Sec. 8-2.404 Agricultural Conservation and Mitigation Program

(a) Purpose

The purpose of this section is to implement the agricultural land conservation policies contained in the Yolo County General Plan with a program designed to permanently protect agricultural land located within the unincorporated area.

(b) Definitions

Agricultural land or farmland

Those land areas of unincorporated Yolo County, regardless of current zoning, that are either currently used for agricultural purposes or that are substantially undeveloped and capable of agricultural production. Land that is determined to be incapable of supporting the production of agricultural commodities is excluded from this definition and does not require agricultural mitigation under this section. Any such determination shall be made by the deciding authority on a permit (or other) application in consultation with the Agricultural Commissioner, whose recommendation shall be given substantial weight unless unsupported by evidence.

Agricultural mitigation land

Agricultural land encumbered by a farmland conservation easement.

Agricultural use

Those principal, accessory, and conditional uses and structures defined in Section 8-2.304 of this title, excluding "covered habitat mitigation projects" as defined in Section 8-2.307 of this title but including other projects involving restoration or conversion to habitat, so long as the restoration or conversion is incidental to or ancillary to the agricultural uses on the parcel, and excluding. Medium-sized, large, and very large solar energy systems, which are subject to Section 8-2.1104 and 8-2.1105 of this Title, are also excluded from this definition unless the approving authority reasonably determines a medium-sized solar energy project generates energy solely to offset agricultural equipment demands (e.g., irrigation pumps) on the project site and on any contiguous lands of the applicant or, alternatively, that the project will be implemented in a manner that does not substantially diminish the agricultural productive capacity of the project site. Permits issued for surface mining, which are subject to Section 10-5.525 of Title 10, are also excluded from this definition.

Farmland conservation easement

An easement encumbering agricultural land for the purpose of restricting its use to agricultural activities.

Predominantly non-agricultural use

Any use not defined or listed as a principal, accessory, and conditional use allowed in the agricultural zones, as defined and listed in Sections <u>8-2.303</u> and <u>8-2.304</u>. Predominantly non-agricultural use specifically does not include the restoration or conversion to habitat, so long as the restoration or conversion is

incidental to or ancillary to the agricultural uses on the parcel, but the definition does include "covered habitat mitigation projects" as defined in Section 8-2.307 of this title.

Prime farmland

Prime farmland shall generally mean farmland that meets the criteria applied by the Farmland Mapping and Monitoring Program of the United States Department of Agriculture. Farmland shall also be considered prime farmland for purposes of this section if it meets the definition of "prime agricultural land" in Government Code Section 51201. Additionally, land that is not currently in production shall also be considered prime farmland under this section if, in the reasonable judgment of the approving authority, it would be considered prime farmland under either of the foregoing definitions if it was in active production.

Qualifying entity

A nonprofit public benefit 501(c)(3) corporation or other entity eligible to hold a conservation easement for mitigation purposes under California law, including but not limited to Government Code Sections 65965-65968, operating in Yolo County for the purpose of conserving and protecting land in its natural, rural or agricultural condition. The County will consider the following criteria when considering a proposed agricultural conservation entity for these purposes, and when monitoring the performance of qualifying entities over time:

- (1) Whether the proposed entity is a non-profit organization or other entity eligible to hold a conservation easement for mitigation purposes under California law that is either based locally, is statewide, or is a regional branch of a national non-profit organization whose principal purpose is holding and administering agricultural conservation easements for the purposes of conserving and maintaining lands in agricultural production;
 - (2) Whether the entity has a long-term proven and established record for holding and administering easements for the purposes of conserving and maintaining lands in agricultural production;
 - (3) Whether the entity has a history of holding and administering easements in Yolo County for the foregoing purposes;
 - (4) Whether the entity has adopted the Land Trust Alliance's "Standards and Practices" and is operating in compliance with those Standards and Practices; and
 - (5) Any other information that the County finds relevant under the circumstances.

A local public agency may be an easement co-holder if that agency was the lead agency during the environmental review process or if otherwise authorized by the Board of Supervisors to co-hold a conservation easement. The County also favors that applicants transfer easement rights directly or indirectly (i.e., through a transaction involving a third party) to the qualifying entity in accordance with that entity's procedures. The County retains the discretion to determine whether the proposed agricultural conservation entity identified by the applicant has met the

criteria delineated above. Qualifying entities may be approved by the Board of Supervisors from time to time in its reasonable discretion in accordance with this section.

Small project

A development project that is less than twenty (20) acres in size. A small project does not include one phase or portion of a larger project greater than twenty (20) acres that is subject to a master, specific, or overall development plan approved by the County.

(c) Mitigation requirements

(1) Agricultural mitigation shall be required for conversion or change from agricultural use to a predominantly non-agricultural use prior to, or concurrent with, approval of a zone change from agricultural to urban zoning, permit, or other discretionary or ministerial approval by the County.

Except as provided in subsection (d)(2) below, relating to adjustment factors, for projects that convert prime farmland, a minimum of three (3) acres of agricultural land shall be preserved in the locations specified in subsection (d)(1) for each acre of agricultural land changed to a predominantly non-agricultural use or zoning classification (3:1 ratio). For projects that convert non-prime farmland, a minimum of two (2) acres of agricultural land shall be preserved in the locations specified in subsection (d)(1) for each acre of land changed to a predominantly non-agricultural use or zoning classification (2:1) ratio. Projects that convert a mix of prime and non-prime lands shall mitigate at a blended ratio that reflects for the percentage mix of converted prime and non-prime lands within project site boundaries.

- (2) The following uses and activities shall be exempt from, and are not covered by, the Agricultural Conservation and Mitigation Program:
 - (i) Affordable housing projects, where a majority of the units are affordable to very low or low income households, as defined in Title 8, Chapter 8 of the Yolo County Code (Inclusionary Housing Requirements);
 - (ii) Public uses such as parks, schools, cultural institutions, and other public agency facilities and infrastructure that do not generate revenue. The applicability of this exemption to public facilities and infrastructure that generate revenue shall be evaluated by the approving authority on a case-by-case basis. The approving authority may partly or entirely deny the exemption if the approving authority determines the additional cost of complying with this program does not jeopardize project feasibility and no other circumstances warrant application of the exemption;
 - (iii) Gravel mining projects regulated under Title 10, <u>Chapters 3-5</u> of the Yolo County Code, pending completion of a comprehensive update of the gravel mining program (anticipated in January 2017); and

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- (iv) Projects covered by an approved specific plan which includes an agricultural mitigation program.
- (3) Applications deemed complete prior to the effective date of the ordinance modifying the mitigation ratio shall provide mitigation at a 1:1 ratio in compliance with all other requirements of this Agricultural Conservation and Mitigation Program

(d) Agricultural Mitigation Implementation

Agricultural mitigation required by this section shall be implemented as follows:

- (1) Location, Generally. Mitigation lands shall be located within two (2) miles of sphere of influence of a city or within two (2) miles of the General Plan urban growth boundary of the town of Esparto ("Esparto Urban Growth Boundary"). Mitigation may also occur in any other area designated by the Board of Supervisors based on substantial evidence demonstrating that the parcel at issue consists predominantly of prime farmland and/or is subject to conversion to non-agricultural use in the foreseeable future. Any such designation shall be made by resolution and shall specify whether the designated area is a priority conservation area subject to a 1:1 mitigation ratio. For all other designated areas, the resolution shall specify the mitigation ratio for any mitigation occurring in the covered area, which may exceed the applicable base ratio.
- (2) Adjustment Factors. The following adjustment factors shall be applied, where relevant, to modify the base ratio:
 - (i) Priority Conservation Areas. Mitigation occurring within a priority conservation area shall occur at a reduced 1:1 ratio unless otherwise specified below. The following areas shall be deemed priority conservation areas for purposes of this section:
 - (A) Parcels partly or entirely within one-quarter (0.25) mile of the sphere of influence of a city or the Esparto Urban Growth Boundary, or, for projects that convert primarily non-prime farmland, one (1) mile of the sphere of influence of a city or the Esparto Urban Growth Boundary. For the purposes of this subsection, the word "primarily" shall mean greater than fifty (50) percent.
 - (B) Parcels lying partly or entirely within the area bounded by County Roads 98 and 102 on the west and east, respectively, and by County Roads 29 and 27 on the north and south, respectively. For mitigation of impacts to prime farmland, the ratio shall be 2:1 within this area.

(3) Other Factors

- (i) If the area to be converted is twenty (20) acres or more in size, subject to the exception in (iii), below, by granting, in perpetuity, a farmland conservation easement to a qualifying entity with the County as a third party beneficiary, together with the provision of funds sufficient to compensate for all administrative costs incurred by the qualifying entity and the County as well as funds needed to establish an endowment to provide for monitoring, enforcement, and all other services necessary to ensure that the conservation purposes of the easement or other restriction are maintained in perpetuity.
- (ii) If the area to be converted is a small project less than twenty (20) acres in size, by granting a farmland conservation easement as described in subsection (i), above, or payment of the in-lieu fee established by the County to purchase a farmland conservation easement consistent with the provisions of this section; and the payment of fees in an amount established by the County to compensate for all administrative costs incurred by the County inclusive of endowment funds for the purposes set forth in subsection (i), above. The in-lieu fee, paid to the County, shall be used for agricultural mitigation purposes only (i.e. purchases of conservation easements and related transaction and administrative costs).
- (iii) If Yolo County or a qualifying entity establishes a local farmland mitigation bank and sufficient credits are available at a total cost not exceeding the in lieu fee (and all related transactional and similar costs), small projects shall satisfy their farmland mitigation requirement by purchasing credits from the mitigation bank in a quantity sufficient to discharge the mitigation obligations of the project under this section. Other local projects converting twenty (20) or more acres of farmland may also purchase credits to discharge their farmland mitigation requirements, in lieu of providing an easement under subsection (i), above.

A farmland mitigation bank must be approved by the Board of Supervisors for local (i.e., within Yolo County) mitigation needs based upon a determination that it satisfies all of the farmland mitigation requirements of this section. Landowners and project applicants that conserve more farmland than necessary to satisfy their mitigation obligations may seek approval of a farmland mitigation bank through an application process to be developed by the Planning, Public Works, and Environmental Services Department.

(iv) Agricultural mitigation shall be completed as a condition of approval prior to the acceptance of a final parcel or subdivision map, or prior to the issuance of any building permit or other final approval for development projects that do not involve a map.

(e) Eligible lands

Land shall meet all of the following criteria in sections (1) through (6), below, to qualify as agricultural mitigation:

- Agricultural conservation easements resulting from this program shall be acquired from willing sellers only;
- (2) The property is of adequate size, configuration and location to be viable for continued agricultural use;
- (3) The equivalent class of soil, based on the revised Storie index or NRCS soil survey maps, for the agricultural mitigation land shall be comparable to, or better than, the land which is converted;
- (4) The land shall have an adequate water supply to maintain the purposes of the easement, i.e., to irrigate farmland if the converted farmland is irrigated or capable of irrigation. The water supply shall be sufficient to support ongoing agricultural uses;
- (5) The mitigation land shall be located within the County of Yolo in a location identified for mitigation in accordance with this section;
- (6) It is the intent of this program to work in a coordinated fashion with the habitat conservation objectives of the Yolo Habitat Conservancy joint powers agency and the developing Habitat Conservation Plan/Natural Communities Conservation Plan. The mitigation land may not overlap with existing habitat conservation easement areas; the intent is to not allow "stacking" of easements, except for habitat conservation easements protecting riparian corridors, raptor nesting habitat, wildlife-friendly hedgerows, or other restored or enhanced habitat areas so long as such areas do not exceed five percent (5%) of the total area of any particular agricultural conservation easement.

(f) Ineligible lands

A property is ineligible to serve as agricultural mitigation land if any of the circumstances below apply:

- (1) The property is currently encumbered by a conservation, flood, or other type of easement or deed restriction that legally or practicably prevents converting the property to a nonagricultural use; or
- (2) The property is currently under public ownership and will remain so in the future, except to the extent it is included within a mitigation bank that may subsequently be established by the County or other public agency; or
- (3) The property is subject to physical conditions that legally or practicably prevent converting the property to a nonagricultural use.

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(g) Minimum conservation requirements

The following minimum requirements shall be incorporated into all conservation easements recorded to satisfy the requirements of this mitigation program. Nothing in this subsection is intended to prevent the inclusion of requirements that require a higher level of performance from the parties to a conservation easement or other instrument to ensure that the goals of this mitigation program are achieved.

- (1) It is the intent of the County to transfer most, if not all, of the easements that are received from this program to a qualifying entity, as defined above, for the purpose of monitoring compliance with easement terms and taking any necessary enforcement and related actions. Estimated costs of any such transfer may be recovered from the applicant at the time of easement acceptance by the County.
- (2) All farmland conservation easements shall be acceptable to County Counsel and the qualifying entity that will receive the easement, and signed by all owners with an interest in the mitigation land.
- (3) The instrument shall prohibit any uses or activities which substantially impair or diminish the agricultural productivity of the mitigation land, except for the restoration or conversion to habitat uses of up to five percent (5%) of the total easement land, or that are otherwise inconsistent with the conservation purposes of this mitigation program. The instrument shall protect the existing water rights and retain them with the agricultural mitigation land; however, the instrument shall not preclude the limited transfer of water rights on a temporary basis (i.e., not to exceed two (2) years in any ten (10) year period) to other agricultural uses within the County, so long as sufficient water remains available to continue reasonable and customary agricultural use of the mitigation land.
- (4) The instrument shall prohibit the presence, construction, or reconstruction of homes or other non-agricultural uses except within a development envelope designated in an exhibit accompanying the easement. Any such development envelope(s) shall not count toward the acreage totals of the conservation easement for mitigation purposes. The easement shall specify that ancillary uses must be clearly subordinate to the primary agricultural use.
- (5) Conservation easements held by a qualifying entity shall name the County as a third party beneficiary with full enforcement rights.
- (6) Interests in agricultural mitigation land shall be held in trust by a qualifying entity and/or the County in perpetuity. The qualifying entity or the County shall not sell, lease, or convey any interest in agricultural mitigation land which it shall acquire except in accordance with the terms of the conservation easement.
- (7) The conservation easement can only be terminated by judicial proceedings. Termination shall not be effective until the proceeds from the

sale of the public's interest in the agricultural mitigation land is received and used or otherwise dedicated to acquire interests in other agricultural mitigation land in Yolo County, as approved by the County and provided in this chapter.

(8) If any qualifying entity owning an interest in agricultural mitigation land ceases to exist, the duty to hold, administer, monitor and enforce the interest shall pass to the County or other qualifying entity as acceptable and approved by the County.

Sec. 8-2.405 In-Lieu Agricultural Mitigation Fee

(a) Purpose

This Section establishes certain fees that, pursuant to Section 8-2.404, are required to be paid by new development that converts less than twenty (20) acres of agricultural lands to nonagricultural uses. The fees established by this Section are estimated to be equal to the cost of conserving one acre of agricultural land for every acre developed. Specifically, this Section establishes and sets forth regulations relating to the imposition, collection, and use of fees for the conservation of agricultural lands through purchase of conservation easements.

(b) In-Lieu Agricultural Mitigation Fee

- (1) Section 8-2.404, the Agricultural Conservation and Mitigation Program, sets forth the details and requirements of the Program. The Program requires agricultural mitigation for the conversion or change from agricultural use to a predominantly non-agricultural use prior to, or concurrent with, approval of a permit or other land use entitlement or approval, including but not limited to zone change, by the County.
- (2) The Agricultural Conservation Easement Program specifies that development projects that result in the conversion of less than twenty (20) acres of agricultural land may pay an in-lieu fee, instead of purchasing a conservation easement, based on a per acre calculation of the conversion amount.

(3) The formula for determining the amount of the per-acre in-lieu fee to be paid shall be as follows, and as updated according to Subsection (5), below:

Table 1
In-Lieu Agricultural Mitigation Fee

Cost Component	Per Acre Fee
Easement Acquisition Cost	\$8,400
Transaction Cost	\$420
Monitoring Endowment	\$880
Administrative Costs	\$280
Contingency	\$115
Total (rounded)	\$10,100

Source: Table 7, Yolo County Agricultural Mitigation Fee Analysis, Economic and Planning Systems, August 7, 2007

- (4) The fees collected pursuant to this ordinance shall be used to pay the costs associated with acquiring and maintaining agricultural conservation easements, including the specific costs identified in Table 1, above.
- (5) The In-Lieu Agricultural Mitigation Fee may be updated quarterly based on two separate indices. The non-acquisition related costs may be updated based on changes in the Consumer Price Index (CPI), a typical measure of inflation. The acquisition costs may be updated based on changes in the Office of Federal Housing Enterprise Oversight (OFHEO) housing price index for the Sacramento Metropolitan Statistical Area, which is proxy for land costs. This index is published four times a year, in early December, March, June, and September.

(c) Payment of Fees

For any development project subject to this ordinance, fees levied hereunder shall be paid to the County of Yolo prior to the acceptance of any final subdivision map, issuance of a conditional use permit or approval of a site plan, or issuance of building permit(s), or such other ministerial or discretionary approval that triggers the fee requirement, whichever occurs first. The Community Services Department shall not accept any final subdivision map, issue any conditional use permit or approve any site plan, or issue any building permit(s) or any other ministerial or discretionary approval to any development subject to this ordinance without first receiving payment of the required fees from the applicant.

(d) Accounting and Register of Payment

(1) The fees collected pursuant to this ordinance shall be placed by the Community Services Department in a separate interest bearing account for the In-Lieu Agricultural Fee Program, as further described in Subsection (f), below.

- (2) The Community Services Department shall maintain a register for each account indicating the date of payment of each fee, the amount paid, Assessor's Parcel Number and the name of the payor.
- (3) Pursuant to Government Code section 66006(b)(1), within 180 days after the last day of each fiscal year, the Community Services Department shall prepare an accounting of all fees paid into and withdrawn from the account during the prior fiscal year. This accounting shall include all of the information required by subdivision (b)(1) of section 66006, including but not limited to the source and amounts collected, the beginning and ending balance of the account, the interest earned during the prior fiscal year, the amounts expended from the account, and the projects for which such expenditures were made.

(e) Independent Fee Calculations

- Following a request made by an affected party, if in the judgment of the (1) Director of the Community Services Department ("Director") none of the fee amounts set forth in the schedule in Table 1, above, appears to accurately correspond with the impacts resulting from issuance of the requested building permit (or certificate of occupancy if no building permit is required), the applicant shall provide to the Community Services Department for its review and evaluation an independent fee calculation, prepared by a consultant approved by the Director. The independent fee calculation shall show the basis upon which it was made and shall include, at a minimum, the costs of recent easement transactions in Yolo County. The Director may require, as a condition of the issuance of the requested permit, payment of an alternative impact fee based on this calculation. With the independent fee calculation, the applicant shall pay to the Community Services Department an administrative processing fee of seven hundred and sixty eight (\$768) dollars per calculation or such amount that may be set in the County's Master Fee Resolution in effect at the time the project is submitted.
- (2) While there is a presumption that the calculation set forth in the In-Lieu Agricultural Mitigation Fee study (as may be adjusted from time to time in accordance with this ordinance) is correct, the Director shall consider the documentation submitted by the applicant. The Director is not required to accept as true the facts contained in such documentation. If the Director reasonably deems the facts in such documentation to be inaccurate or not reliable, he or she may require the applicant to submit additional or different documentation or, alternatively, refuse to accept any further documentation and apply the formula set forth in Subsection (b), above, to the development at issue. The Director is authorized to adjust the fee on a case-by-case basis based on the independent fee calculations or the specific characteristics of the permit (or certificate of occupancy if no building permit is required), provided the amount of the adjusted fee is consistent with the criteria set forth in Government Code section 66001(a)-(b) and other applicable legal requirements.

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(f) Establishment of In-Lieu Fee Account

- (1) An interest-bearing account shall be established for the fees collected pursuant to this ordinance and shall be entitled "In-Lieu Agricultural Mitigation Fee Account". Impact fees shall be earmarked specifically and deposited in this account and shall be prudently invested in a manner consistent with the investment policies of the County. Funds withdrawn from this account shall be used in accordance with the provisions of this ordinance. Interest earned on impact fees shall be retained in the account and expended for the purpose for which the impact fees were collected.
- (2) On an annual basis, the Director shall provide a report to the Board of Supervisors on the account showing the source and amount of all moneys collected, earned, or received, and system improvements that were financed in whole or in part by impact fees. This report may be identical in format and content with the report or other document prepared pursuant to Subsection (d)(3), above, and Government Code Section 66006(b)(1).
- (3) In accordance with Government Code section 66001(d), for the fifth fiscal year following the first deposit of fees into the account and every five years thereafter, if some or all of the collected fees have not been expended, the Board of Supervisors shall make the findings set forth in Government Code Section 66001(d) or take other measures provided in Subdivisions (d) and (e) of Section 66001, including a refund of any unexpended moneys pursuant to Subsection (g), below.

(g) Refunds

- (1) Except where the Board of Supervisors has timely made the findings set forth in Government Code Section 66001(d), upon application of the property owner made pursuant to (3) through (5) of this subsection (g), the County shall refund that portion of any impact fee which has been on deposit over five years, whether committed or uncommitted. The refund shall be made to the then-current owner or owners of lots or units of the development project or projects, as reflected on the last equalized assessment roll.
- (2) The County may refund by direct payment, by offsetting the refund against other impact fees due for development projects by the owner on the same or other property, or otherwise by agreement with the owner. A person who receives a refund under this provision shall not commence construction of the land development for which the refund was made without repaying the required fees.
- (3) If the County fails to expend the fees within five years of payment, or where appropriate findings have been made, such other time periods pursuant to Section 66000 et seq. of the Government Code, the current owner of the property for which impact fees have been paid may receive a refund of the remaining amount of the fee payment. In determining whether fees have been expended, impact fees shall be considered expended on a first in, first out basis.

- (4) The County shall notify potential claimants by first class mail deposited with the United States Postal Service at the last known address of such claimants.
- (5) Property owners seeking a refund of impact fees must submit a written request for a refund of the fees to the Director of Community Services within one year of the date that the right to claim the refund arises or the date the notice described in Subsection (4) of this Section is given, whichever is later.
- (6) Any impact fees for which no application for a refund has been made within the one year period shall be retained by the County and expended on the appropriate purchases of easements.
- (7) Refunds of impact fees under this ordinance shall include any interest earned on the impact fees by the County.
- (8) When the County terminates the impact fee program established by this ordinance, all unexpended and unencumbered funds, including interest earned, shall be refunded pursuant to this ordinance. The County shall publish notice of the determination and the availability of refunds in a newspaper of general circulation at least two times and shall notify all potential claimants by first class mail to the last known address of the claimants. All funds available for refund shall be retained for a period of one year after the second publication. At the end of one year, any remaining funds shall be retained by the County, but must be expended for the appropriate public facilities. This notice requirement shall not apply if there are not unexpended or unencumbered balances within the account.
- (9) The County shall also refund the impact fee paid plus interest to the current owner of property for which the impact fee had been paid if the development was never completed or occupied; provided, that if the County expended or encumbered the impact fee in good faith prior to the application for a refund, the Director may decline to provide the refund. If within a period of three years, the same or subsequent owner of the property proceeds with the same or substantially similar development, the owner can petition the Director for an offset against the fees previously paid to, and expended or encumbered by, the County. The petitioner shall provide receipts of impact fees previously paid for a development of the same or substantially similar nature on the same property or some portion thereof.

(h) Use of Funds

- (1) The fees collected pursuant to this ordinance may be spent for the conservation of agricultural lands through purchase of conservation easements, including any related administrative, monitoring, stewardship, and legal costs.
- (2) It is the intent of the County to transfer most, if not all, of the fees that are collected to a qualifying entity, that will purchase and maintain easements.
- (3) In-Lieu fees may be used to recoup costs for conservation easement purchases previously incurred by the County, provided the costs recouped by the County were incurred in connection with the Agricultural Conservation and Mitigation Program.
- (4) In the event that bonds or similar debt instruments are or have been issued for the advanced purchase of conservation easements, In-Lieu fees may be used to pay debt service on such bonds or similar debt instruments to the extent that purchases are consistent with the Agricultural Conservation and Mitigation Program and this Section.

(i) Protests and Appeals

Protests shall be filed in accordance with Sections 66020 and 66021 of the Government Code. At the time any fees are imposed pursuant to this ordinance, County staff shall provide the project applicant written notice of the imposition of the fees, a statement of the amount of the fees, and notification of the commencement of the ninety (90) day period for filing a protest under Government Code section 66020(d)(1).

Sec. 8-2.406 Transfer of Development Rights Program (reserved)

Sec. 8-2.407 Williamson Act Land Use Contracts

See "Yolo County Williamson Act Program and Guidelines," a separate document which is not a part of the County Code.