

## STAFF REPORT

### CALIFORNIA FARMLAND CONSERVANCY AGRICULTURAL CONSERVATION EASEMENTS

#### BOS RESOLUTION for PROGRAM APPLICATION

**Proposed Action:** Siskiyou Land Trust and partnering landowners request that the Siskiyou County Board of Supervisors adopt a resolution and findings to authorize submittal of a grant applications to the California Department of Conservation's *California Farmland Conservancy Program* for three agricultural conservation easement projects located in Etna, Grenada, and Gazelle that would permit three private landowners and the nonprofit Siskiyou Land Trust to seek State grant funds for the purchase of agricultural conservation easements covering approximately 3,000+ acres.

The Siskiyou Land Trust is a local nonprofit (501(c)(3)) land conservation organization with membership open to any interested person. Information concerning the land trust, including its Board of Directors and other conservation projects, is available at [www.siskiyoulandtrust.org](http://www.siskiyoulandtrust.org). The land trust maintains an office in Mount Shasta.

**Description of Subject Properties:** Siskiyou Land Trust is working with three landowners to place conservation easements over agricultural operations in Siskiyou County. Two of the three ranch landowner seeking support for the proposed agricultural conservation easements are located in Scott Valley near the City of Etna (see Exhibits 1). These ranches are currently used principally for commercial cattle and sheep grazing and hay production, are classified as Prime Agricultural Land in the Scott Valley Area Plan, and are surrounded by other productive agricultural properties. These two conservation easement projects total approximately 515 acres, including approximately 85 acres of irrigated croplands and pasture.

The other proposed agricultural conservation easement project is located in Shasta Valley (see Exhibits 2). The ranch ownership includes two distinct operational locations (Gazelle and Grenada). This ranch that is used principally for commercial cattle grazing and hay production is classified as Agricultural under Siskiyou County's Land Use General Plan, is mapped as Local Important under the State's Farm Mapping and Monitoring Program, and is surrounded by other productive agricultural properties. Total acreage is approximately 2,550 acres, including approximately 500 acres of irrigated croplands and pasture.

**Public Notice:** Siskiyou Land Trust provided public notice on August 5<sup>th</sup> for the proposed conservation easements projects as required by the California

Farmland Conservancy Program. Letters mailed to adjacent landowners on August 5<sup>th</sup> described the proposed project, conservation easements generally, provided information about the land trust, and contact information to submit comments. Public notice was also provided in the Siskiyou Daily News legal notice section in early August. To date, Siskiyou Land Trust received one landowner comment that simply stated the landowner is not interested in learning more about conservation easements. No opposition to the proposed action has been received in response to those notices.

**Purpose of the Proposed Board Action:** The State agricultural conservation program mentioned above requires ranchers to provide a local government resolution and findings to prove (1) the landowner actually has a commercial agricultural operation (2) the agricultural operation is viable, and (3) the county's policies and land use plans support agriculture. This proof of agricultural operation and county support for agriculture is required in order to submit a grant proposal AND receive funding for agricultural conservation program funding, as expressed in the language of the resolution and supporting findings.

This requirement is intended to assure that the State grant funds are only used for projects that are consistent with local land use plans and within areas intended for long-term agricultural production, and to provide an opportunity for local notice and comment on the proposed project. Unless the Board of Supervisors adopts a resolution making the required findings, the landowners and the Land Trust will not be able to complete the project for this State grant program.

**Precedence:** Siskiyou County Board of Supervisors provided similar resolutions of support for conservation easement projects in 2008 (Whipple and Plank ranches) and in 2014 and 2016 (Spencer Ranch CEs) – all of whom applied to the California Department of Conservation programs to fund the four conservation easements. These ranching families were successful in receiving grant funds and completing the conservation easement transactions, which enabled them to invest in ranch improvements and improve operations. These local investments contributed to long-term local and regional economic vitality for agricultural lands.

## **Background on the Proposed Agricultural Conservation Easements**

### **General Information about conservation easements:**

**A conservation easement** is considered a real estate interests that is recorded in the county where the property is located. This a private agreement is between a landowner and an entity that is able and willing to accept conservation easement interests. When a landowner sells or donates a conservation easement, the right to subdivide the property into smaller lots is removed. Note – a landowner is not required to place the entire property under a conservation

easement – the extent of acres under conservation easement is the landowner's choice. By keeping the land as an intact ranch, a landowner may be able to permanently conserve its soil resources, agricultural use, commercial viability, character of the land and whatever unique features that land may have..

Property that has a conservation easement may be bought or sold just like real estate that is not encumbered by a conservation easement. Land that has a conservation easement associated with it is still subject to all local, State, and Federal laws, rules and regulations. Land with a conservation easement associated with it is still subject to property taxes. The primary difference is that land sold subject to a conservation easement must abide by the promise not to subdivide and must abide by the terms recorded in the easement. In this way, a conservation easement is permanent and carries with the land no matter who owns the property in the future.

**Project Specific Information:**

**The basic purpose of the proposed conservation easements** are to keep the ranches intact, retain irrigated farmland, provide designated areas for development that are outside the floodplain and away from prime agricultural soil, retain riparian areas, and maintain scenic open spaces in Siskiyou County.

By facilitating the purchase of these easements, landowners are able to receive financial capital for their commitment to land conservation that can be re-invested back into the ranches as needed while retaining ownership and management of their ranch. As mentioned above, the proposed conservation easement will prohibit future subdivision to avoid breaking this property into parcels too small for commercial ranch operations. Portions of the ranches that are currently irrigated will be designated for agricultural use, consistent with current land use, zoning, County General Plan designations, and the Scott Valley Area Plan. The subject properties are currently zoned AG-1-80 and AG-2-80, with some portions of the properties zoned AG-2-40.

To summarize, under the conservation easements,

- the properties will remain in private ownership and management - (This means all decisions associated with ranch operations are under the control of the landowner, not the entity accepting the conservation easement);
- properties' "subdivision rights" will be permanently restricted;
- the land will be managed by the private landowners primarily for agricultural production;
- Siskiyou Land Trust will be the holder of the conservation easements and will be responsible for annual monitoring to ensure compliance with easement terms
- the easements provide development areas for residential uses and farmstead/ranch uses, including associated building improvements associated with agricultural production;

- the easements do not alter associated property taxes
- the easements allow for future development that would also be subject to Siskiyou County planning and zoning regulations.
- The easements do not include provisions for public access to the properties.

By the avoidance of future subdivision of these properties, the conservation easements are intended to have public benefits in addition to the protection of agricultural production. The rangeland, cropland, and riparian portions of these properties provide habitat for a wide range of native wildlife and fish, including migratory deer and elk herds, bears, eagles, sandhill cranes, and salmonids. These ranches are visually prominent from county roads and state highways, and are considered scenic open space. All of the subject properties provide important habitat areas for salmonids.

The proposed conservation easements would not have any direct effect on properties other than the three ownerships.

#### **Findings in Support of the Proposed Resolution:**

1. The Marble Peaks, French Creek and Shasta Valley Ranches and surrounding properties are currently in commercial agricultural production and the local land use pattern, physical infrastructure and business services systems in the Shasta and Scott Valleys provide necessary support for this agricultural industry, including roads, water delivery systems, equipment distribution and repair services, marketing systems, etc.
2. The Siskiyou County General Plan, Scott Valley Area Plan and other County policies including the Right-to-Farm Policy demonstrate a long-term commitment to continued agricultural production on the four subject ranches.
3. As a result of climate uncertainties, market conditions, energy costs, regulatory constraints, generational changes, and other risk factors, commercial agriculture within Siskiyou County is subject to substantial economic challenges. Unless these conditions change, commercial agriculture may become economically infeasible within the foreseeable future and large landholdings may be subject to subdivision and sale. The sale of conservation easements helps offset some of these risks to make agriculture a more viable long-term productive use of the property.