



City of Morgan Hill

Legislation Text

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CITY COUNCIL STAFF REPORT

MEETING DATE: FEBRUARY 15, 2017

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APPROVED BY: City Manager

PROGRESS UPDATE ON CITY AGRICULTURAL PRESERVATION ACTIVITIES

RECOMMENDATION(S)

Accept Report.

COUNCIL PRIORITIES, GOALS & STRATEGIES:

Ongoing Priorities

Protecting the environment

2016 Focus Areas

Developing Our Community

REPORT NARRATIVE:

The purpose of this staff report is to provide the City Council with a progress report on the City's efforts to preserve agricultural lands through securing agricultural conservation easements.

The community engaged in a decade-long process to consider growth boundaries around the City. A major component of this discussion was the preservation of agricultural uses around the community. Most of the agriculture present in the City's Sphere of Influence (SOI) occurs in the area known as the Southeast Quadrant. On November 5, 2014, the City Council adopted the attached Agricultural Lands Preservation Program (Program) as a component of the City's actions addressing the Southeast Quadrant (SEQ). While the related land use annexation in the SEQ was denied by the Santa Clara Local Agency Formation Commission, the Agricultural Program remains active. Preserving agricultural uses is specifically called out as one of the "Big Ideas" in the City's new General Plan and is supported by numerous policies in the General Plan including CNF-4.2 (Urban Growth Boundary), CNF-7 (Preserving Viable Agricultural Lands), CNF-20.3 (Minimize Impacts on Adjacent Agriculture), HC-6.7 (Agricultural Retention), and, most significantly, NRE-4 (Viable Agricultural Industry). In addition, Program implementation was specifically one of the projects and initiatives for the City Council's 2016 Focus Areas.

The Program has the following five goals:

1. Preserve open space agricultural lands and agricultural activity within the Morgan Hill Sphere of

Influence.

2. Promote the viability of small-scale agriculture through the preservation of agricultural land and the implementation of supporting General Plan policies.
3. Identify the combination of tools, techniques, mechanisms, and funding sources that form the best agricultural/open space land preservation program for the City of Morgan Hill.
4. Establish CEQA mitigation procedures to mitigate the loss of agricultural lands.
5. Focus land preservation in the City's Southeast Quadrant (SEQ) area, but also encourage preservation efforts throughout the City's SOI.

In support of these goals, the Program lists the policies the City will rely on for implementation. The following chart encapsulates the key policies of the Program and compares it to other programs.

Agricultural Mitigation Ordinance Policy Comparison



Policies	CA Council of Land Trusts Model Ordinance	Yolo County	LAFCO Advisory Policy	Morgan Hill
Minimum Mitigation Ratio 1:1	✓	✓	✓	✓
Conservation Easements w/ SOI	✓	✓	✓	✓
Stay Ahead Provision	✓	✓	✓	✓
In-Lieu Fees	✓	✓	✓	✓
Third Party Administrator	✓	✓	✓	✓
Right to Farm Ordinance		✓	✓	✓
Public Uses Subject to Mitigation			✓	✓
Cortese Knox Farmland			✓	
DOC/DOA Farmland Map	✓	✓		✓
Transfer of Development Rights				✓
Mitigation Land Bank		✓		✓
Local Funding (RDGS)				✓
Administrative Costs Paid	✓	✓	✓	✓
Priority Conservation Area		✓		✓

A key implementation activity in the Program involves securing agricultural conservation easements on private properties through dedication, purchase, or donation. Once recorded, an agricultural conservation easement essentially eliminates future development or subdivision of the subject property - which ensures that the land will remain available for agricultural activities. The Program specifies that the City's efforts to secure easements should be focused within the SEQ itself.

To assist in this effort, the City secured an expert in negotiating agricultural easements, Tom Scharffenberger. He has worked closely with City staff over the past several months on the following activities (see attached exhibit for additional detail):

- Mapping of large properties in the SEQ to identify common ownership and land uses;
- Finalizing model agricultural conservation easement language;
- Meeting with a potentially interested property owner, owners' representatives, Santa Clara County (County), and the Open Space Authority (Authority) toward the development of a large potential easement purchase.

Over the next three months, Scharffenberger and City staff intends to continue working on the purchase of this large easement with the County and Authority. These activities will include:

- Finalizing negotiations with the property owners on easement language and process;
- Securing an appraisal that quantifies the proper cost for the easements; and
- Obtaining grant funds from State and Federal agencies to support the purchase of the easements.

In addition, City staff is participating in the Sustainable Agricultural Lands Conservation Program currently being implemented by Santa Clara County and the Open Space Authority with grant funds from the State. This regional effort aims to establish a new approach to preserving agriculture in Santa Clara County. It is conducting regional mapping of current agricultural lands with the goal of identifying those lands that should be a focus of preservation efforts - namely those lands with the highest agricultural viability and the highest threat of land conversion. The program will develop tools and interjurisdictional agreements to support the program's goals. City staff serves on the Municipal Technical Working Group to engage in the process and provide input on work products. Slides from a webinar are attached that further describe this program.

At the February 8, 2017, meeting of the Project's Technical Panel Group, staff learned that County Project staff have completed in-depth analyses of farmland conversion data in their initial mapping. The analyses indicate that approximately 42% of the agricultural land conversions occurring in South County over the past several decades were due to City expansions and 58% of the conversions were due to rural developments (mostly ranchettes) occurring in the unincorporated area of Santa Clara County. Project staff will incorporate this data into the upcoming agricultural viability and threatened area maps that will guide project outcomes. With the grant period for this project ending this year, it is expected that the next set of maps will be completed in the Spring with the rest of the year dedicated to recommending a menu of approaches needed to preserve agriculture in South County.

COMMUNITY ENGAGEMENT: Collaborate

The concept of preserving agricultural land in and around the City is itself an outgrowth of input and discussion held with the community. The purchase of agricultural preservation easements will only be possible when the City, the land owner, and other organizations collaborate to secure the easements.

ALTERNATIVE ACTIONS:

N/A

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council adopted the Agricultural Lands Preservation Program on November 5, 2014. Funding for program implementation was included in the 2016-2018 adopted budget and the Council authorized the expenditure of some of these implementation funds when it approved the consulting agreement with Scharffenberger Land Planning and Design on September 7, 2016.

FISCAL AND RESOURCE IMPACT:

There are no fiscal impacts associated with this item. The ultimate execution of agricultural conservation easements may require amending the current appropriation of funds from the City's

Agricultural Preservation and Open Space Fund. (Note: To demonstrate the City's commitment to agricultural preservation, the Council renamed the previous Open Space Fund as the Agricultural Preservation and Open Space Fund in 2016.) The staffing resources needed to administer this program are included in the work program of the Community Services Department.

CEQA (California Environmental Quality Act):

Not a Project

The acceptance of this report will not create any physical changes to the environment and the recommended action is, therefore, not a project as defined by the CEQA Guidelines.

LINKS/ATTACHMENTS:

Agricultural Lands Preservation Program
Scope of Services from Consultant Contract
Model Easement
Slides Describing County Program