County of Yolo

Office of the County Counsel

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NOTICE TO INTERESTED PARTIES

and

REQUEST FOR COMMENTS

The County of Yolo invites your comments on the attached report entitled "County of Yolo Agricultural Mitigation Program: Policy Options for Increased Mitigation Ratios."

Introduction to the Report

Like many jurisdictions, Yolo County has long required mitigation for farmland conversions at a 1:1 ratio (one acre permanently conserved for every acre converted to urban development or other non-agricultural uses). From time to time, however, community members and others have expressed interest in increasing the mitigation ratio. The Yolo County Board of Supervisors addressed this interest in the 2030 General Plan through an implementation action that supports "conducting a study to determine whether a higher mitigation ratio for loss of agricultural land is warranted." (Action AG-A31.)

The Public Review Draft of the report includes the study called for by Action AG-31. In addition to discussing the policy and legal background of agricultural mitigation in general, the report offers a detailed review of various strategies for implementing a mitigation ratio higher than 1:1. Altogether, it includes six policy options for increasing the mitigation ratio—many of which can be combined to work in a coordinated manner. It also includes an analysis of related issues, such as ease of implementation and economic feasibility.

Public Comments

The County seeks public comments regarding the content of the report, including the policy options. In particular, the County encourages comments on the following topics (page references to the report are included in parentheses below):

- The relative strengths and weaknesses of the policy options, including recommendations for selecting a preferred option or combination of options (pp. 27-38);
- Strategies for promoting agricultural economic development as a component of an agricultural mitigation strategy (p. 13), including strategies that build on the 2014 "Yolo County Agricultural Economic Development Fund" (available on the County's web site at http://www.yolocounty.org/home/showdocument?id=26874);
- Potential synergies between agricultural mitigation and greenhouse gas reduction policies, the local food movement, smart growth policies, and related considerations (pp. 44-47);
- Legal concerns with the policy options in the report or, more generally, with the concept of a mitigation ratio exceeding 1:1 (pp. 7-10); and

- Concerns with the economic effect of a higher than 1:1 ratio on development feasibility and/or farmland values (pp. 38-44).

The County encourages comments on other topics as well. Staff will review all comments and provide them to the Planning Commission and Board of Supervisors.

Comments may be provided electronically or in writing to the Office of the County Counsel, as follows:

Via e-mail to: philip.pogledich@yolocounty.org

Via regular mail to: Phil Pogledich
County Counsel
County of Yolo
625 Court Street, Room 201
Woodland, CA 95695

To ensure full consideration by various County departments, the Planning Commission, and Board of Supervisors, comments should be submitted by **February 2, 2015.**

Public Review Process

Staff expect to provide an introduction to the report to the Planning Commission at its January 15, 2015 meeting. Staff will return to the Planning Commission for comments and recommendations on February 12, 2015. The Planning Commission's recommendations and related public input—including all written comments received—will be presented to the Board of Supervisors on February 24, 2015 for consideration. There will be opportunities to address the Planning Commission and Board of Supervisors at each of these meetings.

These dates are tentative and are subject to change.

COUNTY OF YOLO

AGRICULTURAL MITIGATION PROGRAM

POLICY OPTIONS FOR INCREASED MITIGATION RATIOS

PUBLIC REVIEW DRAFT REPORT

Prepared by

HAUSRATH ECONOMICS GROUP
with

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December 19, 2014

Table of Contents

Yolo County Agricultural Mitigation Program—Policy Options for Increased Mitigation Ratios

I. Introduction and context for the study

The goal of this report—*Agricultural Mitigation Program Policy Options for Increased Mitigation Ratios*—is to fully and systematically consider a range of approaches to increasing the County's agricultural mitigation ratio, currently at 1:1 (one acre preserved for each acre converted). The policy objective of increasing the mitigation ration is to implement an agricultural land preservation strategy that enhances the County's ability to permanently protect farmland from urban development.

When the current ordinance was adopted in 2008, there was some political and stakeholder support for a higher mitigation ratio. The County commissioned a study to determine whether there was an economic rationale for higher agricultural land conversion mitigation requirements. The study evaluated trends in the agricultural sector and the characteristics of the infrastructure serving that sector. It concluded that, because of the regional nature of these markets and relationships, it was not possible to quantify a minimum threshold of acreage for a viable agricultural sector in Yolo County to justify a mitigation ratio higher than 1:1.[1] The lack of analytical support foreclosed further consideration of an increased mitigation ratio at that time.

Since 2008, the County has reaffirmed, in the *2030 Countywide General Plan* (adopted 2009), the 50-plus year focus of unincorporated area land use policy on protecting agricultural and open space resources, preserving rural character, and managing urban growth. The question of increasing mitigation ratios for agricultural land conversion remained on the table; the *General Plan* contains an implementing action that suggests "conducting a study to determine whether a higher mitigation ratio for loss of agricultural land is warranted." (Action AG-A31.) In 2011, the County adopted a landmark *Climate Action Plan* establishing the mutual benefits of limiting the conversion of agricultural land to urban use and increasing urban development density to achieve greenhouse gas emissions reduction goals. Against this backdrop, the current report is designed to fully explore policy options that might support a higher mitigation ratio.

II. Approach

This study takes a comprehensive approach to evaluating options for agricultural land mitigation ratios. Consultants have worked with County staff to:

- ♦ review state policy on agricultural resources, environmental impact analysis, and mitigation fees, as well as relevant recent court decisions;
- ♦ evaluate parallels in other impact-benefit frameworks, such as mitigation for impacts to biological resources;

[1] Bay Area Economics, *Economic Background Analysis for Agricultural Land Conversion Mitigation Requirements*, February 2008.

- review practices in other jurisdictions in California and nationally;
- focus on agricultural resources in Yolo County and review the history of implementing the existing agricultural conservation easement program; and
- identify and consider alternative approaches to quantifying the relationship between impacts of agricultural land conversion and the benefits of agricultural land preservation.

The effort included an extensive literature review, study of the Yolo County General Plan and General Plan EIR and related documents, review of Yolo County staff reports and Board of Supervisors' public hearings concerning agricultural land mitigation, interviews with stakeholders, and data collection and evaluation.

From these efforts, the report identifies potential options to increase the mitigation ratio for agricultural land conversion. After presenting results of the background research and Yolo County context and current implementation, this report defines each of the options and provides analysis of the magnitude of the potential increases above the baseline mitigation ratio of 1:1. The report concludes with evaluation of the options.

III. Background Research: Lessons from research and literature review

State law provides a strong foundation for agricultural land preservation and mitigation of farmland conversion impacts. Interpreting the policies and guidelines appearing in state law and related authorities, courts have supported agricultural conservation easements that preserve substitute resources as a valid mitigation measure under both the police power and the California Environmental Quality Act (CEQA). Courts have found that, where there is a foundation in supporting general plan policy and where the agriculture sector is a viable industry, the additional protection offered by conservation easements on comparable land bears a reasonable relationship to the impacts of agricultural land conversion. Courts have upheld mitigation ratios of 1:1 as valid CEQA mitigation because they substantially lessen the impact of agricultural land conversion. At the same time, some courts have noted that this level of mitigation falls short of fully offsetting the loss while acknowledging that the permanent loss of farmland can never be fully offset. Mitigation ratios greater than 1:1 have been explored by some state agencies, courts, and legislative policy initiatives, and a few jurisdictions have adopted ratios exceeding 1:1. The following sections discuss these findings in more detail.

A. The California legislature found that agricultural land conservation was fundamental to the state's economy and public interest in the *California Land Conservation Act of 1965* (Williamson Act, Government Code Sections 51200 et seq.)

The Williamson Act forcefully establishes the relationship between the physical, social, aesthetic, and economic benefits of agricultural land preservation (economic base, adequate and healthful food supply, open space values) and the negative impacts of agricultural land

conversion (threats to these benefits in addition to the public service cost implications of a sprawling development pattern).

> [T]he preservation of a maximum amount of the limited supply of agricultural land is necessary to the conservation of the state's economic resources, and is necessary not only to the maintenance of the agricultural economy of the state, but also for the assurance of adequate, healthful and nutritious food for future residents of this state and nation.
>
> The discouragement of premature and unnecessary conversion of agricultural land to urban uses is a matter of public interest and will be of benefit to urban dwellers themselves in that it will discourage discontiguous urban development patterns which unnecessarily increase the costs of community services to community residents.
>
> In a rapidly urbanizing society agricultural lands have a definite public value as open space, and the preservation in agricultural production of such lands…constitutes an important physical, social, esthetic and economic asset to existing or pending urban or metropolitan developments. (Government Code Section 51220)

B. California Environmental Quality Act requires mitigation for impacts to agricultural resources

The California Environmental Quality Act (CEQA, Public Resources Code Sections 21000 et seq.), enacted in 1970, requires disclosure, evaluation, and mitigation of environmental impacts of discretionary projects subject to approval by state and local agencies. CEQA Guidelines Appendix G establishes that a project may have a significant impact on agricultural resources if it converts Farmland (as defined) to non-agricultural use, or conflicts with agricultural use zoning or Williamson Act contracts. The CEQA Guidelines were amended in 1993 to "ensure that significant effects on the environment of agricultural land conversions are quantitatively and consistently considered" (Public Resources Code Section 21095). The California Agricultural Land Evaluation and Site Assessment (LESA) Model (discussed in more detail later in this report) was the optional tool devised to introduce more quantitative rigor to evaluating the impacts of agricultural land conversion.

Mitigation includes avoiding, minimizing, rectifying (restoring), reducing or eliminating negative impact over time, and compensating by replacing or providing substitute resources (*Guidelines* 15370). In addition, under CEQA, mitigation must be feasible—"capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological features." (Public Resources Code Section 21061.1.) In some cases, courts have found mitigation for agricultural land conversion impacts infeasible because the agricultural sector is no long viable in the surrounding area: agricultural land use is not supported in the local general plan; there is no longer a critical mass of productive farmland or agricultural support services and infrastructure; and/or land values generally reflect urban and suburban development potentials. (See *Defend the Bay v. City of Irvine* (2004) 119

Cal.App. 4th 1261; *Cherry Valley Pass Acres and Neighbors v. City of Beaumont* (2010) 190 Cal.App. 4th 316.) Under such conditions, preservation of substitute resources to mitigate for agricultural land conversion was determined to be economically infeasible.

The CEQA Guidelines allow for discretion and flexibility in devising mitigation measures as agencies balance the various interests at stake in the environmental review process. They do not provide guidance on acceptable mitigation ratios for agricultural land conversion.

C. The California Attorney General's Office cites mitigation risk as support for mitigation ratios greater than 1:1 for offsite mitigation

In *Addressing Climate Change at the Project Level*, the California Attorney General's Office offers offsite preservation of agricultural lands as a potential strategy for mitigating global warming related impacts of public and private development projects. Of interest for this report, the Attorney General's report discusses quantification and mitigation ratios and suggests that local agencies consider ratios for offsite mitigation greater than 1:1 "to reflect any uncertainty about the effectiveness of the mitigation" (California Attorney General's Office, 1/6/2010, pp. 17-18). This statement, however, was directed at the effectiveness of strategies to mitigate for greenhouse gas emissions. It thus does not bear on the more pertinent question (for purposes of this report) of whether a higher ratio is necessary to mitigate the permanent conversion of farmland.

D. Comments on CEQA documents are a lever for increasing farmland mitigation

The California Department of Conservation (DOC) implements the Farmland Mapping and Monitoring Program (FMMP) producing maps and data for analyzing impacts on agricultural resources. The FMMP defines and identifies Prime Farmland, Unique Farmland, and Farmland of Statewide Importance—the categories that trigger significant agricultural land conversion impacts under CEQA. The DOC also monitors Williamson Act enrollment. As the state agency charged with conserving the state's agricultural resources, the DOC comments on Draft Environmental Impact Reports that identify impacts to agricultural resources. Comments typically recommend permanent conservation easements "on land of at least equal quality and size as partial compensation for the direct loss of agricultural land".[2]

[2] In the past, DOC comments on Draft EIRs stated that mitigation ratios should be increased beyond 1:1 if a Williamson Act contract is terminated or if growth inducing or cumulative agricultural impacts are involved. Comments substantiated this approach "because it follows an established rationale similar to that of wildlife habitat mitigation" (Department of Conservation letter to John Speka, Mendocino County, *Mendocino Kunzler Terrace Mine Project Draft Environmental Impact Report SCH# 2008042108*). Staff indicate that, in the absence of studies justifying higher agricultural land conversion mitigation ratios, the comment language is changed and is now more conservative.

E. Legislative initiatives explore the concept of higher ratios for "full mitigation"

One recent bill broached the concept of formalizing, and increasing, agricultural mitigation ratios beyond 1:1. Upon its introduction in 2013, the California Farmland Protection Act (AB 823) proposed consistent minimum statewide standards for farmland mitigation for projects subject to CEQA review. AB 823 was co-sponsored by the California Climate and Agriculture Network (CalCAN), the Community Alliance with Family Farmers, and the American Farmland Trust, and sought to implement one of the policy recommendations suggested in the CalCAN report, *Triple Harvest: Farmland conservation for climate protection, smart growth, and food security in California* (February 2013).

The bill included language reaffirming the interest of the state in preserving the maximum amount of agricultural land and also ties the preservation of agricultural land to limiting the impacts of climate change. Importantly, the original bill set a minimum standard of one-to-one for mitigating the loss of agricultural land and also introduced the concept of "full mitigation" at a ratio of two acres of mitigation per acre of conversion, with the intent to offer additional certainty for developers and streamlining the environmental review process, at least with respect to impacts to agriculture. Subsequently, the bill was amended to eliminate any discussion of ratios for minimum standards or full mitigation. The bill eventually died in committee in 2014.

F. Mitigation for impacts to biological resources suggests interesting parallels

Mitigation ratios are often used by regulatory permitting agencies (U.S. Army Corps of Engineers, Environmental Protection Agency, U.S. Fish and Wildlife Service, National Marine Fisheries Service, California Department of Fish and Wildlife, California Coastal Commission) to determine the appropriate amount of mitigation required to compensate for impacts to biological resources, particularly wetlands and other habitats for endangered and threatened species. Mitigation ratios are not standardized, however, and are negotiated on a project by project basis, subject to certain baseline assumptions. Key considerations are trade-offs in the quantity and quality of the proposed mitigation relative to the quantity and quality of the resource impact. There have been attempts to refine and standardize the process for determining mitigation ratios, but these efforts have been complex and controversial and have not generally been adopted in California. There are some instances in which "official mitigation ratio tables" are developed as a result of negotiations between regulators and permit-seekers. These benchmarks are derived politically, however, balancing the interests of stakeholders.[3]

For example, the guidance provided by the California Coastal Commission for evaluating wetland mitigation projects indicates that many coastal development permits require a mitigation ratio of 4:1 to compensate for wetland acreage and functional capacity loss during the maturation

[3] King, Dennis M., Ph.D. and Elizabeth W. Price, M.S., "Developing Defensible Wetland Mitigation Ratios: A Companion to the 'Five-Step Wetland Mitigation Ratio Calculator," prepared for NOAA, Office of Habitat Conservation, September 30, 2004.

at the mitigation site and higher mitigation ratios are required "to ensure that at least some compensation occurs in the event the mitigation project is only partially successful".[4] The Oregon Department of State Lands – Wetlands Program sets minimum standard ratios for various types of compensatory mitigation.

Oregon Department of State Lands – Wetland Program Minimum Mitigation Ratios

Restoration ratio	1:1	1 acre restored for every 1 acre lost
Creation ratio	1.5:1	1.5 acres created for every 1 acre lost
Enhancement ratio	3:1	3 acres enhanced for every 1 acre lost
Enhancement ratio for cropped wetlands	2:1	2 acres enhanced for every 1 acre lost

Source: Oregon Department of State Lands – Wetland Program *Just the Facts #6,* Revised November 2004

In 2012, the U.S. Army Corps of Engineers South Pacific Division (which includes California) developed a complex checklist method for standardizing and documenting how mitigation ratios were determined. The checklist still involves a mix of objective and subjective determinations. Starting with a baseline ratio of 1:1, compensatory mitigation ratios can be adjusted as follows:

U.S. Army Corps of Engineers Mitigation Ratio Checklist Factors

Baseline ratio: 1:1		
Qualitative impact-mitigation comparison	-2.0	+4.0
Quantitative impact-mitigation comparison	detailed analysis required	
Mitigation site location	0	+1.0
Net loss of aquatic resource surface area	0	+1.0
Type conversion		
conversion from high value to common	+0.25	+4.0
conversion from common to high value	-0.25	-4.0
Risk and uncertainty	+0.10	+0.30
Temporal loss	+1.0	+3.0

Source: U.S. Army Corps of Engineers, South Pacific Division, 12501-SPD Regulatory Program Standard Operating Procedure for Determination of Mitigation Ratios, 11/20/2012

The checklist indicates that the specific numeric adjustments were determined "to produce a reasonable range of final mitigation ratios".[5]

The Sacramento District of the U.S. Army Corps of Engineers describes compensatory mitigation ratios as follows:

[4] California Coastal Commission, *Procedural Guidance for Evaluating Wetland Mitigation Projects in California's Coastal Zone*, *(*September 1995) Section 4.2.3.3. The mitigation ratio, (http://worldcat.org/arcviewer/1/CAX/2007/11/15/0000076399/viewer/file20.html

[5] U.S. Army Corps of Engineers, South Pacific Division, "12501-SPD Regulatory Program Standard Operating Procedure for Determination of Mitigation Ratios" 11/30/2012

> The Corps determines the appropriate compensatory mitigation ratio after reviewing recommendations from the applicant and appropriate resource agencies, and by evaluating and comparing the functions and services of the aquatic resources to be compensated for to the functions and services of the proposed aquatic resources to be compensated with - as well as the likelihood of success of the proposed aquatic resource mitigation.
>
> Often, the replacement acreage is greater than the acreage lost when taking into consideration; a qualitative assessment of functional loss at the impact site versus expected functional gain at the mitigation site, mitigation site location, net loss of aquatic resource surface area, type conversion, risk and uncertainty, and/or temporal loss of habitat.
> (http://www.spk.usace.army.mil/Missions/Regulatory/Mitigation.aspx)

In the case of impacts to habitat supporting biological resources, mitigation ratios greater than 1:1 can be justified for a number of reasons: because the resource value of the land preserved for mitigation is less than the resource value impacted, mitigation through restoration or enhancement involves uncertainty and risk of failure, there are temporal losses of function and value until mitigation sites are fully established, and some types of biological resources cannot be recreated or restored.

Although somewhat analogous, compensatory mitigation for loss of agricultural land is fundamentally different than compensatory mitigation for loss of wildlife habitat. Unlike habitat land, where, for example, wetlands or woodlands can be recreated, restored, or enhanced on other offsite lands, fundamental features of agricultural land are soil type and characteristics that cannot feasibly be recreated offsite. Also, with habitat resources, it is possible to plan for and actively manage a reserve area that mitigates for habitat land conversion not only by permanently protecting existing resource lands from future conversion, but also by creating, restoring, and enhancing resource functions and values. This is not possible with agricultural land of any farmland classification; once that land is converted, the soil is generally no longer available for agriculture, and that type of farmland is permanently removed from the inventory and—with rare exceptions--cannot be recreated, restored, or enhanced elsewhere.

G. Legal considerations: what California court opinions conclude

Until recently, case law on whether preservation of existing agricultural resources constitutes valid compensatory mitigation for agricultural land conversion was unsettled. There have been three important court decisions since 2008 that address mitigation for the impacts of agricultural land conversion. Two of these cases were decided during the course of this policy options study for Yolo County. All of the cases address the validity of agricultural conservation easements as mitigation for the impacts of farmland conversion; all establish that permanent preservation of some amount of offsite agricultural land reduces the impacts of the permanent loss of onsite agricultural resources; and all acknowledge the difficulty of fully offsetting lost resources with

offsite mitigation. The following sections outline these court decisions and their implications for the question of adequate mitigation ratios for agricultural land conversion.

G.1. Stanislaus County Farmland Mitigation Program upheld

In November 2010, the Court of Appeal upheld the Stanislaus County Farmland Mitigation program requiring mitigation of farmland converted by residential development at a 1:1 ratio by means of agricultural conservation easements. The decision in *Building Industry Association of Central California v. County of Stanislaus*, 190 Cal. App. 4th 582 (2010) is one of the more important recent decisions addressing mitigation for loss of farmland.

The Stanislaus County Farmland Mitigation Program was adopted in 2007. The trial court upheld the BIA challenge to the Stanislaus program in January 2008, but the Court of Appeal overturned that decision in November 2010. This is the only published California case that addresses whether a local government's police powers can authorize generally applicable conditions for mitigating impacts of agricultural land conversion by means of agricultural conservation easements on an equivalent amount of farmland.

The Court of Appeal upheld the Stanislaus Farmland Mitigation Program partly because the County's planning documents and policy record established the value of the agricultural land base in Stanislaus County and the Program's relationship to the goal of conserving farmland to protect the County's agricultural economy. In reaching its decision, the Court of Appeal took a deferential approach to reviewing the policy. It emphasized that the policy was presumed valid and, consequently, that the burden was on the plaintiffs to demonstrate the absence of a reasonable relationship. In addressing the County's 1:1 mitigation ratio, the court found that "the requirement of rough proportionality between the mitigation measure and the impact of development is met." (*Id.* at 592.) Furthermore, while acknowledging converted farmland is permanently lost and a 1:1 mitigation ratio does not fully offset this loss, the court concluded: "To meet the reasonable relationship standard it is not necessary to fully offset the loss". (*Id.*) The decision did not address the question of whether or not a higher mitigation ratio could be justified as more fully offsetting the loss

G.2 San Benito County mitigation reduces impacts to less than significant and variable mitigation ratios sensitive to the relative values of the impact and the mitigation are justified

In *Save Panoche Valley v. San Benito County* (2013, 217 Cal.App. 4th 504), the California Court of Appeal found that offsite agricultural conservation easements provide legally sufficient mitigation for long-term (but not permanent) impacts to agricultural resources. (The court also upheld a mitigation measure consisting of dismantling the project, revegetating the site, and restoring soils to their original condition at the end of the project's useful life.) The impacts at issue in *Save Panoche Valley* arose from the proposed construction of a 420-megawatt solar project on 4,885 acres of grazing land. Some of the land was under Williamson Act contracts. The Court of Appeal held the EIR properly concluded that, with this mitigation, impacts would

be insignificant. In so holding, the Court of Appeal explained that effective mitigation under CEQA includes reducing an impact to insignificant levels; fully eliminating (or compensating for) all adverse effects is not required.

Of particular relevance to this report, the decision upheld a mitigation measure that required either a conservation easement on similar quality grazing land at a 1:1 mitigation ratio or, alternatively, a conservation easement on higher quality irrigated cropland at a lower mitigation ratio. According to the Final EIR, the latter option would have the added benefit of conserving "highly valuable agricultural resources that are currently threatened by urban expansion" (*Panoche Valley Solar Farm Project, Final EIR*, September 2010, p. C.3-21). The relative equivalency between grazing land and high value cropland appeared in San Benito County's Williamson Act policies (San Benito County *Code of Ordinances,* Title 19, Chapter 19.01: Agricultural Provisions, Article II: Agricultural Preserves, Section 19.01.021(D)(1)(a)), where the minimum preserve size for orchards, vineyards, and irrigated cropland is 10 acres and the minimum preserve size for grazing land is 160 acres. The EIR used this information to establish an equivalency ratio of 16:1 between grazing land and irrigated cropland (i.e., every acre of irrigated cropland is roughly equivalent to 16 acres of grazing land). The EIR thus authorized mitigation that consisted of preserving of 0.06 acres of irrigated cropland [1 ÷ 16 = 0.0625] for every acre of converted grazing land.

G.3 In Mendocino County, offsite preservation of substitute resources is valid mitigation for agricultural land conversion impacts

On July 25, 2013, another Court of Appeal confirmed that agricultural conservation easements are valid mitigation under CEQA for direct loss of farmland, even though they do not replace onsite resources (*Masonite Corporation v. County of Mendocino,* 208 Cal. App. 4th 230 (2013)). The Court identified "[the] CEQA Guidelines, case law on offsite mitigation for loss of biological resources, case law on agricultural conservation easements, prevailing practice, and the public policy of the state," as authorities that supported the rationale underlying its decision. (*Id.*at 238.)

Among other things, the Court found that permanent off-site preservation at a 1:1 replacement ratio would preserve substitute resources and therefore provide "mitigation" for farmland loss consistent with CEQA Guidelines definition of mitigation. The decision did not go as far as to say impacts would be reduced to a "less than significant" level, instead referencing precedent finding that a 1:1 mitigation ratio would "minimize and substantially lessen" impacts.

The *Masonite* decision did not squarely address whether 1:1 mitigation is sufficient to reduce impacts of agricultural land conversion to a less than significant level.[6] With regard to the question of appropriate mitigation ratios, the court adopted the California Farm Bureau Federation amicus brief arguments for a minimum 1:1 ratio "because it prevents the consumption

[6] However, the *Save Panoche Valley* decision could conceivably be read to imply that a 1:1 mitigation ratio would reduce agricultural land conversion impacts to "insignificant" levels.

of a resource to the point that it no longer exists." Because agricultural land is a finite resource, permanent protection with agricultural conservation easements means that at least half of the agricultural land would be protected when all of the available resource was converted.

The scope of the *Masonite* decision is limited, as it held only that agricultural conservation easements in general should be considered valid CEQA mitigation. It did not address the economic feasibility of implementing a mitigation measure requiring agricultural conservation easements. The court ordered preparation of a Supplemental EIR to, among other things, address the economic feasibility of the mitigation measure.

IV. What other jurisdictions in California are doing

In preparing this report, the authors conducted internet research to identify cities and counties in California that either had or were considering adopting and implementing agricultural land mitigation programs. Relatively few local government agricultural mitigation programs were identified in the general search. Accordingly, additional internet research focused on local governments in counties identified among the top agricultural producers in the state—counties listed by the California Department of Food and Agriculture as top agricultural counties in terms of gross agricultural production value.[7]

Although not exhaustive, this process uncovered approximately 20 counties and cities around the state that either have existing agricultural land mitigation ordinances or programs, have underlying policies to support such programs, or have agricultural land mitigation policies or programs either pending or under consideration. The majority of the identified agricultural mitigation programs or programs under consideration are located in the Central Valley, and interestingly all local governments with identified existing programs are clustered in Yolo, Solano, San Joaquin, Stanislaus, and eastern Contra Costa and Alameda counties. (See **Figure 1** in **Appendix A.) Tables A.1 – A.3** in **Appendix A** itemize pertinent characteristics and references for these policies and programs.

Table 1 shows the 12 California cities or counties identified with currently active agricultural mitigation programs. A city or county was counted as having a program if a program is being actively implemented or if an adopted supporting ordinance exists, regardless of whether the program has yet been used.

[7] California Department of Food and Agriculture, *California Agricultural Statistics Review 2012-2013*, "County Rank by Gross Value of Agricultural Production, 2010-2011," page 20.

Table 1
California Cities or Counties with Existing Agricultural Land Mitigation Programs (partial list)

			Allowed Mitigation Methods			
City or County	**Year Adopted**	**Mitigation Ratio**	**Land Dedication**	**Ag. Conserv. Easements**	**In Lieu Fees**	**Mit. Land Banking**
City of Brentwood	2002;2010	1:1	X	X	X	
City of Davis	1995; 2007	2:1	X	X	X	
City of Gilroy	2004 (est.)	1:1	X	X	X	
City of Hughson	2013	2:1		X	X	X
Cities of Lathrop, Manteca and Tracy	2005	n/a			X	
City of Livermore	2004 (est.)	1:1 +[a]		X		
City of Stockton	2006	1:1		X	X	
San Joaquin County	2006	1:1		X	X	
Stanislaus County	2007	1:1		X	X	X
Yolo County	2008	1:1		X	X	

a. In South Livermore Valley, under some circumstances, the effective ratio may be greater than 1:1 due to "add-on" requirements to mitigate for conversion of specific land uses.

Sources: Based on internet research conducted by Hausrath Economics Group, June - September, 2013.

The research efforts also identified three counties and one city with general plan or other established agricultural mitigation policies that lacked an implementing ordinance. Several additional cities and counties have considered adoption of mitigation programs for a number of years. Finally, three counties are discussing the possibility of adopting and implementing similar policies and programs. **Table 2** shows the cities and counties researched that have agricultural mitigation policies but have not yet adopted ordinances or implemented agricultural mitigation programs. Several other cities and counties are considering agricultural land mitigation programs but are not far enough along in policy considerations to include in Table 2. These local governments include: City of Fresno, City of San Jose, City of Turlock, City of Visalia, Colusa County, Fresno County, Kern County, Kings County, Mendocino County, Monterey County, Tulare County and Ventura County.

Table 2
California Cities or Counties with Existing Agricultural Land Mitigation Policies or Policies Currently Under Consideration (partial list)

			Allowed Mitigation Methods			
City or County	Year Policy Adopted	Proposed Mitigation Ratio	Land Dedication	Ag. Conserv. Easements	In Lieu Fees	Mit. Land Banking/TDRs
City of Morgan Hill	in process	0:5 - 2:1	X	X		
Butte County	2010	TBD	TBD	TBD	TBD	TBD
El Dorado County	2004	1:1	X	X		
Merced County	in process	TBD	TBD	TBD	TBD	TBD
Sacramento County	2011	1:1	TBD	X	TBD	TBD
San Benito County	2013	1:1	TBD	TBD	TBD	TBD
Solano County	2008	1.5:1		X		X
Tehama County	2009	TBD	TBD	TBD	TBD	TBD

Note: Other cities and counties researched but that were not far enough along in policy considerations to include in the table included: City of Fresno, City of San Jose, City of Turlock, City of Visalia, Colusa County, Fresno County, Kern County, Kings County, Mendocino County, Monterey County, Tulare County and Ventura County.

Sources: Based on internet research conducted by Hausrath Economics Group; June - September, 2013.

Almost all of the cities or counties surveyed with adopted programs have associated underlying supportive policies in a relatively recently updated General Plan. However, not all of the cities or counties with General Plan policies providing mitigation of agricultural land conversion have an implementing ordinance in place. While not necessary to program implementation, an implementing ordinance is useful in defining the manner in which general plan mitigation policies will be applied to individual projects.

Although the majority of programs or policies researched involved use of agricultural conservation easements and typically a mitigation ratio of 1:1 (one acre of mitigation land required for every one acre of farmland converted to other land uses), the research demonstrates that agricultural mitigation program requirements are far from uniform statewide. The range of mitigation methods and mitigation ratios considered or used in existing programs or policies is briefly described below.

A. Agricultural land mitigation methods

Agricultural mitigation programs in California usually allow for more than one method of potential mitigation, with the use of agricultural easements being the most common. Many programs allow or encourage the use of land dedication or agricultural conservation easements while others require or provide the option of fee payment. Some existing programs also allow or have policies for consideration of mitigation fees, transfer of development rights, and related land mitigation banking. Some ordinances are relatively simple (e.g. 1:1 ratio, one mitigation method). Others involve relatively complex calculations that take into account agricultural land

quality, distance from proposed development, and additional mitigation land requirements for "buffer" zones or other special uses.

The agricultural preservation program in the City of Brentwood is unique in the range of measures that are considered mitigation. The City allows mitigation by means of easement dedication or payment of an in-lieu fee. The fee revenue is used to acquire farmland (easements or fee title) as well as to fund agricultural preservation and enterprise programs, including place-based marketing, and grants and loans for agri-tourism and agri-business development. The city's Agricultural Enterprise Program is housed in the Economic Development Department. Staff indicate that most fee revenue has been used to acquire conservation easements; the downturn in the real estate market generated numerous willing sellers interested in capturing some equity value from their farmland. Going forward, with the increase in land values, staff anticipate more funding of enterprise programs. [8]

Existing programs or policies differ in that some focus solely on agricultural preservation and others are sensitive to other land use goals. For example, some programs allow for conservation easement "stacking", or the use of the same mitigation land to fulfill habitat conservation land mitigation requirements as well as agricultural land mitigation, whereas others specifically disallow it. Some programs exempt certain land use conversions from mitigation requirements, most often parks and open space, whereas other programs specifically include them. Some programs exempt all non-residential projects.

Of the programs surveyed and shown in Table 1, eight allow or require agricultural conservation easements to meet mitigation requirements. However, most adopting cities or counties do not want to administer or monitor the easements, and the ordinances often identify a local non-profit farmland or other conservation trust to be the receiving and administering agency for agricultural easements.

A number of programs allow or require payment of fees in lieu of land dedication or easements. In some cases the fee option is available only under certain circumstances, such as for required mitigation under a threshold number of acres. Three cities in San Joaquin County—Lathrop, Manteca and Tracy—allow for mitigation fees only, regardless of the size of the conversion project. Lathrop, Manteca and Tracy implemented agricultural land mitigation fees as a direct result of a settlement of a water transfer lawsuit brought by the Sierra Club in 2005. Mitigation fee programs require separate fee calculation and documentation, and fees must be periodically updated to keep up with fluctuating agricultural land or easement costs.

[8] The range of activities funded by the mitigation fee revenue is modeled on a program in Carlsbad, California, implemented through the city's 2006 Local Coastal Program. Under that program, conversion of non-prime agricultural land can be mitigated through preservation of prime agricultural land or payment of a mitigation fee. Fee revenues can be spent on restoration activities, including beach restoration, agricultural land purchase, interpretive centers and beach improvements, and agricultural improvements generally (City of Carlsbad, *Local Coastal Program*, August 14, 2006, most recently amended in 2010 with an update planned in 2015).

A few cities and counties allow for the potential use of agricultural land mitigation banks. The Stanislaus County ordinance allows for the use of mitigation banking with the stipulation that the County cannot be involved in the administration of the process (i.e., the County does not want to serve as the "banker"). The San Joaquin County ordinance addressing agricultural land mitigation calls for the County to establish a committee to explore the possibility of mitigation land banking. Following the Stanislaus County program, the City of Hughson also allows for land mitigation banking in its ordinance.

B. Agricultural land mitigation ratios

Adopted ordinances and/or general plan and other policies vary in terms of agricultural land mitigation ratios required. Most cities and counties with adopted agricultural land mitigation programs require mitigation at a ratio of 1:1. Although some entities initially considered higher or lower ratios, all programs surveyed imposed ratios within the range of 1:1 to 2:1 mitigation acres per acre developed. Among all of the programs surveyed, there is a notable lack of publicly-available technical analysis supporting the chosen mitigation ratios.

The highest mitigation ratios are in the City of Davis (Yolo County) and the City of Hughson (Stanislaus County) with ordinances requiring mitigation ratios up to 2:1. In a few cases a base ratio of 1:1 is stated but additional related requirements, including agricultural "buffer" zones (e.g. Gilroy) or specific add-on mitigations for conversion of land to or from certain uses (e.g. South Livermore Valley Specific Plan area, where extra acres are required per single family dwelling and if active vineyard land is converted) may increase the effective mitigation above the stated ratio.

C. Agricultural mitigation programs reflect local values, development context and other goals

The variety of methods and ratios allowed in the existing programs and policies surveyed reflect the values and emphasis that different communities place on farmland preservation. The underlying community values and goals can be inferred from a variety of factors including required mitigation ratios and the types of land uses exempted, complementary ballot measures passed, and inter-agency consistency and support.

For example, the simplest and shortest ordinance examined is one recently adopted by the City of Hughson, with a mitigation ratio of 2:1 (applicable solely to residential projects). Hughson is an almost exclusively agriculturally-based community of about 6,500 residents, located in Stanislaus County relatively far from larger cities and not currently experiencing significant residential development pressure.

Stanislaus County implemented an agricultural mitigation program in 2007 and an appellate court decision in 2010 upheld the program in 2010 (as discussed above). In 2008, Stanislaus County residents also passed Measure E, requiring voter approval of future conversion of unincorporated area farmland to residential development. Passage of Measure E coincided with a

significant downturn in the housing market. Consequently no development projects have gone to a vote nor has the agriculture mitigation program yet resulted in any dedicated agricultural land or easements.

In September 2012, the Stanislaus County Local Agency Formation Commission (Stanislaus LAFCo) adopted an Agricultural Preservation Policy. Similar to the Yolo County LAFCo policy, this policy supports the County's agricultural preservation policies program by requiring cities applying for sphere of influence (SOI) expansion or annexations to prepare a Plan for Agricultural Preservation (Plan). The Stanislaus LAFCo encourages that the Plan either remove other agricultural lands from the existing SOI to "offset" the proposed loss of agricultural land, or that the applying city adopt a policy or require a condition to mitigate the loss of agricultural land at a ratio of at least 1:1. A consequence of this policy is reducing the likelihood of proposed residential development projects otherwise subject to Measure E to evade required County voter approval by first securing annexation to a city or city SOI.

The City of Davis has a long established agricultural preservation ordinance that was amended in 2007 to increase the mitigation ratio from 1:1 to 2:1. Similar to Hughson, the City of Davis is located in the midst of an area with significant agricultural uses and related businesses. Unlike Hughson, the City of Davis faces fairly intense pressure for development that would convert agricultural land to other uses. The Davis community has been diligent in its efforts to protect remaining agriculturally zoned land within city limits. In addition to the initial Farmland Preservation ordinance and the ordinance amendment, Davis voters approved Measure R in 2010 renewing for another 10 years the provisions of Measure J from 2000 that required voter approval of certain proposals for development or urban land use designation on agricultural land. As a result of these measures, aside from the Cannery Project in 2013 (which did not trigger application of the agricultural preservation ordinance), no land development proposals that would convert undeveloped land have actually been approved by voters and two projects (400-acre Covell Village and 25.8-acre Wildhorse Ranch) were denied (although the latter project would be exempt from the Farmland Preservation requirements because it falls under the small project exemption).[9] The City of Davis Farmland Preservation ordinance, consequently, remains untested because no project subject to the ordinance has received all necessary entitlements for development.

The specifications for the required amount of mitigation land in the Davis ordinance reflect city goals to direct mitigation to areas that are under threat of conversion; it is are among the most complicated of all the programs surveyed. The ordinance requires two acres of mitigation land for every acre of converted agricultural land, and this 2:1 mitigation ratio can be met by the combination of various types of land with mitigation values that vary based on location.

[9] A development project under 40 acres in size is defined as a "small projects" (City of Davis Municipal Code, Section 40A.03.020).

For example, if the proposed development is on the urban fringe adjacent to agricultural land, one-quarter mile width of mitigation land directly adjacent to the proposed development is required around the entire non-urbanized perimeter of the project, although no more than a total of two acres of conserved farm land for every one acre of developed land is required. If the required adjacent mitigation land is not sufficient or available to obtain the 2:1 required mitigation for the total project, other "remainder mitigation" land can be acquired. Providing mitigation land adjacent to and/or within one-quarter mile of city limits yields the highest "credit" towards the 2:1 requirement—each acre so protected counts as two protected acres. This provides substantial incentive for developers to conserve agricultural land near city limits. Other types of land can be provided but are less valued for mitigation, ranging from one-to-one credit for land adjacent to but beyond the 1/4 mile perimeter and land within city-designated priority open space acquisition areas, declining to only 0.2-to one credit for land elsewhere in the Davis planning area. After all credits are taken into account, total mitigation is required at a minimum 2:1 ratio, but, in cases where no two-to-one credits were employed, remainder mitigation provided elsewhere in the Davis planning area (at less than one-to-one credit) would result in final mitigation ratios greater than 2:1.

The Davis ordinance exempts a number of land uses from the adjacent mitigation land requirement, but not other provisions of the ordinance. Exemptions include permanently designated affordable housing, public schools and public parks, and small projects defined as less than 40 acres in size. Mitigation requirements are calculated separately from and are imposed in addition to an agricultural "buffer zone" of 150 feet, required for development directly adjacent to agricultural land. This buffer zone serves a separate purpose, to protect on-going agricultural operations from restrictions due to the proximity of non-agricultural land uses.

Similarly, the City of Livermore's agricultural mitigation program for the South Livermore Valley Specific Plan has a relatively complex calculation for agricultural land mitigation with a base mitigation ratio of 1:1 plus additional add-on requirements of one acre for every residential unit and one acre for any acre of displaced vineyard in production since 1991. The program promotes certain agricultural land uses, primarily vineyards, while exempting other desired land uses from the mitigation requirements, including public schools, public parks, publicly accessible trails, and open space.

Sometimes there is no consensus on underlying community values. Lack of agreement can lead to vigorous debate between different sectors of the community as in the City of Morgan Hill. Located in Silicon Valley on former productive farmland, and now on the edge of significant remaining productive farmland, Morgan Hill faces intense non-agricultural development pressures. After more than 10 years of study and debate, the City is proposing an agricultural lands preservation program that requires mitigation at a 1:1 ratio. Although an Agricultural Priority Area within the City's sphere-of-influence (SOI) is designated as the City's first priority geographic area for conservation, easements may be acquired anywhere in Santa Clara County. The basis for the proposed Agricultural Mitigation Fee is easement acquisition costs for farmland

around Gilroy, considerably less costly than farmland in the Morgan Hill SOI. Interested parties remain concerned about underfunding of the Agricultural Lands Preservation Program. An earlier version of the program proposed mitigation with varying ratios to encourage agricultural preservation near Morgan Hill—low ratios of 0.5:1 for lands within the City's sphere of influence (SOI) to 2:1 required if the mitigation land were elsewhere in Santa Clara County but outside of the City of Morgan Hill's SOI. During the vigorous debate over this policy, a local group concerned about the loss of farmland and other open space, the Committee for Green Foothills, called for higher mitigation ratios based on the recognition of the finite supply of and the need to preserve remaining farmland to the greatest extent possible (e.g., that a 1:1 ratio ultimately results in only 50 percent of farmland being conserved in the hypothetical scenario where all other available (unpreserved) farmland is developed). Response to community comment and LafCo and other commenters' public policy interests resulted in the proposed 1:1 mitigation ratio.

V. Yolo County – Current Policy and Land Use Context

A. Yolo County General Plan Policy Context

The Yolo County General Plan declares that the defining characteristic of Yolo County is its agriculture and open spaces. The focus of the *Land Use Element* is "protecting our agricultural and open space resources, commodities, and identity; resisting urbanization; and directing growth into the existing incorporated cities and towns." (LU-2) Agricultural preservation is central to the General Plan's land use goals and policies:

> Goal LU-2 Agricultural Preservation—Preserve farm land and expand opportunities for related business and infrastructure to ensure a strong local agricultural economy, and
>
> Goal LU-3 Growth Management—Manage growth to preserve and enhance Yolo County's agriculture, environment, rural setting and small town character.

The General Plan also includes an *Agriculture and Economic Development Element* "because agriculture has been the economic and social engine for the County" (AG-17). Goal AG-1—"Preserve and defend agriculture as fundamental to the identity of Yolo County" sets forth 23 policies addressing land conversion, growth boundaries, and encroachment of incompatible land use. The County's agricultural land conversion mitigation policies are established here.

> Policy AG-1.6 Continue to mitigate at a ratio of no less than 1:1 the conversion of farm land and/or the conversion of land designated or zoned for agriculture, to other uses.

The General Plan acknowledges the significance of agricultural land not only for its productive capacity and contributions to the County's economic base, but also because "rural character"—small cities and towns surrounded by open space—is highly valued as a defining quality of life in Yolo County.

B. Yolo County General Plan Land Use Context

The Yolo County 2030 General Plan designates 544,723 acres of land for agricultural use—88 percent of the unincorporated land area (see **Table 3**). Open space is the second largest single non-agricultural land use designation, at 51,969 acres, eight percent of total unincorporated land area (though this includes significant acreage owned by state or federal agencies). Urban development (residential, commercial, industrial, parks and recreation) includes land designated *Specific Plan* and totals 8,939 acres, less than two percent of the unincorporated land area.

Table 3
Yolo County 2030 General Plan: Land Use in the Unincorporated County

Land Use Designation	Acres	Percent of Total
Agriculture	544,723	87.7%
Open Space	51,969	8.4%
Residential	3,088	0.5%
Commercial	651	0.1%
Industrial	1,049	0.2%
Parks and Recreation	866	0.1%
Specific Plan	3,285	0.5%
Other (roadways, railroads, highways)	8,592	1.4%
Public and Quasi-Public	7,001	1.1%
Total	**621,224**	100.0%

Source: Yolo County 2030 Countywide General Plan Environmental Impact Report, LSA Associates, Inc. April 2009, Appendix B Detailed Tables

After accounting for existing developed areas, build-out of the 2030 General Plan would result in about 4,300 acres of conversion of agricultural land to urban (residential, commercial, and industrial) uses in the unincorporated area of the County (see **Table 4**). This is the minimum amount of land conversion that is subject to the requirements of the Agricultural Mitigation Program; the conversion of farmland to alternative energy projects, habitat, and other uses will (at least in some instances) also be subject to the Program. The 4,300 acres slated for conversion to urban development represents conversion of less than one percent of the 532,000 acres of agricultural land identified in the County in 2012 (California Department of Conservation, Farmland Mapping and Monitoring Program, Yolo County, 2012). Most of this land conversion (77 percent) would be in the Specific Plan Areas of Dunnigan (70 percent of the Specific Plan total), Elkhorn, Knights Landing, and Madison.

Table 4
Yolo County 2030 General Plan:
Increment of Urban Development in Unincorporated Yolo County through Build-out

Land Use	Towns	Other Areas[a]	Total Unincorporated Area
Residential	1,885.9	(127.2)	**1,758.7**
Commercial / Industrial	1,211.9	1,304.1	**2,516.0**
	3,097.8	**1,176.9**	**4,274.7**
Specific Plan Overlay (included in rows above)			**3,285.0**

Note: Specific Plan Overlay land use targets show residential, commercial, industrial and other uses in Dunnigan (2,312 acres), Elkhorn (348 acres), Knights Landing (212 acres), and Madison (413 acres).

a. The negative number for residential acres in Other Areas is the result of modifications to residential acreage made by Yolo County Planning and Public Works Department to correct the 1983 database and mapping that was used to estimate acres of residential development potential remaining under the 1983 General Plan.

Source: Yolo County 2030 Countywide General Plan Environmental Impact Report, LSA Associates, Inc. April 2009, Table 111-3, Table III-7, Table III-9, and Table III-11.

The 2030 General Plan establishes growth boundaries for each community area: the outer perimeter of non-agriculturally-designated land. Urban development is prohibited outside of these growth boundaries where all the land is designated for agriculture and some open space.

Altogether, the 2030 General Plan EIR identifies 4,738 acres of agricultural land conversion for urban uses (uses in the table above plus supporting parks, recreation, and public uses). Additional land conversion would occur outside of the urban areas, as indicated in the **Table 5** below. Some of this development would support agriculture in the County: about 4,800 acres for farm dwellings (1,932 units at 2.5 acres footprint) and 854 acres for agricultural industrial and agricultural commercial development (agricultural processing and agricultural-tourism development). Roadways and trails would require 231 acres. Finally, increases in open space and supporting uses to satisfy General Plan level of service standards for regional parks and open space and to provide designated open space in Specific Plan areas for agricultural, habitat, and/or waterway buffers would convert another 4,103 acres.

Table 5
Area of Potential Effect, Yolo County 2030 General Plan EIR (acres)

Urban Uses[a]	4,738
Farm Dwellings[b]	4,830
Ag Commercial/Industrial	854
Open Space	4,103
Roadways	69
Trails	162
Total	**14,756**
Subtotal Agricultural Support (farm dwellings, ag comm'l/ind'l.)	**5,684**
Subtotal All Other	**9,072**

a. Includes 4,274.7 acres of urban residential, commercial, and industrial uses from Table 4 plus parks, recreation, and other public uses.
b. The data on farm dwellings appears on p. 91 of the EIR. A somewhat lower estimate of impacted acreage appears later in the EIR (p. 195). This report does not attempt to reconcile the apparent discrepancy.

Source: Yolo County 2030 Countywide General Plan Environmental Impact Report, LSA Associates, Inc. April 2009, pp. 91-92.

The acres identified for farm dwellings and agricultural commercial and agricultural industrial uses are for agricultural support and enhancement. The Agricultural Resources impact analysis identifies 9,072 acres of urban uses, roadways, trails, and open space conversions that would take land out of agricultural production. The urban, roadway and trail uses would convert 1.6 percent of this agricultural resource; the open space uses would convert 1.3 percent of the resource.

C. Yolo County General Plan Implementation Program

The General Plan Implementation program includes several actions relevant to the agricultural land mitigation program, including:

- Action AG-A1: Amend the Agricultural Mitigation Ordinance to direct agricultural mitigation to areas that promote open space connectivity and are in close proximity to existing growth boundaries for the communities and cities within the County. This amendment is included in the proposed 2013 Zoning Ordinance update, as discussed below.
- Action AG-A3: Verify that easements used for mitigation require the landowner to maintain adequate water rights in perpetuity to support sustainable farm productivity.
- Action AG-A5: Amend the agricultural mitigation ordinance to specify that ancillary uses must be clearly subordinate to the primary agricultural use, particularly with regards to home sites. This amendment is included in the proposed 2013 Zoning Ordinance update.
- Action AG-A31: Consider conducting a study to determine whether a higher mitigation ratio for loss of agricultural land is warranted. This Policy Option report implements Action AG-A31.

D. Mitigation for farmland conversion in Yolo County

The Yolo County Board of Supervisors first adopted an agricultural mitigation ordinance in 2000. After a two-year effort involving staff and consultant time, review and comment by an informal "Agricultural Working Group", and six public hearings, the Board adopted an updated Ordinance No. 1372 establishing the Yolo County Agricultural Conservation Easement Program in May 2008. The purpose of the program is to permanently protect agricultural land in the unincorporated planning area and to implement the agricultural land conservation policies in the General Plan.

Under this program, the County requires mitigation for conversion to urban use of land in the unincorporated area that is used for agricultural production or capable of agricultural production. Mitigation is required for discretionary approvals and for changes to urban zoning.[10] The ordinance establishes a mitigation ratio of 1:1 (as previously noted, this means one acre of agricultural land preserved for each acre of agricultural land rezoned or changed to urban use). Projects that convert five or more acres of agricultural land must satisfy the mitigation requirement by permanently preserving land—generally by dedicating farmland conservation easements—rather than by paying the in lieu fee described below. "Stacking" of habitat and agricultural conservation easements is generally prohibited.

Under a separate ordinance In-Lieu Agricultural Fee Program ordinance (Ordinance No. 1373), also adopted in 2008, projects that convert less than five acres may instead pay an in-lieu fee to the County for the acquisition of farmland conservation easements. The fee includes amounts sufficient to fund administrative costs, transaction costs, and an endowment to cover the costs of monitoring easement terms and conditions in perpetuity. Under either approach (i.e., in lieu fees or the direct acquisition of conservation land), the mitigation must be completed prior to acceptance of final parcel or subdivision maps or issuance of any building permit (for projects that do not involve a subdivision).

The mitigation ordinance includes a number of criteria that define land eligible for conservation easements. The land to be permanently preserved must support continued agricultural use. The property to be preserved must be equivalent or better than the land converted in terms of soil classification, based on Storie index or NRCS soil survey maps. (The original ordinance relied on the Land Evaluation and Site Assessment (LESA) Model rating to assess soil classification, but this reference was deleted as part of the Zoning Code Update in July 2014). Further, the mitigation land must have adequate water supply for irrigation if the converted land is irrigated or capable of irrigation.

Location is also a factor. The mitigation land must generally be within a two-mile radius of the converted land. The ordinance allows for mitigation land that is beyond the two-mile radius but within a four-mile radius to be provided if "the land is of equal or better conservation easement

[10] Prior to the 2008 update, mitigation was not required where land had already been rezoned by the County from agriculture to urban zoning, even if the land remained in agricultural production.

market value to the land inside the two-mile radius area (i.e., the total cost or market value of purchasing the required conservation easement within the four mile radius is equal or greater than the total cost or market value of purchasing the easement within the two mile radius)." The Director of the Planning and Public Works Department may only approve a proposal to utilize a more distant mitigation site if he or she finds that land within a two-mile radius is unavailable.

The current language in the Yolo ordinance establishing the radius limits may result in an increase in the mitigation ratio. Within a two-mile radius of the converted land, the mitigation ratio is 1:1. Subject to the favorable determination of the County staff, mitigation land from beyond the two-mile radius can be offered and the measure of equivalency is the market value of the easement. Since the market value of the easement is determined primarily by the value of the development rights foregone, the value of easements on land further from the path of development—land beyond the two mile radius of land proposed for conversion to urban development—could have a lower easement market value than land within the two-mile radius. Therefore, more land—a higher mitigation ratio—would be required to satisfy the equivalency requirement. The current language protects against project applicants acquiring relatively inexpensive easements on remote land that is not subject to the same speculative development pressures as land close to existing cities and towns.

The recently adopted update to the County's zoning ordinance changed the name to *Agricultural Conservation and Mitigation Program* and included a new provision implementing policies set forth in the *2030 Countywide General Plan*. In addition to the features described above that characterize eligible mitigation land, the updated ordinance states that "mitigation lands shall promote open space connectivity and shall be in close proximity to existing growth boundaries for the communities and cities within the County." One of the policy options presented below would introduce variations in mitigation ratios to reinforce this new element of the Conservation and Mitigation Program.

At the time of this public review draft (December 2014), the Yolo County Planning Commission is considering further revisions to the existing Agricultural Conservation and Mitigation Program ordinance based on recommendations from the reconstituted Agricultural Working Group (an informal group convened by the Planning Department to provide input into agricultural and related matters). The proposed revisions would allow development projects of less than 20 acres in size to pay an agricultural in-lieu fee instead of dedicating a conservation easement, as opposed to the current ordinance which sets the threshold at five acres.

A second proposed revision would allow a development project to mitigate for loss of agricultural lands by purchasing a conservation easement within designated agricultural buffer areas that are within a two-mile radius of each city or unincorporated town. This is an alternative to mitigating by (under the current ordinance) acquiring an easement with either a two or four mile radius of the project site. Finally, a third proposed revision to the Agricultural Conservation and Mitigation Program Ordinance would allow conservation easement acreage that exceeds the

mitigation requirement to be made available for future mitigation either by the owner or to third parties (by the sale of credits).

Also relevant is the agricultural preservation policy of the Yolo County Local Agency Formation Commission (Yolo LAFCo). The Yolo LAFCo has long supported agricultural preservation, as outlined in its *Agricultural Conservation Policy.* Initially adopted in 1994, the policy has been amended several times, most recently in 2007. The *Agricultural Conservation Policy* reflects Yolo LAFCo's legislative mandate to protect open space and agricultural resources by channeling urban development towards existing developed communities and away from prime agricultural lands.

The policy requires mitigation for conversion of prime agricultural lands at a minimum 1:1 replacement ratio and also provides an in-lieu fee payment option and a calculation methodology. The amount of the in-lieu fee is determined on a case-by-case basis based on the five most recent full and unencumbered unimproved land purchases and calculation of a fee for easement purchases that is no less than 35 percent of the average price per acre, plus five percent towards an endowment for easement management and the full estimated transaction costs. The conservation entity that receives the easement payment must demonstrate the intent to acquire easements on reasonably equivalent prime soils "within the general vicinity of the annexing entity…in an area…that would otherwise be threatened…by development and/or other urban uses."[11] The LAFCo program relies on a LESA model for the purpose of determining the suitability (equivalency) of mitigation land.

E. Mitigation implementation–Yolo County experience to date

Since 2000, twelve County-approved projects have been required to mitigate for agricultural land conversion and two additional projects (in 2000 and 2003) undertook voluntary mitigation to help ensure project approval. **Table 6** summarizes the status of mitigation implementation in Yolo County, based on available data.

Required 1:1 mitigation takes the form of easements actually recorded or fees paid (at the current in-lieu fee set at $10,100 per acre). Six of the twelve development projects that have been required to mitigate have not yet completed the mitigation because the projects have not yet been built. For the other six projects, a total of 613 acres of land has been placed into permanent conservation easements. Fees have been paid to mitigate for another 24.5 acres. Two additional projects that were not required to mitigate (prior to the ordinance taking effect) chose to mitigate voluntarily, resulting in the conservation of 27 acres of land. Altogether, the total amount of land permanently conserved in connection with County-approved projects is 842.2 acres.

The other six approved projects (for which mitigation has yet to occur) include four subdivisions in Esparto, one gravel mining project, and one habitat restoration project. Assuming these six projects eventually proceed, another 413.7 acres of land will be permanently conserved.

[11] *Yolo County LAFCo Agricultural Conservation Policy*, June 25, 2007, page 12.

Table 6
Yolo County Agricultural Conservation and Mitigation Program – Mitigation Implementation Status

	Acres of Mitigation	Number of Projects
Mitigation complete (easements)	613.0	4
Mitigation complete (fees paid)	24.5	2
Mitigation pending	413.7	6
Total	**1,051.2**	**12**
Voluntary mitigation (easements)	27.0	2
Voluntary mitigation (fees paid)	5.0	1
Total, with voluntary	**1,083.2**	**17**

Note: This table does not include approved projects that have been withdrawn or abandoned. It also does not include fees paid to mitigate a small amount (16 acres) of farmland converted in the unincorporated area where the County was not the lead agency for the project at issue.

Source: County of Yolo Planning, Public Works, and Environmental Services Department, November 2014

The acres of land protected as a result of the County's agricultural mitigation program are a relatively small component (about four percent) of the total acres of land protected by agricultural conservation easements in Yolo County. As indicated in **Table 7,** approximately 28,500 acres of agricultural land are subject to agricultural conservation easements. Another approximately 2,000 acres are under habitat conservation easements. Some of these other easements were recorded to mitigate impacts of land conversion in Davis and elsewhere in Yolo County; certain others represent easements acquired through the State programs.

Table 7
Agricultural Land Under Conservation Easements, Yolo County

	Acres under easement
Yolo County Agricultural Conservation and Mitigation Program	637.5
Yolo Land Trust agricultural easements[a]	11,209
Other agricultural easements	
Conaway Ranch	4,000
California Rangeland Trust	7,500
Golden State Land Trust	1,800
Wildlife Heritage Foundation (Wildlands, Inc.)	3,067
Total acres protected by agricultural easements (estimate)	**28,213.5**

a. Includes some Swainson's hawk habitat conservation easements.

Sources: Yolo County Planning, Public Works and Environmental Services Department, November 2014, Yolo Land Trust; Wildlife Heritage Foundation (Wildlands, Inc.).

VI. Introduction to the policy options considered

As indicated by the forgoing review, agricultural mitigation ratios are not defined in state law. For this report, the question is whether a mitigation ratio higher than 1:1 can be justified legally and supported by defensible technical analysis. In *BIACC v. Stanislaus*, the court of appeal acknowledged that a 1:1 mitigation program, while sufficient to meet a "reasonable relationship" test, did not replace the impacted resources or otherwise fully offset the loss. *Save Panoche Valley* supported ratios that varied based on the agricultural value of the converted land compared to the agricultural value of the mitigation land. Both the *Save Panoche Valley* and *Masonite* decisions indicate (without directly holding) that a 1:1 ratio is valid CEQA mitigation capable of substantially lessening impacts of agricultural land conversion.

California policy, statute, and related case law provide a framework for evaluating and establishing legally defensible mitigation ratios for agricultural land conversion. The Mitigation Fee Act requires that there be a "reasonable relationship" between the impact (the need for facilities or community amenities attributable to development) and the benefit (the facilities or community amenities provided). (Cal. Gov. Code § 66001.) The key is establishing a "nexus" between project impacts and mitigation, and a mitigation level based on "rough proportionality" to impacts.[12] This study assumes that the Mitigation Fee Act applies to the County's agricultural mitigation program because it can be considered an exaction.

[12]In *Ehrlich v. City of Culver* City (1996, 12 Cal.4th 854, the California Supreme Court held that The Mitigation Fee Act's "reasonable relationship" standard is the equivalent of constitutional nexus and rough proportionality standards that the U.S. Supreme Court recently applied to *ad hoc* monetary exactions (see *Koontz v. St. John's Water Management District* (2013) 133 S.Ct. 832).

To be legally defensible, all of the policy options presented below would need to satisfy the nexus and rough proportionality standard embedded in the Mitigation Fee Act. The nexus between the triggering impact—removing land from agricultural production—and the mitigation requirement to provide a benefit—providing land for permanent agricultural production—is demonstrable and reasonable and therefore defensible. The rough proportionality standard guides whether a mitigation ratio greater than 1:1 is legally defensible. This report identifies and evaluates a range of options that establish roughly proportional relationships between impacts and mitigation. In some cases the mitigation ratios are greater than 1:1. The options are legally defensible to the extent that they can be determined to satisfy the rough proportionality standard.

The discussion follows from these two premises:

- the agricultural sector is viable in Yolo County and therefore agricultural mitigation is feasible because there is ample productive agricultural land from which to identify land for offsite mitigation and the long-term prospects for the agricultural sector in Yolo County are favorable, and
- a 1:1 mitigation ratio is a reasonable minimum standard for mitigating the impacts of agricultural land conversion.

Viability of Yolo County agriculture. The Yolo County General Plan and Background Report and the General Plan EIR document the scale and productivity of the agricultural sector in Yolo County. The California Farmland Mapping and Monitoring Program (FMMP) identifies 532,000 acres of land in agricultural land use in Yolo County—most of that land (fully two-thirds or about 355,000 acres) is restricted to agriculture or open space uses under Williamson Act contracts. Yolo County boasts a disproportionate share of the state's prime farmland; although representing less than two percent of total agricultural land mapped by the FMMP, Yolo County accounts for *five percent* of the prime farmland in the state. Agricultural production value reached a third consecutive all-time high in 2013, increasing 13 percent to $722 million in gross value. Harvested acreage increased for seed crops, fruit and nut crops, and wine grapes. Higher commodity prices also contributed to the increase in gross values. The agricultural sector is diverse; the leading commodity—processing tomatoes—accounts for 15 percent of gross value, while wine grapes, almonds, rice, walnuts and organic production each account for eight to ten percent of gross value. The 2013 Agricultural Crop report identifies almost 100 international export partners.[13] The agricultural sector is the foundation of the County's economic base and is an important source of jobs and income.

One-to-one mitigation ratio balances gains and losses. A 1:1 mitigation ratio to compensate for the impacts of agricultural land conversion is an acceptable standard that can also be considered a reasonable minimum standard. With agricultural resources, it is not possible to replace or restore the lost resource; in all cases of land conversion, the agricultural land will be

[13] County of Yolo, Department of Agriculture and Weights & Measures, *Yolo County 2013 Agricultural Crop Report*, July 2014.

permanently removed from the inventory. In the face of this loss—the depletion of a finite resource—permanent preservation of an equivalent amount of substitute agricultural land elsewhere is easily deemed roughly proportional to the impact.

Six policy options to increase the mitigation ratio above 1:1 are proposed and evaluated.

- **Option 1** Increase the mitigation ratio if the density of new development is lower than General Plan targets
- **Option 2** Increase the mitigation ratio to reinforce growth boundaries
- **Option 3** Increase the mitigation ratio to strategically establish priority easement acquisition areas
- **Option 4** Increase the mitigation ratio to maintain the existing ratio of protected land to urban footprint
- **Option 5** Increase the mitigation ratio to account for agricultural land values (based on a LESA or similar objective rating system)
- **Option 6** Increase the mitigation ratio to account for impacts of public facilities needed to serve development

VII. Policy Options for Increasing the Agricultural Land Mitigation Ratio above 1:1

A. Option 1: Increase the mitigation ratio if the density of new development is lower than General Plan targets[14]

Under Option 1, the mitigation ratio for agricultural land conversion would be benchmarked to the average planned standard density of development. A 1:1 mitigation ratio would apply if the proposed project met or exceeded the target densities in the Yolo County General Plan (generally the midpoint of the density range or, for example, the target average residential density of eight dwelling units per acre and the target average jobs density of 16 jobs per acre in the designated Specific Plan Areas).[15] The mitigation ratio would be higher if the average density of development were below the General Plan target. **Table 8** presents examples of how higher mitigation ratios would be calculated.

The rationale for such an option applied to new development projects converting agricultural land would be that the average or target development density was used to estimate agricultural land conversion under the General Plan. The General Plan is designed to accommodate a certain amount of residential development and population growth, including meeting Yolo County's share of regional housing needs, and to accommodate the commercial and industrial development that will support a more diverse county economy and provide a more stable and varied local job market.

[14] This option is suggested by the work of the American Farmland Trust, specifically "Full Mitigation of Farmland Development: A Proposed Approach," by Edward Thompson, Jr., AFT California Director.
[15] Yolo 2030 Countywide General Plan, Table LU-11 Community Planning Guidelines, page LU-41.

Table 8
Illustration of Mitigation Ratios Benchmarked to Target Development Densities

Residential Development		**Example Development Conditions**		
General Plan target average residential density, units per acre	**A**	8	8	8
Project/Plan area density, units per acre	**B**	4	6	8
Agricultural land conversion mitigation ratio	**A ÷B = C**	2.00:1	1.33:1	1.00:1
Derivation of mitigation ratio:				
Developed Acres	**X**	100	100	100
Target units at General Plan density	**A × X = D**	800	800	800
Project/Plan units	**B × X = E**	400	600	800
Units foregone, requiring additional land conversion	**D - E = F**	400	200	-
Additional land conversion required	**F ÷ B = G**	100	33	-
Total implied land conversion to be mitigated	**X + G = H**	200	133	100
Mitigation ratio to capture impact of additional land conversion	**H ÷ X**	2:1	1.33:1	1:1

Non-residential Development		**Example Development Conditions**		
General Plan target average non-residential density, jobs per acre	**A**	16	16	16
Project/Plan area density, jobs per acre	**B**	8	12	16
Agricultural land conversion mitigation ratio	**A ÷ B = C**	2.00:1	1.33:1	1.00:1
Derivation of mitigation ratio:				
Developed Acres	**X**	100	100	100
Target jobs at General Plan density	**A ×X = D**	1,600	1,600	1,600
Project/Plan jobs	**B × X = E**	800	1,200	1,600
Jobs foregone, requiring additional land conversion	**D - E = F**	800	400	-
Additional land conversion required	**F ÷ B = G**	100	33	-
Total implied land conversion to be mitigated	**X + G = H**	200	133	100
Mitigation ratio to capture impact of additional land conversion	**H ÷ X**	2:1	1.33:1	1:1

Sources: Yolo County 2030 Countywide General Plan and Hausrath Economics Group based on American Farmland Trust, "Full Mitigation of Farmland Development: A Proposed Approach"

The long-term projections and market analysis behind the General Plan evaluated economic and demographic trends, the regional context for growth and development, and Yolo County's role in the region.[16] The analysis resulted in estimates of absorption potential and parameters for use in developing General Plan land use designations. Assuming long-term market demand from population growth and economic activity, development at densities lower than the benchmark average used to estimate agricultural land conversion under the General Plan would increase pressure over time to convert more agricultural land than planned to accommodate the amount of population and economic growth anticipated in the General Plan. Therefore, it is reasonable to

[16] Bay Area Economics (BAE), General Plan Economic Evaluation, September 8, 2009.

impose more mitigation for agricultural land conversion to compensate for a project's contribution to the future conversion of additional farmland to accommodate the level of growth reflected in the General Plan. Altogether, the density of development is directly proportional to the acreage of land converted and density is therefore an appropriate factor to consider in determining the additional mitigation required.

B. Option 2: Increase the mitigation ratio to reinforce growth boundaries

Option 2 would use agricultural land mitigation ratios to reinforce Yolo County General Plan policies to manage growth within defined growth boundaries. As noted above, language in the most recently adopted County Agricultural Conservation and Mitigation Program (2014) added new criteria to the definition of eligible mitigation lands (i.e., the text stating "[t]o the extent possible, mitigation lands shall promote open space connectivity and shall be in close proximity to existing growth boundaries for the communities and cities within the County."). This text was added to implement a General Plan policy.

Under Option 2, location-specific mitigation ratios would be introduced to more directly implement this policy. The Yolo County LESA Model framework could be used to provide an objective basis for systematically establishing the proportional relationships. To encourage permanent agricultural use around existing communities, mitigation ratios would be greater than 1:1 for mitigation land beyond a defined perimeter outside the growth boundary and retained at 1:1 for closer-in mitigation land provided within this perimeter. This approach is similar to that used in the City of Davis agricultural mitigation program—essentially providing full credit toward the existing 2:1 mitigation ratio for mitigation land on the periphery of the growth boundary while providing less than full credit for any other mitigation land.

Table 9 presents a hypothetical example of how the LESA Model framework could be used to develop scores for community-agricultural perimeter areas and to calculate scores for proposed mitigation land. This is an example of a methodology that could be part of a systematic approach to establish the rough proportionality required to define a defensible mitigation ratio. The ratio derived by comparing the scores becomes the appropriate mitigation ratio. Under this approach, if the proposed mitigation land is within the community-agricultural perimeter area, it would have the same score as the entire area and the ratio would be 1:1. If the proposed mitigation land is outside the perimeter area, it would have a lower score and the ratio would be greater than 1:1.

This illustrative example incorporates a factor to identify the community-agricultural perimeter area—a factor that is not currently evaluated in the Agricultural Conservation and Mitigation Program. It also incorporates the Land Capability Classification factor to address equivalency of soil type. Defining characteristics for new factors, the appropriate point scores, and appropriate relative weighting factors would be determined by the County if this approach is recommended.

In the hypothetical example set forth in the following table, the community-agricultural perimeter area is defined as the area within ¼ mile of the community growth boundary (similar to the City of Davis approach). All land within that defined area has been identified as Land

Capability Classification (LCC) I and therefore scores 100 points according to the LESA Model. (These perimeter area scores could be determined separately for each unincorporated community based on the characteristics of the area around each growth boundary, for subsets, or for all combined.) The proposed mitigation land in this example is more than ¼ mile from the community growth boundary and, consequently, it scores lower on this soil type factor and consists of land in LCC IIs, scoring 80 on this soil type factor according to the LESA model. Comparing the two weighted scores, the calculated mitigation ratio is just over 2:1.

Table 9
Using LESA Model Framework to Generate Mitigation Ratios
Case: Community-Agricultural Perimeter Area–*Hypothetical estimate for illustrative purposes only*

	Score	×	Weight[a]	Weighted Score
Scoring for Community-Agricultural Perimeter Area				
Within ¼ mile of community growth boundary[b]	100	×	0.60	60
Land Capability Classification[c]	100	×	0.40	40
			Weighted Score	**100**
Scoring for Proposed Mitigation Land				
Beyond ¼ mile of community growth boundary[b]	25	×	0.60	15
Land Capability Classification[c]	80	×	0.40	32
			Weighted Score	**47**
Mitigation scenario—Community-Agricultural Perimeter Area Score relative to Proposed Mitigation Land Score				
Score for Community-Agricultural Perimeter Area	100	A		
Score for Proposed Mitigation Land	47	B		
Calculate ratio	**2:1**	A ÷ B		

a. Weighting factors used here are hypothetical for the purposes of illustration. Actual factors would be determined by the County if this approach is recommended.
b. This new factor is defined here for the purposes of illustration. Relevant characteristics and point scores representing reasonably proportional relationships would be determined by staff and/or stakeholders.
c. Land capability classification score would be based on the actual acres by LCC unit for the perimeter areas and for the proposed mitigation land. In this example, all of the land in the perimeter area is LCC I and all of the land in the proposed mitigation parcel is LCC IIs.

Sources: Yolo County Local Agency Formation Commission, Land Evaluation and Site Assessment, 2002 and Hausrath Economics Group

C. Option 3: Increase the mitigation ratio to strategically assemble priority easement acquisition areas

Under Option 3, mitigation ratios would be structured to encourage assembly of contiguous protected agricultural land. As in Option 2, a Yolo County LESA Model could provide an objective framework for defining and scoring factors relevant to identifying priority areas for preservation based on factors identified by the County. For example, in addition to the site assessment factors normally included in the model (urban separation and Agricultural Preserve

zoning[17]), it would be possible add proximity to existing agricultural easements to place a priority on the contiguity of permanently preserved farmland. This option would modify the LESA system to score properties in a manner that identifies priority easement acquisition areas. The weighted average score would be a benchmark for measuring the relative value of proposed mitigation land.

Table 10 presents a hypothetical example, again illustrating a methodology that is part of a systematic approach for establishing rough proportionality. The characteristics of the priority easement acquisition area are scored first—in this example, the acquisition area is not in urban conflict as defined by the LESA Model[18]; it is 100 percent zoned A-P (Agricultural Preserve), and it is near existing agricultural conservation easements (a factor added to existing LESA Model factors). The proposed mitigation land also meets the definition of urban separation and, while it is zoned A-P, less than 50 percent of the perimeter is zoned A-P, so the score is lower on this factor. In addition, the proposed mitigation land is not near other permanently protected agricultural land. With a weighted score for the proposed mitigation land of 62.5, the example results in a mitigation ratio of 1.6:1.

[17] This factor in the local LESA rating system will have to be modified to reflect the elimination of the Agricultural Preserve zone in the recently-adopted Zoning Code.

[18] This is also referred to as a measure of urban separation. It is defined as the percentage of the area of the project that is beyond 500 feet of groups of five or more residential units. A high percentage indicates a low proportion of the site is in close proximity to residential areas. (Yolo County LAFCo, *Land Evaluation and Site Assessment Model – LESA*, pp. 6-7.)

Table 10
Using LESA Model Framework to Generate Mitigation Ratios
Case: Priority Easement Acquisition Area–*Hypothetical estimate for illustrative purposes only*

	Score	×	Weight[a]	Weighted Score
Scoring for Priority Easement Acquisition Area				
Urban Separation—100% not in urban conflict	100	×	0.25	25
County Zoning – 100% AP zoning	100	×	0.25	25
Proximity to existing agricultural conservation easements[b]	100	×	0.50	50
			Weighted Score	**100**
Scoring for Proposed Mitigation Land				
Urban Separation—100% not in urban conflict	100	×	0.25	25
County Zoning – 100% AP zoning but less than 50% of perimeter zoned AP	50	×	0.25	12.5
Proximity to existing agricultural conservation easements[b]	50	×	0.50	25
			Weighted Score	**62.5**
Mitigation scenario—Priority Area Score relative to Proposed Mitigation Land Score				
Score of for priority acquisition area	100	A		
Score for proposed mitigation land	62.5	B		
Calculate ratio	**1.6:1**	A ÷ B		

a. Weighting factors used here are hypothetical for the purposes of illustration. Actual factors would be determined by staff and/or stakeholders.
b. This new factor is defined here for the purposes of illustration. Relevant characteristics and point scores representing reasonably proportional relationships would be determined by staff and/or stakeholders.

Sources: Yolo County Local Agency Formation Commission, Land Evaluation and Site Assessment, 2002 and Hausrath Economics Group

D. Option 4: Increase the mitigation ratio to maintain the ratio of existing protected farmland to existing urban footprint

There are two main categories of protected farmland—land that is permanently protected by means of agricultural conservation easements and land that is temporarily protected through enrollment in 10-year renewable Williamson Act contracts that restrict uses to agricultural and open space in return for lower property tax assessments to the landowner. Landowners rarely non-renew or pursue cancellation of Williamson Act contracts unless they anticipate converting the land to urban development or other uses incompatible with such contracts. Thus except for the impact of future development, Williamson Act lands in Yolo County enjoy long term protection that is similar in many respects to permanent conservation easements. Both categories of protected land are restricted for the purposes of property tax assessment. Each therefore represent a significant public investment in agricultural resource protection.

According to information from the Yolo County Assessor, as of June 2014 slightly over 424,000 acres of Yolo County farmland were enrolled in the Williamson Act. These protected lands represent an important community amenity, strengthening the County's rural character and the working landscapes that provide the open space setting for compact small town development in the unincorporated area. Under this policy option, the existing ratio of these protected lands to

urban footprint represents a significant community amenity and benefit that County policy seeks to recognize and avoid reducing to the extent consistent with policy and legal considerations.

The Farmland Mapping and Monitoring Program provides an estimate of the total existing urban footprint for the County—30,836 acres in 2012, counting land in both the unincorporated area and the cities. The land conversion data shown above in Table 5, indicates that an additional 4,738 acres will be converted from agricultural to urban uses in unincorporated Yolo County, under the 2030 General Plan, including residential, commercial/industrial, and public uses.

Based on this data, as shown in **Table 11** the existing ratio between protected Williamson Act agricultural land and developed land is 13.75 acres protected for every one acre developed.

The 4,738 acres of land to be converted to urban uses is likely to come in significant part from lands that are currently restricted by Williamson Act contracts. Thus the existing ratio of 13.75:1 for restricted lands will necessarily decrease regardless of the mitigation ratio used by the County's program.[19] Based on the inevitable decline in this existing ratio, it may be reasonable to require permanent mitigation for agricultural land conversion through conservation easements at a higher ratio than 1:1 to minimize the erosion of benefits represented by a decrease in the ratio as development occurs.

Rough proportionality would be achieved based on the deliberations of Yolo County decision makers—evaluating the extent to which an agricultural mitigation ratio higher than 1:1 would balance the value of the diminishing resource and community amenity against the need to accommodate some population and job growth, up to a maximum justified ratio of 13.75:1. A mitigation ratio of 2:1 or 3:1, for example, would reduce the erosion of the level of benefit provided by existing preserved lands while being highly defensible as a ratio that is significantly lower than 13.75:1. The lower ratios are further justified to some degree by the greater benefit associated with land that is permanently preserved versus lands that are technically only temporarily restricted under the Williamson Act.

[19] Arguably, the amount of land in Williamson Act contracts could increase over time even if some land currently under contract is taken out of the program and converted to non-agricultural uses. Since 2005, however, the amount of land enrolled in the Williamson Act statewide has declined slightly. (See *The California Land Conservation Act Status Report (2012)* at p. 8, available at http://www.conservation.ca.gov/dlrp/lca/stats_reports/Pages/index.aspx.

TABLE 11
Existing Ratio for Protected Agricultural Land

	2012/2014	
Farmland in Williamson Act contracts, 2014	424,000	**A**
Urban and Built-Up Land, FMMP 2012	30,836	**B**
Existing Ratio for Farmland Protection Acres of Protected Farmland per acre of Urban and Built-Up Land, 2012/2014	**13.75**	**A÷ B**

Sources: Yolo County Assessor; California Department of Conservation, Farmland Mapping and Monitoring Program, 1984 – 2012 Land Use Summary; and Hausrath Economics Group

E. Option 5: Increase the mitigation ratio to account for agricultural land values

Option 5 would substitute a more broadly defined measure of equivalent agricultural value for the current ordinance "comparable to or better than" requirement for mitigation land. To achieve a mitigation ratio greater than 1:1 under this option, project applicants would provide mitigation land of lower value, on average, than the land converted. While the net result would be more total acres of agricultural land permanently protected, this option would not necessarily increase protection of high quality farmland and would not necessarily protect land equivalent in productivity to that being converted. County staff have noted, however, that some of the most valuable crops are not grown on prime farmland.[20]

The language of the current ordinance requires mitigation land to be "comparable to or better than, the land which is converted" as measured by the Storie index and NRCS maps. However, this effort could be augmented with a LESA model rating program. This option presents three alternatives that use quantitative measures of varying degrees of complexity to establish relationships between different classifications of agricultural land and related grounds for mitigation ratios greater than 1:1.

E.1. Option 5a: Combined LESA model factors

This alternative (Option 5a) applies a standard for average agricultural land value against which the value of the land proposed for conversion is measured. Option 5a is illustrated in **Table 12** by using the Land Evaluation Factors in the LESA Model. For the purposes of illustration, the analysis uses information on acres of Yolo County land by soil class from the *Yolo County 2030 Countywide General Plan EIR* and local Storie Index information presented in the March 18, 2008 Staff Report for the Public Hearing regarding the Yolo County Agricultural Conservation Easement Program. The analysis is limited to the most important Class I, II, and III soils, and all

[20] Yolo County Planning and Public Works Department, Staff Report, "Public hearing regarding the Yolo County Agricultural Conservation Easement Program and In-Lieu Agricultural Mitigation Fee Ordinances," March 18, 2008, pp. 3-4.

of that land is assumed to be irrigated or surrounded by irrigated farmland (thereby generating an irrigated farmland score of 100). The resultant weighted average score of these soil types is 86.04.[21]

Table 12
Using LESA Model Results to Generate Mitigation Ratios
Yolo County LESA Model Land Evaluation Project Score Sheet
Case: Class I - III soils only – *Estimate for Illustrative Purposes Only*

	Score	×	Weight	Weighted Score
Land Evaluation				
Land Capability Classification	85.757	×	0.40	34.30
Storie Index Rating	79.342	×	0.40	31.74
Irrigated Farmland	100	×	0.20	20.00
Weighted Average Countywide LESA Land Evaluation Score				**86.04**
Mitigation scenario—Higher than average value land converted				
LESA land evaluation score of proposed conversion	100	A		
LESA land evaluation score for Class I – III	86.04	B		
Calculate ratio	**1.16**	A ÷ B		

Sources: Yolo County Local Agency Formation Commission, Land Evaluation and Site Assessment, 2002 and Hausrath Economics Group

The existing benchmark score of 86.04 for the most productive agricultural land establishes a reasonable basis for mitigation ratios that are sensitive to the relative value of the land converted. In the hypothetical mitigation scenario shown in Table 12, land with a LESA land evaluation score of 100 is converted. The ratio between that score and the average for Class I, II, and III soils is 1.16-to-1.00, and mitigation would be required at that higher ratio. Under scenarios where lower than average value lands were converted, the baseline minimum ratio of 1:1 would be applied.[22]

E.2 Option 5b: Selected LESA Model Factors

The individual factors and relative scoring in the LESA Model offer more simple approaches for establishing mitigation ratios greater than 1:1 on a project-by-project basis. Compared to Option 5a, this approach is similar to the existing program where the value of the land converted is compared directly to the value of the proposed mitigation. Unlike the current program, Option 5b would enable project applicants to provide mitigation land that was of lower value than the land converted, if they provided that land at a greater than 1:1 mitigation ratio.

[21] The Yolo LESA weighting factors in the Combined Land Evaluation and Site Assessment score sheet are adjusted for this exercise, because it was limited to the land evaluation component. For the Agricultural Land Conservation and Mitigation program, Yolo County could develop another set of appropriate weighting factors.

[22] It might also be possible to use this LESA model approach to develop a single mitigation ratio by comparing the LESA score for the unincorporated area new development footprint under the General Plan to an existing benchmark score for the most productive agricultural land. This would simplify application of this option. Upfront LESA analysis would be required to determine the relative values and the resulting mitigation ratio.

To illustrate this option, **Table 13** uses only the Point Assignment Table for the Land Capability Classification Scoring (LCC) component of the LESA Model to establish relationships between the various soil type classifications. The ratios in the table are calculated by dividing the point score for the LCC of the converted land by the point score for the LCC of the mitigation land. Under this approach, for example, mitigation for conversion of LCC IIe land, with a point score of 90, could be mitigated at greater than 1:1 ratios if the LCC of the mitigation land were IIs, IIw, or III, or higher.

Table 13
Land Capability Classification (LCC) Unit Scoring from LESA as Basis for Agricultural Land Mitigation Ratio

Ratio: LCC of converted land to LCC of mitigation land

			LCC of mitigation land										
	LCC	***Points***	**I**	**IIe**	**IIs, w**	**IIIe**	**IIIs, w**	**IVe**	**IVs, w**	**V**	**VI**	**VII**	**VIII**
LCC of converted land	**I**	*100*	1.00	1.11	1.25	1.43	1.67	2.00	2.50	3.33	5.00	10.00	na
	IIe	*90*		1.00	1.13	1.29	1.50	1.80	2.25	3.00	4.50	9.00	na
	IIs, w	*80*			1.00	1.14	1.33	1.60	2.00	2.67	4.00	8.00	na
	IIIe	*70*				1.00	1.17	1.40	1.75	2.33	3.50	7.00	na
	IIIs, w	*60*					1.00	1.20	1.50	2.00	3.00	6.00	na
	IVe	*50*						1.00	1.25	1.67	2.50	5.00	na
	IVs, w	*40*							1.00	1.33	2.00	4.00	na
	V	*30*								1.00	1.50	3.00	na
	VI	*20*									1.00	2.00	na
	VII	*10*										1.00	na
	VIII	*0*	na	na	na	na	na	na	na	na	na	Na	na

Sources: Yolo County Local Agency Formation Commission, Land Evaluation and Site Assessment, 2002 and Hausrath Economics Group.

E.3 Option 5c: Minimum parcel sizes for classifications of agricultural land

Option 5c applies the minimum parcel size approach upheld in *Save Panoche Valley v. County of San Benito* as a valid means of mitigating agricultural land conversions. In that case, the minimum preserve size for San Benito County Williamson Act parcels was applied to establish a quantitative relationship between lower value grazing land and higher value cropland.

In Yolo County, a comparable metric for the minimum parcel sizes is the minimum parcel size classifications used in the Agricultural – Intensive (A-N) and Agricultural – Extensive (A-X) zones contained in the recently approved Zoning Code Update. Applying these classifications establishes the relationships illustrated in **Table 14**.

Table 14
Agricultural Intensive (A-N) Zones and Agricultural Extensive (A-X) zones – Yolo County

			Mitigation Land			
		Minimum lot size, newly created parcels	40	80	160	320
Converted Land			Irrigated parcels - permanent crops (orchard/vineyard)	Irrigated parcels - cultivated	Uncultivated/Not Irrigated	Rangeland
	40	Irrigated parcels - permanent crops	1.0	2	4	8
	80	Irrigated parcels - cultivated		1.0	2	4
	160	Uncultivated/Not Irrigated			1.0	2
	320	Rangeland				1.0

Sources: Yolo County Zoning Code, Adopted July 2014, and Hausrath Economics Group.

Under this option, conversion of more valuable irrigated land suited for permanent crops would be mitigated by equivalent land at a 1:1 ratio and by cultivated land without permanent crops at a 2:1 ratio. Cultivated irrigated land would be mitigated by either other irrigated land at a 1:1 ratio or land that was not irrigated at a 2:1 ratio if cultivated and at a 4:1 ratio if rangeland. The proportional relationship is clear and rational. As under Options 5a and 5b, project applicants could provide mitigation land that was of lower agricultural value than the land converted if they provided mitigation land at a greater than 1:1 ratio.

To properly implement Option 5c, the County should consider establishing an objective method of verifying that the converted land is being farmed in a reasonable manner at the time a project is proposed. Farmland with the potential to be irrigated, for example, should be treated as an irrigated parcel for mitigation purposes. This will ensure proper mitigation that reflects the true agricultural capability of the converted land, rather than how it is being farmed at the time development is proposed.

F. Option 6: Increase the mitigation ratio to capture impacts of public facilities needed to serve development

Yolo County General Plan policy directs public and quasi-public uses to community areas inside urban growth boundaries. These facilities might result in additional agricultural land conversion beyond that indicated by the residential and commercial/industrial uses allowed under the General Plan. In addition to the new development footprint associated with residential and commercial/industrial development in towns and other community areas, the General Plan EIR identifies additional agricultural land conversion for roads and trails—69 acres for external roadway improvements (primarily road widening in rural areas) and 162 acres for future trails between towns and other places in the County. The current Agricultural Conservation Easement Program ordinance exempts "public uses such as parks, schools, and cultural institutions."

Under this option, the mitigation ratio applied to agricultural land conversion for residential and commercial/industrial development would be increased incrementally to account for a

proportionate share of the agricultural land conversion associated with public and quasi-public uses and infrastructure, as those facilities are necessary to support local population and employment growth.

This is likely to represent only a small increase in the mitigation ratio. Roads and trails acreage add only five percent to the total amount of land converted by urban growth anticipated in the General Plan. Moreover, most of the acreage converted is attributable to trails which it could be argued are related to the ancillary open space benefit of agricultural land preservation. Nonetheless, this strategy could also be adopted as part of any of the other mitigation ratio options and it may have value on a project-by-project basis, encouraging applicants to design projects in a manner that minimizes the need for external roadways and related infrastructure.

VIII. Evaluation of policy options

The first part of the evaluation considers generally the economic, property tax, and land market impacts of any policy change that would increase the agricultural mitigation ratio, as well as the collateral benefits for greenhouse gas emissions and local food policy. The subsequent discussion presents a comparative evaluation of the options presented above with respect to other Yolo County policy priorities, other public benefits, and the criteria of clarity and ease of implementation.

A. Economic impacts on project proponents

In the short term, an increase in the mitigation ratio would increase development costs for project proponents, except possibly for the approach used in Option 5. For the reasons discussed below, the increase would be relatively small, however, and is unlikely to have a significant impact on the feasibility of new development in unincorporated Yolo County. Over the longer-term, land prices would adjust to reflect the change in development economics.

One means of testing the impact of development costs on project feasibility is to evaluate the costs relative to the finished market value of new real estate development. **Table 15** presents this comparison for new residential and non-residential development using market values based on existing market values in unincorporated Yolo County and planned new development in the Dunnigan area of unincorporated Yolo County.

The cost of agricultural land mitigation is estimated based on the current in-lieu fee amount ($10,100 per acre, inclusive of easement acquisition and associated transaction, administration, endowment, and contingency costs). The table illustrates costs at a 1:1 ratio ($10,100 per acre), 2:1 ratio ($20,200 per acre) and 3:1 ratio ($30,300 per acre). Actual costs for project proponents in specific instances would, of course, depend on the easement acquisition deal they negotiate with landowners, plus any additional fees to cover transaction, administration, and endowment costs.

Market values per acre of new development are calculated by multiplying the development density by the market value per unit for residential development and by the market value per

Table 15
Impact of the Cost of Agricultural Mitigation on Development Feasibility

	Residential Development by Density			
Density of Development: Units per acre[a]	4	5	8	24
Market Value per Unit[a]	$330,000	$300,000	$250,000	$125,000
Market Value per Acre	$1,320,000	$1,500,000	$2,000,000	$3,000,000
Mitigation Cost per acre as a Percentage of Finished Market Value per acre:[b]				
1:1 mitigation ratio	0.8%	0.7%	0.5%	0.3%
2:1 mitigation ratio	1.5%	1.3%	1.0%	0.7%
3:1 mitigation ratio	2.3%	2.0%	1.5%	1.0%

	Commercial	Office Park/ R&D	Industrial	Mixed Use
Density of Development: Floor Area Ratio[c]	0.25	0.30	0.40	0.30
Market Value per Sq. Ft.[c]	$200	$200	$100	$200
Market Value per Acre	$2,178,000	$2,613,600	$1,742,400	$2,613,600
Mitigation Cost per acre as a Percentage of Finished Market Value per acre:[b]				
1:1 mitigation ratio	0.5%	0.4%	0.6%	0.4%
2:1 mitigation ratio	0.9%	0.8%	1.2%	0.8%
3:1 mitigation ratio	1.4%	1.2%	1.7%	1.2%

Agricultural mitigation cost per acre:	
1:1 mitigation ratio	$10,100
2:1 mitigation ratio	$20,200
3:1 mitigation ratio	$30,300

a. Residential densities and market values based on analysis of recent new home sales in Yolo County by ZIP code from DataQuick and information prepared for Elliott Homes for the Dunnigan Specific Plan (*Dunnigan Specific Plan Public Facilities Financing Plan*, Preliminary Public Review Draft Report, August 2013; and *Dunnigan Specific Plan Appendix L: Income and Housing Match Analysis*, January 2012).

b. The current Yolo County Agricultural mitigation in-lieu fee is used as a proxy for the mitigation cost. Although this is the cost borne by developers of projects converting less than five acres of land, it reflects the County's current estimate of the cost to purchase agricultural conservation easements on parcels of various sizes and locations, in addition to the transaction, administration, monitoring endowment, and contingency costs. As such, the easement cost component likely represents a cost that is higher than what developers of larger projects would pay, so the analysis is conservative.

c. Non-residential densities and market values are based on information prepared for Elliott Homes for the Dunnigan Specific Plan (*Dunnigan Specific Plan Public Facilities Financing Plan*, Preliminary Public Review Draft Report, August 2013).

Source: Hausrath Economics Group

square foot for non-residential development. The impact of agricultural mitigation on development feasibility is evaluated by calculating the mitigation cost per acre at the various mitigation ratios as a percentage of total market value per acre.

The results generally indicate that increases in agricultural mitigation costs would not have a negative impact on the feasibility of new development and would not make it more difficult to

attract desired development to unincorporated Yolo County. At a 2:1 mitigation ratio, agricultural mitigation costs are less than two percent of market value across all development types and, in half of the cases, are less than one percent of market value. At a 3:1 mitigation ratio, costs remain under two percent of market value for all but the lowest density residential development. Only at a mitigation ratio of 8:1 do costs start to exceed five percent of market value.

Most of the options evaluated in this report suggest only modest increases in the mitigation ratio. Several of the options would only result in mitigation ratios greater than 1:1 in cases where the proposed mitigation land or the proposed development project did not satisfy certain threshold criteria. The analysis above evaluates the outer limits of potential increases in agricultural mitigation cost.

Many other cost factors in the entitlement process have a more significant impact on development feasibility because they are larger components of total cost and the feasibility equation is more sensitive to variations in those costs. Other permit issuance and development impact fees for a typical single family house in unincorporated Yolo County total $31,000 per unit.[23] At four units up to eight units per acre, those costs are 9 – 12 percent of the finished market values used in the Table 15 analysis. Costs in specific plan areas where infrastructure needs are greater can be even higher. The Dunnigan Specific Plan Public Facilities Financing Plan infrastructure burden analysis identified additional Plan Area fees for water, wastewater, roads, transit, and parks ranging from $24,000 per unit to $45,000 per unit.[24]

Furthermore, as noted above, unlike other development costs (e.g., infrastructure costs and impact fees for transportation and other public facilities), a project proponent has the ability to find the most cost effective means of satisfying its agricultural mitigation requirements. Developers of projects converting five or more acres of agricultural land—those who must dedicate easements and are not required to pay the in-lieu fee—have a degree of control over the mitigation cost. Most of these developers have a sophisticated understanding of the land market and therefore have the ability to strike the easement acquisition deal that best satisfies their bottom line and the County's requirements. Mitigation options incorporating flexibility in the location of the mitigation land would enhance the ability of project proponents to find willing sellers and negotiate a satisfactory deal.

In considering the data presented in Table 15, it is important to understand that the development values assume that a full range of urban services will be in place. Development values may be considerably lower in communities that lack the full range of such services (e.g., Esparto, Knight's Landing), and mitigation costs per acre will be correspondingly higher as a percentage

[23] *Yolo County Housing Element*, adopted October 2013, pp. 88-91. The total includes County processing fees and impact fees such as the inclusionary housing in-lieu fee, building permit fee, sewer connection fee, water connection fee, facilities and services authorization fee, and school district fee.
[24] *Dunnigan Specific Plan Public Facilities Financing Plan*, Preliminary Public Review Draft Report, Appendix N, Table 4, August 2013.

of finished market value. To assist in evaluating this issue, specific input from developers in such communities should be sought as part of the public review of this report.

B. Property tax revenue impacts

Increasing the agricultural land mitigation ratio would increase the amount of Yolo County agricultural land under agricultural conservation easements and thus permanently preserved for agricultural use. There are a number of reasons why this change in policy would not significantly reduce property tax revenues. First, land that is placed under an agricultural conservation easement is likely to be under a Williamson Act contract and therefore already generating property taxes at a rate that reflects the underlying agricultural production value of the land. Properties with Williamson Act restrictions are assessed annually for property tax purposes; the assessed value is determined by the lower of the factored base year value (the market value at the last change of ownership, increased by the allowed two percent per year or the CPI, whichever is lower) or the value determined by capitalizing current agricultural income (Revenue and Taxation Code Section 423).

The Assessor's Handbook Section 521: *Assessment of Agricultural and Open Space Properties* (October 2003) describes the treatment of agricultural conservation easements in determining assessed value.

> Properties encumbered by agricultural conservation easements are subject to assessment pursuant to section 423, which mandates that enforceably restricted open-space lands are to be valued by a prescribed capitalization of income method, rather than by reference to data on sales of otherwise comparable lands.
>
> …The creation of a conservation easement does not result in an automatic reduction in the assessed value of the property subject to the easement. Instead, the assessor must enroll the lower of (1) the existing factored base year value or (2) the current market value considering the restrictions on use imposed by the easement. Only upon a subsequent change in ownership would the assessor establish a new base year value that accounts for the restrictions under the easement.[25]

Even with change of ownership, the *permanent* restrictions imposed by the agricultural conservation easement—more restrictive than those of a Williamson Act contract—would not necessarily generate lower new base year value and thus lower property tax revenue than would otherwise be the case. This is because the restricted value continues to be determined by the capitalization of income. Values of these properties for property tax purposes are therefore much more sensitive to broader economic forces such as changing demand for agricultural

[25] California State Board of Equalization, Assessors' Handbook Section 521, *Assessment of Agricultural and Open-Space Properties*, October 2003, page I-18. Notably, the Yolo County Assessment Appeals Board has ruled that properties encumbered by conservation easements are not always subject to valuation in accordance with Revenue and Taxation Code Section 423. (Minute Order 13-136.) In so ruling, it indicated that approval by a county board of supervisors is often a prerequisite to valuation under Section 423. This ruling does not affect the conclusions set forth above relating to the potential impact of an increased mitigation ratio on County property tax revenues.

commodities, improvements in cultural practices, and the availability and cost of water and transportation. As evidenced by recent trends, changes in market factors affecting agricultural land values could result in higher market and assessed values for the agricultural use as landowners transition to crops that generate more income per acre.

Finally, under any of the options considered in this report, the amount of additional land that would be put under conservation easement is very small in the context of the property tax revenue base in the unincorporated area.

C. Land market impacts

It is unlikely that any of the options to increase mitigation ratios would generate a level of competition in the land market for mitigation sites that would inflate the cost of farmland. Over the entire span of County General Plan build out, 4,300 acres of agricultural land would be converted for urban development in unincorporated Yolo County. At the current 1:1 mitigation ratio, mitigation for this land conversion would require less than one percent of the agricultural land base in Yolo County. Only at a mitigation ratio of 6:1 would even five percent of the existing agricultural land base be targeted for mitigation. Furthermore, the mitigation requirement is only triggered gradually over time as development is approved. Therefore, at any particular time over the period of General Plan build out, only a few project proponents representing part of the potential build out increment of unincorporated area urban development are likely to be in the market for conservation land.

The constraints defining acceptable mitigation land might result in some circumstances where total demand for mitigation land in a certain area would be a relatively higher percentage of acceptable supply in that location. As noted above, because only a few project proponents are likely to be in the mitigation land market at any particular time during the General Plan build out horizon, price effects leading to inflated costs for conservation easements are unlikely. Under the current program, only around Dunnigan, where most land conversion under the General Plan is expected, is demand for mitigation land a relatively high percentage of the supply of close-in (two-mile radius) agricultural land.

Table 16 compares the total potential demand for mitigation land (at the current 1:1 mitigation ratio) to the supply of land within the two- and four-mile radius areas of the community areas anticipated to experience the most land conversion (70 percent of the 4,300 acre total). Only in Dunnigan and to a much lesser extent Esparto does the demand for mitigation land exceed five percent of the supply within the two-mile radius area. Within the larger four-mile radius area, demand is less than 10 percent of supply in all areas and less than two percent of supply in Clarksburg, Esparto, Knight's Landing, and Madison. In all areas but Dunnigan, doubling or even tripling the mitigation ratio would not require that more than 20 percent of the land supply within the smaller two-mile radius area be used for mitigation. Under the current program, the ability to make a case for providing mitigation land within the larger four-mile radius area provides a relief valve for any demand pressure.

Table 16
Demand for Mitigation Land near Community Areas

			Increment of urban development, Yolo County 2030 General Plan		
				Mitigation at 1:1 as a percentage of land within:	
Community Area[a]	2-mile radius	4-mile radius	Acres	2-mile radius	4-mile radius
Clarksburg	5,423.2	19,904.6	76.3	1.41%	0.38%
Dunnigan	8,032.3	26,098.8	2,047.4	25.49%	7.84%
Esparto/Capay Valley[b]	8,032.2	32,128.9	483.3	6.02%	1.50%
Knights Landing	5,981.5	20,638.3	165.5	2.77%	0.80%
Madison	8,032.4	32,129.5	274.1	3.41%	0.85%
Total	**35,501.6**	**130,900.1**	**3,046.6**		

a. The Community Areas were selected because two-mile and four-mile radius areas are mapped and acres calculated in the March 18, 2008 staff report. These areas also account for the majority (70 percent) of the expected agricultural land conversion under the 2030 General Plan.
b. Capay Valley land conversion is added to the Esparto land conversion because Capay Valley falls within the Esparto two-mile and four-mile radius areas.

Sources: Yolo County 2030 Countywide General Plan EIR, April 2009, Table III-7 and Table III-9 and Yolo County Planning and Public Works Department, Staff Report to the Board of Supervisors, Public hearing regarding the Yolo County Agricultural Conservation Easement Program and In-Lieu Agricultural Mitigation Fee Ordinances, March 18, 2008.

Options introduced in this report that place different constraints on the location of mitigation land would be more likely than other options to generate enough demand relative to supply to trigger price effects in the land market. The potential for these effects would be greatest under Option 3 where priority easement acquisition areas would be defined. However, under this option, mitigation ratios would remain at 1:1 within these priority areas and would only be higher if the mitigation land were *not* within the priority acquisition areas. Larger priority easement acquisition areas would help to offset any potential price effect, and the size and characteristics of the alternative acceptable easement areas would provide a relief valve. Depending on the details of implementation, Option 2, prioritizing easements at the edge of community growth boundaries would have a similar effect to the current program. Key implementation details include adjusting the width of the preservation band around the growth boundary relative to the amount of conversion expected. As with Option 3, allowing for mitigation alternatives from other locations at a ratio greater than 1:1 would provide substitutes to offset any price effects.

Because it is based on measures of equivalent agricultural value Option 5 does not impose location constraints and would therefore have minimal land market impacts. Option 5 would

enable project proponents to find the most cost effective solution, given their particular circumstances. Option 5 would allow project proponents in Dunnigan to provide mitigation land outside the Dunnigan two- and four-mile radius areas, provided the equivalent agricultural value were offered by means of a variable mitigation ratio.

D. Climate Action benefits

Yolo County's Climate Action Plan describes the collateral benefits of agricultural land preservation for limiting increases in greenhouse gas emissions. Every acre of agricultural land preserved, particularly land on the periphery of urban development, reduces the potential for sprawling development patterns that generate significantly higher levels of greenhouse gas emissions than the preferred pattern of urban development in infill locations in existing cities and towns. The urbanization modeling case study conducted for *Adaptation Strategies for Agricultural Sustainability in Yolo County, California* (California Energy Commission, 2012) quantifies differences in GHG emissions from transportation sources and residential energy related sources for three development footprints requiring different amounts of agricultural land conversion. The modeling results "suggest that the most important climate change mitigation policy that Yolo County could adopt would be to restrict urban development to infill locations within existing cities, and keep existing farmland in agriculture" (page 156). The Adaptation Strategies study concluded that "preserving agricultural land from development is essential if the county is to stabilize and reduce its GHG emissions" (page 157).

Option 1 (mitigation related to General Plan target densities) and Option 2 (mitigation reinforcing community growth boundaries) are the most directly consistent with the policy priorities represented by the County's Climate Action Plan and would help implement Measure T-1 (Reduce Vehicle Miles Travelled in New Development). Option 4 (a generally higher mitigation ratio based on the ratio of protected farmland to urban footprint) might have similar co-benefits of reducing levels of greenhouse gas emissions, though the connection is less explicit. Under Option 4, the total amount of agricultural land preserved would likely be greater than under other options because it would establish a mitigation ratio greater than 1:1 for all development, enhancing the amount of farmland available over the long term to provide an alternative to the high emissions from urban uses and also to provide a land base on which to implement practices enhancing the potential for carbon sequestration benefits (Measure A-6: Sequester carbon in agricultural landscapes).

E. Agricultural awareness and local food policy synergies

More than the other options considered, Options 2 and 3 support the "Education and Awareness" and "Local Preference" goals expressed in the Agriculture and Economic Development Element of the General Plan. An agricultural mitigation program designed around Option 2 or Option 3 could be designed to complement Yolo County's *Harvest Hub* efforts, developed by the Agricultural Commissioner. Mitigation around community growth boundaries could enhance "Food and Farm" and "Farm to School" initiatives and reduce "food miles."

F. Other public benefits: growth management, community character, healthy farm economy, program implementation savings

F.1 Option 1—Increase the mitigation ratio if the density of new development is lower than General Plan targets

This option complements the numerous General Plan land use policies for community planning, and planned development through the Specific Plan process. The option makes explicit the cost (in terms of agricultural land conversion) of development densities lower than planned targets. This option has the additional ancillary benefit of supporting Climate Action Plan Measure T-1 (the only measure specifically related to land use) that calls for significant reductions in Vehicle Miles Travelled (VMT) from new development in specific plan areas and existing communities. Smart growth policies as a whole, including the VMT policy, are the second largest source of emissions reductions identified in the Climate Action Plan. Meeting ambitious VMT reduction targets will require the type of compact development represented by the General Plan standard of moderate to high densities.

F.2 Option 2—Easements to reinforce growth boundaries

Reinforcing the General Plan growth boundaries with areas of permanent agricultural land conservation would help to achieve the County's growth management goals and encourage reinvestment in existing communities, thereby also reducing costs to expand infrastructure and provide services. Reinforcing the boundaries encourages infill development and reduces greenhouse gas emissions, while at the same time enhancing the rural character and scenic qualities that Yolo County values. This option would help implement formal buffers and community separators and would enhance the County's ability to protect land most threatened by development (LU-2.4, LU-3.1, CC-1.7, AG-1.11, AG-1.17). In situations where towns are located in the midst of the most valuable and productive farmland, this option also uses mitigation for agricultural land conversion to preserve prime soils and other productive agricultural land (AG-2.5).

While there is the long-term potential for a ring of agricultural conservation easements to create an impermeable boundary that limits economic development opportunities for communities experiencing growth pressures, this is not likely to be the case for Yolo County towns. The potential amount of mitigation required is relatively small in the context of the agricultural landscape surrounding each town, so the boundary would remain at least somewhat permeable. On the other hand, subject to market demand factors, such reinforcement may contribute to a shift in demand pressure to more remote locations earmarked for development such as Dunnigan.

F.3 Option 3—Establish priority easement acquisition areas

As under Option 2, this option would help to establish greenbelts, buffers, and community separators (CC-1.7). If one of the priority easement acquisition areas were the 11,000 acre agriculture and open space "greenbelt" between Davis and Woodland, for example, Option 3

would help implement longstanding County/City of Davis policy by further incentivizing the acquisition of conservation easements in that area.

Option 3 would support the coordinated acquisition of agricultural conservation easements (AG-1.16). The benefits of this approach would include efficiency in easement monitoring and therefore lower easement monitoring costs over time.

Landowners in the priority easement acquisition area might see enhanced benefits in the form of higher agricultural land values with the certainty of permanent agricultural land use and the removal of the threat of potential encroachment by development and eventual neighboring land owner complaints. Option 3 might also be a first step towards establishing an agricultural land mitigation bank—an aggregation of acceptable mitigation land placed under agricultural conservation easements, where mitigation credits would be created and offered for purchase to project proponents in need of mitigation (AG-2.15).

F.4 Option 4: Increase the mitigation ratio to support the ratio of existing protected land to existing urban footprint

Option 4 would establish a mitigation ratio greater than 1:1 for all development and would therefore likely result in the most agricultural land conserved through the mitigation program. This approach achieves the primary conservation objective of this program. While this option would not directly implement other General Plan policy priorities, those goals and policies do, however, identify a number of important ancillary benefits of permanent agricultural land protection: open space, environmental resource protection, carbon sequestration, rural character, local food production, and protecting agricultural operations from urban encroachment. For project proponents, flexibility in meeting mitigation requirements—particularly with regard to the location of mitigation lands—would at least partially offset higher mitigation costs per acre.

F.5 Option 5: Increase the mitigation ratio to account for agricultural land values

By removing equivalency requirements from the mitigation program, this option introduces more flexibility into the mitigation choices available to project proponents. This is likely to be viewed favorably by the development community. Unlike Options 1, 2 and 3, Option 5 does not directly implement any particular General Plan goals. Compared to the other options, this option would not necessarily result in an increase of high value agricultural land protected by easements. However, there is potential for more total agricultural land to be permanently preserved and that would have some of the ancillary benefits noted above: carbon sequestration potential, and, for farmers, the benefit of long-term certainty of agricultural use.

F.6 Option 6: Increase the mitigation ratio to capture impacts of public facilities

This option would increase the existing mitigation ratio by a relatively small factor, assigning to residential and non-residential uses the additional land conversion impacts associated with the infrastructure needed to accommodate that growth and development. The option has the benefit of capturing all of the land conversion impacts attributable to urban development in the unincorporated area (except for those associated with exempt public uses). Unless incorporated

as an add-on to one of the other options, Option 6 increases costs to project proponents without introducing any flexibility for meeting mitigation requirements.

G. Clarity and ease of implementation

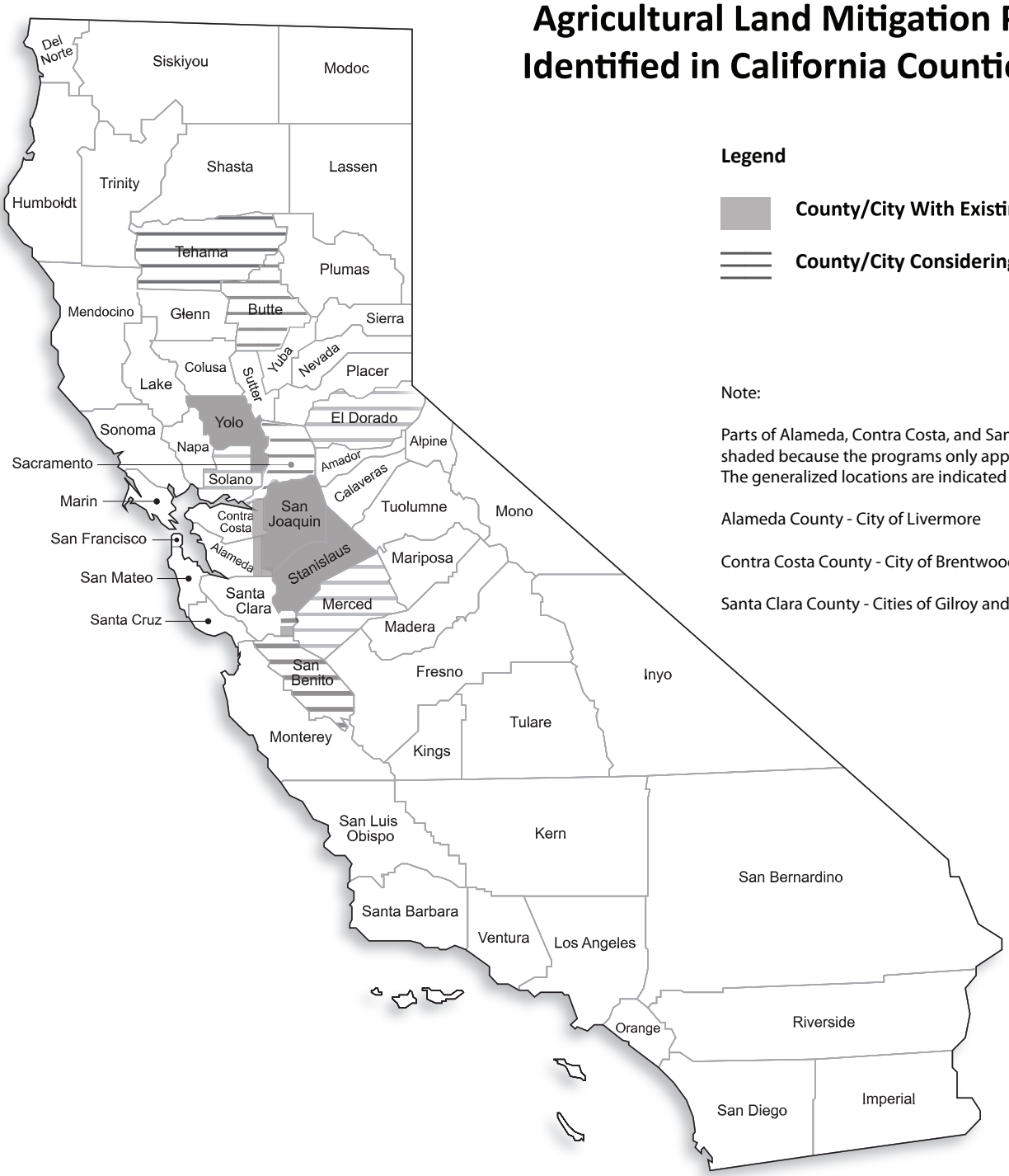
Option 4 and Option 6 rank highest on this evaluation factor. With Option 4, no detailed analysis of individual projects or mitigation proposals is necessarily required, although incorporating County objectives related to the value and/or location of mitigation lands would require some project-level evaluation. Under Option 6, initial analysis would be required to develop the land conversion estimates, allocate those estimates to residential and commercial/industrial uses, and develop appropriate incremental mitigation factors for each land use. Subsequently, no detailed project specific analysis would be required.

Option 1 would require project-specific evaluation that could be readily combined with the typical plan and permit review process. The implementation burden might increase for larger scale projects or plans if there were protracted negotiations over interpretations of development density.

Under either Option 5b or Option 5c, where the relative values are determined on the basis of relatively gross agricultural land use classifications and parcel size minimums, expectations would be clear and implementation would impose a relatively small administrative burden on both project applicants and county staff.

While Option 2, Option 3, and Option 5a would be based on clear and objective factors, implementing these options would involve project specific technical analysis by applicants or staff. They would be best implemented with a GIS application of the LESA model.

Figure A.1
Agricultural Land Mitigation Programs Identified in California Counties/Cities [a]



Legend

County/City With Existing Programs

County/City Considering Programs

Note:

Parts of Alameda, Contra Costa, and Santa Clara counties are shaded because the programs only apply in selected cities. The generalized locations are indicated on the map.

Alameda County - City of Livermore

Contra Costa County - City of Brentwood

Santa Clara County - Cities of Gilroy and Morgan Hill

[a] Not a complete inventory. Represents results for local governments in counties Ranking among the top agricultural producers in California.

Sources: Base Map: California Department of Finance ; Hausrath Economics Group research

TABLE A.1: CHARACTERISTICS OF AGRICULTURAL MITIGATION POLICIES AND PROGRAMS IN CALIFORNIA

Jurisdiction	Document Name	Adoption Date; Last Amendment	What Must Mitigate?	Mitigation Ratio	Mitigation Type(s)	Land Quality Considered?
City of Brentwood	City of Brentwood Muncipal Code Section 17.730.030 Agricultural Land Mitigation Requirements	2001; Amended 9/24/2002; Amended 1/12/2010	Any permanent conversion of > 1 acre of ag land, including land for park and rec. purposes	**1:1**	Easements, farmland deed restriction, fee title purchase of lands deemed acceptable by the City of Brentwood; or in-lieu fees.	Implied but not specifically addressed.
Notes:	2010 Amendments to the Municipal Code section broadened use of in-lieu fee revenue to include funding of agricultural enterprise activities including marketing and loan programs.					
City of Davis	Davis City Code Sec. 40A.03	11/1/1995; Amended to increase ratio to 2:1, 7/2007	Any change of GP land use desig. or zoning from ag to non-ag or discret. land use approval to change from ag to non-ag use	**2:1**	Ag land or ag land easements, in-lieu fees. Fees for monitoring and stewardship endowment.	Yes. Comp soil quality (1-4) req'd. Must be in Davis GP Planning Area.
Notes:	Location important; two categories "adjacent mitigation" and "remainder mitigation". Detailed credits to 2:1 requirment calculated based on mit land location (adj. land yields bigger credit), city desired land for open space, other land in planning area. Can use in-lieu fees for up to 50% of remainder mit. In-lieu fees adjusted by House Price Index (HPI) . Limited "stacking" for riparian corridors. Public parks, public schools and permanently affordable housing exempted. Buffer zone of 150' next to adj. ag land required separate of adj. ag mit land. requirements.					
City of Gilroy	Agricultural Mitigation Policy	5/3/2004	Land in areas identified in City's GP; conv. of ag land "prime" or "state- wide importance"; or req'd CEQA mit.	**1:1**	Ag. land, Ag. Easements, or in-lieu fees	Yes. Farmland City has identified in "preferred" area.
Notes:	Buffer zone details similar to Davis. The inter-jurisdictional agreement entitled "Strategies to Balance Planned Growth and Agricultural Viability," was endorsed by the City of Gilroy on September 23, 1996, LAFCo on October 9, 1996 and the County Board of Supervisors on October 29, 1996.					
City of Hughson	City of Hughson Farmland Preservation Program, Exhibit A. Note: On-line Municode not updated since 9/2012, but program verified with City.	1/28/2013	Residential development only	**2:1**	Easements or in-lieu fee for res dev < 20 ac, or purchase of banked mit credits. Must be easment for =>20 ac.	Yes. Similar quality land required.
Notes:	Mitigation land must be designated ag land in Stanislaus Co. within 1/2 mile outside of LAFCo adopted city SOI. Admin fee req'd plus a 5% (of cost of easment) endowment fee for in-lieu payments. No conservation easement stacking unless no disruption of ag uses and per approval of city Planning Commission.					
City of Livermore	South Livermore Valley Specific Plan, Sec. 6.0-6.3.4	11/1/1997; Amended 2/2004	Any development displacing ag (esp. vineyard) or open space	**1:1 plus add-ons**	CC&R, contract with "an experienced farm operator," or "other means" to keep land in production =< 8 years.	
Notes:	Exempts undisturbed natural open space within development, public parks, publicly accessible trails and developed open space, public school sites. Base mitigation ratio is 1:1 acre plus 1 acre for every res unit and 1 acre for any acre of displaced vineyard in production since 1991.					
City of Manteca (similar for cities of Tracy and Lathrop)	Municipal Code Section 13.42. (See also Resolution R2005-473.) City of Lathrop Mun. Code, Chap. 3.40; City of Tracy Mun. Code, Chapter 13.26.	6/20/2005	Conversion of "important farm- land" to urban uses	**Not specified**	Impact fees only.	
Notes:	See South San Joaquin County Farmland Conversion Nexus Fee Study. Adoption and implementation of the fee agreed to by the cities of Manteca, Lathrop and Tracy pursuant to the Settlement Agreement and Release of Claims for the South County Water Supply Project. The approval of the project by the South San Joaquin Irrigation District, and certification of the project EIR, was challenged in San Joaquin County Superior Court, Case No. CV 011090.					
City of Stockton	City of Stockton Public Facilities Fee Adminsitrative Guidelines as amended by Res. No. 2013-05-21-1210.	5/21/2013	Any development converting ag land to non-ag. Ag Ind'l and "no-pay" zones for habitat exempt.	**1:1**	Conservation easement or Fees. Fee revenue may be used to purchase ag land or easements.	Important farmland, incl. prime, statewide significant or unique farmland.
Notes:	Recently passed (May 2013) resolution adding to Public Facilities Fee Administrative Guidelines (Habitat mitigation fees are also included in admin. Guidelines.) Previously conversions of 40 or more acres were required to provide an agricultural land conservation easement, now all have the option of paying the fee. Survived BIA of the Delta legal challenge in 2009.					

TABLE A.1: CHARACTERISTICS OF AGRICULTURAL MITIGATION POLICIES AND PROGRAMS IN CALIFORNIA

Jurisdiction	Document Name	Adoption Date; Last Amendment	What Must Mitigate?	Mitigation Ratio	Mitigation Type(s)	Land Quality Considered?
San Joaquin County	Ord. No. 4308 Adding Chap. 9-1080 of Div. 10 of Title 9 of the Ordinance Code of San Joaquin County Pertaining to Agricultural Mitigation.	11/21/2006	Any change in use from ag to non-ag req'g GP amend. Or any change in ag to non-ag zoning even if not desig as ag land in GP	**"at least" 1:1**	Easements or in-lieu fees, but in-lieu fees only if good faith efforts to purchase easements fail. Land banking to be studied.	Yes. Similar or better quality req'd and in San Joaquin County.
Notes:	Mitigation land must be shown on County GP map as ag uses and zoned accordingly. Delta land is ok. Admin fee also required to cover easement administration, monitoring costs. Ordinance calls for formation of an Ag Technical Committee to develop Mitigation Strategy including consideration of mitigation land banking. Committee to include three (3) members of Farm Bureau, three (3) members of BIA, and three (3) members to be appointed by Bd. of Sup.					
Stanislaus County	Appendix "B" Stanislaus County Farmland Mitigation Program Guidelines	2007	Residential development in unincorp. County req'g GP or Comm Plan amendment from ag to res.	**1:1**	< 20 acres, easement or purchase of banked mitiation credits. In-lieu fee only if diligent effort to purchase easements or credits unsuccessful. >20 acres requires easement only. B of S can override after Plan. Comm. Review.	Yes. Similar or better quality req'd and in Stanislaus Co.
Notes:	Ag. Elem. adopted 1992. 2007 update included ag mitigation req's. BIA sued and won in trial court (2009). Decision over-turned by appellate court 2010. Mit. land must be parcel size of 20 acres or more. Excess acres can be privately banked; Mit. land must be in Stan. Co., zoned for ag, outside of any city's SOI. Ok to "stack" with conserv. habitat if approved by B of S. Payment of admin fee also required. 2013 attempt to add "minimum" to 1:1 mit. req's. failed. Program not used to date. Meas. E requirng voter approval of any ag land converted to residential passed in 2008. See also Stanislaus County LAFCo policy.					
Stanislaus County Local Area Formation Commission (LAFCo)	Stanislaus LAFCo Agricultural Preservation Policy	9/26/2012	Cities requesting annexations or amended SOIs for residential development. Some exemptions.	**1:1**	Requires a *plan* which may include land dedication, easements, or in-lieu fees.	Yes. Similar or better quality req'd; sustainable water supply, located in Stanislaus Co.
Notes:	Stanislaus LAFCo cites its mandate to preserve open space, discourage sprawl and to maintain "the physical and economic integrity of agricultural lands" in this policy requiring cities/districts requesting annexations or SOI expansions involving ag land to consider alternatives, e.g. offsetting with other ag land already in the SOI or establishing a plan or condition for ag. mit. It may also deter potential "work arounds" of Meas. E (2007) voter approval requirements for proposed rezoning of ag land to residential uses in the unicorporated County.					
Yolo County	County Code Section 8.2.2416 Agricultural Conservation Easement Program	5/6/2008; Proposed Zoning Code modifications pending (2013)	Development converting ag use to non-ag use. Some exemptions, includ. commercial/indust'l develop., land for irrigation purposes.	**1:1**	Farmland deed restriction or ag conservation easement + fees sufficient for admin and monitoring. In-lieu fees for proj. < 5 acres converted.	Yes. Similar LESA model quality. Mit. Land must be in Yolo Co., w/in 2-4 mile radius.
Notes:	Mitigation land w/in 2 mile radius of project if available, 4 mile radius if not. Adequate water supply. No "stacking of easements", but habitat conservation land exempt from requirement to mitigate as is affordable housing and public uses such as parks, schools and cultural institutions. Some proposed changes to this Code Section are still pending as part of current Zoning Update, including definition of small project as <5 acres, not 40, mitigation land to also promote open space connectivity, and respect of existing community growth boundaries.					
Yolo County Local Area Formation Commission (LAFCo)	Yolo County Local Area Formation Commission Agricultural Conservation Policy	Initially adopted 1994; last amend. 6/25/07	Development converting agricultural land to urban uses.	**1:1**	Land dedication, develop. rights or easements, or in-lieu fees. < 20 acres can generally pay the fees; > 20 acres can do either	Yes. Similar LESA model or Storie Index quality.
Notes:	Generally encourages consolidation of urban uses and discourages conversion of farmland for annexation. Annexation of prime farmland requires dedication of farmland or acquisition of ag easements to mitigate at no less than 1:1 ratio. "Stacking" with conservation easements only accepted if other criteria are met. Policy includes its own in-lieu fee methodology requiring case by case calculations of avg. per acre price based on last five unimproved land purchases and fee of no < than 35% of avg. price plus 5% endowment and transaction costs.					
Other notes:	Most ordinances also include requirement that sufficient water is available.					

TABLE A.2: CHARACTERISTICS OF PENDING AGRICULTURAL MITIGATION POLICIES AND PROGRAMS IN CALIFORNIA

Jurisdiction	Document Name	Date of Doc	Policy or Program?	Who Must Mitigate?	Mitigation Ratios	Mitigation Type(s)
Butte County	Butte County 2030 General Plan Agriculture Element AG.A2.1	3/3/2010 per GP website	Currently Policy only		**TBD**	TBD
Notes:	Per Butte Environmental Council website: Butte County is developing an Agriculture Mitigation Ordinance, which will be developed to ameliorate some of the negative effects of lost agriculture lands. An Agriculture Mitigation Ordinance is directed to be completed under General Plan 2030, and will be considered by the Planning Commission and Board of Supervisors in mid-2013. Butte Environmental Council is a participating stakeholder in the development of this plan, as are other organizations such as the CA Native Plant Society, the Cattlemen, the Farm Bureau, LAFCo, and city planning staff.					
El Dorado County	Agriculture and Forestry Element of the General Plan, Policy 8.1.3.4				**1:1**	
Notes:	A threshold of significance for loss of ag. land shall be established by the Agriculture Dept. and the Planning Dept., with opportunity for public comment before adoption, to be used in rezone applications requesting conversion of ag. lands to non-ag. lands, based on the California LESA system. For projects found to have a significant impact, mitigation shall include 1:1 replacement or conservation for loss of agricultural land in active production and/or 1:1 replacement or conservation for land identified as suitable for agricultural production. Also 10 acre minimum for any parcels created adjacent to ag land.					
Merced County	Draft 2030 Merced County General Plan	11/30/2012	Pending Policy	all with spec. exemptions	**1:1**	
Notes:	Draft GP Ag. Element Policy AG.2.2. 1:1 ratio. Farm Bureau wanted 4:1 per Mintier notes in 2011. UC Merced provided at 1:1 ratio (2001)					
Monterey County	Monterey County Code section 16.40; or Gen'l Plan		Neither yet		**None referenced**	
Notes:	General Plan (adopted 10/26/2010) includes an "Agricultural Winery Corridor Plan" but no ag land mitigation requirements or ratios.					
Monterey County LAFCo/City of Greenfield	Greater Greenfield Area Memorandum of Agreeement, Exhibit 1 pages 3-4	6/24/2013	Potential Future Policy/ Program		**1:1**	Voluntary dedication of easements; purchase of easements thru mitigation bank, or fees
Notes:	Agreement that City will implement an ag mitigation program at 1:1 ratio if the County and only if cities of Gonzales, Soledad, King City and Salinas do the same.					
Sacramento County	General Plan Agriculture Element, Policy AG-5.	Amended 11/9/2011	Policy only? Cannot find in County Code	Conversion of > 50 acres of farmland	**1:1**	Easements or other methods to provide same protection. Credit given for permanently protected urban farmland > 5 acres w/in dev. Project.
Notes:	Also includes buffer areas. Stacking of habitat easements allowed. Direction to pursue in-lieu fee and credit (land banking)options.					
San Benito County	2035 San Benito County General Plan Draft PEIR, Agriculture and Forestry Resources Chapter	2/2013	Proposed policy	Conversion of farmland	**1:1 or greater**	Presumably conservation easements but not yet specified. GP already "clusters" development away from important farmland. Develop. not to be curtailed.
Notes:	Yes. See Panoche Valley ruling for related issues.					

TABLE A.2: CHARACTERISTICS OF PENDING AGRICULTURAL MITIGATION POLICIES AND PROGRAMS IN CALIFORNIA

Jurisdiction	Document Name	Date of Doc	Policy or Program?	Who Must Mitigate?	Mitigation Ratios	Mitigation Type(s)
Solano County	Solano Co. GP policy AG.P.4 and implementation Prog. AG.I.1., calls for ordinance by 2010; also http://www.solanocounty.com/civicax/filebank/blobdload.aspx?blobid=16441 for Planning Commission Meeting minutes	8/5/2008 Bd. Of Sups. 11/4/2008 Co. voters	Currently Policy only	GP amendment changing from ag to non-ag or any permit requesting change from ag use	**1.5:1**	Easements; TDRs
Notes:	WATCH. An ordinance currently being discussed with regards to a proposed solar farm facility. Discussed at Solano Co. Planning Commission on June 20, 2013 with more discussion included on Agenda for Aug. 1, 2013 meeting (also continued to Sept. 19, 2013.) Also under considertion addition of an AS (ag services) zoning designation, particularly in NE Dixon. AS would allow industrial uses related to ag.. Jan. 2013 AECOM "Rezoning and Development and Design Guidelines Initial Study finds loss of ag land to AS designation to be "significant and unavoidable" with no mention of ag mitigation land or ag easement options.					
Tehama County	General Plan Agriculture and Timber Element, Policy AG-1.2f.	3/1/2009	Policy		**1:1 encouraged but not required**	
Notes:						
Tulare County	*Tulare County General Plan Goals and Policies Report; policy AG-1.6*	8/1/2012	General Plan Policy	Not stated	**not stated**	Easements, in-lieu fees, or "other conservation mechanism"
Notes:	Policy AG-1.6: "The County shall consider developing" an ACE program. Work plan Implementation measure 1 says that the County will take the lead working with Tulare County Assoc. of Govts. (TCAG).					

TABLE A.3: OTHER DOCUMENTS RELATED TO AGRICULTURAL MITIGATION PROGRAMS OR POLICIES IN CALIFORNIA

Jurisdiction	Document Name	Date of Doc	Policy or Program?	Mitigation Ratios	Mitigation Type(s)
CA Dept. of Conservation	"Overview of Legal Restraints on Ag. Land. Mit. Programs"	2/16/2011		**Not explicitly addressed. Usual 1:1 cited.**	Easements and In-lieu fees
Notes:	Useful and consise history of legal cases and applicability of CA State Code sections up to Feb. 2011.				
State of California	State Assembly Bill No. 823	2/21/2013		**2:1 amended to 1:1**	Conversion of ag land to permanent or long term non-ag uses
Notes:	An attempt at the State level to require all lead agencies on CEQA documentation to require mitigation for conversion of ag lands. Has undergone significant amendments already and was changed to a two-year bill.				
Colusa County	*Colusa County General Plan Agriculture Element, policy AG 1-9, Action AG - 1a*				
Notes:	Monitor use of ag land and consider a mitigation program for agricultural land conversion if it becomes indicated.				
City of Davis	City Council Report	7/25/2003	Program	**Proposed change from 1:1 to 2:1**	
Notes:	Staff advised moving forward with increase in mitigation ratio from 1:1 to 2:1 along entire non-urbanized project perimeters ahead of deliberations about mitigation location considerations. The location discussion presumably may have resulted in the relatively detailed credit system (more credit for adjacent land) seen in the city code. Also notes discussion item of limiting to ag land (i.e., no open space) to preserve the nexus.				
Fresno County LAFCo	Staff memorandum "Fresno LAFCo – Draft Agricultural Preservation Polices"	10/8/2008		**Suggests "at least" 1:1 for prime farmland**	
Notes:	Does not appear to have been adopted by Fresno County. Memorandum suggests a mitigation ratio of "at least 1:1 for prime farmland, but lower mitigation for other categories of farmland.				
City of Gilroy, Santa Clara Co., Santa Clara County LAFCo	"Strategies to Balance Planned Growth and Agricultural Viability" in the areas south and east of Gilroy	2/12/1997		**General support, no specific ratios.**	
Notes:	Interjurisdictional agreement endorsed by the City of Gilroy on September 23, 1996, LAFCO on October 9, 1996 and the County Board of Supervisors on October 29, 1996.				
Kern County	Pathway for Processing: Conversion of Agriculture Land to Solar PV Use	7/17/2012	Neither found	**1:1 to 1:5 referred to**	
Notes:	Flow-chart to show Kern County staff processes in determining if a proposed solar development will require ag. Mitigation measures. Assumes CEQA will result in 1:1 mitigation requirements and B of Sups may require up to 1:1.5.				
Kings County			Neither		
Notes:	Ag preservation limited to zoning enforcement and Williamson Act				
Cities of Lathrop, Manteca and Tracy	South San Joaquin County Farmland Conversion Nexus Fee Study	7/18/2005	Program	**Impact fee not calculated based on a specific ratio**	Impact fee. $2,000 per acre adj by CPI inflator. $1,000 to land trust for ag land pur- chase or easements; $1,000 to city. Farmland in SJ Co. near cities.

TABLE A.3: OTHER DOCUMENTS RELATED TO AGRICULTURAL MITIGATION PROGRAMS OR POLICIES IN CALIFORNIA

Jurisdiction	Document Name	Date of Doc	Policy or Program?	Mitigation Ratios	Mitigation Type(s)
Notes:	The adoption of this fee was agreed to by the Cities pursuant to the Settlement Agreement and Release of Claims for the South County Water Supply Project. The approval of the project by the South San Joaquin Irrigation District, and certification of the project EIR, was challenged in San Joaquin County Superior Court, Case No. CV 011090. $1,000 to a land trust to buy ag mitigation land, $1,000 to the respective city. Of the $1,000 to be paid to the city for ag land, $250 for land that cannot accept wastewater effluent, $750 for land that can. Fees set at about 60% of average easement costs per acre for multi-county region and less than 30% of San Joaquin Co. easement acre example.				
Mendocino County	*Masonite Corporation v. County of Mendicino, A134896;* Partial Certification of State of CA Appeal Court, First Appellate Dist., Div. III	7/25/2013	Neither (partial appellate court decision)	**1:1 referred to**	Ruling in certified section II.C upholds applicabity and use of Agriculture Conservation Easements to mitigate significant impacts on loss of farmland.
Notes:	Notably applied to case where conversion of prime farmland was land that was already zoned for industrial uses. Ruling refers to Lodi, supra, 205 Cal.App.4th, p.322 that acquisition of ACEs overage acreage equal to the agricultural acreage lost due to a project is 'standard for California communities.'" Several mitigation ratios referred to regarding habitat conservation, but 1:1 cited for farmland mitigation from an amicus curiae brief filed by the California Farm Bureau Federation.				
Mendocino County	*Court Puts Onus On County to Demonstrate Infeasibility of Agricultural Conservation Easements to Mitigate Loss of Prime Farmland (8-22-2013)*	8/22/2013	Neither (commentary on appellate court decision)		
Notes:	County was held responsible for, and failed in, demonstrating that easements were an infeasible mitigation for impacts				
City of Morgan Hill	City of Morgan Hill Agricultural Mitigation Working Paper	1/1/2008			
Notes:	(Presumbably) city staff assessment of EPS study and a number of possible program approaches. Complex LESA calculations examined pertaining to possible mitigation ratios.				
City of Morgan Hill	Public Draft Review: Morgan Hill Agricultural Policies & Implementation Program	12/22/2011	in process	**Varies by location: 0.5:1; 1:1; 2:1**	Land or Ag. Easements
Notes:	Part of larger city policy to retain and encourage local farms. Proposed mitigation ratios vary from 0.5:1 in city's sphere of influence (SOI), to 1:1 in a small section of SOI, to 2:1 if easements are acquired in other parts of Santa Clara Co.				
City of Morgan Hill	Study of Morgan Hill's Proposed Agricultural Mitigation Ratios	7/10/2012	n/a	**Min. 1:1 ratio w/in SOI; 3:1 outside SOI**	
Notes:	Interesting charts on pg. 3 illustrating end result of different mitigation ratios. Report questions cost estimates for easements used. Argues need for min. 1:1 ratio w/in city's SOI; 3:1 for land outside SOI, but in Santa Clara Co.				
City of San Jose	City Council Memorandum re: Agricultural Land Conversion and Mitigation (Coyote Valley)	1/20/2006	neither	**TBD, 1:1 suggested**	
Notes:	San Jose has consistently determined conversion of ag land to be a significant but unavoidable impact and adopted overriding considerations. Argument is that no mitigation can fully mitigate. Attached are series of letters from Lafco, conservation groups, Green Foothills arguing that ag mitigation is feasible and appropriate and has been upheld in the courts.				

TABLE A.3: OTHER DOCUMENTS RELATED TO AGRICULTURAL MITIGATION PROGRAMS OR POLICIES IN CALIFORNIA

Jurisdiction	Document Name	Date of Doc	Policy or Program?	Mitigation Ratios	Mitigation Type(s)
Stanislaus Co.	CA Council of Land Trusts Amicus Curiae brief support-ing Stan Co ag mit program	7/16/2010			
Notes:	Good history of conservation easements since 1880s. Great list of other ag mit program citations. Good explanation of why easements work so well for this (protection with best ag management)				
Stanislaus Co. Lafco	Agricultural Preservation Policy	9/26/2012	Policy to encourage city programs	**1:1**	
Notes:	Consistent with Stan. Co. Farmland Mitigation Program. Requires cities or districts requesting SOI expansion or annexation to provide ag preservation plan to Lafco. Encourages plans to include ag. mit. prog. or condition w/min. 1:1 ratio for conversion of ag land to residential uses.				
City of Stockton	City of Stockton Agricultural Mitigation Fee Nexus Study	6/21/2006	Program	**0.5:1 and 1:1 considered. 1:1 ultimately implemented.**	Fees only. Fee revenue may be used to purchase ag land or easements.
Notes:	Mititgation ratios of 0.5:1 and 1:1 considered. 1:1 ultimately implemented. Fee applies to any development converting ag land to non-ag. Ag Industrial and "no-pay" zones for Habitat exempt. Resulting fee calculated at $9,600 per acre, subject to an annual inflator factor.				
Tulare County	Tulare County General Plan Goals and Policies Report	8/1/2012	General Plan Policy	**not stated**	
Notes:					
City of Turlock	Plan Comm Agenda Report on Ag Preservation Plan 2050	10/6/2011			
Notes:	Report includes synopses of San Luis Opisbo, Santa Clara, Ventura and Yolo LAFCo policies on ag land preservation.				
Ventura Co.	SOAR Fact Sheet	2000?			
Notes:	Save Open-Space and Agriculture = SOAR. Rezoning of open space or ag land requires voter approval.				
City of Visalia	City Memorandum with WFS Memorandum attachment	2/5/2010; 8/5/2009		**Variety of mitigation concepts presented**	Easements; lease payments to farmers for "rolling buffers"
Notes:	City obviously grappling with competing interests of farmland preservation vs. development. Written after BIA sued Stanislaus but before appellate court overturned decision. Varienty of mitigation concepts presented with "pro" and "con" arguments. Interesting "rolling buffers" concept with lease payments to farmers for buffer land of 330' that can move outward as urbanization occurs.				