



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Planning and Building



**Date:** October 11, 2013  
**Board Meeting Date:** October 22, 2013  
**Special Notice / Hearing:** 10-Day Notice  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Jim Eggemeyer, Community Development Director

**Subject:** San Mateo County Land Conservation Act (Williamson Act) Uniform Rules and Procedures

**RECOMMENDATION:**

Adopt a Resolution adopting the San Mateo County Land Conservation Act (Williamson Act) Uniform Rules and Procedures.

**BACKGROUND:**

In 2007, the California Department of Conservation (DOC) conducted a statewide audit of counties with Williamson Act contracts. In reviewing San Mateo County, the DOC informed the County that it must update its Williamson Act implementation.

In response to the audit, the Planning and Building Department (Department) developed a multi-step plan to address the audit findings, which included a full compliance review of existing contracts and an update to the County's rules and procedures for implementing the Williamson Act.

At the August 9, 2011 Board of Supervisors hearing, the Board adopted a Resolution authorizing the Department to file an En Masse Notice of Non-Renewal for 128 contracted parcels on lands zoned Timber Preserve, single-family residential or for which there was no evidence of agricultural activity. Eleven appeals of these renewals remain pending, and will be resolved following the adoption of the updated rules.

In addition, the Department has continued to update the draft Williamson Act Uniform Rules and Regulations (Program) through collaboration with the Williamson Act Subcommittee of the Agricultural Advisory Committee. Recommendations and suggestions from community members, the Department of Conservation, the San Mateo County Farm Bureau, the Agricultural Commissioner, and the Assessor's Office have been incorporated in the draft Program as well as comments received at the November

2012 Board of Supervisors Study Session and the May 2013 Williamson Act Public Workshop.

After review and inclusion of agreed upon DOC comments in September 2012, the draft Program was presented to the Board at its November 13, 2012 Williamson Act Study Session. Public comment was received on the draft Program and the Board directed staff to research and consider those inquiries and provide additional information upon returning to the Board.

A discussion of the inquiries made at the study session was heard before the Agricultural Advisory Committee (AAC) at the January 14, 2013 AAC meeting, resulting in incorporation of further modifications to the draft Program.

Following the AAC meeting, the Department held a public workshop on May 30, 2013 at the El Granada Elementary School in El Granada. The workshop was hosted by the Department and attended by owners of contracted and non-contracted parcels, the Williamson Act Subcommittee and a representative from the Assessor's Office. Thereafter, the Department reconvened the Williamson Act Subcommittee to consider the public comments and further refine the draft Program prior to the Board's October 22, 2013 meeting.

Report Prepared By: Melissa Ross, Project Planner, Telephone 650/599-1559

Owners: Identified property owners of Williamson Act contracted lands and owners within the proposed Agricultural Enterprise Area.

Existing Zoning: PAD/CD (Planned Agricultural District/Coastal Development), RM (Resource Management District), RM-CZ (Resource Management District-Coastal Zone)

General Plan Designation: Agriculture and Open Space

Environmental Review: Not subject to the California Environmental Quality Act review pursuant to Section 15060; the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment.

<u>Date</u>	<u>Action</u>
April 1968	- Agricultural Preserves policy statements adopted.
May 1970	- Initial Uniform Rules adopted (Resolution No. 28375).
April 1983	- Amended Uniform Rules adopted (Resolution No. 44396).
February 2002	- Amended Uniform Rules adopted (Resolution No. 65067).

June 2007	- DOC audit of San Mateo County.
February 2008	- Planning and Building Department surveys mailed to landowners of contracted parcels.
May 2008	- Response to DOC audit submitted.
February 2010	- Letters mailed to landowners of identified non-compliant contracts providing landowners an additional opportunity to submit evidence of agriculture.
February 2011	- Board of Supervisors hearing regarding proposed contract non-renewals; referred to the Environmental Quality Committee (EQC).
May 2011	- EQC meeting.
August 2011	- Resolution adopted by Board of Supervisors authorizing an En Masse Notice of Non-Renewal. Notice of Intent to Record a Notice of Non-Renewal mailed to affected landowners.
September 2011	- En Masse Notice of Non-Renewal recorded.
November 2011	- Appeals received from 11 landowners.
January 2012-Present	- Department collaboration with the Williamson Act Subcommittee of the Agricultural Advisory Committee to refine an administrative draft of the updated rules and procedures for program implementation.
April 2012	- Public review draft Program and procedures sent to the DOC for review. Draft Program reviewed at the April 9, 2012 AAC meeting.
September 2012	- The Department of Conservation comments received (letter dated August 31, 2012).
October 2012	- Meeting with the Department, the Williamson Act Subcommittee, and DOC to review the comments and draft Program.
November 2012	- Board of Supervisors Study Session.
January 2013	- Draft Program reviewed at the January 14, 2013 AAC meeting.

- May 2013                    - Public workshop was held at the El Granada Elementary School. The Department hosted with the Williamson Act Subcommittee and the Assessor's Office in attendance.
- July 2013                    - Meeting with the Department and the Williamson Act Subcommittee to consider public workshop comments and request.
- October 2013               - Board of Supervisors public hearing.

## **DISCUSSION:**

### **Study Session**

On November 20, 2012, the Board held a study session to review and receive public comment on the draft Program. Invitations to the study session were mailed to landowners of eligible parcels based on zoning district, independent of contract enrollment, parcel size or present agricultural use. Based on public comment and discussion during the study session, the Board directed staff to complete analysis of the following items:

1.     *Research horse stabling/boarding as a qualifying agricultural use.*

In the California Department of Conservation Policy *Commercial Breeding and Training of Horses on Williamson Act Lands*, a distinction is made between commercial/personal horse stabling/boarding and commercial horse breeding. That policy states that breeding is a qualifying agricultural use in that horse breeding provides a commodity regularly traded in the market, historically has supported agricultural operations, and is regulated by the Department of Food and Agriculture among other things identified in the policy.

Commercial or non-commercial stabling/boarding, on the other hand, is explicitly excluded from the scope of agricultural uses as are similar facilities (e.g., riding facilities, equestrian centers) outlined in the DOC policy. While such facilities do not by themselves provide a basis for a contract, they may be allowed as a use that is compatible with agricultural activities.

Inclusion of horse breeding as a qualifying agricultural use is at the discretion of the local jurisdiction, as well as the establishment of a baseline for operations that qualifies. Staff recommends the inclusion of horse breeding as a qualifying agricultural use and has identified an annual minimum of 15 brood mares as a requirement for a commercial operation, similar to Williamson Act Regulations adopted by the County of Sonoma.

2. *Provide maps identifying private and public contracted and non-renewed lands.*

The Department has prepared three maps for the Board's review: (1) all contracted and non-renewed lands in the County, (2) privately owned, contracted and non-renewed lands, and (3) Midpeninsula Regional Open Space District and Peninsula Open Space Trust owned, contracted and non-renewed lands. These maps can be found online at: <http://goo.gl/cgsZxm>.

3. *Consider revising the Program's Determination of Compatibility Exceptions for maximum residence size additions and clarify grazing and income requirements.*

#### *Determination of Compatibility*

Uses allowed on contracted lands are either "agricultural" or "compatible." Agricultural uses include the commercial production of agricultural commodities, commercial grazing operation, commercial horse breeding or timber harvest. Compatible uses are other uses allowed by the underlying zoning district and require a Determination of Compatibility (Uniform Rule A.5.b. (2)) to ensure the compatible uses do not significantly reduce the amount of land being used for agricultural purposes or interfere with existing agricultural activities. Exceptions to the Determination of Compatibility requirement for development that is minor in nature and not likely to interfere with agricultural uses are provided for in the draft Program.

Revised language was requested eliminating the square footage restriction to exemptions for additions to existing single-family residences. Staff has revised the language from:

*Existing single-family residences: repairs, alterations, and additions of 500 square feet or less, or where no footprint expansion is proposed.*

To:

*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.*

#### *Grazing*

Language relating to income requirements for commercial grazing operations has been removed from Uniform Rule 2.A.7, Land Utilization for Grazing. Further, language providing that "No minimum income is required for commercial grazing operations" has been added.

4. *Coordinate with the County Assessor's Office to provide landowners a document estimating property taxes for future contract non-renewals.*

The Assessor's Office has prepared a draft document (attached) that illustrates property tax calculation resulting from non-renewal recordation.

#### Next Steps

Following adoption of the draft Program, the Department will conduct a compliance review of the remaining Williamson Act contracts, including the 11 non-renewal appeals, by utilizing the latest available Assessor's survey data, the Department data or a combination of this information. Landowners whose commercial operations do not meet the strict draft Program language have the opportunity to apply for exceptions, where provided. Exceptions will be reviewed by the Agricultural Commissioner and the Agricultural Advisory Committee for a determination that the land is highly productive and that maintaining the land in agricultural production has a significant public benefit. Non-compliant contracts, or those that do not qualify for exceptions, will be submitted to the Board for non-renewal consideration at a public hearing. Long-term implementation will utilize the same survey data source and will include a compliance review of 20% of contracts on an annual basis.

County Counsel has reviewed and approved the Resolution and the updated draft Program as to form.

Adoption and implementation of an updated Williamson Act draft Program contributes to the 2025 Shared Vision outcome of a Livable Community by ensuring that the use and development of land encumbered by Land Conservation Contracts are compliant with County and State requirements.

#### **FISCAL IMPACT:**

The cost of County participation in the Williamson Act program includes the allocation of limited staff resources for administering and updating the program, and a reduction in the amount of property taxes received from contracted lands. The estimated cost of staff time spent on the program exceeds \$140,000 since the State's audit of the County's program in 2007. The County, upon application to the State, may be eligible to receive subvention payments to offset the loss of tax revenues administering parcels under contract, if subvention funds are contained in the State budget and made available to participating local governments by the Department of Conservation, which has varied from year to year. The County has not received any subvention payments since 2006 (last payment received totaled \$57,909). The proposed update to the County's rules and procedures, along with the improvements that have been made to the way in which the County tracks and maintains relevant data, will make the County eligible for subvention payments if such funds are made available.

#### **ATTACHMENTS:**

- A. San Mateo County Williamson Act All Contracted Lands Map
- B. San Mateo County Williamson Act Privately Owned Lands Map

- C. San Mateo County Williamson Act Midpeninsula Regional Open Space District and Peninsula Open Space Trust Lands Map
- D. Assessor's Office Draft Guide to Estimating Property Taxes under a Williamson Act Non-Renewal
- E. San Mateo County Land Conservation (Williamson) Act Uniform Rules and Procedures