

Date of Hearing: April 19, 2017

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT  
Cecilia Aguiar-Curry, Chair  
AB 465 (Ting) – As Amended April 6, 2017

**SUBJECT:** Urban agricultural incentive zones.

**SUMMARY:** Extends the sunset of the Urban Agriculture Incentive Zones Act (UAIZ Act) from January 1, 2019 to January 1, 2029, and makes other technical changes to the law. Specifically, **this bill:**

- 1) Extends the sunset of the UAIZ Act from January 1, 2019 to January 1, 2029.
- 2) Reduces the population threshold of cities or counties eligible for a UAIZ from 250,000 residents to 50,000 residents.
- 3) Allows for contiguous parcels that meet the 0.1 acre minimum threshold to be combined and participate in a UAIZ.
- 4) Allows for contiguous parcels to be combined into one UAIZ contract with the city or county.

**EXISTING LAW:**

- 1) Enables cities and counties, pursuant to the Williamson Act, to enter into contracts with private landowners for the purpose of restricting specific land to agricultural or open space use.
- 2) Defines, pursuant to the UAIZ Act, “urban” as an area within the boundaries of an urbanized area as a population of at least 250,000 people.
- 3) Authorizes a county or city and county to create UAIZs wherein a city or county may enter into enforceable contracts with landowners, on a voluntary basis, to use vacant, unimproved, or blighted lands for small-scale agricultural use.
- 4) Requires that a county or city and county, after a public hearing, pass an ordinance to authorize UAIZs in their jurisdiction.
- 5) Requires that a city, after a public hearing and with approval from the board of supervisors of the county, pass an ordinance to authorize UAIZs in their district.
- 6) Requires UAIZ contracts to include, but not be limited to, the following provisions:
  - a) An initial term of no less than 5 years;
  - b) A requirement that property is at least 0.10 acres, and not more than three acres, in size;
  - c) A requirement that the entire property subject to the contract shall be dedicated toward commercial or noncommercial agricultural use;

- d) A prohibition against any dwellings on the property while under contract; and,
  - e) A notification that if a landowner cancels a contract, a city, county, or city and county is required to assess a cancellation fee.
- 7) Allows a city, county, or city and county that has established a UAIZ to adopt rules and regulations consistent with city, county, or city and county's zoning and other ordinances.
  - 8) Prohibits a city, county, or city and county from entering into a new UAIZ contract, or renewing an existing UAIZ contract after January 1, 2019. Any UAIZ contract entered into on or before January 1, 2019, shall be valid and enforceable for the duration of the contract.
  - 9) Restricts a city, county, or city and county from establishing a UAIZ in any area that is currently subject to, or has been subject to within the previous three years, a contract pursuant to the Williamson Act.

**FISCAL EFFECT:** This bill is keyed fiscal.

**COMMENTS:**

- 1) **Bill Summary.** This bill will extend the UAIZ Act from January 1, 2019 to January 1, 2029. It will lower the population threshold of urban areas from 250,000 people to 50,000 people, which will allow smaller urban communities to participate in the program. Additionally, it will allow cities and counties to enter into UAIZ contracts with contiguous parcels—parcels of land that share a common border—provided the combined parcels meet the specified requirements of the UAIZ Act. This bill is author-sponsored.
- 2) **Author's Statement.** According to the author, “The goal of the program is to promote locally grown, fresh produce that is healthier, tastes better and is less harmful to the environment than traditional grocery store produce. Turning blighted, vacant properties into beautiful, productive land improves urban neighborhoods, reduces crime and instills a sense of pride in the community.  
  
“During the first four years of the program, communities throughout the state have adopted UAIZ ordinances, including San Francisco, Sacramento, San Jose, and San Diego, with more areas expressing interest. The process of putting urban parcels under contract has been slow though. Stakeholders want the program to be continued so that more communities and interested landowners can participate in the program.”
- 3) **Background on Urban Agriculture Incentive Zones.** The Williamson Act, passed in 1965, allows local governments to enter into voluntary contracts with private landowners in order to restrict specific land to agricultural or open space use in exchange for a reduction in property taxes. These ten-year contracts are intended to encourage farmland and open space conservation. Many Williamson Act contracts take place in the unincorporated areas of counties.

In 2013, the Legislature passed the UAIZ Act. Modelled after the Williamson Act, AB 551 (Ting), Chapter 406, Statutes of 2013, authorized urban cities and counties to enter into enforceable, voluntary contracts with landowners for agricultural use in exchange for a reduction in their property taxes. The UAIZ Act defines agricultural use to include all

branches of farming, including, but not limited to, the production, cultivation, growing, and harvesting of any agricultural or horticultural products, agricultural education, and the sale of produce through farm stands, among other things.

In order to create UAIZs, cities and counties must be in an urbanized area with a population of over 250,000 residents. Following a public hearing, cities and counties must adopt an ordinance to authorize UAIZs in their district. Cities must also secure the approval of the county board of supervisors. UAIZ contracts are restricted to five-year terms, a minimum size of 0.10 acres, and a maximum size of three acres. Cities and counties may not establish UAIZs in any area that is currently or has been subject to a Williamson Contract within the previous three years. Since the passage of the UAIZ Act, San Francisco, Santa Clara, Sacramento, San Diego, and Los Angeles counties have all adopted UAIZ ordinances.

The UAIZ Act has a sunset date of January 1, 2019. After this date, a city or county may not enter into new contracts or renew existing UAIZ contracts.

- 4) **Arguments in Support.** SPUR, in support, states that “this legislation will extend the life of the urban agricultural incentive zone program that helps urban farmers address one of the biggest obstacles they face – affordable access to land.”
- 5) **Arguments in Opposition.** None on file.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

City and County of San Francisco  
Pesticide Action Network (PAN)  
Santa Clara County Board of Supervisors  
SPUR  
The California Guild

##### **Opposition**

None on file

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