



COUNTY OF HUMBOLDT

For the meeting of: 1/10/2023

File #: 22-1625

To: The Humboldt County Board of Supervisors

From: Planning and Building Department

Agenda Section: Public Hearing

SUBJECT:

Hansen Family Agricultural Preserve and Zone Reclassification

RECOMMENDATION:

That the Board of Supervisors:

1. Introduce Ordinance No. ____ by title and waive further reading;
2. Open the public hearing, receive and consider the staff report, the Planning Commission's findings and accept public comment;
3. Close the public hearing;
4. Find that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15317 (open space contracts) and 15061(b)(3) and direct Department staff to file a Notice of Exemption;
5. Adopt Ordinance No. ____ amending section 311-7 of the Humboldt County Code by reclassifying property within APN 106-111-002 currently zoned Unclassified to Agriculture Exclusive;
6. Direct the Clerk of the Board to publish a summary of the zoning changes withing 15 days of the date of the hearing (Attachment 2);
7. Adopt Resolution No. ____ forming the Hansen Family Agricultural Preserve (Attachment 3);
8. Adopt Resolution No. ____ making all required findings for approval of the zone reclassification (Attachment 6); and
9. Direct the Chair to execute the Hansen Family Land Conservation Contract (Attachment 4).

SOURCE OF FUNDING:

The applicant has paid the fees associated with filing this project.

DISCUSSION:

An application has been submitted to establish a Class "C" Agricultural Preserve ("Hansen Family Agricultural Preserve") of approximately 115 acres in the Ferndale area pursuant to the California Land Conservation Act, otherwise known as the Williamson Act, and the Guidelines for Establishment of Agricultural Preserves in the County of Humboldt, Res. No. 16-144 ("Humboldt County Williamson

Act Guidelines”). The property is owned by Darren and Karen Hansen and is utilized as an organic dairy farm, to grow hay and to raise beef cattle. One of the requirements to qualify for a Class “C” agriculture preserve contract is all land in the proposed preserve must be zoned Timberland Production (TPZ) or an agricultural zone. The application includes the rezone of approximately twenty-three acres from Unclassified (U) to Agriculture Exclusive (AE) to meet this requirement. All other requirements for entry into a Williamson Act Contract are met as detailed below. On October 6, 2022, the project was heard before the Humboldt County Planning Commission, who unanimously recommended that the Humboldt County Board of Supervisors approve the Hansen Family Farm zone reclassification, and enter into a land conservation contract with Hansen Family Farm.

The Williamson Act is intended to preserve agricultural and open space lands by discouraging the premature and unnecessary conversion to urban uses. When entering an agricultural preserve, the property owner executes a Land Conservation Contract with the County to restrict the uses of the land to agriculture, open space and/or compatible uses. The minimum term for a Land Conservation Contract ten years and is automatically renewed every year, maintaining a constant ten year contract. In exchange for restricting the uses, the land is valued as open space land pursuant to open space valuation laws (Revenue and Taxation Code Sections 421, et seq.).

In order to qualify for a Class “C” Cropland Preserve and contract, the preserve area must contain at least 100 acres of cropland (i.e. tillable soil) and no individual lot or parcel should be less than 20 contiguous acres. The land must be in an agricultural designation and zoned for agricultural use. The parcels must be devoted to agricultural use and have provided a gross annual income of \$12,000 from agricultural production for three of the last five years. The land within a cropland preserve must consist of either prime land or tillable non-prime land of statewide or local significance, or both. While under contract, the zoning and contract would prohibit any parcel divisions (which includes the sale of separate legal parcels).

The property consists of four assessor parcels (106-101-006-000, 106-101-007-000, 106-101-008-000, 106-111-002-000) totaling approximately 115 acres which comprise two legally separate parcels. One parcel measures just over the 20 acre minimum size for a lot or parcel. The rest of the parcels comprise one legal parcel which contains approximately 95 acres. Approximately 92 acres of the proposed preserve are designated and zoned Agriculture Exclusive while the remaining approximately 23 acres are designated Agriculture Grazing and are currently zoned Unclassified. This application proposes to reclassify the 23 acres to Agriculture Exclusive. The property contains a mixture of prime land (~ 70%) and non-prime land. The land is and has been used for a dairy operation that generates an annual income exceeding the minimum gross income requirement of \$12,000 annually for the last three of five years. There are no outstanding violations on the subject property. The county Public Works Land Use Division has recommended approval of the project.

Based on a review of comments from all involved referral agencies, the proposed agricultural preserve meets the required findings. The Williamson Act Committee reviewed the project on June 27, 2022 and recommended approval. The Humboldt County Planning Commission reviewed the project on Oct. 6, 2022 and recommended approval.

REQUIRED FINDINGS:

The California Land Conservation Act of 1965, also known as the Williamson Act, provides the legislative authority and specifies the findings that must be made to establish Agricultural Preserves. The Williamson Act may be found commencing with Section 51200 of the Government Code. Generally, the following findings must be made to establish Agricultural Preserves.

1. That the proposed preserve is consistent with the County’s General Plan (Section 51234 Government Code); and
2. That the land to be included in the agricultural preserve contract is, and will continue to be, used for the purpose of producing agricultural commodities for commercial purposes, and uses compatible with agriculture.

Additionally, to be eligible for the establishment of an Agricultural Preserve, the agricultural property must meet the criteria for one of the four “classes” (A, B, C or D) of Agricultural Preserve Contracts. A summary of the criteria for a Class “C” Preserve is listed below:

CLASS C PRESERVE:

1. The preserve area shall contain not less than 100 acres of cropland, and no individual lot or parcel of land shall be less than 20 contiguous acres. The Planning Commission and the Board of Supervisors must find that:
 - a. The land is shown in an “agricultural” designation on the Humboldt County General Plan and is zoned for agricultural use.
 - b. The proposed zoning contract would prohibit any parcel divisions.
2. An ordinance placing all land not zoned TPZ (Timberland Production Zone) within the cropland preserve in an agricultural zone with minimum parcel sizes as determined by the Planning Commission and Board of Supervisors must be adopted either prior to formation of the preserve or prior to the execution of the contract. During the term of the contract, all rights of division are subservient to the enforceable restriction secured by the Land Conservation Contract and Section 8 of Resolution No. 16-144.
3. Land within the cropland preserve shall consist of prime land or tillable non-prime land of statewide or local significance, or a combination of prime or tillable non-prime lands.

ZONE RECLASSIFICATION:

Humboldt County Code §312-50 specifies the findings that must be made to approve a Zone Reclassification. The relevant required findings are as follows:

1. The proposed change is in the public interest;
2. The proposed change is consistent with the General Plan;

3. The amendment does not reduce the residential density for any parcel below that utilized by the Department of Housing and Community Development in determining compliance with housing element law.

Other than the zoning designation which is proposed to be changed, the subject property is meets all other requirements for a Class “B” Grazing Land Preserve. The parcels have an underlying land use designation of Agricultural Exclusive and Agriculture Grazing. The property contains a mixture of prime land (~ 70%) and non-prime land. The land is and has been used for a dairy operation that generates an annual income exceeding the minimum gross income requirement of \$12,000 annually for the last three of five years. The Preserve will meet the minimum requirement of 100 acres, with no individual lot of less than 20 acres.

The required findings for approving the zone reclassification can be made. The zone reclassification is necessary, due to program requirements, to establish the proposed lands as an agricultural preserve. Establishing such preserves is in the public best interest to protect spaces for agricultural and open space uses. The primary purpose of the Williamson Act of 1965 was to preserve agricultural and open space lands by discouraging the premature and unnecessary conversion to urban areas. The guidelines for a Class C agricultural preserve stipulate that the land must be zoned for agricultural use. The parcel containing a small portion zoned Unclassified (APN 106-111-002) is about 36.5 acres total. Changing the approximately 22.7 acres zoned “U” to “AE” allows this parcel to be included in the preserve. The new, more restrictive, zoning district; specified minimum parcel size; and proposed Land Contract would all prohibit future parcel division and discourage conversion away from agricultural uses of the land. Conservation of agricultural lands and open spaces is in the public interest.

The Humboldt County General Plan has numerous goals and policies related to protecting and preserving its agricultural assets and economy. Chapter 4.5 of the Humboldt County General Plan “Agricultural Resources” recognizes the significance of agriculture in Humboldt County. The two goals listed under 4.5.3 include “Agricultural Production - economically viable agricultural operations contributing to the growth and stability of the economy and a strong market demand for agricultural lands dedicated to agricultural production” and also “Preservation of Agricultural Lands - agricultural land preserved to the maximum extent possible for continued agricultural use in parcel sizes that support economically feasible agricultural operations.” The land proposed for this preserve is designated in the General Plan as Agriculture Grazing and Agriculture Exclusive in the Eel River area Plan (ERAP). The portion of the parcel proposed for a zone reclassification (~23 acres) is currently zoned Unclassified (“U”). The rest of the parcel, and proposed preserve land is zoned AE. Reclassifying from Unclassified to the more restrictive Agriculture Exclusive helps ensure the land is used for agricultural purposes and not prematurely subdivided for competing urban land uses. Entering into Land Conservation Contracts such as when creating an agricultural preserve also helps ensure the land is protected for agricultural uses. Several additional policies in Chapter 4.5 of the Humboldt County General Plan prioritize the conservation of agricultural lands and soils (AG-P5, AG-P6, AG-P16). Therefore, staff believes the zoning reclassification enabling an agricultural preserve land contract to be entered is consistent with the goals and policies of the General Plan.

FINANCIAL IMPACT:

According to the Humboldt County Assessor's Office, property values for the land included in the proposed establishment of an agricultural preserve is \$1,818,823. This results in an approximate \$18,188 tax liability. Per the California Department of Conservation, the restricted values (i.e. lands under a Williamson Act contract) are estimated to save agricultural landowners from 20-75% in property liability tax each year. The restricted values are affected by income production calculations, base year values, and the State Board of Equalization's annual yield component. The county would therefore be responsible for the loss of revenue from the differences in the taxes collected in light of the loss of state subventions.

Expenses associated with the monitoring of compliance with this program will be covered through the General Fund (Williamson Act Enforcement program), allocated in the Current Planning Division's Fiscal Year 2022-2023 budget.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework through its core roles to enforce laws and regulations to protect residents and encourage conservation of agricultural land.

OTHER AGENCY INVOLVEMENT:

The project was circulated to various State and local agencies for comments and recommendations. Both the Williamson Act Committee and the Planning Commission recommend approval.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to enter into a contract with the Property owners seeking to enroll land into the Williamson Act Program. However, the County's Guidelines support the creation of an Agricultural Preserve, and including the working agricultural lands in the program would further the agricultural goals of the General Plan. Therefore, staff does not recommend further consideration of this alternative.

ATTACHMENTS:

NOTE: The attachments supporting this report have been provided to the Board of Supervisors; copies are available for review in the Clerk of the Board's Office.

1. Ordinance No. ___, Exhibit A (legal description), Exhibit B (map)
2. Summary of Ordinance, map to be published (Exhibit A)
3. Resolution No. ___ establishing Class B Preserve, Exhibit A (legal description), Exhibit B (map)
4. Hansen Family Land Conservation Contract
5. Planning Commission Staff Report and Resolution.
6. Resolution No. ___. Certifying compliance with CEQA and making the required findings for approval.

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: N/A

File #: 22-1625

File No.: N/A

Applicant

Darren and Karen Hansen Dairy
Karen Hansen
530 Harbers Lane
Ferndale, CA 95536

Owner

Darren Hansen and Karen Hansen, Nathan G. Hansen, Danielle M. Hansen, and Darren R. Hansen and
Karen M. Hansen
530 Harbers Lane
Ferndale, CA 95536

Agent

N/A

Please contact Michael Holtermann, Planner, at mholtermann@co.humboldt.ca.us or 707-268-3737 if you have any questions about the scheduled item.