



County of San Mateo - Planning and Building Department

ATTACHMENT A

SAN MATEO COUNTY LAND CONSERVATION (WILLIAMSON) ACT

Uniform Rules and Procedures

PURPOSE.....	1
DEFINITIONS	2
GENERAL POLICIES AND ADMINISTRATION.....	6
A. Conformance with State Law and County Ordinances and Resolutions	6
B. Consistency of Entitlements with State Law and LCA Uniform Rules and Procedures.....	6
C. Contracts which Become Inconsistent with State Law and LCA Uniform Rules and Procedures	6
D. Property Tax Reduction	7
E. Acquisition of Land in AGP or FSZA for Public Improvement.....	7
F. Annexation of Land Subject to FSZA and FSZA/LCA Contracts	8
G. Application Requirements	8
H. Interpretation of Guidelines	9
I. Reports	9
J. Public Education	9
K. Parcel Audit	10
L. Permission to Enter and Inspect Property	10
M. Enforcement	10
UNIFORM RULE 1: AGRICULTURAL ENTERPRISE AREA AND AGRICULTURAL PRESERVES	11
UNIFORM RULE 2: TYPES of CONTRACTS	14
A. Eligibility Requirements for A/LCA and FSZA/LCA Contracts	14
1. Land Designation	14
2. Zoning	14
3. Lot Size and Contracted Area.....	14
4. Contiguous/Non-Contiguous Parcels.....	15
5. Land Uses	15
6. Income Requirements for Crops	18
7. Land Utilization for Grazing	19
B. Farmland Security Zone Area (FSZA/LCA) Contracts – Additional Requirements	20
UNIFORM RULE 3: APPLICATION PROCEDURE.....	22
A. Application Requirements	22
1. Application Form	22
2. Supporting Documents	22
3. Agricultural Preserve/Farmland Security Zone Area	23
4. Ownership Report	24
5. Signature of Owners	24
6. Fees	24
B. Processing Applications	24
1. Filing Deadline	24
2. Review and Approval Process.....	25
3. Completion of Contracts	25

UNIFORM RULE 4: RESCISSION/REENTRY, NON-RENEWAL AND CANCELLATION REQUESTS	27
A. Rescission/Reentry	27
1. Applicability	27
2. Lot Line Adjustments	27
3. Filing Deadline	28
B. Non-Renewal.....	28
C. Cancellation.....	29
 UNIFORM RULE 5: GUIDELINE FOR EXCHANGE OF AN EXISTING WILLIAMSON ACT CONTRACT FOR AN OPEN SPACE EASEMENT AGREEMENT	 31

SAN MATEO COUNTY LAND CONSERVATION ACT UNIFORM RULES AND PROCEDURES

PURPOSE

The San Mateo County Land Conservation Act Uniform Rules and Procedures (Rules) implement the California Land Conservation Act (LCA) (Government Code Section 51231), also known as the Williamson Act (Act). The Act provides tax incentives to protect agricultural and open space uses defined in the Act (Government Code Section 51201). The Rules summarize the provisions of the State LCA that are most relevant to the County LCA program, and set forth the County's procedures for implementing the Act (see Government Code Section 51200, et seq.).

San Mateo County contains thousands of acres of agricultural land, characterized by an optimal combination of soils, climate, water, topography, lot sizes for viable production, and geographic configuration. The County has a long history of General Plan and Local Coastal Program policies and regulations designed to protect this irreplaceable resource. The LCA program is another valuable tool to protect this critical resource.

In addition to preserving agricultural land, the LCA program also assists local governments in protecting non-agricultural open space, when the affected property qualifies as a scenic highway corridor, a wildlife habitat area, a salt pond, a managed wetland area, a submerged area; or qualifies as a recreational use as defined by the Act or is enrolled in the United States Department of Agriculture Conservation Reserve Enhancement Program or Conservation Reserve Program (see Government Code Sections 51201(i)-(n) for definitions of these areas).

The purpose and intent of the San Mateo County LCA program is to:

1. Help preserve the limited and diminishing supply of agricultural land in the County through agricultural LCA Contracts.
2. Encourage production of food, fiber, and ornamental crops and commodities for local, regional, State, national and international markets.
3. Discourage premature conversion of agricultural land to non-agricultural land uses.
4. Help sustain and promote the County's commercial agricultural industry and the direct, indirect, and imputed effect on the Countywide and State economy.
5. Allow compatible uses within agricultural contracts that do not hinder or compromise the existing or potential agricultural productivity of agricultural land.

As statutes and ordinance provisions are amended from time to time, those amendments are incorporated herein.

DEFINITIONS

The definitions below are provided to assist the reader. Many are a summary of State law. For completeness and accuracy, the specific statutes should be consulted (Government Code Section 51201).

Agricultural Enterprise Area (AEA) – A non-regulatory non-obligatory area established by the Board to identify privately owned lands that meet zoning designation and general land use criteria for eligibility under the Williamson Act as a guide for landowners considering entering into an Agricultural Preserve and contract.

Agricultural Preserve (AGP) – Agricultural Preserves define the region(s) within which the County will enter into contracts with landowners. The Board establishes Agricultural Preserves. Only land located within an Agricultural Preserve is eligible for a contract. As defined in Government Code Section 51201(d), land within a region designated as an Agricultural Preserve can be devoted to either agricultural, recreational, or open space use, or any combination of these. An Agricultural Preserve must consist of no less than 100 acres except as described in Uniform Rule 1: Agricultural Enterprise Area and Agricultural Preserves (Government Code Section 51230).

Agricultural Commodities – Agricultural commodities shall mean any and all plant and animal products produced in this State for commercial purposes (Government Code Section 51201(a)). Agricultural commodities shall include fruits, nuts and vegetables; grains, such as wheat, barley, oats and corn; mushrooms; legumes, such as field beans and peas; animal feed and forage crops, such as grain, hay and alfalfa; seed crops; fiber, bio-fuel and oilseed crops, such as safflower and sunflower; nursery stock, such as Christmas trees, ornamentals and cut flowers; trees grown for lumber and wood products; turf grown for sod; livestock, such as cattle, sheep, alpacas, llamas and swine; poultry, such as chickens, ostriches and emus.

Agricultural Use – The use of land including, but not limited to, greenhouses for the purpose of producing agricultural commodities for commercial purposes (i.e., for sale in wholesale or direct market channels) (Government Code Section 51201(b)). [The keeping of horses does not constitute an agricultural use.]

Agricultural Use Contract (A/LCA Contract) – A contract between a private landowner and the County that enforceably restricts land to agricultural and compatible uses. The minimum initial term is 10 years. LCA Contracts automatically self-renew annually unless either party files a Notice of Non-Renewal. In return, restricted parcels are assessed for property tax purposes in accordance with Revenue and Taxation Code Section 421, et seq.

Board – The Board of Supervisors for San Mateo County.

Breach of Contract – Non-compliance with the terms of a contract that may result in non-renewal of a contract and other enforcement actions.

Cancellation – The immediate termination of a contract. See “Uniform Rule 4: Rescission/Reentry, Non-Renewal and Cancellation Requests” and Government Code Sections 51280-51287.

Compatible Use(s) – A use that, as determined by the County, will not diminish or interfere with existing or potential agricultural productivity, and can be accommodated without adverse impact to the agricultural, open space, and recreational resources of the site or surrounding area (Government Code Section 51201(e)).

Contract – As used in these Rules, the term contract means an A/LCA Contract or an FSZA/LCA Contract, collectively (Government Code Section 51240).

Contract Area – The acreage or property which is under a single contract. For A/LCA Contracts and FSZA/LCA Contracts, the boundaries of the Contract Area shall be coterminous with parcel boundaries.

Farmland Security Zone Area (FSZA) – A Farmland Security Zone is an area created within an Agricultural Preserve by the Board, upon the request of a landowner or group of landowners. Once the designation has been made, the property owner may enter into an FSZA/LCA Contract (Government Code Section 51296, et seq.).

Farmland Security Zone Area Contract (FSZA/LCA Contract) – A contract between a private landowner and the County that enforceably restricts land to agricultural or open space uses. The minimum initial term is 20 years (Government Code Section 51296.1(d)). FSZA/LCA Contracts automatically self-renew annually unless either party files a Notice of Non-Renewal. In return, restricted parcels are assessed for property tax purposes in accordance with Revenue and Taxation Code Section 421, et seq.

Grazing – Commercial pasturing of livestock such as cattle, sheep, alpacas, and llamas.

Land Conservation Act (LCA) – The California Land Conservation Act, also known as the Williamson Act (Government Code Section 51200, et seq.), allows private landowners to contract with counties and cities to voluntarily restrict their land to agricultural, open space and recreational uses, or a combination thereof, and compatible uses which are compatible with and ancillary to the primary use(s) of the land in exchange for potential property tax benefits.

Land Conservation Act Contract (LCA Contract) – A contract between a private landowner and the County that enforceably restricts land to agricultural and compatible uses. LCAs can take the form of an A/LCA or FCZA/LCA, and have a minimum initial term of 10 years (Government Code Section 51244). LCA Contracts automatically self-renew annually unless either party files a Notice of Non-Renewal. In return, restricted parcels are assessed for property tax purposes in accordance with Revenue and Taxation Code Section 421, et seq.

Legal Lot – A lot that met all local Subdivision Ordinance and Subdivision Map Act requirements when it was created, and still exists, and can lawfully be conveyed in fee as a discrete unit separate from any contiguous lot. “Legal Lot” also means a lot for which a Certificate of Compliance or Conditional Certificate of Compliance has been issued under the State Subdivision Map Act and the San Mateo County Subdivision Ordinance and the boundaries of which have not been subsequently altered by merger or further subdivision. For the purposes of these Rules, the word “parcel” shall have the same meaning as the word “lot.”

Lien Date – Date upon which a contract becomes effective. The lien date is always January 1 of the year following recordation of the contract. It is also the date upon which the Assessor determines the value of property for property tax purposes each year.

Material Breach of Contract – A breach is material if, on a parcel under contract, both of the following conditions are met: (1) a commercial, industrial or residential building is constructed after January 1, 2004, that is not allowed by the Act or these Rules, and is not related to an agricultural use or compatible use; and (2) the total area of all of the building or buildings likely causing the breach exceeds 2,500 square feet (Government Code Section 51250).

Non-Prime Agricultural Land – Land that is not “prime agricultural land” as defined below. This may include but is not limited to land used for grazing or dry farming.

Non-Renewal – Withdrawal of land under contract whereby the contract stops self-renewing each year, but all terms and conditions of the contract/Act remain in effect for the remainder of the term (i.e., nine years for an LCA Contract, 19 years for an FSZA Contract) (Government Code Section 51246).

Open Space Easement (OSE) Agreement (Agreement) – An enforceable agreement between the County and a landowner consistent with the Open Space Easement Act of 1974 (Chapter 6.6 commencing with Section 51070). Holder of the land must effectively preserve for public use or enjoyment the natural scenic character of such open space land (Government Code Section 51075(d)) and shall not carry out any activity, use or action which would impair the open space character of the land. If prescribed findings can be made by the Board, the County and contract holder may rescind a contract in order to simultaneously enter into an agreement provided that the easement is consistent with the Williamson Act for the duration of the term of the original Williamson Act Contract; and the initial term of the easement is for at least 10 years. Land subject to agreement shall be assessed pursuant to Section 423 of the Revenue and Taxation Code (Government Code Section 51255). See Uniform Rule 5.

Prime Agricultural Land – Means any of the following (Government Code Section 51201(c)):

1. All land that qualifies for rating as Class I or Class II in the Natural Resource Conservation Service (NRCS) Land Use Capability Classifications; or land that

qualifies as Class III in the NRCS Land Use Capacity Classifications if producing no less than two hundred dollars (\$200) per acre annual gross income for three of the past five years.

2. Land which qualifies for rating 80 through 100 in the Storie Index Rating.
3. Land which supports livestock used for the production of food and fiber and which has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture.
4. Land planted with fruit or nut-bearing trees, vines, bushes or crops which have a non-bearing period of less than five years and which will normally return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than two hundred dollars (\$200) per acre.
5. Land which has returned from production of unprocessed agricultural plant products an annual gross value of not less than two hundred dollars (\$200) per acre annual gross income for three of the past five years.
6. In all cases, prime land shall have a secure water source adequate to support the agriculture on the premises.

Public Improvement – Facilities or interests in real property, including easements, rights-of-way, and interests in fee title, owned by a public agency or person (Government Code Sections 51290.5 and 51291).

Rescission/Reentry – The process of simultaneously voiding an existing contract(s) and entering into new contract(s) where there is no reduction in the amount of land under contract. See Uniform Rule 4.

Scenic Highway Corridor – A State-designated corridor, which as of December 2008, includes: all lands adjacent to and visible from: Interstate 280 from the San Mateo County line to San Bruno City limit; State Highway 1 from the Santa Cruz County line to Half Moon Bay City limit; and State Highway 35 from the Santa Cruz County line to State Route 92 (Government Code Section 51201(i)).

Subject Property – The property for which an application for a contract has been filed.

GENERAL POLICIES AND ADMINISTRATION

There are a number of policies and requirements established in State law, local ordinance and these Rules which direct the County's implementation of the California Land Conservation Act.

A. Conformance with State Law and County Ordinances and Resolutions

All applications for: (1) the establishment or termination of AGPs, FSZAs, and Contracts; (2) zone changes associated with entering into a contract; and (3) entitlements on contracted land shall be made and decided in accordance with the requirements of the Land Conservation Act, applicable County plans, ordinances and resolutions, and these Rules as they may be amended from time to time.

These Rules shall be interpreted in a manner consistent with the overall intent expressed above. If any provision of the Rules is found to be invalid, it shall not invalidate the remaining provisions.

B. Consistency of Entitlements with State Law and LCA Rules and Procedures

Where a property proposed for a contract has an existing discretionary permit, the permit must be reviewed to determine consistency with the proposed contract.

Whenever a land use entitlement including, but not limited to, zone changes, subdivisions, development permits, and conditional use permits is requested for land subject to a contract, or about to enter into a contract, the entitlement shall not be approved unless it is consistent with the provisions of State law and these Rules. Entitlement requests that are inconsistent with these Rules may be considered and acted upon only after the contract has expired, terminated or amended.

No entitlement, subdivision of land, or rescission/reentry shall be approved which would result in contracts or lots under contracts which do not meet the standards and requirements of these Rules and State law.

C. Contracts which Become Inconsistent with State Law and LCA Rules and Procedures

When changes in existing uses on contracted land result in agricultural or compatible uses which are inconsistent with State law or these Rules, including annual gross income requirements, making the land ineligible for the type of Contract that is in effect, the landowner or the County may record a Notice of Non-Renewal for that contract (Government Code Section 51245). Further, if a Material Breach of Contract is determined to exist, the County shall either (1) order the property owner to eliminate the conditions that created the Material Breach of

Contract within 60 days; or (2) assess a monetary penalty and terminate the contract on that property (Government Code Section 51250(i)).

D. Property Tax Reduction

In exchange for agreeing to restrict the use of property by entering into a contract, special rules are applied by the Assessor in determining the assessed value of the contracted property (see California Revenue and Taxation Code Sections 421-430.5 referred to as the “LCA Tax Provisions”). The LCA Tax Provisions are complex and should be consulted. These Rules are only intended to provide an overview.

Generally speaking, the Assessor applies the LCA Tax Provisions to determine the property’s assessed value as of the Lien Date (January 1) of each year (the “LCA Value”). The LCA Value may be different from what it would have been had the property not been subject to a contract. For 10-year LCA Contracts, the factored Proposition 13 base year value is compared to the LCA Value. The lower of those values is enrolled. For 20-year FSZA Contracts, a percentage reduction is applied to both the factored Proposition 13 base year value and the LCA Value and the lower of those values is enrolled. The percentage reduction is never applied to the prior year’s value to derive the present year’s value.

The LCA provisions do not apply to the assessed value of the residence or residential site on the subject property, nor is the reduction applied to the structures and improvements such as farm labor housing, pipelines, pumps, wind machines, buildings and the like.

The amount of the assessed value reduction depends on several factors, including the length and type of contract (e.g., LCA (10-year) or FSZA/LCA (20-year)), the type of land (e.g., prime agricultural or non-prime), the use of land (e.g., crop production or grazing) and the location of the land.

Due to the numerous factors discussed above and the rules involved in assessing property subject to a contract, it is not possible to state in advance what, if any, tax benefit would inure to the property owner.

E. Acquisition of Land in AGP or FSZA for Public Improvement

Prior to the County acquiring land in an AGP or FSZA for a public improvement, the County shall comply with the noticing procedures and make the findings required by Government Code Sections 51290 through 51295. Acquisition of land under a contract by eminent domain or in lieu of eminent domain for a public improvement shall cause the contract to be deemed null and void as to the land actually condemned or acquired (Government Code Section 51295).

F. Annexation of Land Subject to FSZA and FSZA/LCA Contracts

Pursuant to Government Code Sections 51296.3 and 51297.3, notwithstanding any provision of Government Code Section 56000, et seq., the San Mateo County Local Agency Formation Commission (LAFCo) is prohibited from annexing land within a designated FSZA to a city, except under any of the following circumstances:

1. If the FSZA is located within a designated and delineated area that has been approved by the voters as a limit for existing and future urban facilities, utilities, and services (e.g., within a designated Urban Area).
2. If annexation of a parcel or a portion of a parcel is necessary for the location of a public improvement except as provided in Government Code Section 51296.5 or 51296.6 as follows:
 - a. A school district shall not render inapplicable the County Coastal or Non-Coastal Zoning Ordinances to the use of land by the school district if the land is within a designated FSZA; or
 - b. A school district shall not acquire any land that is within a designated FSZA.
3. If the landowner consents to the annexation.
4. During the three-year period preceding the termination of an FSZA/LCA Contract.

Also, pursuant to Government Code Sections 51296.4 and 51297.3, LAFCo is prohibited from annexing land within a designated FSZA to a special district that provides sewers, non-agricultural water, or streets and roads, unless the facilities or services provided by the special district benefit land uses that are allowed under the contract and the landowner consents to the annexation. However, this provision shall not apply during the three-year period preceding the termination of FSZA/LCA Contracts.

G. Application Requirements

Requests to include property within an agricultural preserve, establish an LCA Contract, non-renew or cancel an existing LCA Contract, rescind and reenter into an LCA Contract, or exchange an LCA Contract for an OSE Agreement must be made by submitting a completed application form(s) available at the Planning and Building Department, along with the applicable application fees and any additional information that the Planning and Building Department determines is needed to evaluate compliance with these Rules.

H. Interpretation of Guidelines

1. Requests for interpretation of guidelines governing the administration of the Williamson Act Contract and Open Space Easement Agreement programs may be submitted by the contract/agreement holder in order to address unusual circumstances and geographic conditions. Contract/agreement holder shall bear the burden of proving case facts.
2. Guideline Interpretation and Appeal Process.
 - a. First Level of Review: The review committee at the first level of review is comprised of the Deputy Agricultural Commissioner, the Planning and Building Department's Planning Manager, and the Planning and Building Department's designated Williamson Act/Open Space Easement Program Coordinator. Committee decision may be appealed by filing the applicable appeal form and filing fee with the Planning and Building Department within 10 working days of the decision.
 - b. Second Level of Review: The review committee at the second level of review is comprised of the Agricultural Commissioner, the Community Development Director, and a Deputy County Counsel. The second level committee decision may be appealed to the Board of Supervisors by filing the applicable appeal form and filing fee with the Planning and Building Department within 10 working days of the committee's decision.

I. Reports

A report containing general Williamson Act Contract and Open Space Easement Agreement program information, statistics and all interpretation and implementation decisions shall be prepared and forwarded to the Board of Supervisors twice in the first twelve months following program revision, and once a year thereafter.

J. Public Education

The County shall prepare a pamphlet for prospective buyers of contracted properties describing Williamson Act Contract and Open Space Easement Agreement requirements. The pamphlet shall be made available through realtors, realty associations in San Mateo County, at public counters at the County Government Center, and on the County website.

K. Parcel Audit

The County shall actively review all restricted lands on a regular basis (at least once every five years) to ensure contract compliance. Review may consist of an analysis of GIS aerial photographs, questionnaires, site visits, and submitted federal tax schedules. Parcels are reviewed to determine if land uses comply with restrictions.

L. Permission to Enter and Inspect Property

As a condition of the LCA Contract, owners shall grant County and County's officers, employees, contractors and agents permission to enter and inspect the subject property during normal business hours (Monday through Friday, 8:00 a.m. to 5:00 p.m.) to monitor compliance. Prior to seeking entry, the County shall give the owner at least a 10-day written notice of the inspection date, which notice will describe who is coming and reason for site visit. The County will make a reasonable attempt to accommodate the schedule of the landowner.

M. Enforcement

Non-compliance with the terms of an LCA Contract may result in the initiation of non-renewal proceedings by the County, as well as any other action needed to enforce these Rules and cover associated administrative costs.

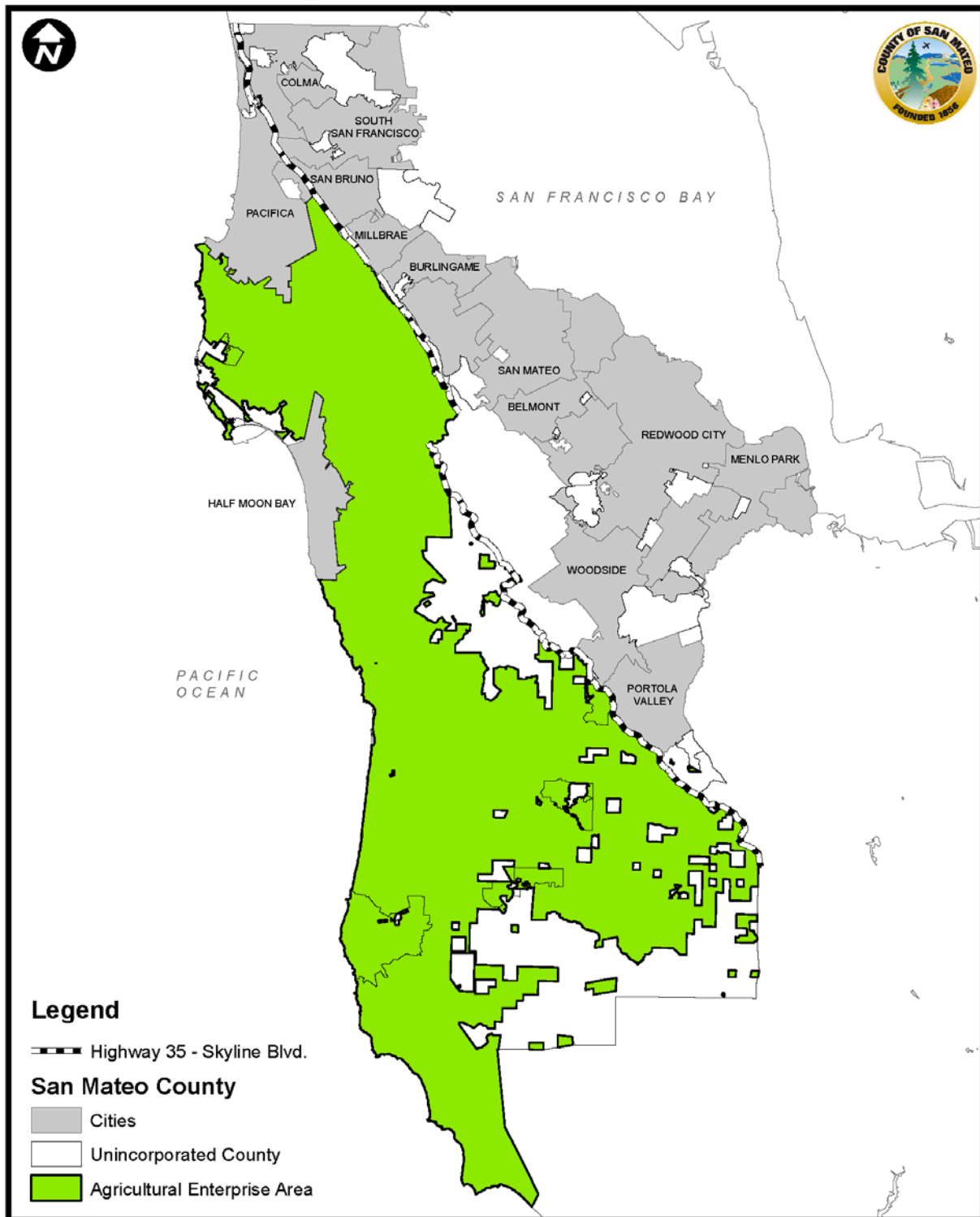
UNIFORM RULE 1: AGRICULTURAL ENTERPRISE AREA AND AGRICULTURAL PRESERVES

A. AGRICULTURAL ENTERPRISE AREA (AEA)

In San Mateo County, there is a region in which the County intends to preserve the agricultural character and use of the land. The Board of Supervisors has adopted an Agricultural Enterprise Area (AEA), mapped below which identifies privately owned lands that meet zoning designation and general land use criteria for eligibility under the Williamson Act as a guide for landowners considering entering into an Agricultural Preserve and Williamson Act contract, mapped below.

The defined area is non-regulatory and non-obligatory; lands placed within the AEA boundary are not subject to additional regulations or tax assessments beyond those applicable to the land. Landowners are under no obligation to apply or enter into an AGP or contract nor is placement within the AEA a guarantee of AGP or contract approval. Land use designations and tax assessments of lands placed within the AEA boundary are unaffected and unchanged as a result of AEA adoption.

Proposed Agricultural Enterprise Area



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B. AGRICULTURAL PRESERVES (AGP)

Consistent with the provisions of Government Code Section 51230, if a property owner wishes to enter into a Williamson Act contract, the property in question must be located in an AGP. An AGP may be expanded or reduced by an action of the Board and shall not consist of less than 100 acres, unless the Board determines that an Agricultural Preserve of less than 100 acres is 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 General Plan.

If a property owner wishes to enter into a contract and the property is not within the boundaries of the established AGP, the owner must request the Planning Department to expand the AGP or establish a new AGP simultaneously with the approval of the contract. Property located in an AGP must be designated "Agriculture" or "Open Space" under the County General Plan and zoned RM (Resource Management District), RM-CZ (Resource Management-Coastal Zone), or PAD (Planned Agricultural District). Land that is located within a Scenic Corridor, as defined by these Rules, may be included within an AGP upon request of the landowner irrespective of its land use designation and zoning.

If a landowner whose property is included in an AGP wishes to have that property excluded from the AGP, he/she may apply to disestablish or alter the boundaries of the preserve. However, no AGP may be disestablished or altered to remove land from the preserve if removal would cause or contribute to the premature or unnecessary conversion of agricultural land to urban uses or to significant encroachment of incompatible land uses into the immediate vicinity of contracted lands.

A property owner shall submit an application for establishment, disestablishment or alteration of an AGP to the San Mateo County Planning and Building Department on a form supplied by the Department, along with the applicable application fee and any other information determined by the Department to be necessary to evaluate the proposal's compliance with these Rules.

Within 60 days of receiving a completed application, the Planning Commission shall hold a public hearing and submit to the Board a recommendation for approval or disapproval as to establishment, disestablishment or alteration of an AGP.

The Board shall establish, disestablish or alter an AGP after a public hearing has been held on the matter and notice thereof given as provided in Section 6061 of the Government Code.

UNIFORM RULE 2: TYPES OF CONTRACTS

There are two types of Land Conservation Act Contracts (Contracts): Agricultural Land Conservation Act Contracts (A/LCA) and Farmland Security Zone Act Contracts (FSZA/LCA).

The eligibility of land for each contract type shall be determined pursuant to the requirements of the Land Conservation Act, County General Plan and Zoning Ordinances, these Uniform Rules, and the findings of the Board.

Property owners may request to enter into either type of LCA Contract by completing and submitting the appropriate application forms available at the Planning and Building Department, along with the applicable application fees and any additional information that the Planning and Building Department determines is needed to evaluate compliance with these Rules.

A. ELIGIBILITY REQUIREMENTS FOR A/LCA AND FSZA/LCA CONTRACTS

The requirements for entering into A/LCA and FSZA/LCA Contracts are as follows:

1. Land Designation

Property must be designated “Agriculture” or “Open Space” under the County General Plan and be located within an AGP.

2. Zoning

Property must be zoned RM (Resource Management District), RM-CZ (Resource Management-Coastal Zone District), or PAD (Planned Agricultural District).

If the property is not zoned appropriately at the time a request for a new contract is submitted to the County, an application for a change in zoning change must be processed in conjunction with the contract. In such instances, the final approval and recordation of the contract shall be contingent on the Board’s adoption of the necessary zone change.

3. Lot Size and Contracted Area

For A/LCA and FSZA/LCA Contracts, the boundaries of each contract shall be the same as the legal lot boundaries.

Parcel size requirements are as follows:

a. Crop Production:

- (1) Parcels considered Prime Agricultural lands shall be a minimum of 10 acres.
 - (2) Parcels considered Non-Prime Agricultural lands shall be a minimum of 40 acres.
 - (3) Parcels containing both Prime and Non-Prime Agricultural lands shall be a minimum of 40 acres in size. Smaller contiguous parcels may be combined to achieve the 40-acre minimum.
- b. Grazing: Minimum parcel size for grazing shall be 40 acres.
 - c. Horse Breeding: Minimum parcel size for horse breeding shall be 40 acres.

Exceptions to the minimum parcel size requirements for new contracts may be requested and considered by the Board only if the Agricultural Commissioner and the Agricultural Advisory Committee determine that the land is highly productive, and that maintaining the property in agricultural production has a significant public benefit.

Exceptions for existing contracts may be requested and considered by staff provided the Agricultural Commissioner and the Agricultural Advisory Committee determine that the land is highly productive, and that maintaining the land in agricultural production has a significant public benefit.

4. Contiguous/Non-Contiguous Parcels

Contiguous parcels may be considered for a single contract provided the parcels are under common ownership and, jointly, may be reasonably used for agricultural purposes. Further, contiguous parcels under common ownership that individually do not meet minimum parcel size requirements may be considered for a single contract.

Parcels are considered contiguous, for purposes of these Rules, if they share a property line or their property lines are separated by a road, utility easement or railroad right-of-way.

Contiguous parcels under separate ownership, non-contiguous parcels under common ownership, or non-contiguous parcels under separate ownership may enter into separate contracts, if otherwise eligible under these Rules.

5. Land Uses

Two types of uses are permitted on contracted property: Agricultural Uses and Compatible Uses.

a. Agricultural Uses

Contracted lands must be dedicated to the commercial production of agricultural commodities, commercial grazing operation, or commercial horse breeding, as defined, for sale in wholesale or direct marketing channels. Agricultural commodities shall mean an unprocessed product of farms, ranches, production nurseries and forests.

Agricultural commodities shall include fruits, nuts and vegetables; grains, such as wheat, barley, oats and corn; mushrooms; legumes, such as field beans and peas; animal feed and forage crops, such as grain, hay and alfalfa; seed crops; fiber, bio-fuel and oilseed crops, such as safflower and sunflower; nursery stock, such as Christmas trees, ornamentals and cut flowers; trees grown for lumber and wood products; turf grown for sod; livestock, such as cattle, sheep, alpacas, llamas and swine; poultry, such as chickens, ostriches and emus.

Grazing may be deemed an agricultural use if the land under contract is used for the commercial purpose of pasturing livestock.

Commercial horse breeding may be deemed an agricultural use provided the annual breeding operation consists of a minimum of 15 broodmares. Exceptions to the minimum number of broodmares will not be granted. The keeping of horses does not constitute an agricultural use. Commercial horse breeding operations are not subject to income or land utilization requirements.

b. Compatible Uses

Compatible uses on contracted lands shall comply with the provisions of Government Code Sections 51238-51238.1 and the underlying land use designation and zoning of the parcel. Compatible uses shall only be allowed when they can be accommodated on a contracted parcel without significantly reducing the amount of land being used for agricultural purposes, or interfering with existing agricultural activities.

(1) Determination of Compatibility (DOC): The Agricultural Advisory Committee will review proposed compatible uses to determine whether the use is in fact compatible with and incidental to the agricultural use on the parcel. If the following criteria can be met, a Determination of Compatibility will be issued.

(a) The primary use of the parcel would continue to be existing commercial agriculture.

- (b) The proposed compatible use would not substantially interfere with the existing agricultural use on the subject parcel or any other property within the AGP.
- (c) The proposed compatible use would not hinder or impair agricultural operations in the area by significantly increasing the permanent or temporary human population of the area.
- (d) The proposed compatible use would not significantly displace or impair current or reasonably foreseeable agricultural operations on the parcel, or any other property within the AGP.
- (e) The remaining portion of the parcel not subject to the proposed compatible use would be able to sustain the agricultural use.

The property owner bears the burden of proof with respect to these criteria.

- (2) Determination of Compatibility Exceptions: A DOC is required for all proposed compatible uses with the exception of the following which are per se compatible uses, provided that the proposed use does not significantly reduce the amount of land being used for agricultural purposes or interfere with existing agricultural activities. Exceptions to the DOC requirement are subject to review by the Planning Department and may require submittal of a site plan and other supporting documentation.
 - (a) Facilities and structures utilized in conjunction with the production, preparation, and storage of an agricultural commodity, commercial grazing, or commercial horse breeding.
 - (b) Existing single-family residences: repairs, alterations, and additions constituting less than 50% of the valuation of the existing structure as determined by the Building Inspection Section or where no footprint expansion is proposed.
 - (c) New small structure construction of 500 square feet or less (e.g., detached garage).
 - (d) Farm labor housing.
 - (e) Keeping of pets in association with a single-family residence, farm labor housing, or multiple-family residence.

- (f) Septic systems: replacement and repair of existing septic systems as required by Environmental Health.
 - (g) Agricultural and domestic wells: replacement and repair of existing agricultural or domestic wells as required by Environmental Health.
 - (h) Repair to existing hardscape (e.g., roads, driveways, parking areas).
 - (i) Roof-mounted photovoltaic modules.
 - (j) Gas, electric, water or other utilities (other than ground-mounted photovoltaic) that are placed above or underground.
 - (k) Wireless telecommunications facilities.
 - (l) Fencing.
- (3) Maximum Allowance of Compatible Uses

The percentage of a parcel's total area used for compatible uses on contracted lands cannot exceed the percentage used for agricultural uses (e.g., crop production, grazing operation, and horse breeding) and the portion of the parcel used for compatible uses cannot exceed 25 percent of the parcel size.

When calculating the agricultural area for commercial horse breeding operations, the number of broodmares dictates the area as opposed to the area utilized for the commercial horse breeding operations; one broodmare is equal to one acre.

In calculating the maximum allowance of compatible uses, exclude the following: unpaved roads, farm labor housing, buildings/structures used to support the agricultural use (e.g., barns), and underground utilities.

6. Income Requirements for Crops

Property owners seeking a Williamson Act contract must demonstrate that in the three of the five immediately preceding years, the contracted parcel has met the following minimum annual gross income requirements resulting from the commercial sale of the agricultural commodity. Income requirements must then be met for the duration of the contract.

For multiple parcels under one contract, income requirements will apply to the contracted area and not for each individual parcel.

Income from compatible uses shall not be used to achieve the minimum income requirements.

- a. Parcels less than 40 acres shall have an annual gross income of not less than \$10,000.00.
- b. Parcels 40 acres and greater shall have an annual gross income of not less than \$10,000, or an annual gross income that is based on the total amount of all prime and/or non-prime soils contained on the parcel, whichever income amount is greater:

Prime Soils: Minimum annual gross income shall equal or exceed \$250.00 per acre.

Non-Prime Soils: Minimum annual gross income shall equal or exceed \$37.50 per acre.

Exceptions to the income requirements for new contracts may be requested and considered by the Board only if the Agricultural Commissioner and the Agricultural Advisory Committee determine that the land is highly productive, and that maintaining the land in agricultural production has a significant public benefit.

Exceptions for existing contracts may be requested and considered by staff provided the Agricultural Commissioner and the Agricultural Advisory Committee determine that the land is highly productive, and that maintaining the land in agricultural production has a significant public benefit.

7. Land Utilization for Grazing

Property owners seeking a Williamson Act contract must demonstrate that each contracted parcel has met the following minimum requirements resulting from a viable commercial grazing operation in three of the five previous consecutive years prior to entering into a contract. Land utilization requirements must then be met for the duration of the contract. No minimum income is required for commercial grazing operations.

For multiple parcels under one contract, land utilization for grazing requirements will apply to the contracted area and not for each individual parcel.

- a. Seventy-five percent (75%) of the parcel acreage must be used for a viable commercial grazing operation as determined by the Agricultural Advisory Committee and Agricultural Commissioner.

- b. Areas dedicated to grazing must be fenced and adequate water must be available within the fenced area. Fencing must be maintained.

Exceptions to the land utilization for grazing requirements may be requested and considered by the Board only if the Agricultural Commissioner and the Agricultural Advisory Committee determine that the land is highly productive, and that maintaining the land in agricultural production has a significant public benefit.

Exceptions for existing contracts may be requested and considered by staff provided the Agricultural Commissioner and the Agricultural Advisory Committee determine that the land is highly productive, and that maintaining the land in agricultural production has a significant public benefit.

B. FARMLAND SECURITY ZONE AREA (FSZA/LCA) CONTRACTS – ADDITIONAL REQUIREMENTS

Property owners may request to enter into a 20-year Farmland Security Zone Area (FSZA/LCA) Contract (Government Code Section 51296, et seq.). Also, property owners already subject to a 10-year LCA Contract or Open Space/LCA Contract may petition to rescind the existing contract and enter into a new FSZA/LCA Contract. FSZA/LCA Contracts self-renew each year like other contracts. To qualify for an FSZA/LCA Contract, all of the requirements set forth in Uniform Rule 2 must be met.

In addition, the subject property must be designated by the Board as an FSZA. FSZAs shall meet all the following requirements (Government Code Sections 51296.1 and 51296.8):

1. The land must be within an AGP.
2. The land must be designated on the Important Farmland Series Map ("Map") as predominantly one of the following:
 - a. Prime Farmland.
 - b. Farmland of Statewide Significance.
 - c. Unique Farmland.
 - d. Farmland of Local Importance.

If the proposed FSZA is not designated on the Map, the land shall qualify if it is predominately prime agricultural land as defined in Government Code Section 51201(c) (Government Code Section 51296.8).

1. No land shall be included in an FSZA, unless expressly requested by the owner.
2. Any land located within a city sphere of influence shall not be included in an FSZA, unless the creation of the FSZA has been approved by resolution by the city with jurisdiction within the sphere.
3. If more than one owner of contiguous properties requests the creation of an FSZA, the County shall place those properties in the same FSZA.
4. Upon termination of an FSZA/LCA Contract, the FSZA shall simultaneously terminate.

UNIFORM RULE 3: APPLICATION PROCEDURE

In order to enter into a contract, an applicant must follow the procedures below.

A. Application Requirements

1. Application Form

There are two contract application forms: A/LCA and FSZA/LCA Contracts, and one form for OSE Agreements. An applicant must submit the appropriate completed application form and other required information prior to the deadlines set forth in Uniform Rule 3, Section B.1 (below).

2. Supporting Documents

a. All Contracts/Agreements – Required Documents

The following documents must be submitted at the time of application for all contracts or agreements. Separate applications must be submitted if the parcels are under separate ownership. For non-contiguous parcels under the same ownership, one application with separate site plans is required. An incomplete application submittal or insufficient information may cause delays in processing. In all cases, additional documentation may be required to clarify or supplement the application submittal as the contract or agreement is being processed.

- (1) Legal parcel description.
- (2) A site plan, drawn to scale and legible, of the parcel(s) for which the contract or agreement is requested. Site plans will be recorded along with the approved contract or agreement. The following must be shown on the plan(s):
 - (a) Parcel boundaries and dimensions, Assessor's Parcel Number(s), total gross acreage of the parcel(s), zoning designation, parcel address (if applicable), and owner's name and address.
 - (b) Agricultural use area(s), shown outlined and acreage noted (e.g., 10 acres of Brussels sprouts, and 5 acres of cattle grazing).
 - (c) Location, size, and use of all existing and proposed buildings and structures (e.g., residence, fences, and roads).
 - (d) Existing and proposed utilities (e.g., wells).

(e) All watercourses and water impoundments.

b. All Contracts/Agreements – Proof of Legal Parcel

In order to prove parcel legality, one of the following must be submitted for each parcel requesting a contract or agreement: (1) a recorded final or parcel map, or (2) a recorded Certificate of Compliance (Type A or Type B).

If after review of the submitted documents, the parcel is not determined to be legal, a Certificate of Compliance will be required and must be approved and recorded prior to recordation of the contract or agreement. Additional application forms, documentation and fees will be required to process the Certificate of Compliance.

c. A/LCA and FSZA/LCA – Statement of Agricultural Uses

The following must be provided on a separate sheet by the applicant for each parcel.

- (1) Total gross acreage of each parcel and aggregate acreage for multiple parcels, if applicable.
- (2) Total acreage of each parcel currently in agricultural production and acreage by each crop type, and grazing operation by heads of livestock and area grazed.
- (3) Water source and irrigation method.
- (4) Calculations and supporting compliance with Uniform Rule 2, Section A.5.b.2 (*Maximum Allowance of Compatible Uses*).
- (5) Gross Agricultural Income documentation (e.g., Federal Tax Return Schedule F) substantiating compliance with Uniform Rule 2, Section A.6 (*Income Requirements for Crops*).

3. **Agricultural Preserve/Farmland Security Zone Area**

Prior to entering into a 10-year LCA Contract, the subject property must be within an AGP. If the applicant, in consultation with County Planning and Building Department staff, determines that the property is not within an existing AGP, the application shall include a request to establish or expand an AGP to include the property.

Prior to entering into a 20-year FSZA/LCA Contract, the subject property must be within an AGP and a Farmland Security Zone Area (FSZA). If the applicant, in consultation with Planning and Building Department staff,

determines that the property is not within an existing AGP or FSZA, the application shall include a request to establish or expand an AGP or FSZA to include the property.

4. Ownership Report

A preliminary title report prepared by a title company shall be filed with an application for a contract. The report submitted must have been issued no earlier than sixty (60) days prior to the application submittal date. If any changes in the ownership of the property occur between the date of the Ownership Report and the Planning Commission hearing, or the Board of Supervisors hearing, the applicant shall notify the Community Development Director in writing of such changes, and must provide an updated title report.

5. Signature of Owners

All persons, corporations, associations, partnerships, or other entities (except public utilities and public entities) having any right, or title or interest of any kind (except easement interest) in or affecting the surface use (extending to two hundred (200) feet below the surface) of the property proposed for a Contract, are required to sign the application as owners or submit written authorization.

6. Fees

Fees, set by the Board of Supervisors, are required to be paid in full at the time of application. During the course of the contract, if approved, additional fees may be required for compliance review.

B. Processing Applications

1. Filing Deadline

Applications to establish, disestablish, alter or expand the boundary of an AGP or an FSZA, and for new contracts and agreements must be filed with the Planning and Building Department by the first Friday in June. The application must include the required fee in accordance with the most recently adopted Fee Schedule. All required information must be received, and all contract area boundaries finalized, by the first Friday in July (or the following Monday if it falls on a holiday) to allow sufficient time to review and process the contracts and agreements prior to the end of the year. Applications/information received after these deadlines may delay the effective date of the contract. These deadlines may be extended by the Community Development Director upon written request by the applicant showing that circumstances beyond the applicant's control prevented submittal of the required application materials by the above deadlines.

2. **Review and Approval Process**

- a. *Agricultural Advisory Committee:* All applications for LCA and FSZA/LCA Contracts and associated AGP or FSZA boundary changes shall be reviewed by the Agricultural Advisory Committee (AAC) prior to the Planning Commission or Board of Supervisors hearing. Applications for OSE Agreements are not reviewed by AAC.
- b. *Planning Commission:* The Planning Commission shall hold a public hearing on proposed amendments to these Rules and proposed AGP/FSZA boundary changes, and make a recommendation to the Board of Supervisors.
- c. *Board of Supervisors:* The Board of Supervisors shall hold a public hearing on these Rules, proposed AGP/FSZA boundary changes, contracts and agreements, and make a final decision to approve, partially approve, or deny each individual agreement or contract and associated AGP or FSZA boundary changes.
- d. *Public Notice:* The legal notice requirements for entitlements shall apply to both the Planning Commission and Board of Supervisor hearings for the processing of contracts. If the applications include a proposal to establish, disestablish, alter or expand the boundary of an AGP or FSZA, at least a two-week notice of the hearing shall be given to the Local Agency Formation Commission (LAFCo) and to every city in the County within one mile of the exterior boundaries of the preserve (Government Code Section 51233).

3. **Completion of Contracts**

- a. *Signature of Owners:* All persons, corporations, associations, partnerships, or other entities (except public utilities and public entities) having any right, or title or interest of any kind (except easement interest) in or affecting the surface use (extending to two hundred (200) feet below the surface) of the property proposed for a Contract, are required to sign the application as owners. Signatures must be notarized.
- b. *Recordation of Contracts and Agreements:* After the owners and the County have signed the contracts or agreements, the project planner shall cause them, as well as any resolution(s) for associated AGP or FSZA boundary changes, to be recorded in the Office of the County Recorder no later than 20 days after the owners and the County have signed the contracts or agreements.
- c. *Submission of Information on Contracted Property:* Upon the request of the County, each owner shall provide information relating to owner's

obligations under the contract or agreement including, but not limited to, a description of existing and planned land uses, structures or agricultural utilization on the contracted property.

- d. *Submission of Completed Agricultural Preserve Questionnaire:* In addition to complying with the information request described in (c) above, each owner of land under contract shall complete an annual Agricultural Preserve Questionnaire and submit it to the County Assessor by the required deadline. Owners of lands under contract or agreement shall provide any/additional information requested by the County related to the assessment of the property.

UNIFORM RULE 4: RESCISSION/REENTRY, NON-RENEWAL AND CANCELLATION REQUESTS

A. Rescission/Reentry

1. Applicability

From time to time, situations will arise in which a landowner wishes to add non-contracted land to an existing contract(s), convert contracted land from one type of contract to another, or subdivide property that is under an existing contract(s). This is accomplished by rescinding the existing contract(s) and simultaneously reentering into a new contract(s) pursuant to Government Code Section 51255, referred to as “rescission/reentry.” For example, a rescission/reentry may be used to convert land from an agricultural LCA Contract to an Open Space Easement Agreement. Where property under an existing contract(s) is subdivided into new lots, the contract(s) must be rescinded and new contract(s) must be entered into with the boundaries of the parcels described in the new contract(s) coinciding with the boundaries of the subdivided lots. Property may only be subdivided in accordance with Section 66474.4 of the Subdivision Map Act. New contract boundaries must be in compliance with the current Government Code provisions and these Guidelines, and shall not be for less aggregate acreage than originally contracted. All rescission/reentries must be consistent with applicable Government Code provisions, County General Plan and Zoning Ordinances, Subdivision Ordinance and these Uniform Rules.

2. Lot Line Adjustments

Government Code Section 51257 authorizes the use of rescission/reentry to facilitate a parcel map waiver/lot line adjustment (PMW/LLA), pursuant to Government Code Section 66412, involving contracted land. Such PMW/LLA requests often involve the exchange of contracted land for previously non-contracted land, or an exchange of land between contracts. In a typical case, the County and landowners mutually agree to rescind an LCA or FSZA/LCA Contract(s), and simultaneously reenter into a new contract(s) to coincide with the new legal lot boundaries.

To approve a rescission/reentry and prior to recording a PMW/LLA, and pursuant to Government Code Section 51257 and these Guidelines, the Board of Supervisors must make **all** of the following findings:

- a. The new contract(s) would initially restrict land within adjusted boundaries of legal lots for at least ten (10) years for LCA Contracts and at least twenty (20) years for FSZA/LCA Contracts.

- b. There would be no net decrease in the amount of the aggregate acreage (total contract acreage combined between the parcels involved in the lot line adjustment) subject to the existing and proposed contract(s).
- c. At least ninety percent (90%) of the originally contracted land would be included within a new contract(s).
- d. The resulting legal lot area subject to contract would be large enough to sustain qualifying agricultural uses as defined by Section 51222.
- e. The lot line adjustment would not compromise the long-term agricultural production of land within the proposed legal lots or other agricultural lands subject to contract(s).
- f. The lot line adjustment would not likely to result in the removal of adjacent land from agricultural uses.
- g. The lot line adjustment would not result in a greater number of developable legal lots than existed prior to the adjustment or an adjusted lot that is inconsistent with the County General Plan.

Rescission/reentries to accommodate PMW/LLAs on contracted land are subject to Board approval and action (Government Code Section 51257).

3. Filing Deadline

Applications for rescission/reentries must be filed with the Planning and Building Department in accordance with Uniform Rule 3, Section B (above).

B. Non-Renewal

Because contracts automatically renew each year, if either the landowner or the County desires not to renew the contract, that party must serve the other with a written "Notice of Non-Renewal."

If the County serves the notice, the landowner may file a written protest (Government Code Section 51245). An application for a written protest, including all required materials, and processing fees, must be filed with the Planning and Building Department. The signature requirements described in Uniform Rule 3, Section B (above) shall apply to a written protest of a Notice of Non-Renewal.

If the landowner desires to non-renew the contract, an application for a Notice of Non-Renewal, including all required materials and processing fees, must be filed with the Planning and Building Department. The signature requirements described in Uniform Rule 3, Section B (above) shall apply to a Notice of Non-Renewal.

Once a Notice of Non-Renewal is recorded, the contract shall remain in effect for the balance of the period remaining since its previous renewal (9 years – A/LCA Contract; 19 years – FSZA/LCA Contract) (Government Code Section 51246).

An application and fees for a non-renewal must be submitted by October 1 (or the following Monday, if October 1 falls on a weekend) to become effective on the contract renewal date, January 1 (Government Code Section 51245). Because no property would remain under contract, a non-renewal does not require AAC or Planning Commission review, nor does it have to be approved by the Board.

C. Cancellation

A landowner who wishes to terminate a contract prior to the expiration of the non-renewal period may petition the Board to cancel (terminate) the contract pursuant to Government Code Section 51280, et seq. Either the entire contract or a portion of it may be cancelled. Cancellation requests are often filed in conjunction with applications for land use entitlements, and can be submitted at any time. The procedures and requirements for cancellation are briefly summarized below.

The petition for cancellation of a contract must include a proposal for a specified alternative use of the subject parcel and the required fee. The Board will review the petition to determine whether it can make one of the following findings necessary to tentatively approve a cancellation: (1) that the cancellation is consistent with the purposes of the Land Conservation Act, or (2) that cancellation is in the public interest. Government Code Section 51282 elaborates further on specific determinations that must be made to make either of these two overall findings and any cancellation must comply with Section 51282. If cancellation of a portion of a contract is requested, the Board must determine that the portion of the property that would remain under contract complies with the Government Code and these Guidelines.

Upon tentative approval by the Board, a Certificate of Tentative Cancellation (CTC) is executed and recorded. The CTC shall state the conditions that must be satisfied before the contract may be cancelled. Once the conditions are met, the landowner must notify the Board. Within thirty (30) days of the receipt of such notice, and upon determination that the conditions stated in the CTC are satisfied, the Board shall execute and cause a Certificate of Cancellation (CC) to be recorded. The CC is then sent to the State Department of Conservation (Government Code Section 51283.4). If the Board determines the landowner did not satisfy the conditions, it shall execute and cause a Certificate of Withdrawal of Tentative Approval to be recorded. In addition to these provisions, the requirements of Government Code Section 51297 apply to cancellation of an FSZA/LCA Contract.

Cancellation of a contract also requires the property owner to pay a “cancellation fee” (Government Code Sections 51283 and 51297). The required cancellation fee for a 10-year LCA Contract is 12.5 percent of the current fair market value of

the property, determined as if the property was unencumbered by the contract restriction. The cancellation fee for a 20-year FSZA/LCA Contract is 25 percent of the current fair market value of the property determined as if the property was unencumbered by the contract restriction. This fee is in addition to the application fee required to process the cancellation application.

UNIFORM RULE 5: GUIDELINE FOR EXCHANGE OF AN EXISTING WILLIAMSON ACT CONTRACT FOR AN OPEN SPACE EASEMENT AGREEMENT

Rescission and reentry of contracted lands for Open Space Easement Agreements shall adhere to the California Land Conservation Act of 1965, and subsequent revisions (Government Code Section 51200 et. seq.).

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County of San Mateo - Planning and Building Department

ATTACHMENT B

