



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

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

Department Name: Planning and
Development
Department No.: 053
For Agenda Of: 11/17/2020
Placement: Departmental
Estimated Time: 45 min
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors

FROM: Department Lisa Plowman, Director, Planning and Development
Director (805) 568-2086
Contact Info: Daniel T. Klemann, Deputy Director, Long Range Planning
(805) 568-2072

SUBJECT: Agricultural Tiered Permitting Ordinance Amendments – Project Scope

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence N/A

As to form: N/A

Recommended Actions:

That the Board of Supervisors (Board):

- a) Receive and file a report from Planning and Development Department (P&D) staff regarding the proposed Agricultural Tiered Permitting Ordinance Amendments;
- b) Provide direction to staff regarding any changes that the Board would like to make to the project's current scope of work;
- c) Approve the budget revision in Attachment 1, increasing Account 7460, Professional Services, offset by an increase to revenue committed fund balance Account 9882 (Decrease to Committed – P&D Projects) in the amount of \$170,000 (4/5 vote); and
- d) Determine that the Board's actions are not a project as defined in the California Environmental Quality Act (CEQA) Guidelines Sections 15060(c)(3) and 15378(b)(5) and are not subject to environmental review.

Summary Text:

Staff is seeking the Board's input and concurrence on the scope of work for the Agricultural Tiered Permitting Ordinance Amendments. In general, the Agricultural Tiered Permitting project would amend the County Land Use and Development Code (LUDC) and Coastal Zoning Ordinance (Article II) to (1) reduce (i.e., "streamline") the permitting requirements for certain agricultural structural development, and

(2) make consistent, countywide, the permitting requirements for a variety of small scale uses on lands zoned Agricultural II (AG-II), which were first adopted for the Gaviota Coast Plan area. This project would allow all owners of lands zoned AG-II the same opportunities to pursue the same range of uses following the same tiered permit structure. Additionally, staff would review the Uniform Rules for Agricultural Preserves and Farmland Security Zones (Uniform Rules) to determine whether an amendment to the Uniform Rules would be necessary to allow the proposed small scale uses on lands subject to an agricultural preserve contract.

The purpose of this Board letter and the hearing is to obtain the Board’s concurrence with the project’s current scope or its possible expansion prior to staff completing draft amendments, retaining a consultant to conduct environmental review, and processing the budget revisions needed to prepare the draft amendments for the Board’s consideration.

Background:

The Agricultural Tiered Permitting project consists of two distinct components: (1) streamlining the permit process for larger agricultural structural developments, and (2) providing a tiered permit structure that would allow compatible, small scale uses that support and encourage the viability for long-term continuation of local agricultural operations. These two components are discussed in greater detail in Sections 1.0 and 2.0 below.

1.0 Permit Streamlining for Larger Agricultural Structural Developments

In 2010, the Board adopted an ordinance amending the LUDC, which revised the Development Plan thresholds for larger agricultural structural development on lands zoned AG-II. In 2016, the Board adopted, and in 2018, the Coastal Commission certified, this same amendment to Article II with minor modifications, thereby applying it to the Coastal Zone of the Gaviota Coast Plan area. This project would amend Article II to apply the same Development Plan thresholds to the AG-II zone throughout the Coastal Zone.

Currently in the Coastal Zone on AG-II zoned lands outside of the Gaviota Coast Plan area, a Development Plan is required when the gross floor area of all structural development cumulatively amounts to 20,000 square feet or more per lot. The proposed tiered Development Plan thresholds are the same as those adopted and certified for the Gaviota Coast Plan area, and are based on a variety of combinations of agricultural and non-agricultural structural development and lot size. In brief, a Development Plan would be required when any one of the following gross floor area thresholds is met:

- Non-agricultural structural development would total 15,000 square feet or more, cumulative;
- An individual agricultural structure is proposed to be 15,000 square feet or larger;
- An individual agricultural structure is proposed to be at least 10,000 square feet and there is another 10,000-square foot agricultural structure on the site (i.e., resulting in at least two 10,000-square foot agricultural structures on the lot); or
- The floor area of the proposed agricultural structure(s) is added to the floor area of all of the structures (ag and non-ag) on the lot and would total a specified square footage for a given lot size, with the threshold increasing with lot size.

2.0 Expansion of the Gaviota Tiered Permit Structure for Small Scale Uses

This project would amend the LUDC and Article II to expand the tiered permit structure first adopted for the Gaviota Coast Plan area to all lands zoned AG-II. The Gaviota tiered permit structure allows compatible, small scale uses that support and encourage the viability for long-term continuation of local agricultural operations. The scale of the permitted uses is intended to support, or be compatible with, agricultural activities. It would allow landowners to develop small-scale uses with a lower-level permit,

in order to explore the long-term value of the use. Similar but higher intensity uses would require Conditional Use Permit approval. The current scope of work for this project is modeled after the amendments that established the permitting regulations for certain uses in the Gaviota Coast Plan area, which included:

Aquaponics	Ag processing beyond the raw state (small scale)
Composting (small scale)	Tree nut hulling
Farmstand	Rural recreation – campground (small scale)
Firewood processing and sales	Rural recreation – fishing operation
Lumber processing/milling	Rural recreation – horseback riding
Ag product preparation	

The small scale uses would: (1) be allowed when incidental to and supportive of the principal agricultural use of a property, and (2) need to comply with size and operational limits, among other development standards.

The resulting ordinance amendments would employ a tiered permit structure that would provide flexible permitting based on the scale of the use and compliance with development standards. Small scale uses in the Inland Area might be exempt from permits, or allowed with an over-the-counter or other staff issued permit, such as a Zoning Clearance or Land Use Permit, and in the Coastal Zone, with a Coastal Development Permit that is not appealable to the Coastal Commission. If a proposed use exceeds the scale that is authorized with a lower tiered permit, or does not comply with the development standards necessary to be allowed with a lower tiered permit, an applicant would have the option to apply for a Conditional Use Permit to allow the proposed use.

3.0 Project Scope Concurrence or Direction

The Agricultural Tiered Permitting project was added to the Long Range Planning (LRP) Division Work Program in Fiscal Year 2016-17 but was delayed due to Board direction to prioritize other projects. The current scope of work for this project includes the following general tasks:

- Draft text amendments to the LUDC and Article II following the Gaviota Coast Plan tiered permit structure and agricultural permit streamlining
- Public outreach and stakeholder engagement
- Environmental review
- Planning Commission and Board of Supervisors hearings
- California Coastal Commission certification (Article II amendment)

Staff is seeking the Board's input and concurrence on the scope of the tiered permitting component of the project described in Section 2.0 of this Board letter. Should the Board concur with the current project scope without modification, the estimated timeline would be as follows:

- Winter 2021
 - Prepare project description and draft text amendments to the LUDC and Article II
 - Select consultant
 - Initiate public outreach and stakeholder engagement
- Spring/Summer 2021
 - Prepare environmental document
 - Public review of environmental document
- Fall 2021/Winter 2022
 - Planning Commission and Board of Supervisors hearings
 - Initiate Coastal Commission certification process

With the adoption of the P&D budget for FY 2020-2021, the Board directed LRP to separate the Farmstay Ordinance Amendments from the Agricultural Tiered Permitting Ordinance Amendments and proceed with it as a separate project. On September 1, 2020, the Board reviewed the scope of work for the Farmstay Ordinance Amendments, and considered whether to expand its scope to include additional agricultural tourism uses. The Board directed staff to proceed with the Farmstay Ordinance Amendments following the original scope of work and budget identified in the LRP Work Program.

In October 2019 and January 2020, Planning Commissioner John Parke facilitated several community workshops to gather input from the agricultural community on the state of agricultural tourism in the county. These workshops were followed by meetings of an informal group of farmers and ranchers that grew out of the workshops and who continued the conversation. In October 2020, P&D staff met with the group to listen to their ideas. At the workshops and meeting with staff, participants discussed potential agricultural tourism uses that could help foster economic development while being compatible with the principal agricultural use of the farm or ranch on which the agricultural tourism use would occur.

Mary Heyden, a member of the informal group of farmers and ranchers, provided a list of the broad range of potential agricultural tourism uses that the group discussed, which is included as Attachment 2. Workshop participants expressed interest in creating pathways for a variety of agricultural tourism-related uses with fewer permit requirements, and a tiered permit structure for agricultural tourism activities on agricultural-zoned lands. Uses discussed included (among others) expanded tasting/food services, farm-to-table dinners, cooking classes, educational experiences, small-scale events, camping, running and equestrian events, and installing new infrastructure such as public bike paths to provide connectivity between agricultural tourist-related destinations.

Several uses that are included on Attachment 2 are already within the current scope of the Agricultural Tiered Permitting project because the uses are currently allowed within the Gaviota Coast Plan area using the tiered permit structure, including small scale camping (10 or fewer camping sites for tents and small RVs), horseback riding, and fishing operation (fee fishing). Other low intensity rural recreational uses listed on Attachment 2 are already allowed on AG-II lands with a Conditional Use Permit, including guest ranch, hostel, rifle (shooting) range, and hunting club (LUDC Section 35.42.240). In addition, the current LUDC allows on farm/ranch sales, roadside stands, and U-pick operations on lands zoned AG-II under agricultural product sales (LUDC Section 35.42.050). These agricultural product sales are exempt when they meet certain development standards. The regulations for agricultural product sales also allow (within certain limits) the sale of non-plant materials (and artisanal crafts in Gaviota), which may include agriculture-related crafts/gifts and food. It would be within the project scope to review and assess the current permit structure of these uses to determine whether changes to the permit tiers could be accommodated.

4.0 Options for the Agricultural Tiered Permitting Project Scope of Work

The Board has the following three options regarding the scope of work for the Agricultural Tiered Permitting Ordinance Amendments.

4.1 Option 1

The Board can direct staff to move forward with the current project scope of work, described in Sections 1.0 and 2.0 of this Board letter, and follow the budget as originally proposed for the FY 2020-2021 Work Program. Should the Board direct staff to move forward with this option, then the Board need only to approve the budget revision for professional services in Attachment 1.

4.2 *Option 2*

The Board can direct staff to add uses that are relatively small in scale, incidental to, compatible with, and supportive of, the principal agricultural use of lands zoned AG-II. Potential additional uses would need to be assessed to determine whether they would be consistent with these objectives and characteristics. Some uses that might be accommodated by this option include incidental food service, small scale farm-to-table dinners or cooking classes, other small-scale events, and educational opportunities (such as school tours, agriculture and natural resource workshops/tours, bird/wildlife viewing, astronomy/stargazing and photography).

Some additional staff work would be required to identify the intensity of use that would qualify as a small scale that would be appropriate to support the onsite agriculture while being allowed with an exemption or one of the lower level permits (Zoning Clearance or Land Use Permit), and in the Coastal Zone with a Coastal Development Permit. Any of these uses at a larger scale might be permissible with a Conditional Use Permit. Staff believes Option 2 could be accommodated with the same budget as Option 1, and would recommend the Board proceed with the same budget revision request for Option 1, if the Board selects Option 2.

4.3 *Option 3*

Option 3 consists of relatively large and higher intensity tourism uses on agricultural lands. These include uses located on smaller farms (less than 40 acres in size or on lands zoned AG-I), or new commercial and entertainment enterprises on agricultural lands (such as restaurants, bed and breakfast inns, and large scale events such as festivals or concerts or running and equestrian events). Other ideas discussed by the group, including new infrastructure such as public bike paths to provide connectivity between agricultural tourist-related destinations, are better addressed through programmatic planning documents such as a recreation master plan, as compared to a zoning ordinance amendment. The range and scale of potential uses is broad and could include any combination of uses listed on Attachment 2, at the Board's discretion.

Increasing the scope of the project under Option 3 would require more time and higher costs for staff resources for research, public outreach, and ordinance development, as well as expanded consultant services for the environmental review of the revised project description. If the Board wants to pursue this type of comprehensive program, the Board can: (1) consider it as part of the LRP Work Program in a future fiscal year, or (2) direct staff to initiate the effort this fiscal year. If the Board chooses to initiate a more comprehensive agricultural tourism project this fiscal year, the Board should either: (1) allocate additional funding to cover the expense of the additional work; or (2) identify another project(s) in the current work program that should be delayed, and use the funding for the delayed project for the revised project. If the Board would like staff to initiate the effort in this fiscal year, staff recommends that the Board identify the types of uses to include in the revised project, and direct staff to prepare an expanded scope-of-work, project description, and budget revision to present to the Board for consideration at a subsequent hearing.

5.0 Environmental Review

CEQA Guidelines Section 15060(c)(3) states that an activity is not subject to CEQA if it is not a project as defined in CEQA Guidelines Section 15378. CEQA Guidelines Section 15378(b)(5) states that a project does not include organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment. The Board's actions to receive a report, provide direction regarding the proposed scope of work of a project, and approve a budget revision are administrative activities that would not create physical changes to the environment. Therefore, the Board's actions are not a project pursuant to CEQA Guidelines Section 15378(b)(5) and environmental review is not required.

Fiscal and Facilities Impacts:

Budgeted: Yes

As described below, funding for staff costs is budgeted in the Long Range Planning Budget Program of the adopted Fiscal Year 2020-21 budget; however, appropriations are required to fund contractual services.

County Staff

The Long Range Planning Budget Program of the adopted *Fiscal Year 2020-21 budget* (pages D-294) provides funding for staff expenses for the current fiscal year. As of October 15, 2020, staff spent \$8,500 or approximately 59 staff hours. Staff expects to spend approximately \$73,000, through the remainder of Fiscal Year 2020-21 to administer the contract, provide direction to the contractor, and perform related project duties.

Contract Services

The Long Range Planning Budget Program of the adopted Fiscal Year 2020-21 budget did not appropriate funds for contract services and, therefore, a budget revision is required. Staff requests an increase to Account 7460 (Professional Services) in the P&D's Fiscal Year 2020-21 budget to allow for \$170,000 in contract services. The budget increase will be offset by an increase to revenue committed fund balance Account 9882 (Decrease to Committed – P&D Projects).

As stated in subsection 4.3 of this Board letter (above), should the Board direct staff to expand the scope of this project, P&D staff will return with a report on the budgetary and other impacts – including a budget revision request, if applicable.

There are no facilities impacts.

Special Instructions:

P&D staff will satisfy all noticing requirements.

The Clerk of the Board shall forward a copy of the minute order to P&D, attention Julie Harris.

Attachments:

1. Budget Revision
2. Potential Agricultural Tourism Uses (provided by Commissioner Parke's committee)

Authored by:

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