

ALAB MEETING MINUTES

Monday, May 2, 2011

Members and Alternates Present: Dee Lacey, Bill Struble, Dick Nock, Jean-Pierre Wolff, Richard Hawley, Eric Michielssen, R. Don Warden, Lisen Bonnier, Charles Pritchard, David Pruitt, Neil Roberts, Brenda Ouwerkerk, Mary Bianchi, Joy Fitzhugh, Anthony Stornetta, and Olivia Gonzales

Absent Members: Mark Pearce, Tom Ikeda, Richard Quandt, Noah Small

Guests Present: Lisa Bodrogi, Wine Country Alliance; Susan McDonald, Hearst Ranch

Staff: Brenda Ouwerkerk and Lynda Auchinachie, Agriculture Department; James Caruso and Warren Hoag, County Department of Planning and Building (DP&B)

1. **Call to Order:** 6:04 PM. Quorum Present.

- **Open Comment:** None.

2. **Agency Reports & Member Announcements/Reports:**

- Brenda Ouwerkerk provided the departmental announcement handout (see attached).
- Joy Fitzhugh indicated that continuation of the Draft Ag Order Regional Water Quality Control Board meeting is scheduled for Wednesday, May 4, 2011, at 10 am in San Luis Obispo.
- Chuck Pritchard shared that the next stakeholder's meeting for the North San Luis Obispo Habitat Conservation Plan is scheduled for May 11, 2011, at 4 pm in Paso Robles City Hall.
- Richard Hawley indicated that Greenspace will be holding a water conservation workshop aimed at saving water in the watershed. The workshop will be May 14, 2011, from 9 am to 1 pm at the Creekside Reserve in Cambria.
- Bill Struble complimented the new format of the Departmental Announcements and Status Report provided by the Agriculture Department.
- Neil Roberts indicated there had been considerable vineyard damage caused by the freeze April 8 and 9, 2011. The areas that were hardest hit were near the Paso Robles airport and east to Shandon. In general, operations with working sprinklers had limited damage. Extent of damage is currently being assessed as vineyards are pushing second clusters.
- Lisa Bodrogi shared that the Farm Service Agency may have insurance subsidies or loan opportunities available. She recommended that insurance brokers be contacted as soon as possible.

3. **Previous Minutes:**

MOTION: Approve minutes: **Motion – Jean-Pierre Wolff. 2nd – Don Warden. Approved: Unanimous. Abstentions: none.**

4. **Climate Action Plan (CAP) Introduction (James Caruso, DP&B)**

- James Caruso began by informing ALAB members that the CAP is now being referred to as the EnergyWise Plan because the plan is about energy and energy efficiency. James indicated the plan is not a regulatory document like other county documents such as ordinances and general plan elements. Instead, the document contains strategies on how to use energy more efficiently consistent with intent of AB 32. James indicated there were several challenges to quantifying emissions on a local jurisdictional level because emissions and associated issues are often

regional rather than jurisdictional. Agriculture is one of the sectors quantified for greenhouse gas (ghg) emissions and therefore strategies must be identified to reduce quantified emissions. Chapter 5 of the Draft EnergyWise Plan includes the recommended strategies for the agriculture sector. Implementation of all agricultural strategies is voluntary. James requested input regarding the proposed strategies from ALAB members.

- Richard Hawley suggested there is the opportunity to capture methane from landfills and use that methane to power tractor engines and other farm equipment, off-setting methane associated with cattle. James agreed that although the EnergyWise Plan strategies are not considered mitigation strategies, the goal should be to capture methane and use it somehow. Chuck indicated he was not comfortable with the quantified methane emissions attributed to the local cattle industry.
- Jean-Pierre Wolff initiated a discussion regarding carbon sequestration and how the EnergyWise Plan did not adequately take into consideration the level of carbon sequestration that is provided by the agriculture sector. Jean-Pierre indicated that several peer review studies were available that quantified agricultural carbon sequestration. Joy Fitzhugh agreed that the sequestration section was weak and did not adequately credit the agriculture sector. James Caruso indicated that the challenge with calculating sequestration associated with the agriculture sector is that the land may not remain in agriculture and instead developed with other uses and the sequestration lost. However, James agreed to discuss ALAB members' concerns with the consultant responsible for the analysis.
- Chair Dee Lacey recommended a subcommittee be formed to review the EnergyWise Plan so ALAB could provide input to the Planning Department. Subcommittee volunteers include Jean-Pierre Wolff, Richard Hawley, Anthony Stornetta, Chuck Pritchard, Eric Michielssen, and Mary Bianchi. The subcommittee will report back at the June 6, 2011, meeting.

5. Williamson Act Program Update (Warren Hoag, DP&B)

- Warren Hoag returned to update ALAB members on what has taken place since he last attended ALAB meeting on March 3, 2011. Warren indicated that Williamson Act subvention funding was discussed during the Board of Supervisors (BOS) hearing on April 5, 2011. The BOS requested staff explore options for more focused application of the program and outreach to industry groups regarding any proposed changes to the program. Brenda Ouwerkerk indicated that ALAB members had been given an early heads up so that they could solicit input from their constituents as this item would be returning to the BOS June 7, 2011, for further discussions. While now is the time to speak early and often regarding this funding issue for the county, major changes are not expected until the 2012-2013 budget year.
- Warren emphasized that discussions are in their initial phase regarding possible approaches in response to Williamson Act funding changes and shared with ALAB the following broad brush approaches that may be considered:
 - 1) **Keep program as is (status quo)** – Continue to accept new applications for agricultural preserves and land conservation contracts throughout all areas of the county.
 - 2) **Freeze program at current level (no new applications)** – Discontinue accepting new applications for agricultural preserves and land conservation contracts throughout all areas of the county.
 - 3) **Modify program to make eligibility more focused** – a) Amend the Rules of Procedure to Implement the Land Conservation Act of 1965 to make the property eligibility criteria more

restrictive for non-prime land: i) Increase the minimum amount of property needed to qualify for new preserves and contracts for range land from 100 acres to 320 acres making the minimum acreage to qualify equal to the minimum parcel size for the agricultural land use. ii) Increase the minimum amount of property needed to qualify for new preserves and contracts for dry farm land from 100 acres to 160 acres making the minimum acreage to qualify equal to the minimum parcel size for the agricultural land use.

b) Tie Williamson Act participation to landowner participation in other public benefits-
 Environmental: mitigation receptor sites, riparian, oak woodland (conservation easement overlays)
 Aesthetic: open space preservation, visual protection for key scenic areas
 Recreation: use contracted land for limited passive public recreation by agreement with land owner.

4) **Withdraw from state program (non-renew contracts)** – Stop participating in the program (i.e. stop accepting new applications and begin county-initiated non-renewals on all existing contracts.

5) **Implement pending state legislation for alternative funding** - If reinstated by pending legislation (AB 1265), implement SB 863 to provide an alternative means of off-setting the loss of State subvention funding. Until repealed on March 24, 2011, SB 863 allowed counties to recoup a significant portion of their actual foregone property tax revenue for five years from 2011 to 2015 through shortening contract terms by one or two years and recapturing 10% of the property tax savings.

These are broad brush approaches and other approaches can still be brought forward. Changes are not anticipated for the 2011-2012 budget year.

- Chair Lacey requested each representative share their/groups views regarding Williamson Act alternative funding options.

Don Warden, Farm Bureau – The Farm Bureau Board (FBB) consensus is to keep the program as is because of the many benefits provided to the county as a whole (e.g. Maintains large agricultural parcels, protects county beauty and promotes ag tourism, reduces the need for additional county services due to reduced subdivision potential). The FBB recognizes the increased cost associated with the county non-renewal process with no immediate benefit to the county. Don suggested that if the program were frozen at the current level, consideration should be given to those currently in the program wanting to add additional adjacent land to their contract.

Neil Roberts, Wine grape growers - Concurr with FBB comments.

Dick Nock, Cattlemen – The eligibility requirements could be cleaned up a bit as 100 acres of grazing land does not make sense any more. Consideration should be given to increasing qualification requirement of grazing land to 500 to 1,000 acres.

Chuck Pritchard, RCD – Leave it as it is, status quo is the preferred option. AB 1265 is a fallback position supported by state groups. The program provides numerous benefits including carbon sequestration, wildlife habitat, open space, and viewsheds.

Richard Hawley, Environmental – Agreed that the program is great tool for county and state as it provides the benefits of open space, wildlife habitat, and keeps the county in agricultural production versus development as a bedroom community. Groups think that some of the criteria should be consistent with Conservation and Open Space Element and EnergyWise Plan and would like to see the program expand, not freeze.

Dick Nock and Joy Fitzhugh discussed how the program is not a tax break. Taxation is based on the use of the land versus the speculative value of the land. This form of taxation allows agriculturalist to remain in production.

Lisen Bonnier, District 2 - Keeping status quo is the most desirable approach. However, if that is not possible there should be consideration of the formation of an Ag Preservation and Open Space District, similar to Sonoma County's, in which a 1/4 cent sales tax finances protection of agricultural land. Additionally, the eligibility requirements could be revised to increase qualifying acreage requirements while still allowing existing contract holders to add adjacent land to their contract. New approaches for eligibility requirements should also be explored based on the concept of development pressure zones. This would allow for prioritizing areas where Williamson Act contracts could be entered. An example would be the areas subject to highest development pressure could have reduced requirements while properties with less pressure could be required to have more acreage. Options to replace subvention funding should include existing contract holders providing the funds.

- Eric Michielssen, Marketing/Organic – The program should be frozen for now with no new applications accepted until this current economic cycle is over. Overall, the program is a good program.
- Jean-Pierre Wolff, San Luis Obispo RCD – Status quo is not sustainable as it is not financially sound or realistic. Freezing program would provide flexibility to reopen gates at little cost. Must keep administrative costs in mind. The program should be made more focused and aim at what is truly sustainable. There needs to be a differentiation between a hobbyist and an agriculturalist.
- Bill Strubble, District 2 – Indicated there was support for the program and agreed with the FB comments.
- David Pruitt, Nursery - The industry supported the program although there is limited participation.
- Chair Lacey indicated that it is clear there is strong support for the program and summarized the member's preferred options for addressing the loss of subventions funds: 1) Status quo is the preferred option, 2) Temporarily freeze the program by not accepting any new contracts with the exception of current contract holders adding to existing contracts, 3) Modify program eligibility requirements. Such modifications would be aimed at requiring acreages that were sustainable similar to the 2007 suggested amendments to the Rules of Procedure.

6. Upcoming Meeting: June 6, 2011. 6 PM

Future Agenda Items: Lisen Bonnier recommended an informational discussion be held with PG&E or other experts presenting what happens to agriculture in the event of a radioactive emergency at Diablo Nuclear Power Plant. This topic was agreed to be discussed at a future meeting that does not include a required work study session. The June 6, 2011, meeting includes a work study session on the EnergyWise Plan. Information regarding protocol during a radiological emergency is available on the Agriculture Department's web site at http://www.slocounty.ca.gov/Assets/AG/assets/Diablo_Nuclear_Power_Plant_Info_for_Agriculture.pdf.

Meeting adjourned: 8:30 PM.

Respectfully submitted by Lynda Auchinachie, County Agriculture Department.