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# Yolo County Local Agency Formation Commission

## Agricultural Conservation Policy 6-25-07



Sunflower Field, Yolo County, California

***LAFCO***

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**Yolo County Local Agency Formation Commission**  
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**COUNTY OF YOLO**  
**LOCAL AGENCY FORMATION COMMISSION**  
**AGRICULTURAL CONSERVATION POLICY**  
**(Adopted by Minute Order 94-4 Amended by Minute Orders 2002-25,**  
**2003-03, 2003-41, 2005-05, 2005-56, 2006-02, and 2007-25)**

I Legislative Mandate

A. California Government Code §56377 mandates LAFCO consider the following factors:

1. In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, the commission shall consider all of the following policies and priorities:

a. Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing non-prime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.

b. Development of existing vacant or non-prime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency.

B. Given the direction outlined by the California Legislature in Government Code section 56377, the Yolo County LAFCO adopts the following policies in respect to the conversion of agricultural land to urban uses. This policy is meant to apply both to city and special district changes of organization when urban development is the ultimate goal.

II. Policy Statement

A. Agriculture is a vital and essential part of the Yolo County economy and environment. Agriculture shapes the way Yolo County residents and visitors view themselves and the quality of their lives. Accordingly, boundary changes for urban development should only be proposed, evaluated, and approved in a manner which, to the fullest extent feasible, is consistent with the continuing growth and vitality of agriculture within the county.

### III. Policy Guidelines

- A. To promote the policy statement, proposals shall be reviewed based on the following considerations:
  - 1. Existing developed areas should be maintained and renewed.
  - 2. Vacant land within developed areas should be developed before agricultural land is annexed for non-agricultural purposes.
  - 3. Land substantially surrounded by existing agency boundaries should be annexed before other lands.
  - 4. Urban development should be restricted in agricultural areas. For example, agricultural land should not be annexed for non-agricultural purposes when feasible alternatives exist.
  - 5. The continued productivity and viability of agricultural land surrounding existing communities should be promoted, by preventing the premature conversion of agricultural land to other uses and, to the extent feasible, minimizing conflicts between agricultural and other land uses.
  - 6. Development near agricultural land should not adversely affect the economic viability or constrain the lawful, responsible practices of the agricultural operations.
- B. In considering the completeness and appropriateness of any proposal, the Executive Officer and this Commission may require proponents and other interested parties to provide such information and analysis as, in their judgment, will assist in an informed and reasoned evaluation of the proposal in accordance with this policy.
- C. No change of organization shall be approved unless it is consistent with the Spheres of Influence of all affected agencies.
- D. Where feasible, non-prime land should be annexed before prime land.
- E. A land's current zoning, pre-zoning or land use designation is one of the factors the Commission will consider in determining whether mitigation will be required for the loss of agricultural land. A land's zoning, pre-zoning or designation in the city's or County's general plan does not automatically exempt it from mitigation.
- F. The Commission encourages local agencies to adopt policies that result in efficient, coterminous and logical growth patterns within their general plan and sphere of influence areas and that encourage protection of prime agricultural land in a manner that is consistent with this Policy.
- G. The Commission encourages the maintenance of agricultural inter-city buffers between the cities. The Commission encourages the cities and the County to formalize and strengthen existing, but non-binding, agreements maintaining agricultural buffers

- H. The Commission encourages local agencies to identify the loss of prime agricultural land as early in their processes as possible, and to work with applicants to initiate and execute plans to mitigate for that loss, in a manner that is consistent with this Policy, as soon as feasible. Local agencies may also adopt their own agricultural conservation policies, consistent with this Policy, in order to better meet their own circumstances and processes.
- I. Unless otherwise provided in this Policy, the provisions of this Policy shall apply to all proposals requiring approval by the Yolo County Local Agency Formation Commission, including but not limited to, any proposal for approval of a change of organization, reorganization, or out-of-agency service agreement.
- J. This Policy applies to proposals of both public agencies and private parties. However, the Commission recognizes that there are significant differences between public agencies and private parties. In light of those differences, in some circumstances it may not be appropriate to require mitigation for the loss of prime agricultural land as would otherwise be required by this Policy.

A fundamental difference is that public agencies are generally responsible to the electorate, while private parties are not. Public agencies are also generally required to provide Constitutionally or statutorily (or both) mandated services. In addition, a public agency is generally required, by law or policy considerations, to locate its facilities within its boundaries, while a private party has no such constraints.

Public agencies are also generally subject to Constitutional or statutory constraints (or both) on their ability to raise revenues. Public agencies often experience increases in demand for services that are not (and often cannot) be accompanied by equivalent increases in revenues. In light of these and other fiscal constraints that are currently imposed upon public agencies, a mitigation requirement could result in an additional cost to a public agency that it is unable to recoup by increasing its revenues, which in turn could impair the agency's ability to provide its Constitutionally and statutorily mandated services.

In addition, unlike private parties, public agencies are often exempt from the land use controls and regulations of other public agencies, despite the fact that the activities of the former occur within the boundaries of the latter. Although a public agency might request input from other local agencies, it is not necessarily bound by or required to follow their local planning requirements. As a result, a public agency's development or construction activities may not be subject to the same degree of control as a private party, and it might not learn of a mitigation requirement until after it has completed significant portions of the planning processes that are required by law.

Based upon the foregoing factors, the Commission concludes that, in the case of proposals that are undertaken exclusively for the benefit of a public agency, the Commission should review the applicability of the mitigation requirements set forth in this Policy on a case-by-case basis to determine the appropriateness of requiring mitigation in any particular case.

#### IV. Policy Standards and Implementation

- A. Detachment of prime agricultural lands and other open space lands shall be encouraged if consistent with the sphere of influence for that agency.
- B. Annexation of prime agricultural lands shall not be approved unless the following factors have been considered:
  - 1. There is insufficient marketable, viable, less prime land available in the subject jurisdiction for the proposed land use.
  - 2. The adoption and implementation of effective measures to mitigate the loss of agricultural lands, and to preserve adjoining lands for agricultural use to prevent their premature conversion to other uses. Such measures may include, but need not be limited to: the acquisition and dedication of farmland, development rights, open space and conservation easements to permanently protect adjacent and other agricultural lands within the county; participation in other development programs (such as transfer or purchase of development rights); payments to responsible, recognized government and non-profit organizations for such purposes; the establishment of open space and similar buffers to shield agricultural operations from the effects of development.
- C. Annexation for land uses in conflict with an existing agricultural preserve contract shall be prohibited, unless the Commission finds that it meets all the following criteria:
  - 1. The area is within the annexing agency's sphere of influence.
  - 2. The Commission makes findings required by Government Code Section 56856.5.
  - 3. The parcel is included in an approved city specific plan.
  - 4. The soil is not categorized as prime.
  - 5. Mitigation for the loss of agricultural land has been secured at least at a 1:1 ratio of agricultural easements for the land lost.
  - 6. There is a pending, or approved, rescission for the property that has been reviewed by the local jurisdictions and the Department of Conservation.
  - 7. The property has been non-renewed if still awaiting rescission approval.

- D. Less prime agricultural land generally should be annexed and developed before prime land is considered for boundary changes. The relative importance of different parcels of prime agricultural land shall be evaluated based upon the following (in a descending order of importance):
1. Soil classification shall be given the utmost consideration, with Class I or II soil receiving the most significance, followed by the Storie Index Rating.
  2. Consideration shall also be given to the land's economic viability for continued agricultural use.
- E. LAFCO will approve a change of organization which will result in the conversion of prime agricultural land in open space use to other uses only if the LAFCO finds that the proposal will lead to planned, orderly, and efficient development. The following factors shall be considered:
1. Contiguity of the subject land to developed urban areas.
  2. Receipt of all other discretionary approvals for changes of boundary, such as rezoning, environmental review, and service plans as required by the Executive Officer before action by LAFCO. If not feasible before LAFCO acts, the proposal can be made contingent upon receipt of such discretionary approvals within not more than one (1) year following LAFCO action.
  3. Consistency with existing planning documents of the affected local agencies, including a service plan of the annexing agency or affected agencies.
  4. Likelihood that all or a substantial portion of the subject land will develop within a reasonable period of time for the project's size and complexity.
  5. The availability of less prime land within the sphere of influence of the annexing agency that can be developed, and is planned and accessible, for the same or a substantially similar use.
  6. The proposal's effect on the physical and economic viability of other agricultural operations. In making this determination, LAFCO will consider the following factors:
    - a. The agricultural significance of the subject and adjacent areas relative to other agricultural lands in the region.
    - b. The existing use of the subject and adjacent areas.
    - c. Whether public facilities related to the proposal would be sized or situated so as to facilitate the conversion of adjacent or nearby agricultural land, or will be extended through or adjacent to, any other agricultural lands which lie between the project site and existing facilities.

- d. Whether natural or man-made barriers serve to buffer adjacent or nearby agricultural land from the effects of the proposed development.
- e. Provisions of the General Plan's open space and land use elements, applicable growth management policies, or other statutory provisions designed to protect agriculture. Such provisions may include, but not be limited to, designating land for agriculture or other open space uses on that jurisdiction's general plan, adopted growth management plan, or applicable specific plan; adopting an agricultural element to its general plan; and acquiring conservation easements on prime agricultural land to permanently protect the agricultural uses of the property.
- f. The establishment of measures to ensure that the new property owners shall recognize the rights of adjacent property owners conducting agricultural operations and practices in compliance with the agricultural zone in accordance with the Right to Farm Ordinance adopted by the Yolo County Board of Supervisors.

F. Agricultural Mitigation

- 1. Except as expressly noted in subsection 8 and 9 below, annexation of prime agricultural lands shall not be approved unless one of the following mitigations has been instituted, at not less than a 1:1 replacement ratio:
  - a. The acquisition and dedication of farmland, development rights, and agricultural conservation easements to permanently protect adjacent and other agricultural lands within the County.
  - b. The payment of fees that are sufficient to fully fund the acquisition and maintenance of such farmland, development rights or easements. The per acre fees shall be specified by a Fee Schedule or Methodology, which may be periodically updated at the discretion of the Commission (Refer to the Yolo County LAFCO "Payment In Lieu Fee Methodology").
  - c. Any such measures must preserve prime agricultural property of reasonably equivalent quality and character that would otherwise be threatened, in the reasonably foreseeable future, by development and/or other urban uses.
- 2. The loss of fewer than twenty (20) acres of prime agricultural land generally shall be mitigated by the payment of in lieu fees as mitigation rather than the dedication of agricultural conservation easements. The loss of twenty (20) acres or more of prime agricultural land generally may be mitigated either with the payment

of in lieu fees or the dedication of agricultural conservation easements. In all cases, the Commission reserves the right to review such mitigation on a case-by-case basis.

3. If an applicant provides agricultural easements to satisfy this requirement, the easements must conform to the following characteristics:
  - a. The land used to mitigate the loss of prime agricultural land must also be prime agricultural land as defined in this Policy and the Cortese-Knox-Hertzberg Act (Government Code 56000 et. seq.).
  - b. In addition, it must also be of reasonably equivalent quality and character as the mitigated land as measured using both of the following methodologies:
    - (i). Average Storie Index – The USDA calculation methodology will be used to calculate the average Storie Index score. The mitigating land's average Storie Index score shall be no more than 10% less than the mitigated land's average Storie Index score.
    - (ii). Land Equivalency and Site Assessment ("LESA") Model – The LESA calculation shall be in accordance with the methodology adopted by this Commission. The mitigating land's LESA score shall be no more than 10% below the mitigated land's LESA score
4. As a general rule, the Commission will not accept, as mitigation required by this Policy, an agricultural conservation easement or property that is "stacked" or otherwise combined with easements or property acquired for habitat conservation purposes, nor for any other purposes that are incompatible with the maintenance and preservation of economically sound and viable agricultural activities and operations. The Commission retains the discretion to make exceptions on a case-by-case basis, based upon the following criteria:
  - a. Whether the applicant made a good-faith effort to mitigate separately for the loss of habitat in accordance with the Yolo County Habitat/Natural Community Conservation Plan process but such efforts were infeasible, and
  - b. Whether the proposed "stacked" mitigation for the loss of prime agricultural land and habitat involves one of the following, whichever results in the greatest acreage of preserved land:
    - (i). Mitigation at a ratio of no less than 2:1 for the loss of prime agricultural soils; or

- (ii). Mitigation at a ratio of no less than 1:1 for the loss of all agricultural lands in the proposal area; or
  - (iii). The property subject to the agricultural conservation easement is larger than the proposal area, meets the conditions specified in this Policy, and encompasses a complete field, legal parcel, or farm line.
- 5. The presence of a home on land that is subject to an agricultural conservation easement is generally incompatible with the maintenance and preservation of economically sound and viable agricultural activities and operations on that land. The presence or introduction of a home may diminish the value of the agriculture conservation easement as mitigation for the loss of prime agricultural land. Consequently, an agricultural conservation easement will generally not be accepted as mitigation for the loss of prime agricultural land if the easement permits the presence of a home, except an existing home that has been present on the proposed easement for at least twenty-five (25) years, or construction of a comparable replacement for such a home.

Exceptions to this section of the Policy may be granted by the Commission on a case-by-case basis if the homesite is less than two acres and if the applicant can provide sufficient evidence that a homesite on the agriculture conservation easement is necessary to further the goals of maintaining and preserving economically sound and viable agricultural activities and operations on that easement.

- 6. LAFCO favors the use of a local non-profit agricultural conservation entity or the regional branch of a nationally recognized non-profit agricultural conservation entity as the easement holder.

The Commission will use the following criteria when approving the non-profit agricultural conservation entity for these purposes:

- a. Whether the entity is a non-profit organization that is either based locally or is a regional branch of a national non-profit organization whose principal purpose is holding and administering agricultural conservation easements for the purposes of conserving and maintaining lands in agricultural production;
- b. Whether the entity has a long-term proven and established record for holding and administering easements for the purposes of conserving and maintaining lands in agricultural production;
- c. Whether the entity has a history of holding and administering easements in Yolo County for the foregoing purposes;

- d. Whether the entity has adopted the Land Trust Alliance's "Standards and Practices" and is operating in compliance with those Standards; and
- e. Any other information that the Commission finds relevant under the circumstances.

A local public agency may be an easement co-holder if that agency was the lead agency during the environmental review process.

LAFCO also favors that applicants transfer the easement rights or in lieu fees directly to the recognized non-profit agricultural conservation entity in accordance with that entity's procedures.

The Commission retains the discretion to determine whether the agricultural conservation entity identified by the applicant and the local lead agency has met the criteria delineated above.

- 7. The Commission prefers that mitigation measures consistent with this Policy be in place at the time that a proposal is filed with the Commission. The loss of prime agricultural land may be mitigated before LAFCO action by the annexing city, or the County of Yolo in the case of a district annexation, provided that such mitigation is consistent with this Policy. LAFCO will use the following criteria in evaluating such mitigation:
  - a. Whether the loss of prime agricultural land was identified during the project's or proposal's review process, including but not necessarily limited to review pursuant to the California Environmental Quality Act;
  - b. Whether the approval of the environmental documents included a legally binding and enforceable requirement that the applicant mitigate the loss of prime agricultural land in a manner consistent with this Policy; and
  - c. Whether, as part of the LAFCO application, an adopted ordinance or resolution was submitted confirming that mitigation has occurred, or requiring the applicant to have the mitigation measure in place before the issuance of either a grading permit, a building permit or final map approval for the site.
- 8. As noted in III(J) of this Policy, the Commission has concluded that, in the case of proposals that are undertaken exclusively for the benefit of a public agency, the Commission should review the applicability of the mitigation requirements set forth in this Policy on a case-by-case basis to determine the appropriateness of requiring mitigation in any particular case.

In making such a determination, the Commission will consider all relevant information that is brought to its attention, including but not limited to the following factors:

- a. Whether the public agency had any significant, practical option in locating its project, including locating the project on non-prime or less prime agricultural land.
- b. Whether the public agency is subject to or exempt from the land use regulations of another public agency.
- c. Whether the public agency identified the loss of agricultural land as an environmental impact during the project's review, including but not limited to California Environmental Quality Act review, and, if so, whether it adopted a "Statement of Overriding Considerations" for that impact.
- d. When the public agency learned of the agricultural conservation mitigation requirements of the Commission's Policy or that of another public agency (whether or not it was subject to that agency's land use control).
- e. Whether the public agency could reasonably have allocated or obtained sufficient revenues to provide for some or all of the mitigation required by this Policy if it had learned of that requirement before submitting its proposal to this Commission.
- f. Whether the public good served by the public agency's proposal clearly outweighs the purposes served by this Policy and its mitigation requirements.
- g. Whether the proposal is necessary to meet the immediate needs of the public agency.

If the Commission determines that it is not appropriate to require mitigation for the loss of agricultural land resulting from a public agency's proposal, or to require less mitigation than otherwise prescribed by this Policy, it shall adopt findings, and a statement of overriding considerations if applicable, supporting that determination.

9. Mitigation shall not be required for the annexation of less than five (5) acres of land if the Commission finds that the land:
  - a. scores in the fourth tier of the Yolo LAFCO Land Evaluation and Site Assessment (LESA) Model; and
  - b. is "infill" as defined in this Policy; and
  - c. has not been used for active agriculture purposes in the previous 20 years.

V. DEFINITIONS - Except where noted, the following definitions are not defined in the California Government Code Sections 56000 et seq.

AFFECTED LOCAL AGENCY - any agency which contains, or would contain, or whose sphere of influence contains, any territory within any proposal or study to be reviewed by LAFCO (Government Code Section 56014).

AGRICULTURAL LAND - areas within which the primary zoning or general plan designation is AG, AP, or AE, or any other agricultural zone.

FEASIBLE - capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, legal, social, and technological factors (Government Code Section 56038.5).

INFILL LAND - property surrounded, or substantially surrounded, by urban uses or incorporated or special district boundaries.

PRIME AGRICULTURAL LAND - "land, whether a single parcel or contiguous parcels, which has not been developed for a use other than an agricultural use and which meets any of the following qualifications:

- a. Land that qualifies, if irrigated, for rating as Class I or Class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is currently irrigated, provided that irrigation is feasible.
- b. Land that qualifies for rating 80 - 100 Storie Index rating.
- c. Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Handbook on Range and Related Grazing Lands, July, 1967, developed pursuant to Public Law 46, December, 1935.
- d. Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- e. Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred (\$400) per acre for three of the previous five calendar years.

(Government Code Section 56064)

URBAN DEVELOPMENT - a change of organization that contemplates or is likely to lead to the conversion of land from agricultural use to a primarily nonagricultural related use, generally resulting in the need for services such as sewer, water, fire protection, schools, drainage systems, and police protection.

COUNTY OF YOLO  
LOCAL AGENCY FORMATION COMMISSION  
AGRICULTURAL CONSERVATION POLICY  
PAYMENT IN LIEU FEE METHODOLOGY

In lieu of the dedication of agricultural conservation easements that would otherwise be required by the Agricultural Conservation Policy, the Commission may permit the payment of fees as set forth in this Schedule to fully fund the acquisition and maintenance of farmland, development rights or agricultural conservation easements.

**Per Acre Mitigation Fee**

No less than 35% of the average per acre price for full and unencumbered fee title price in the last five (5) unimproved land purchases plus a five percent (5%) endowment of the cost of the easement, and the payment of the estimated transaction costs associated with acquiring an easement. The purchases must be within the general vicinity of the annexing entity and of a size equal to or greater than the total acreage of prime soils within the subject territory.

Payment of the In Lieu Fee is to be made directly to an agricultural conservation entity that meets the criteria set forth in Section IV(F)(6) of the Yolo County Local Agency Formation Commission's Agricultural Conservation Policy. The agricultural conservation entity receiving these funds must present to the Commission a letter stating its intention to use these funds for the acquisition of farmland, development rights or agricultural conservation easements in Yolo County whose prime soils are reasonably equivalent to the proposal area's soils and that the location of the easements will be within the general vicinity of the annexing entity and in an area within the County of Yolo that would otherwise be threatened, in the reasonably foreseeable future, by development and/or other urban uses.

Prepared by Yolo County LAFCO Staff  
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