



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: July 8, 2014
Placement: Departmental
Estimated Time: 30 minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Glenn Russell, Ph.D., Director, Planning and Development
Director(s) (805) 568-2085
Contact Info: Alice McCurdy, Deputy Director, Development Review Division
(805) 568-2518

SUBJECT: Youngman Ordinance Amendment, Amendment to the Uniform Rules for Agricultural Preserves and Farmland Security Zones, and Conditional Use Permit for Olive Oil Processing

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:

Consider amendments to the Uniform Rules for Agricultural Preserves and Farmland Security Zones, and the Planning Commission's recommendation for approval of the Youngman Ordinance Amendment and Conditional Use Permit for Olive Oil Processing (Case Nos. 11ORD-00000-00016, 13CUP-00000-00007). Your Board's action should include the following:

1. Make the required findings for approval of the project specified in Attachment 1 of this Board Agenda Letter, including CEQA findings;
2. For the Conditional Use Permit, and Amendment to the Land Use and Development Code, adopt the Negative Declaration (14NGD-00000-00007) included as Attachment C to the Planning Commission staff report dated April 24, 2014 (Attachment 6 of this Board Agenda Letter);
3. For the amendments to the Uniform Rules for Agricultural Preserves and Farmland Security Zones, after considering the environmental review document, included as Attachment 7 (Environmental Impact Report 04EIR-08) determine that as reflected in the CEQA findings, no

subsequent Environmental Impact Report or Negative Declaration shall be prepared for this project.

4. Adopt an ordinance (11ORD-00000-00016) and approve an amendment to Section 35.42.040, Agricultural Processing Facilities, and Article 35.11, Glossary – definition of Agricultural Processing of Section 35-1, of the Santa Barbara County Land Use and Development Code, Chapter 35, Zoning, of the Santa Barbara County Code (Ordinance included as Attachment 3 of this Board Agenda Letter);
5. Adopt a resolution and approve an amendment to the Uniform Rules for Agricultural Preserves and Farmland Security Zones, Uniform Rule 2-2: Supportive Agricultural Uses, Section 2-2.1., Preparation and Processing to allow for processing of agricultural products from a raw form to a milled liquid form on parcels located in the inland area of the County zoned AG-I and AG-II (Resolution included as Attachment 4 of this Board Agenda Letter); and
6. Approve a Conditional Use Permit (13CUP-00000-00007) allowing for an onsite olive oil processing facility subject to the conditions of approval (Attachment 2 of this Board Agenda Letter).

The proposed Ordinance Amendment would apply to all parcels zoned AG-I and AG-II in the unincorporated inland areas of Santa Barbara County, Supervisorial Districts 1 through 5. The proposed amendments to the Uniform Rules for Agricultural Preserves and Farmland Security Zones would apply to all parcels in the unincorporated areas of Santa Barbara County under Williamson Act Contracts. The proposed Conditional Use Permit application involves Assessor Parcel Nos. 141-042-009 through -012 located approximately ½ mile north east of the intersection of Highway 154 and Baseline Avenue, known as 2100 Edison Street, Santa Ynez area, Third Supervisorial District.

Summary Text:

Project Description:

Hearing on the request of Michael Carpenter, agent for Patricia Youngman, owner, for approval of the following:

1) Amendment to the LUDC:

The proposed LUDC amendment includes proposed development standards which would apply only to the onsite milling and/or bottling of raw horticultural and agricultural products, the two new functions proposed to be added to the list of allowable uses under the definition of Agricultural Processing. The proposed language focuses on the goal of ensuring that agricultural processing is ancillary to on-site production.

Agricultural processing would be limited to simple mechanical processing to convert the agricultural product from a raw form to a milled liquid form without additives, chemical reactions or changes in natural ambient temperatures. Milling of agricultural products would not be allowed to generate wastewater discharges, or hazardous wastes and all process water and waste material from milling would be managed on site as recycled irrigation water, organic compost or legally disposed of as solid waste.

In order to ensure that processing facilities are ancillary to onsite horticulture or agricultural cultivation, milling of horticultural or agricultural products from offsite sources would be limited to no more than 49 percent of the total volume of milled products on the facility premises. Where such premises comprise more than one legal parcel, at least 5 percent of the total volume of milled products shall be harvested from the legal parcel upon which the processing operation is located.

In addition, the legal parcel on which the processing occurs would be required to be planted with the horticultural or agricultural product prior to the commencement of any processing. The processing facility and any facilities devoted to ancillary activities such as wholesale sales or marketing, and parking, would be limited to 1 acre. On-site retail sales of any product resulting from the agricultural processing would not be allowed.

2) Amendment to the Uniform Rules:

The proposed project includes a request to amend the Uniform Rules for Agricultural Preserves and Farmland Security Zones by adding a new Section C, Small Scale Processing Beyond the Raw State, to allow for processing of agricultural products from a raw form to a milled liquid form. Additional criteria for approval include requirements that: 1) proposed facilities are located on parcels which have been planted with the crop proposed for processing; 2) limits the quantity of agricultural products brought in from offsite sources; 3) limits the size of ancillary facilities dedicated to sales, marketing and parking, and 4) on super prime contracts, such facilities are limited to parcels 10 acres or greater in size and shall be either located within existing farm buildings or count towards the development envelope allowance in order to avoid displacement of productive agricultural land.

3) Youngman Olive Oil Processing Facility:

The proposed Conditional Use Permit would allow for an olive oil processing facility to be located on APN 141-042-012, within three existing horse barns of 2,880 sq. ft. each with a maximum height of 22 feet. No exterior modifications to the existing structures would be required. Processing activities would occur within the mill barn, which would require interior re-modeling to accommodate the olive oil processing machinery. Bottling and tank storage would take place within the second horse barn. The third horse barn would be utilized for shipping/office purposes. No interior re-modeling would be required in the second or third barns. An un-paved loading and unloading area of approximately 12,000 sq. ft. would be located northeast of the mill barn.

The on-site facility would process olives from both on and off-site sources. The on-site premises are comprised of three contiguous legal parcels totaling approximately 130-acres, and containing an existing 65-acre olive grove. These parcels are currently under Agricultural Preserve Contracts. All off-site sources would be located within Santa Barbara County. The milling process would be entirely mechanical. There would be no additives, chemical reactions, or heat involved in processing. Byproducts associated with pressing would be managed on-site as organic compost or recycled as livestock feed. The proposed operations would not include discharges of hazardous waste.

Access to the facility would be provided via an existing 18 foot wide private driveway of approximately 800 feet in length and accessed from Edison Street. Water for processing activities

would be provided by an existing on-site private water well, and sanitary services would be provided by a proposed on-site septic disposal system in conformance with Environmental Health Services and Regional Water Quality Control Board requirements, or recycled onsite. No grading, tree or vegetation removal is proposed as a part of the project.

For a more detailed project description, please see Condition No. 1 in the Attached Conditions of Approval (Attachment 2).

Planning Commission Action:

At the Planning Commission hearing of May 14, 2014, the Commission voted 5-0 to recommend that your Board approve the proposed Ordinance Amendment and Conditional Use Permit. Since the Board of Supervisors is the sole decision maker for amendments to the Uniform Rules, staff provided the Planning Commission with an informational briefing on this part of the project and no recommendation was made. The Findings of the Planning Commission are contained in the Planning Commission Action Letter dated May 19, 2014 (Attachment 5 of this Board Agenda Letter).

Issue Summary:

Amendment to the LUDC:

The proposed LUDC Ordinance Amendment would apply to all parcels zoned AG-I and AG-II in the unincorporated inland areas of Santa Barbara County, Supervisorial Districts 1 through 5. This area encompasses approximately 610,000 acres of the approximately 855,000 acres of agriculturally zoned land in the County.

The proposed Ordinance Amendment was initiated by the Planning Commission on December 12, 2012. During the Planning Commission's consideration of the applicant's request, concerns were expressed regarding: 1) on-site retail sales; 2) special events; and 3) public olive oil tasting rooms in connection with the processing of olive oil (i.e. as the LUDC allows for wineries). Based on these concerns, the proposed amendment was revised and would not allow for on-site tasting, special events, or retail sales at agricultural processing facilities.

Proposed development standards include a requirement that milling of horticultural or agricultural products from offsite sources would be limited to no more than 49 percent of the total volume of milled products on the facility premises. Where such premises comprise more than one legal parcel, at least 5 percent of the total volume of milled products shall be harvested from the legal parcel upon which the processing operation is located. These standards would ensure that agricultural processing facilities are ancillary to on-site horticultural or agricultural cultivation, particularly in the event that the parcel containing the processing facility is sold and is no longer a part of the original, multi-parcel site that constituted the premises.

The types of products which could be processed under the proposed amendment would include primarily olive oil, but could also include cold pressed juices, as well as nut oils. Under the proposed ordinance amendment, in order for a development permit to be approved it must be found consistent with the policies and development standards of the Comprehensive Plan and any associated Community plan, as well as with the Land Use & Development Code. As part of this process, a project approval would be

required to demonstrate consistency with applicable policies and be able to make the required findings for approval.

Amendment to the Uniform Rules:

The Board of Supervisors is the sole decision making body for administrative actions implementing the County's agricultural preserve program. The Uniform Rules for Agricultural Preserves and Farmland Security Zones implement the Williamson Act by defining eligibility requirements and compatible uses that each participating landowner must adhere to in order to receive a reduced tax assessment. The Uniform Rules do not authorize any development on agricultural land that is not otherwise permitted by the LUDC in the applicable zone district. In some cases, the Uniform Rules can be less restrictive than the underlying agricultural zoning requirements for the applicable zone district. For example, in order to be consistent with Uniform Rule 2-2.2 regarding retail sales, the proposed language states that the processing facility and any ancillary facilities such as sales, marketing, and parking would be limited to 1 acre. However, the proposed LUDC Ordinance Amendment language is more restrictive as it would not allow for on-site retail sales at processing facilities in the AG-I and AG-II zone districts.

The Uniform Rules neither supersede the County's land use requirements contained in the Comprehensive Plan and zoning ordinances, nor does participation in the program obviate the need for permits. The Agricultural Preserve Advisory Committee (APAC) is responsible for reviewing a land use application for consistency with the Uniform Rules and the Williamson Act, but have no land use permitting authority. Permit applications must be reviewed and approved by the appropriate decision-maker in the permit process.

The proposed Uniform Rules revisions were reviewed by the Agricultural Preserve Advisory Committee (APAC) on October 4, 2013 and December 4, 2013. At the December 4, 2013 meeting, the APAC voted 5-0 to recommend that your board accept the proposed language as an amendment to the County's Uniform Rules. In addition, the proposed language was sent to the Department of Conservation (DOC) for review through the State Clearinghouse, and no comments were received. The APAC would be required to review future permits located on parcels under agricultural preserve contracts for compatibility with the Uniform Rules.

The proposed revisions are similar to the revisions evaluated in the certified Environmental Impact Report (04EIR-00000-00008) completed for the County's Uniform Rules update project (County of Santa Barbara; August, 2006). However, at that time there were no accompanying text amendments proposed for the LUDC, and as a result, the Uniform Rules revisions associated with small scale processing were not adopted as they would have created inconsistencies between the LUDC and Uniform Rules. Since the applicant is proposing to amend both the LUDC and the Uniform Rules, both documents would be consistent.

Youngman Olive Oil Processing Facility:

Currently the LUDC does not specifically address the milling and bottling of agricultural products in their raw form into a natural or milled liquid form (such as olive oil processing) on agriculturally zoned parcels outside of areas with an Agricultural Industry Overlay. Approval of the proposed amendment to the LUDC and Uniform Rules would allow the applicants to apply for a Conditional Use Permit (CUP) to process raw olives grown both on and off their 165 acre premises into olive oil. No on-site retail sales, special events, or tasting activities would be permitted. The Youngman property is under

Williamson Act contract. On December 4, 2013, the APAC found the proposed CUP consistent with the Uniform Rules as proposed to be amended and contingent on the adoption of the proposed amendment by your board.

Fiscal and Facilities Impacts:

The costs to process the project were borne by the applicant through the payment of processing fees. These fees are budgeted in the permitting program of the Department, as shown on page D-168 of the adopted 2013/15 FY budget.

Special Instructions:

The Clerk of the Board shall publish a legal notice at least 10 days prior to the hearing on July 8, 2014. The notice shall appear in the Santa Ynez Valley News (labels attached). The Clerk of the Board shall fulfill noticing requirements. A minute order of the hearing and copy of the notice and proof of publication shall be forwarded to the Planning and Development Department, Hearing Support, Attention: David Villalobos.

Attachments:

1. Findings
2. Conditions of Approval
3. Ordinance
4. Resolution
5. Planning Commission Action Letter dated May 19, 2014
6. Planning Commission Staff Report dated April 24, 2014
7. Final Environmental Impact Report (04EIR-08) Table EX-1: Summary of Environmental Impacts and Mitigation Measures. The certified EIR is available online at:
http://longrange.sbcountyplanning.org/programs/uniformrules/uniformrules_FEIR.php
8. Comprehensive Plan Consistency – Proposed Amendments to the Uniform Rules

Authored by:

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Development Review Division, Planning and Development Department