the minimum parcel size for new land division. For example, a property under contract which originally qualified on the basis of 100 acres or more of rangeland, but is less than the 320-acre minimum parcel size that was applied for conveyance, may be conveyed as a single unit to a new owner. The intent of the restriction on conveyance of land is to require that separate sale(s) of existing parcels of record must be equal to or larger than the minimum acreage requirements for new land divisions except as provided above and immediately below. Further, note that the remaining acreage must also still meet the minimum acreage requirement for new land division except as provided immediately below.

For properties that qualified with acreage in excess of the minimum required in column 3 for creation of new parcels or conveyance of existing ones, an existing parcel or grouping of contiguous parcels of record may be separately conveyed smaller than the minimum acreage requirements for new land divisions only where the resulting ownerships, including the acreage retained, each comply with the minimum acreage requirements to qualify and are located wholly or partly within one mile of an urban reserve line or adjacent to a village reserve line designated by the Land Use Element and Local Coastal Plan.

4. Land must meet the definition of prime land per Section B1b.
5. Land must be irrigated to qualify for a Class I 1 or II 2 rating.

6. The orchard or vineyard must be already planted.
7. The above minimum acreage qualification requirements for irrigated uses are to be used. Appendix Section E1 is to be used to determine qualification and appropriate minimum parcel size(s) for properties with mixed land capabilities and agricultural uses.
8. The property must contain at least 100 acres of land that is well to moderately-suited for rangeland as described in the Natural Resources Conservation Service soils reports or designated as “highly productive rangeland” in the Conservation and Open Space Element of the County General Plan.
9. Class VIII 8 land is not to be used in determining minimum acreage requirements for qualification.
10. The minimum preserve size for non-irrigated Classes 3 and 4 soils is 160 acres and the minimum preserve size for non-irrigated Classes 6 and 7 soils is 320 acres.

d. Special Qualification Provisions

(1) **Property adjacent to an existing agricultural preserve.** A landowner whose property qualifies for the program under subsection B1a and B1c but does not meet the separate preserve size requirement in B1b may have his property added to an existing adjacent agricultural preserve by amendment of that preserve and then enter into a land conservation contract. (Applies only to individual properties of less than 40 acres that qualify for a land conservation contract under Table B 1. c. but lack the full 40 acres to qualify for a prime-land agricultural preserve. Individual properties of 160 acres or greater and 320 acres or greater require acreage equal to their respective agricultural preserve sizes and therefore this provision does not apply.)