



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: 1st District, Supervisor
Department No.: 011
For Agenda Of: Feb 6, 2007
Placement: Departmental
Estimated Tme: 15 mins.
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Board Member(s) Salud Carbajal, Supervisor, 1st District
Contact Info: Jeremy Tittle, 568-2186

SUBJECT: Feasibility of Establishing a Short-Term Agricultural Freeze Loan Program

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: N/A

As to form: No

Recommended Actions:

That the Board of Supervisors:

- a. Direct the County Executive Officer, Auditor-Controller, and the Treasurer-Tax Collector in cooperation with Agricultural Commissioner to explore the feasibility of a short-term agricultural loan program for farmers who suffered severe crop damage as a result of the January 2007 freeze.
- b. In the event such a program appears to be feasible, present the Board with recommendations for possible adoption.

Summary Text:

On December 27-28, 2006, winds estimated at up to 80 miles an hour struck southern portions of Santa Barbara County. These sustained winds caused significant damage to the local agricultural industry. The County Agricultural Commissioners office estimates that 40% of the 2006-07 avocado crop was lost as the fruit was blown off the trees and is not salvageable. Reportedly, there was considerable structure and crop loss to the nursery industry as well. It is further reported that losses due to this unusual event could be close to \$20 million.

Compounding the problem and following the wind event; the entire County suffered below freezing temperatures beginning in the morning of January 13 and continuing through January 15. Impacts to agriculture are estimated to include damage to 100% of the strawberry crop for this time period, 50% loss of Fava beans and 30% loss of broccoli and celery. It is also estimated that the 10% of the avocado crop that remained from the wind storms was also lost.

On January 26, 2007, my office met with the Carpinteria Valley growers and representatives from the County Farm Bureau, the Santa Barbara County Flower and Nursery Growers Association, the Avocado Association, the Carpinteria Chamber of Commerce and the City of Carpinteria to discuss how the County can assist agricultural businesses in addressing the impact of the December wind storms and the January freeze.

Evidentially it takes quite a long time for Federal and State assistance programs to take effect. For this reason it was suggested that the County implement a short stop gap program of perhaps six to eighteen months with low interest loans in the amount of up to a maximum of \$30,000.

The assignment to staff would be to ascertain the legality of such a program, how it would be funded, how it would be administered, and how repayment of the loans would enforced. Staff would have to determine the magnitude of such a program. Once such a feasibility had been determined the staff would report back to the Board with possible alternatives and considerations required by normal financial prudence.

Fiscal and Facilities Impacts: No funding for such a program is included in the adopted 2006-07 Budget. Accordingly, if such a program is determined to be feasible, transfers from reserves and/or program reductions in other areas would be required which would require a four vote approval of Board of Supervisors in accordance with County budget law. The magnitude of such a program would impact feasibility.

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund	unknown	unknown	unknown
State			
Federal			
Fees			
Other:			
Total	unknown	unknown	unknown

Authored by:

- cc:** Robert Geis, Auditor-Controller
Bernice James, Treasurer-Tax Collector
Stephen Shane Stark, County Counsel
Bill Gillette, Agricultural Commissioner
Michael F. Brown, County Executive Officer