



**COUNTY OF PLACER**  
Community Development Resource Agency

Second Reading

**PLANNING**

John Marin, Agency Director

Michael J. Johnson, AICP  
Planning Director

Ord Intro  
Reso 2008-236

**TO:** Honorable Board of Supervisors  
**FROM:** Michael J. Johnson, Planning Director  
**DATE:** August 5, 2008

**SUBJECT: REQUEST TO APPROVE A RESOLUTION TO ADOPT UPDATED ADMINISTRATIVE RULES FOR WILLIAMSON ACT LANDS IN PLACER COUNTY AND TO APPROVE AN ORDINANCE TO AMEND SECTION 16.04.060 OF THE PLACER COUNTY CODE (SUBDIVISIONS)**

**ACTION REQUESTED:**

The Board of Supervisors is being asked to approve a resolution to adopt updated Administrative Rules for Williamson Act Lands in Placer County in order to bring the County's requirements into compliance with the State's standards. The proposed updated Administrative Rules have also been expanded to include comprehensive descriptions of the County's administrative procedures to ensure consistent program administration.

The Board of Supervisors is also being asked to approve an ordinance to amend Section 16.04.060 of the Placer County Code (Subdivisions - Agricultural property) to reflect proposed changes to the Administrative Rules that would bring the Rules and Chapter 16 current with the requirements of the Section 66474.4 of the Subdivision Map Act.

**BACKGROUND:**

The California Land Conservation Act, more commonly known as the Williamson Act, was approved by the State Legislature in 1965. The Act provides property tax relief to property owners of qualified agricultural and open-space properties who agree to voluntarily restrict the use of their property to agricultural and open space land uses for the duration of the contractual agreement. Property tax assessments for participating properties are recalculated based upon the agricultural or open-space use of the land, which helps to protect the producers of agricultural commodities and land owners of certain biologically and scenically valuable lands from the economic pressures of increased property values and increased tax assessments that occur as a result of development of nearby or surrounding properties.

Contracts are approved for a minimum initial term of 10 years or 20 years depending upon contract type, and maintain an unexpired term of 10 years or 20 years, respectively, until

the contract is canceled through the filing of a Notice of Non-renewal. Non-renewal results in a 9-year or 19-year contract termination period wherein the property taxes are gradually adjusted to reflect the unrestricted free-market value of the property upon contract termination. Placer County has participated in the Williamson Act Program since 1967, and has authorized over 500 contracts to date.

Please note that in this report, the terms Williamson Act Contract, contract, land conservation contract, and land conservation agreement are synonymous and may be used interchangeably depending upon the specific context of the discussion or due to the specific language contained within a section of the County Administrative Rules, Chapter 16 of the County Code, the Williamson Act legislation, or the Subdivision Map Act.

#### Purpose of Update

Each City or County that elects to participate in the Williamson Act Program is required to adopt Administrative Rules specifying local governance procedures for establishing Agricultural Preserves, for the approval, amendment and termination of individual contracts, and for the day to day administration of the Program. An update of the Administrative Rules was approved by the Board in 1997, which incorporated those changes in the State Law and provided clarification of the County's administrative processes for management of Williamson Act properties. Staff has determined that significant changes have occurred in State law since 1997, and recommends that the Board approve the proposed amendments to the Administrative Rules in order to incorporate those changes, and to clarify existing administrative procedures to ensure consistent program management.

#### **ANALYSIS OF SIGNIFICANT AMENDMENTS TO ADMINISTRATIVE RULES:**

Clarifying language has been added to the Administrative Rules to ensure consistent administration of the program. Much of the added language has been taken directly from the Williamson Act legislation to ensure consistent application of technical requirements of the Act. The following is a discussion of the significant proposed changes to the Administrative Rules, which would bring the County's administrative procedures current with State law. A comprehensive listing of all proposed changes, including an explanation of each change, is included as Exhibit 2 to this report.

#### Farmland Security Zones

The Williamson Act was amended in 1998 to authorize Boards or Councils of participating jurisdictions to establish Farmland Security Zones (Govt. Code Section 51296-51297.4) for qualified agricultural and open-space lands. Farmland Security Zones may be approved through rescission of an existing Williamson Act Contract in favor of approval of a Farmland Security Zone contract within an existing Agricultural Preserve. Alternatively, a Farmland Security Zone may be approved through the approval of a new Agricultural Preserve and Farmland Security Zone contract. Farmland Security Zone contracts include an initial contract term of 20 years and benefit a participating property owner by providing a further reduction in assessed land value equal to 65 percent of the Williamson Act valuation, or 65 percent of the Proposition 13 valuation, whichever is less. To date, the Board has approved eight Farmland Security Zone Contracts.

Because the Farmland Security Zone legislation was passed in 1998, application review and processing requirements are not included in the 1997 version of the Administrative Rules. Therefore, application processing and contract approval of Farmland Security Zone contracts has been accomplished through reliance on State law.

Staff proposes to add Section 6.90 et. seq. (Farmland Security Zones) to the Administrative Rules. This Section of the Administrative Rules, which is compliant with Sections 51296 through 51297.4 of the Williamson Act legislation, will direct staff in the review and processing of proposed Farmland Security Zone contracts.

#### Chapter 16 of the Placer County Code and the Subdivision Map Act

Under the current version of the Administrative Rules, a landowner may not file applications for development of a property subject to a land conservation agreement until no more than one-year remains until the termination of the contract resulting from filing a Notice of Non-renewal. Additionally, land subject to the provisions of a land conservation agreement may not be divided for any purpose unless a new land conservation agreement is approved for each resulting parcel in accordance with the requirements of the Placer County Administrative Rules for Williamson Act Lands and Section 16.04.060 of the Placer County Code (Subdivisions - Agricultural properties), which requires approval of a new contract with an unexpired 10 year or 20 year term (depending on contract type) for each resulting parcel, regardless of the non-renewal status of the property(ies) for which subdivision is proposed.

Section 66474.4 of the Subdivision Map Act requires that land proposed for subdivision that is subject to the provisions of a land conservation agreement must meet the minimum requirements for approval of a land conservation agreement contract, including approval of a new contract with an unexpired 10 year or 20 year term depending upon contract type. However, land for which a Notice of Non-renewal has been served may not be subject to these requirements when no more than three years remains until the termination of the contract.

Staff proposes to amend Section 6.56 of the County's Administrative Rules (Limitations on Development Proposals of Lands in Preserve) and Section 16.04.060 of the Placer County Code (Subdivisions - Agricultural properties) to reflect the requirements of Section 66474.4 of the Subdivision Map Act. Section 6.56 of the County's Administrative Rules would be amended to permit property owners of land(s) subject to a land conservation agreement contract to file applications for the development of contracted property when no more than three years remains until contract termination following recordation of a Notice of Non-renewal. Section 16.04.060 of the Placer County Code is proposed to be amended as follows:

#### **16.04.060 Agricultural property.**

Land subject to the provisions of a land conservation agreement may not be divided for any purpose unless a new land conservation agreement providing for such divisions is approved for each resulting parcel in accordance with the ~~rules and regulations relating to agricultural agreements~~ Administrative Rules for

Williamson Act Lands in Placer County, except when notice of nonrenewal of the contract has been served, as provided in Section 51245 of the Act, and as a result of that notice, there are no more than three years remaining until the expiration of the contract.

Approval of the proposed amendments would bring the County's Administrative Rules and Chapter 16 of the County Code (Subdivisions) current with State law.

#### Approval of New Contracts Required When Subdivision of Land Occurs

Whenever land under contract is proposed to be subdivided, a new contract would be required to be approved for each newly created parcel (unless the contract is within the three year termination window previously described, in which case no new contract(s) would be required). Each newly proposed parcel would be required to independently qualify for approval of a Williamson Act contract, which would be executed concurrent with Tentative Map approval and recorded following recordation of the Final Map.

One parcel could be described as the original parcel, and would be allowed to retain the previous contract and any relevant Notice of Nonrenewal. All newly created parcels would receive new contracts with minimum 10 year or 20 year contract terms depending upon contract type, and would lose any relevant nonrenewal status. This process is the same as the current County process with the exception that the Rules would be changed to permit for the description of an original contract that could retain any relevant nonrenewal status.

#### Proposed Changes to the County's Administrative Rules for Williamson Act Lands

The following is a bulleted list of all proposed changes included for the Board's consideration. A comprehensive listing of all proposed changes is shown in Exhibit 2 (Comparative Listing of Proposed Changes to Administrative Rules)

#### **Proposed Changes to the County's Exercise of Discretion**

- The program would change its name from "Agricultural and Open Space Preserves" to "Williamson Act Lands".
- Contract terminology would be amended from "Land Conservation Contracts" to "Williamson Act Contracts" and "Open Space Williamson Act Contracts" in order to distinguish between the contract types, as is current practice.
- More oversight and responsibility would be given to the Agricultural Commissioner, and fewer duties would be assigned to the Assessor's Office to ensure more adequate program oversight by the Agricultural Commissioner. The Planning Department would remain as the main administrative authority for the program.
- An annual deadline of September 1 would be established for filing applications for the establishment or alteration of Agricultural Preserves and the execution of Williamson Act contracts to ensure that staff is given adequate time to prepare reports for the Agricultural Commission and the Board of Supervisors, and to ensure that an applicant receives a written determination on the proposal prior to the January 1 contract lien date.

- Inclusion of policy language, which states that if the County determines that a contracted property is no longer in active agricultural production, the landowner may make application to enter into an Open Space Williamson Act Contract or other state or county conservation program where such lands would qualify for an open space contract.
- A landowner who determines to file a Notice of Rescission of Non-renewal for a portion of an Agricultural Preserve and contract in non-renewal would be required to file application with the County for approval of an Amended Agricultural Preserve and execution of a new contract if the Agricultural Commissioner determines that the partial rescission of the non-renewal would result in a contract that may be too small to sustain its agricultural use. The basis for any approval would be determined from an evaluation of the land proposed to be included in the amended boundaries of the Agricultural Preserve and the proposed agricultural or open space use(s).
- Staff, in consultation with the Agricultural Commissioner, has determined not to change the \$4,500.00 minimum income requirement used as part of the basis for determining minimum eligibility for contract approval of contracts qualifying on the basis of an agricultural use.

**Proposed Changes to Make County Administrative Practices Consistent with State Law**

- The Administrative Rules would acknowledge that conservation easements can be placed on Williamson Act lands so long as it is determined that the easement would not conflict with the maintenance of the property for production of agricultural commodities and/or conflict with other requirements of the contract or the Act.
- Administrative procedures for the review and approval of Farmland Security Zones (FSZ) would be added to the Administrative Rules. The County has approved eight Farmland Security Zone Contracts since enactment of FSZ legislation in 1998. The review and approval process for these contracts has relied on state law. The review and approval process would be included in the Administrative Rules to ensure consistent application of a standardized review process.
- A requirement would be added that the Board make findings of unique characteristics of the agricultural enterprise when creating preserves less than 100 acres in size, in accordance with the requirements of Section 51230 of the Act.
- A provision would be added relating to the relaxation of rules for the construction of agricultural labor housing.
- A new provision has been added relating to minor boundary line adjustments.
- New notice requirements have been added for the state and others.
- The minimum acreage to enter into a contract would remain at 10 acres for prime agricultural lands and uses and 40 acres for nonprime agricultural land, as defined by the Act. The 20-acre minimum acreage for "intensively farmed" non-prime agricultural land would be deleted because no such land use category is provided for in the Act.

**AGRICULTURAL COMMISSION HEARING ON PROPOSED CHANGES:**

Staff presented the proposed amendments to the Administrative Rules and the proposed amendments to Section 16.04.060 of the Subdivision Ordinance to the Agricultural Commission at its June 9, 2008 meeting. The Commission had no concerns with the proposed amendments, and no public testimony was received on the matter. After a brief discussion regarding the proposed amendments and several questions to staff, the Commission unanimously approved a motion (7 to 0, with Commissioner Brenner and Commissioner Ferrari absent) to recommend that the Board approve the proposed amendments to the Administrative Rules and to approve the proposed amendment to Section 16.04.060 of the Subdivision Ordinance.

**FISCAL IMPACT:**

Approval of the proposed amendments to the Placer County Administrative Rules for Williamson Act Lands and to Chapter 16 of the County Code would not result in fiscal impacts to Placer County.

**CONCLUSION:**

Staff has determined that the proposed amendments to the Placer County Administrative Rules for Williamson Act Lands and the proposed changes to Chapter 16 of the County Code (Subdivisions) are consistent with the requirements of the California Land Conservation Act and the Subdivision Map Act, and that the proposed changes would bring the County's administration of its Williamson Act program current with State law.

**RECOMMENDATION:**

Staff recommends that the Board take the following action:

1. Approve and authorize the Chair to sign the attached resolution to adopt the proposed updated Administrative Rules for Williamson Act Lands.
2. Approve and authorize the Chair to sign the attached ordinance amending Section 16.04.060 of the Placer County Code.
3. Approve the finding in support of the determination that amendment of the Administrative Rules for Williamson Act Lands and amendment of Section 16.04.060 of the Placer County Code is Categorically Exempt from environmental review pursuant to Section 15305, Section 15307, and Section 15308 of the CEQA Guidelines (ERO Sections 18.36.070, 18.36.090, and 18.36.100).

Respectfully submitted,



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Michael J. Johnson, AICP  
Director of Planning

**Before the Board of Supervisors  
County of Placer, State of California**

**In the matter of:  
AN ORDINANCE AMENDING  
SECTION 16.04.060 OF THE  
PLACER COUNTY CODE (SUBDIVISIONS)**

**Ord. No. \_\_\_\_\_  
FIRST READING 8-5-2008**

**The following ordinance was duly passed by the Board of Supervisors  
of the County of Placer at a regular meeting held on August 5, 2008, by the following vote:**

**Ayes:**

**Noes:**

**Absent:**

**Signed and approved by me after its passage.**

**Board of Supervisors**

**Attest:**

\_\_\_\_\_  
**Chair**

\_\_\_\_\_  
**Ann Holman  
Clerk of said Board**

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**THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER HEREBY FINDS  
THE FOLLOWING RECITALS ARE TRUE AND CORRECT:**

1. On June 9, 2008, the Placer County Agricultural Commission held public hearings to consider amendments to Section 16.04.060 of the Placer County Code (Subdivisions), and the Agricultural Commission has made recommendations to the Board related thereto.
2. The Board has considered the recommendations of the Agricultural Commission, reviewed the proposed amendments to Section 16.04.060 of the Placer County Code (Subdivisions), and has received and considered the written and oral comments submitted by the public thereon.
3. Notice of all hearings required by statute and ordinance has been given and all hearings have been held as required by statute and ordinance.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF SUPERVISORS OF THE  
COUNTY OF PLACER:**

**Section 1: Section 16.04.060 of Chapter 16 of the Placer County Code is amended to read as follows:**

**16.04.060 Agricultural property.**

Land subject to the provisions of a land conservation agreement may not be divided for any purpose unless a new land conservation agreement providing for such divisions is approved for each resulting parcel in accordance with the ~~rules and regulations relating to agricultural agreements~~ **Administrative Rules for Williamson Act Lands in Placer County, except when notice of nonrenewal of the contract has been served, as provided in Section 51245 of the Act, and as a result of that notice, there are no more than three years remaining until the expiration of the contract.**

Section 2: This ordinance shall take effect and be in full force and effect thirty (30) days after its passage. The Clerk is directed to publish this ordinance, or a summary thereof, within fifteen (15) days in accordance with Government Code Section 25124.