

**SAN LUIS OBISPO AGRICULTURAL PRESERVE REVIEW COMMITTEE  
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**MINUTES OF THE MEETING OF  
August 29, 2011**

Minutes of the Regular Meeting of the Agricultural Preserve Review Committee held at the U.C. Cooperative Extension Auditorium, 2156 Sierra Way in San Luis Obispo, California, at 1:30 p.m.

The meeting is called to order at 1:33 P.M. by Warren Hoag.

The following action minutes are listed as they were acted upon by the Chairman of the Agricultural Preserve Review Committee and as listed on the agenda for the Regular Meeting of August 29, 2011.

**ROLL CALL:**

**AGRICULTURAL PRESERVE REVIEW COMMITTEE**

**Present:**

Warren Hoag	County Planning and Building Department
Dick Nock	Cattlemen's Association
Robert Sparling	Public-at-Large
Irv McMillan	Environmental Organization Member
Lynda Auchinachie	County Agriculture Department
Marc Lea	County Agriculture Department (Alternate)
Don Warden	Agricultural Liaison Advisory Board
Chuck Pritchard	Agricultural Liaison Advisory Board (Alternate)
Royce Larsen	Farm Advisor (Alternate)
Lynn Moody	Soil Science Member (Alternate)
Bob Hill	Land Conservancy of San Luis Obispo
Tom Bordonaro	County Assessor
Michael Garcia	County Assessor (Alternate)
Justin Baldwin	Wine Industry (Items 5-9)

<b>Absent:</b>	Jennifer Anderson	Farm Service Agency
	Hugh Pitts	Farm Bureau
	Justin Baldwin	Wine Industry (Items 3 and 4)

It is determined there is a quorum for today's meeting.

**COUNTY STAFF:**

John Nall	Principal Environmental Specialist, County Planning & Building Department
Terry Wahler	Senior Planner, County Planning & Building Department
Jim Orton	County Counsel
Brenda Ouewerkerk	County Agriculture Department
Ramona Hedges	Supervising Administrative Clerk II, County Planning & Building Department

**PUBLIC PRESENT:**

Larry Keller	Item 4 applicant
Jamie Kirk	Item 5 agent
Lisa Bodrogi	Paso Robles Wine Country Alliance

**PUBLIC COMMENT**

Warren Hoag: opens Public Comment with no one coming forward.

**AGENDA ITEM # 3 - APPROVAL OF THE MINUTES OF THE AGRICULTURAL PRESERVE REVIEW COMMITTEE MEETING OF JULY 18, 2011**

Warren Hoag: has language change on Pg. 1, underneath "Roll Call", comment by Warren Hoag. Would like the sentence to read "...has expressed interest in applying for the regular position."

Thereafter, on motion by Chuck Pritchard, the minutes of the July 18, 2011 APRC meeting are approved. This motion was seconded by Robert Sparling, and approved unanimously on a 10-0 vote with the Wine Industry, Farm Bureau, and the Farm Service Agency members being absent.

**AGENDA ITEM #4 – AGP2011-00002. PROPOSAL BY LARRY KELLER TO ESTABLISH AN AGRICULTURAL PRESERVE TO ENABLE THE APPLICANT TO ENTER INTO A LAND CONSERVATION CONTRACT.**

Terry Wahler, staff: presents staff report.

Larry Keller, applicant: would like to ensure his property stays as one piece.

Robert Sparling: would like to know who the nearest cattle ranchers are with Mr. Keller stating Mankins and Tar Springs ranches on one side and the Macy Ranch on the other side.

Following the discussion, Lynda Auchinachie moved to approve this request to establish an agricultural preserve to allow the applicant to enter into a land conservation contract. Preserve Designation: Arroyo Grande Valley Agricultural Preserve No. 43. Minimum Parcel Size: 320 acres. Minimum Term of Contract: 20 years. This motion was seconded by Dick Nock, and carried unanimously on a 10-0 vote with the Wine Industry, Farm Bureau, and the Farm Service Agency members being absent.

**AGENDA ITEM #5 – AGP2010-00014. PROPOSAL BY CATAPULT VINEYARD TO AMEND AN AGRICULTURAL PRESERVE TO DECREASE THE MINIMUM PARCEL SIZE FOR CONVEYANCE OF PARCELS FROM 320 ACRES TO 160 ACRES.**

Terry Wahler, staff: reports change to Exhibit A graphic reflecting recent minor lot line adjustment.

JUSTIN BALDWIN IS NOW PRESENT.

Jamie Kirk, agent: representing Catapult Vineyards is available for questions.

Irv McMillan: asks if the two parcels are separated or underlying with Mr. Wahler stating that the property to the north is a legal parcel, the parcel to the south is a legal parcel and there are 2 center parcels for a total of four parcels. Asks if the parcels were sold in two 160 acre configurations would there need to be at least 40 acres of vineyards with each conveyance. Mr. Wahler responds by stating that each conveyance would need to be consistent with the

eligibility standards, in this case each conveyance would need to have at least 20 acres of irrigated vineyard.

Following the discussion, Justin Baldwin moved to approve this request to amend an agricultural preserve to decrease the minimum parcel size for conveyance of parcels from 320 acres to 160 acres. Preserve Designation: Paso Robles Agricultural Preserve No. 4 Amendment No. 4. Minimum Parcel Size: 160 acres. Minimum Term of Contract: 20 years. This motion was seconded by Don Warden, and carried unanimously on an 11-0 vote with the Farm Bureau and the Farm Service Agency members being absent.

**AGENDA ITEM #6 – Discussion Item – Update on Board of Supervisors Discussion of Williamson Act Legislation and Funding Issues and Possible Implementation of Assembly Bill 1265.**

Warren Hoag: discusses overview of AB1265 and estimates the County's "hard" costs should AB1265 be implemented by the Board of Supervisors (BOS) to be approximately \$11,000.00.

Tom Bordonaro: further comments that the Assessor's "hard" costs are programming costs. Soft costs, i.e. staff time, are unknown at this time.

Don Warden: asks what happens if a request for non renewal is filed in terms of the change of assessment to property taxes.

Warren Hoag: states if a contract holder files their own non renewal during the first year they are not subject to AB1265, however the property will begin to go through the regular re-assessment process.

Michael Garcia: explains the non renewal process time is typically 9 years until the last year when the property would go back to Proposition 13 base values, which is what will be used to determine the property tax.

Don Warden: approximates this to be 65% with Mr. Garcia explaining the calculations used are done through a formula that is followed based on 10 years of phasing.

Dick Nock: asks why this cannot be considered a breach of contract by the county if a contract holder has a 20 year contract.

Jim Orton, County Counsel: explains every year that the contract rolls over it is considered a new contract, until the terms are changed.

Dick Nock: confirms that AB1265 would change the terms of the contract.

Tom Bordonaro: discusses other counties which have implemented similar legislation (SB863).

Warren Hoag: further comments on reasoning for San Luis Obispo County not implementing SB863 was specifically to see if any litigation resulted from the other counties implementing it. None did as far as we know.

Tom Bordonaro: adds public opinion indicates this type of legislation should go to the people for a vote.

Michael Garcia: presents slide explaining formula used by the county to reach \$1,057,153.00, the amount estimated to result from the implementation of AB1265.

Lynda Auchinachie: would like to know what the highest effected increase in property taxes would be with Mr. Garcia stating this would be hard to determine.

Dick Nock: asks if a copy of this presentation can be made available for the members with Mr. Garcia stating this can be made available to members and posted to the website.

Royce Larson: asks, if subvention funding discontinues and implementation of AB1265 does not take place, are there any other funding alternatives with Mr. Hoag stating the funding loss would need to be absorbed within the County General Fund.

Tom Bordonaro: explains the agricultural counties in the Central Valley are the focus of AB1265 and feels State subvention funding will not continue.

Lynda Auchinachie: confirms 110 parcels currently are being assessed at Proposition 13 tax rates out of 3,606 parcels under Williamson Act contract in terms of 1 percent calculation to determine impact fees.

Chuck Pritchard: asks that hard copies of the example of calculations to determine the 1% impact fees be provided by the Assessor's Office and also be made available on-line with Mr. Garcia stating these will be made available. Feels cuts will continue and is concerned for the Williamson Act program.

Michael Garcia: states the highest tax rate areas are typically the Templeton and Paso Robles areas.

Irv McMillan: confirms total land value is determined under Proposition 13 assessments.

Tom Bordonaro: states the impact fees must be shown on the property tax bill as a separate line item. Explains there is no support for subvention funds in the State legislature.

Warren Hoag: reports that Yolo County has made available an on-line calculator to determine impact fee assessments with Mr. Garcia agreeing San Luis Obispo County would implement the same practice.

Chuck Pritchard: feels the State should cut programs other than the Williamson Act.

Dick Nock: would like a copy of calculations and discusses the revenue expected and feels it does not make that much difference. Feels the County should continue to absorb the subvention funding loss within the General Fund.

Irv McMillan: confirms the effective date of implementation of AB1265 is to be the year 2016.

Tom Bordonaro: speaking in terms of alternate funding explains there is no support for continued subvention funds in the State legislature.

Dick Nock: feels San Luis Obispo County can forgo implementation of AB1265 legislation due to the current status of revenue garnered from the tax rolls and, based on this, will recommend that the Board of Supervisors not implement AB1265.

**Following the discussion, Dick Nock moved to recommend to the Board of Supervisors that Assembly Bill (AB) 1265 not be implemented. This motion was seconded by Don Warden, and carried unanimously on a 5 yes - 6 abstention vote with the Environmental Organization, Farm Advisor, Land Conservancy, County Ag. Commissioner, County Assessor, and County Dept. of Planning and Building members abstaining from the vote, and the Farm Bureau, and Farm Service Agency members being absent.**

Jim Orton County Counsel: explains abstentions are counted for purposes of a quorum.

**AGENDA ITEM #7 – Informational Item – Proposed amendments to the Rules of Procedure to Implement the Land Conservation Act of 1965 eligibility requirements for new applications.**

Warren Hoag: provides an overview of amendments agreed upon by the members to the Rules of Procedure. Clarifies the Agricultural Liaison Advisory Board (ALAB) requests and their recommendations to the APRC. States amendments will be presented to the BOS on September 27, 2011 for a review of the final proposed language before starting the formal adoption process.

Lynda Auchinachie: comments on language to be worked on for ALAB with Mr. Hoag adding other departments will also be involved in language changes i.e. Ag & Assessor.

**AGENDA ITEM #8 – Review Committee comment and discussion period.**

Chuck Pritchard: comments on the solar projects in Carizzo –asks if the mitigation lands under Williamson Act contract stay on the tax roll with Mr. Bordonaro explaining it could go either way depending upon whether mitigation lands end up being under open space easements, Williamson Act land conservation contracts and/or perpetual conservation easements.

Dick Nock: in terms of protection of Ag lands-would like to know if the property past Cuesta College is owned by the county and off the tax roll. Asks if the property on Villa Creek Road in Cayucos owned by the Land Conservancy is exempt from paying taxes. States this property should be taxed. Uses the Chimineas property as an example with Mr. Garcia stating this property is exempt. Feels the nonprofits are gaining by not having to pay taxes and that these lands should remain in productive ag use.

Members: begin providing examples of nonprofit organizations' properties exempted from property taxes due to holding property with open space easements, conservation easements, or having property for mitigation purposes. General consensus in terms of recouping Williamson Act subvention funding alternatives is these organizations should not be exempted from property tax rolls.

Tom Bordonaro: explains nonprofit organizations exemption status and criteria.

Chuck Pritchard: states conservation easements vs. ag production lands are inconsistent in terms of taxation.

Robert Sparling: encourages APRC members to remember this committee should conform to the original intent of the Williamson Act, which is protection of ag land.

Warren Hoag: reports this is his last APRC meeting because he will be retiring in November. John Nall (Alternate) will be appointed in his place as the regular APRC member. States that during his employment with the county, the APRC has been his favorite committee to be a part of. His participation on the APRC has been a satisfying and rewarding experience in terms of its critical role in helping to protect the County's agricultural land resources.

John Nall, Terry Wahler, Lynda Auchinachie, Irv McMillan and Dick Nock: on the record thank Mr. Hoag for his service on the APRC.

**AGENDA ITEM #9 – Scheduling of the next meeting**

The next meeting to be announced, which will likely be early next year.

There being no further discussion, the APRC adjourned 3:08.

Respectfully submitted,  
Ramona Hedges  
Supervising Administrative Clerk II  
Dept. of Planning and Building