

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
WEDNESDAY, AUGUST 6, 2014**

MINUTE ORDER NO. 3

**SUBJECT: NOTICED PUBLIC HEARING:
PURCHASE OF AGRICULTURAL CONSERVATION EASEMENTS
(PACE) PROGRAM MITIGATION COMPONENT AND PURCHASE
OF EIGHT AGRICULTURAL CONSERVATION EASEMENTS IN
BONSALL, CAMPO, CREST-DEHESA, JAMUL, AND VALLEY
CENTER (8/6/2014-SET HEARING; 9/17/2014 – HOLD HEARING)
(DISTRICTS: 2 & 5)**

OVERVIEW:

On December 4, 2013 (3), the Board of Supervisors (Board) received a report detailing the opportunities and challenges realized during the pilot phase of Purchase of Agricultural Conservation Easements (PACE) program and provided staff with the following direction:

- Pursue the acquisition of agricultural conservation easements on the remaining 16 top ranked PACE properties;
- Prepare a mitigation program as an expanded component of the PACE program;
- Establish the PACE program as a permanent County program;
- Provide for continuous funding through an annual General Fund appropriation in addition to funding through mitigation; and
- Periodically reopen the PACE application process to interested property owners.

In response to the Board’s direction, County staff pursued the acquisition of agricultural conservation easements on the remaining 16 properties and secured “willing seller” letters from eight of the property owners (property data found in Table 1). Staff has updated the PACE Program Guidelines to establish PACE as a permanent County program and prepared a mitigation component for the Board’s consideration. Implementation of the mitigation component requires adoption of a new mitigation credit fee, establishment of an associated trust fund, and an update to the County’s California Environmental Quality Act (CEQA) Guidelines for Determining Significance for Agricultural Resources.

The easement acquisition request requires two steps. On August 6, 2014, it is requested that the Board set a hearing for September 17, 2014, and provide public notice for the hearing. If the Board takes the actions recommended for August 6, 2014, then on September 17, 2014, after making the necessary findings, staff requests that the Board: approve the purchase of agricultural easements for the eight properties, direct staff to implement the mitigation component of the PACE program, adopt the Form of Ordinance amending the County Administrative Code to establish a new fee for the PACE mitigation program, and establish an associated trust fund.

FISCAL IMPACT:

Funds for this request are included in the Fiscal Year 2014-15 Operational Plan for Planning & Development Services. If approved, this request will result in a current year cost of \$1,319,850 for the purchase of the eight easements, and \$125,150 for related administration, title and escrow costs for a total of \$1,445,000. The funding source is Fiscal Year 2012-2013 (\$700,000) and Fiscal Year 2013-2014 (\$795,000) General Fund fund balance available. After acquisitions of the eight properties totaling \$1,445,000 there will remain \$50,000 in the PACE program. There will be no change in net General Fund costs and no additional staff years. Today's action will also refer to the Fiscal Year 2015-16 budget the establishment of appropriations, up to \$1.5 million, for the Fiscal Year 2015-16 PACE program based on General Purpose Revenue.

BUSINESS IMPACT STATEMENT:

By permanently preserving agricultural land and providing property owners compensation for conservation easements, the PACE program makes the continued use of agriculture more viable in the long term. The PACE program also supports continued agricultural uses in the county by creating more affordable properties for farmers.

RECOMMENDATION:

CHIEF ADMINISTRATIVE OFFICER

On August 6, 2014:

1. Find, in accordance with Sections 15273, 15325(b) and 15061(b)(3) of the State CEQA Guidelines, that setting a hearing to purchase agricultural conservation easements over APNs 606-150-01, 128-211-01, 128-211-06, 128-212-01, 128-212-02, 519-110-22, 521-110-52, 189-021-10, 185-230-78, 185-230-79, 122-040-27, and 515-110-01; to establish a permanent PACE program with a mitigation component; and to establish the associated mitigation credit fee, are exempt from the provisions of the State CEQA Guidelines for the reasons stated in the Notice of Exemption.
2. Direct the Clerk of the Board to publish the required Notice of Intention to Purchase in accordance with Government Code Sections 25350 and 6063.
3. Set a hearing for September 17, 2014, at which time the Board may consider approving the purchase of agricultural easements over APNs 606-150-01, 128-211-01, 128-211-06, 128-212-01, 128-212-02, 519-110-22, 521-110-52, 189-021-10, 185-230-78, 185-230-79, 122-040-27, and 515-110-01.

If on August 6, 2014, the Board takes the actions recommended in Items 1-3 above, then on September 17, 2014:

1. Find that the proposed actions, to consider the purchase of agricultural easements over APNs 606-150-01, 128-211-01, 128-211-06, 128-212-01, 128-212-02, 519-110-22, 521-110-52, 189-021-10, 185-230-78, 185-230-79, 122-040-27, and 515-110-01; to establish a permanent PACE program with a mitigation component; and to establish the associated mitigation credit fee, are exempt from review under the CEQA pursuant to Sections 15273, 15325(b), and 15061(b)(3) of the State CEQA Guidelines for the reasons stated in the Notice of Exemption.

2. Approve the findings in Attachment E pursuant to the State CEQA Guidelines Section 15273(c).
3. Approve the real property contracts for the purchase of an agricultural conservation easements and authorize the Director of the Department of General Services to execute two copies of the agreement over:
 - a. APN 606-150-01 from Robert Shea for \$196,000;
 - b. APNs 128-211-01, 128-211-06, 128-212-01, and 128-212-02 from Cynthia Kinsman for \$341,750;
 - c. APN 519-110-22 from Nicanor Gonzalez III, Katrina Gonzales, and Jonathon F. Stirk for \$112,000;
 - d. APN 521-110-52 from Russell Walsh and Carolyn McGavock for \$62,500;
 - e. APN 189-021-10 from the Malek Mansour 1999 Trust for \$200,000;
 - f. APNs 185-230-78 and 185-230-79 from the John Hamilton Scudder Trust 03-25-91 for \$202,200;
 - g. APN 122-040-27 from Bagher and Ginger Bahardar for \$190,400; and
 - h. APN 515-110-01 from the Jeff and Edie Hawthorne Family Trust for \$15,000.
4. Authorize the Director of the Department of General Services, or designee, to execute all escrow and related documents necessary to complete the purchases.
5. Adopt the Form of Ordinance entitled: AN ORDINANCE AMENDING THE SAN DIEGO COUNTY ADMINISTRATIVE CODE TO ADD A PERMIT FEE RELATING TO THE PURCHASE OF AGRICULTURAL CONSERVATION EASEMENTS MITIGATION PROGRAM (Attachment C, on file with the Clerk of the Board).
6. Direct the Chief Administrative Officer to implement the mitigation program as an expanded component of the PACE Program:
 - a. Incorporate the PACE mitigation program into the County's CEQA Guidelines for Determining Significance for Agricultural Resources and the Land Use and Environmental Group's (LUEG) Conditions Manual.
 - b. Establish an interest accruing trust fund for the PACE mitigation program.
7. Refer to budget appropriations of up to \$1.5 million in Planning & Development Services, services and supplies, to fund the acquisition of PACE properties, based on Fiscal Year 2015-2016 General Purpose Revenue.

ACTION:

ON MOTION of Supervisor Cox, seconded by Supervisor R. Roberts, the Board closed the Hearing and took action as recommended, on Consent, setting a Hearing for September 17, 2014 at 9:00 a. m.


AYES: Cox, Jacob, D. Roberts, R. Roberts, Horn

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the original entered in the Minutes of the Board of Supervisors.

THOMAS J. PASTUSZKA
Clerk of the Board of Supervisors



By 
Marvice E. Mazyck, Chief Deputy