

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:
Prepared on: 1/30/03
Department Name: CA
Department No.: 12
Agenda Date: 2/4/03
Placement: Departmental
Estimate Time: 10 Min.
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Michael F. Brown, County Administrator
X-3400

STAFF CONTACT: Jim Laponis, Deputy County Administrator - X-3400
Michael Allen, Chief Deputy Clerk of the Board - X-2240

SUBJECT: Resolution Opposing Elimination of the Open Space Subvention Program

Recommendation(s):

That the Board of Supervisors:

Adopt a resolution opposing the Governor's 2003-04 State budget proposal to permanently eliminate the Open Space Subvention Program.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goal No. 4. A Community that is Economically Vital and Sustainable.

Executive Summary and Discussion:

The California Land Conservation Act of 1965, popularly known as the Williamson Act, is a voluntary program that provides lower property taxes to agricultural landowners in exchange for contractual commitments with participating counties or cities to keep their land in agricultural or open space uses for at least a period of 10 years.

Statewide, the Williamson Act currently protects over 16.3 million acres of agricultural land, much of it having scenic open space and wildlife value, and over half of the State's prime farmland in 52 counties is protected by the Act. In 1998, the Act was amended to provide for the establishment of the Farmland Security Zones, commonly referred to as the Super Williamson Act, which allows landowners to receive an additional tax reduction if they keep the property in the conservation program for at least 20 years.

The 1971 Open Space Subvention Act provides a formula for allocating payments to local governments based on acreage enrolled in the program, to help replace the foregone property tax revenue to participating local governments. This financial support from the State has provided a tangible incentive for local governments to stay in the program and initiate more contracts.

The elimination of the open space subvention payments will remove this incentive for counties to participate in the program, potentially leading to the non-renewal of Williamson Act contracts due to the lack of financial resources to support the continuation of property tax incentives for landowners.

Without the financial incentive for farmers to participate in this land conservation program, agricultural landowners could face increased pressure to convert land to non-agricultural land uses, potentially threatening the overall viability of agriculture. In addition, the integrity of the Williamson Act as a planning tool used to support general plan and zoning objectives, to prevent leapfrog development and to promote orderly or 'smart' growth will be threatened.

In Santa Barbara County there are currently over 761,000 acres of agriculturally zoned land. Seventy three percent of this land, a total of 555,000 acres, is currently in agricultural preserves. The elimination of the Williamson Act subventions will result in the loss of over \$700,000 annually to the County of Santa Barbara. As an industry, the agricultural community in Santa Barbara County produced nearly \$700,000,000 in sales in 2001. Both the Santa Barbara County Cattleman's Association and the Santa Barbara County Farm Bureau have taken a position in opposition to the elimination of the Williamson Act subventions.

Additionally, should the State eliminate the Open Space Act Subventions Program, it is possible that the County will remain obligated to fulfill the terms of the existing Williamson Act contracts. Should the County be required, or determine to, fulfill the terms of the existing Williamson Act contracts, the County will have to utilize General Fund revenues currently used to support other County services.

Mandates and Service Levels:

The Williamson Act Subventions Program is not mandated, however, as discussed above the County may be obligated to fulfill the terms of the existing contracts.

Fiscal and Facilities Impacts:

If the Williamson Act Subventions Program is eliminated, the potential FY 2003-04 impact to the General Fund is approximately \$700,000.

Special Instructions:

Forward executed copies of the Resolution to the following:

Gray Davis, Office of the Governor
Chairs, State Senate and Assembly Budget Committees
Santa Barbara County State Legislative Delegation