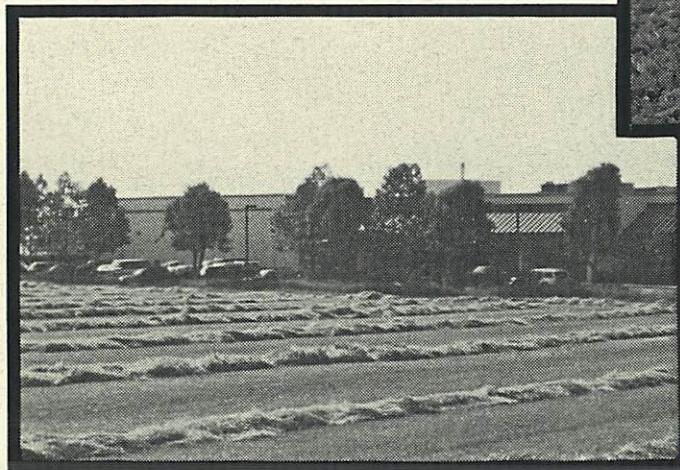
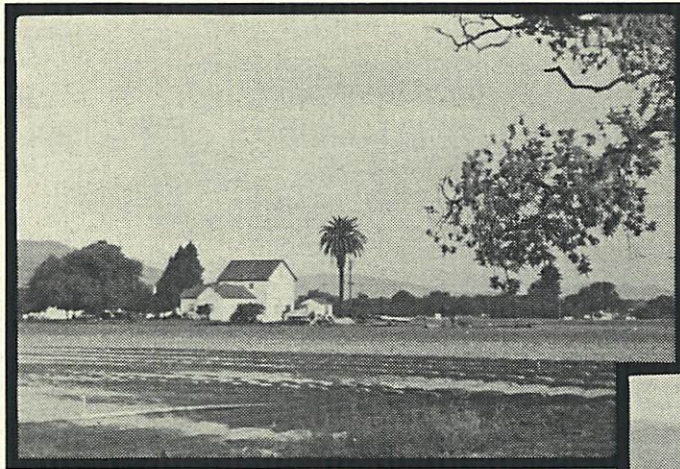


A Report to:
Santa Clara County
City of Gilroy
Santa Clara County LAFCO

STUDY OF THE SOUTH COUNTY AGRICULTURAL PRESERVE



Prepared by:
Crawford Multari & Starr
Sage Associates
RRM Design Group

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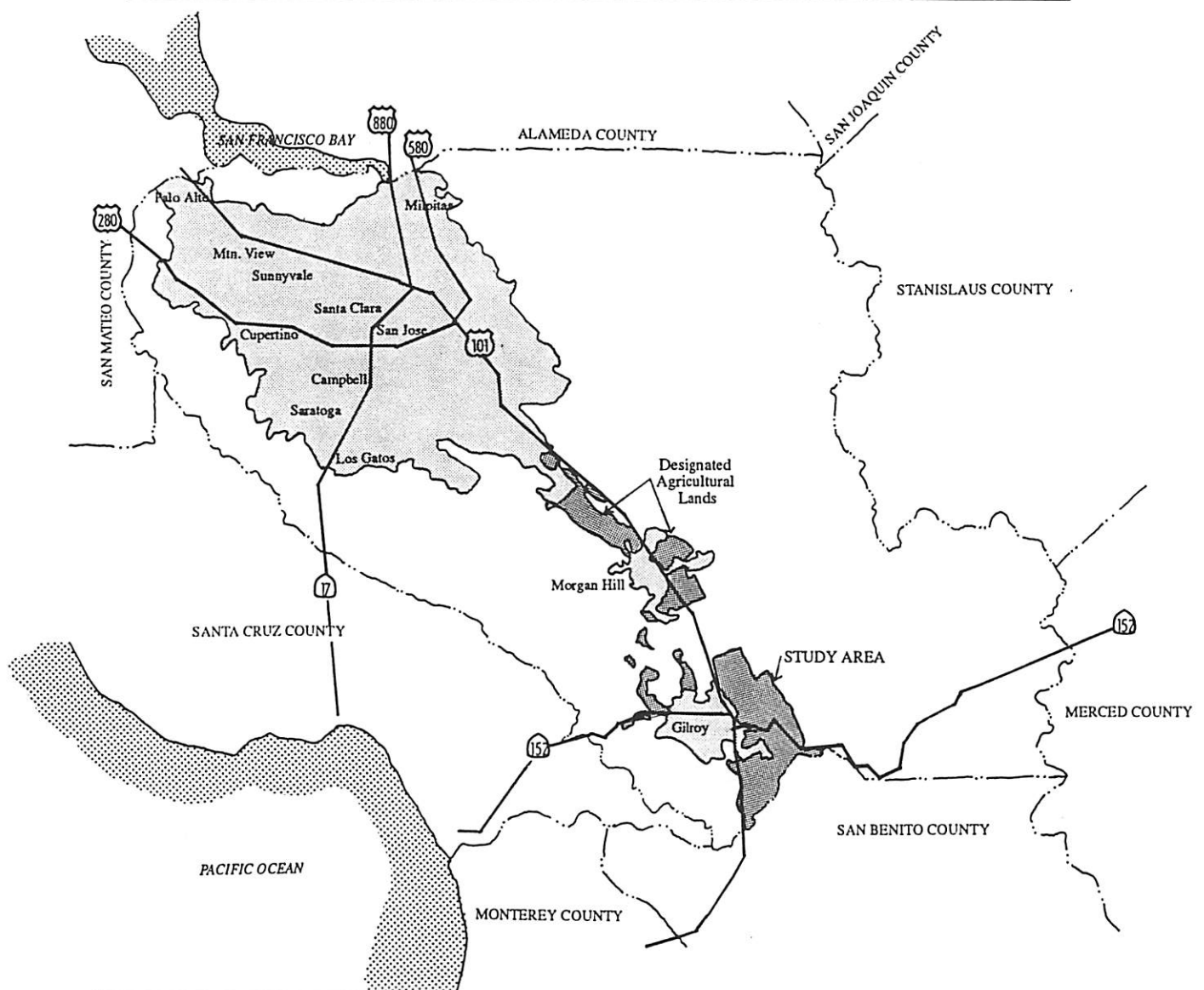
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1. INTRODUCTION

Purpose

The Santa Clara Valley has long been used for crop production due to the county's mild, sea-modified climate, long growing season, rich, deep alluvial soil, abundant water, and nearby markets (see location map on Figure 1). Agricultural use covers about one-third of the entire county, but only a fraction of the county's prime soils are available for agricultural production. These soils are located primarily in the southern Santa Clara Valley and have historically grown a variety of fruit and nut, row, field, floral, and nursery crops.

Figure 1: Regional Location



The current land use pattern within the southern Santa Clara Valley has been shaped by a variety of interrelated public land use policy decisions, private land owner actions, and economic forces. An understanding has emerged within the county and its cities that the continuing urbanization of productive agricultural land is no longer a desirable pattern for growth¹. In response, the principal objectives of the policies and programs proposed in this study are to assist in the effective preservation of agricultural land, with a focus on creating a stable, long-term boundary between urban and agricultural land uses in the South County.

The intent of this study is to build upon the existing policies of the jurisdictions and agencies involved and recommend a collection of programs which will help ensure the long term viability of agriculture and preservation of prime agricultural soils in the study area. This study will not be adopted as policy, but accepted as the basis for further study and recommendations by the three jurisdictions. Components of the study may be implemented through a variety of means, such as General Plan amendments, zoning text changes, new subdivision standards, etc. The implementation of any of the programs recommended in this document will require a separate environmental evaluation.

Effect of Agricultural Conversions

The single most important factor in the decline of agricultural acreage has been rapid urbanization. Especially over the last fifteen years, development activity has taken land out of agricultural production. The City of Gilroy has experienced increasing development pressure as the San Jose greater urban area continues to extend southward and demands for the suburban lifestyle increase. Recent improvements to Highway 101 between San Jose and Gilroy, and State Highway 152 between Gilroy and Interstate 5 in the San Joaquin Valley have increased roadway capacity and accessibility to the greater Gilroy area.

A recent study by the California Department of Conservation has found that conversions of cropland to urban uses adversely affect the efficiency of remaining farming operations in the area. For example, agricultural production decreases as a result of increased air pollution, livestock predation by pets, crop diseases resulting from inadequate care of off-farm ornamental plants, restrictions on pesticide use and burning, and requirements to set aside on-farm buffer zones. Production costs increase because of rising land costs, competition for limited water resources, theft and vandalism of farm equipment, crop pilferage, road congestion, and personal injury liability associated with farm trespass.

From the perspective of residents moving into newly urbanized areas, commercial agricultural operations often involve potential nuisances (noise, dust, perceived health risks, etc.) that can conflict with a new resident's vision of an ideal suburban or rural residential lifestyle.

Urban encroachment into farming areas also induces growth by encouraging additional losses of cropland to urban development.

¹ The South County Joint Area Plan, the policies of which are the official positions of Santa Clara County, Santa Clara County Local Agency Formation Commission, and the City of Gilroy, provide a definitive basis for this study.

Previous Working Papers

This report follows a series of three working papers that were used to review conditions within the study area and explore potential agricultural land preservation measures. *Land Use Trends* and *Review of Successful Agricultural Land Preservation Programs* examined land capabilities, land use patterns and past growth trends within the agricultural preserve and provided an overview of a wide range of preservation programs that could be considered for the South County.

The third report, *Proposed Agricultural Preservation Programs*, addressed needs for more effective policies and programs for agricultural land preservation in the area of the Santa Clara County South County Agricultural Preserve.

The proposed preservation policies and programs were reviewed by participating staff members from Santa Clara County, the City of Gilroy, and Santa Clara County Local Agency Formation Commission (LAFCO). This report summarizes the findings of the first two working papers and details the proposed preservation programs; the report also includes three technical appendices consisting of the earlier working papers in their final form (Appendix A and Appendix B) and existing land preservation policies established by the City, County, and LAFCO (Appendix C).

Organization

The paper begins with background information on the study (Chapter 2), including existing zoning and General Plan policies, agricultural uses, non-agricultural uses, and parcel sizes in the study area. Chapter 3 presents the findings of the earlier paper on land use trends and maps the parcels best-suited for agriculture and those best-suited for development.

Chapter 4 describes a number of approaches to agricultural preservation that have been used successfully by other communities. Each approach is then evaluated as to its suitability for implementation in the study area. The approaches cover a wide range of techniques including: boundary limits, right-to-farm ordinances, general plan/specific plan policies, CEQA policies on farmland conversion, Williamson Act contracts, purchase of development rights, transfer of development rights, changes in allowable uses as established in the Zoning Ordinance, revised subdivision ordinance requirements, clustering, agricultural buffers, performance standards, land trusts, conservation easements, and marketing programs. The appropriateness of each program to the study area is summarized in a matrix at the end of the chapter.

Chapter 5 then details the proposed programs, including descriptions of each program and the strategies behind their design.

2. STUDY AREA BACKGROUND

Summary

- The study area is comprised of approximately 1,100 parcels and 15,660 acres (see Figure 2).
- The northern portion of the study area has many "ranchette" parcels—large residential lots with little, if any, agricultural production. (There are 489 small, residential parcels in the study area ranging in size from 5,000 square feet to 10 acres. The average size of these small parcels is a little over two acres; the combined acreage of these parcels is about 1,000 acres.)
- The southern and central portions are less fragmented, and there are fewer non-agricultural uses.
- Llagas Creek bisects the entire study area from north to south. Uvas Creek transverses the southern portions of the study area, ultimately connecting to the Llagas Creek and the Pajaro River to the south.

Existing Agricultural Land Preservation Policies

Santa Clara County, the City of Gilroy, and Santa Clara County LAFCO have all previously adopted various policies and programs to address the preservation of agricultural land in the study area. This section summarizes the existing policy framework as a basis for the additional agricultural land preservation policies and programs proposed in Chapter 5. The following discussion includes policies from the Santa Clara County 1995 General Plan (most of which were carried forward from the 1980 General Plan), as well as policies from the City of Gilroy General Plan (1979), and Santa Clara County LAFCO.

The policies have been summarized and grouped into the following categories: permanent preservation of agricultural parcels, premature conversion of agricultural lands, urban growth boundary, right-to-farm ordinance, Williamson Act contracts, minimum parcel size requirements, recombination of substandard lots, allowable land uses in the Zoning Ordinance, agricultural buffers, and marketing locally grown products. (A full list of the programs can be found in Appendix C.)

Permanent Preservation of Agricultural Parcels

Many policies in the Santa Clara County 1995 General Plan directly support the continuation of agriculture in the County. The South County Joint Area Plan addresses preservation of the agricultural parcels included within the boundaries of the current study area. Preservation methods suggested by the General Plan include: the permanent preservation of agricultural parcels; avoidance of non-compatible uses and right-to-farm legislation; open space easements; density transfer; exclusive agricultural zoning; and transfer of development rights.

Implementation measures proposed as part of the 1995 General Plan suggest additional programs: purchase of development rights; cumulative impact mitigation fees; acquisition by the County's Open Space Authority; incentives to encourage preservation; and establishment of a land trust or land banking to hold ownership of permanently protected lands.

Both the City of Gilroy and LAFCO have policies concerning the premature annexation of land and maintaining land in agricultural use until it is needed for the orderly expansion of the City. LAFCO Urban Service Area policy USA-B 6 also mentions agricultural preserves as a suitable measure for protecting farmland from premature conversion to urban uses.

Premature Conversion of Agricultural Lands

Many of the Santa Clara County 1995 General Plan, City of Gilroy General Plan, and LAFCO policies address the issue of premature conversion of agriculture lands. The policies address the issue of timing and sequencing growth to minimize the amount of land taken out of agricultural production.

LAFCO Annexation/Reorganization Policy A/R-B 1 allows city annexations outside the Urban Service Area if such an annexation promotes agriculture, open space, and/or greenbelts. This policy has enabled cities to annex hillsides in order to cluster development in the flatter portions of a parcel and then dedicate the remaining hillsides as open space.

Eastern Urban Growth Boundary

The issue of a defined limit to the cities' urban expansion is mentioned in several areas of the Santa Clara County 1980 General Plan. The 1980 General Plan spoke directly of establishing a line limiting further annexation through joint City/County negotiation. The 1995 General Plan policies have further developed this issue and seek to establish an Urban Growth Boundary to protect viable agricultural lands, among other functions. The policies specify that the Urban Growth Boundary should provide a 20-year supply of land for urban development, at minimum.

LAFCO policies support 1) contractual agreements which define growth at the urban fringe and 2) greenbelts or other open space around cities.

The City of Gilroy General Plan recognizes that urban uses should be contained primarily within the City limits and that urbanization should not unnecessarily intrude upon agricultural lands.

Right-to-Farm Ordinance

Santa Clara County 1995 General Plan South County Policies SC 14.3 and SC 14.4 both suggest the use of right-to-farm legislation as a means of preserving agricultural lands. This is echoed by the 1995 General Plan Policy C-RC 40(b), as implemented by R-RC(i) 25. The County adopted a right-to-farm ordinance in April, 1993.

Williamson Act Contracts

Two County policies and one LAFCO policy specifically address the use of Williamson Act Contracts as an incentive to farmers to keep their properties in agricultural use.

Minimum Parcel Size

The minimum parcel size for new subdivisions within the study area was raised to 20- and 40-acre minimums in 1980. Prior to that time, parcel sizes of 5 and 10 acres were allowed. The 1995 General Plan maintains the existing 20- and 40-acre minimums.

Recombination of Substandard Lots

As documented in the following chapter, many parcels in the study area do not meet the minimum parcel size established in the current Zoning Ordinance. Santa Clara County 1995 General Plan Rural Resource Conservation Policy R-RC 60 specifically encourages recombining agricultural parcels into more viable farming units.

Allowable Land Uses

The issue of appropriate land uses within agricultural zoning designations is mentioned several times in the Santa Clara County 1995 General Plan. The primary intent of the policies is to maintain the availability of the best soils for agricultural use and reduce the number of conflicts between agricultural and non-agricultural uses. Use of agricultural soils for activities that are not soil-dependent should be minimized. The intent of South County Policy SC 14.6 and Resource Conservation Policy R-RC 61 is to establish allowable uses in the agricultural zone that enhance the long-term viability of local agricultural operations.

Agricultural uses in the study area are also supported by the City of Gilroy. General Plan Urban Growth and Development Policy 8 states that the land east of Highway 101 and south of Leavesley Road should be limited to industrial and agricultural use.

City of Gilroy Agriculture Policy 41 encourages retention of areas with a high water table (as is the case in most of the study area) in long-term agricultural production. However, many of the recent city annexation areas have soils with a high water table. It may be necessary to modify this policy to be consistent with existing practices and programs proposed later in the report. (See Chapter 5, *Eastern Urban Growth Boundary*.)

Agricultural Buffers

Because urban populations often see certain characteristics of agricultural operations as nuisances, one of the best means of avoiding conflicts between agricultural operations and adjacent urban uses is to require separation (a buffer) between such uses. Buffers can help to minimize nuisance and noise complaints, especially in residential areas. The Santa Clara County 1995 General Plan South County Policy SC 14.11 recommends the use of such buffers.

Marketing Locally Grown Products

Marketing programs are geared toward advertising locally grown products as a group rather than as individual farms or products (e.g., "Buy California Cheese" not "Buy Smith Farms Cheese"). The intent is to increase demand for locally grown products and therefore generate greater profits for the farmers. If farming is profitable, there is greater likelihood that agricultural parcels will remain in agricultural use. Statements of policy and implementation concerning marketing are being proposed as part of the Santa Clara County 1995 General Plan.

Agricultural Uses

Historic Agricultural Land Uses

The Santa Clara Valley has historically grown a variety of fruit and nut, row, field, floral and nursery crops. Overall, agricultural crop acreages during the last 30 years have generally declined with the exception of peppers, Chinese vegetables, mushrooms, corn, broccoli, head lettuce, flowers, and nursery crops. The category of greatest decrease was deciduous fruit orchards, including apricots, cherries, pears and prunes.

Table 1 — Crop Report Summary
Santa Clara County 1963 to 1993

| Crop Type | Acreage | | | | Average change 1963-1993 |
|----------------------------|---------|---------|---------|---------|-----------------------------|
| | 1963 | 1973 | 1983 | 1993 | |
| Fruits and Nuts | 59,948 | 25,511 | 7,431 | 4,990 | -1,832 acres/year |
| Row Crops | 15,636 | 14,468 | 11,640 | 11,960 | -122 acres/year |
| Field Crops | 247,430 | 243,900 | 242,415 | 236,320 | -370 acres/year |
| Cattle and Calves (# head) | 34,725 | 37,000 | 15,000 | 12,400 | -744 head/year |
| Floral Crops | 223 | 796 | 730 | 650 | +14 acres/year |
| Nursery Crops | 116 | 247 | 575 | 862 | +24 acres/year |

Source: Santa Clara County Agricultural Commissioner's Office Agricultural Crop Reports, 1963, 1973, 1983, and 1993. See also Appendix A Table 1.

In the 30 year period from 1963 to 1993, fruit and nut crops declined in acreage from 59,948 acres to only 4,990 acres; row crops declined from 15,636 acres to 11,960 acres; field crops (including rangeland) declined from 247,430 acres to 236,320 acres; cattle and calves declined from 34,725 head to 12,400 head. Conversely, from 1963 to 1993, floral crops increased from 223 acres to 650 acres, and nursery crops increased from 116 acres to 862 acres.

Current Agricultural Land Uses

From Masten Avenue south to Buena Vista Avenue within the study area, crop production consists primarily of corn, tomatoes, melons, onions, and garlic. This area also contains some horse ranches, ranchettes, and rural residential development. Ranchette uses also predominate along the eastern border of the study area. Commercial agricultural land in this part of the study area is often interrupted by suburban residential uses.

From Buena Vista Avenue south to Highway 25, corn, tomatoes, sugar beets, pasture, grain, hay, cherries, prunes, apricots, peaches, berries, beans, melons, onions, peppers, garlic, and alfalfa are grown. East of Ferguson Road there are ranchette uses which are similar to the area north of Buena Vista Avenue. There are also scattered ranchette developments south of Bloomfield Avenue, in the vicinity of Sheldon and Davidson Avenues.

From Highway 25 south to the end of the study area, crops such as corn, peppers, tomatoes, grain, onions, and garlic are grown. This area has an absence of orchard crops because of the high ground water table, poorly drained soils, and periodic flooding.

Non-Agricultural Uses

Existing Development

Urban development in the unincorporated area is focused primarily around the City of Gilroy and along Highway 101. The aquifer underlying the study area is plentiful, and existing residents and agriculture operations rely on well water.

Homes in the study area use septic systems and leach fields for sewage disposal. The soil conditions in the northern end of the study area (the location of the greatest density of homes) allow for adequate leach fields for sewage disposal.

Soils within the southern portion of the study area are hampered by drainage constraints, a high water table, and periodic flooding. On-site sewage disposal systems for residences in the southern areas may require mounding or sand infiltration bed systems, because of high groundwater conditions.

Recent Development Activity

Development-related applications including annexations, Urban Service Area amendments, General Plan amendments, lot splits, and use permit applications were reviewed and mapped dating back to 1981, as shown in Figure 3.

Annexation applications most recently approved are located mostly in the northern portions of the study area along Highway 101 between Masten Avenue to the north and Las Animas Road to the south (see Figure 4). In this area, multiple commercial land use applications were approved in the late 1980s and early 1990s.

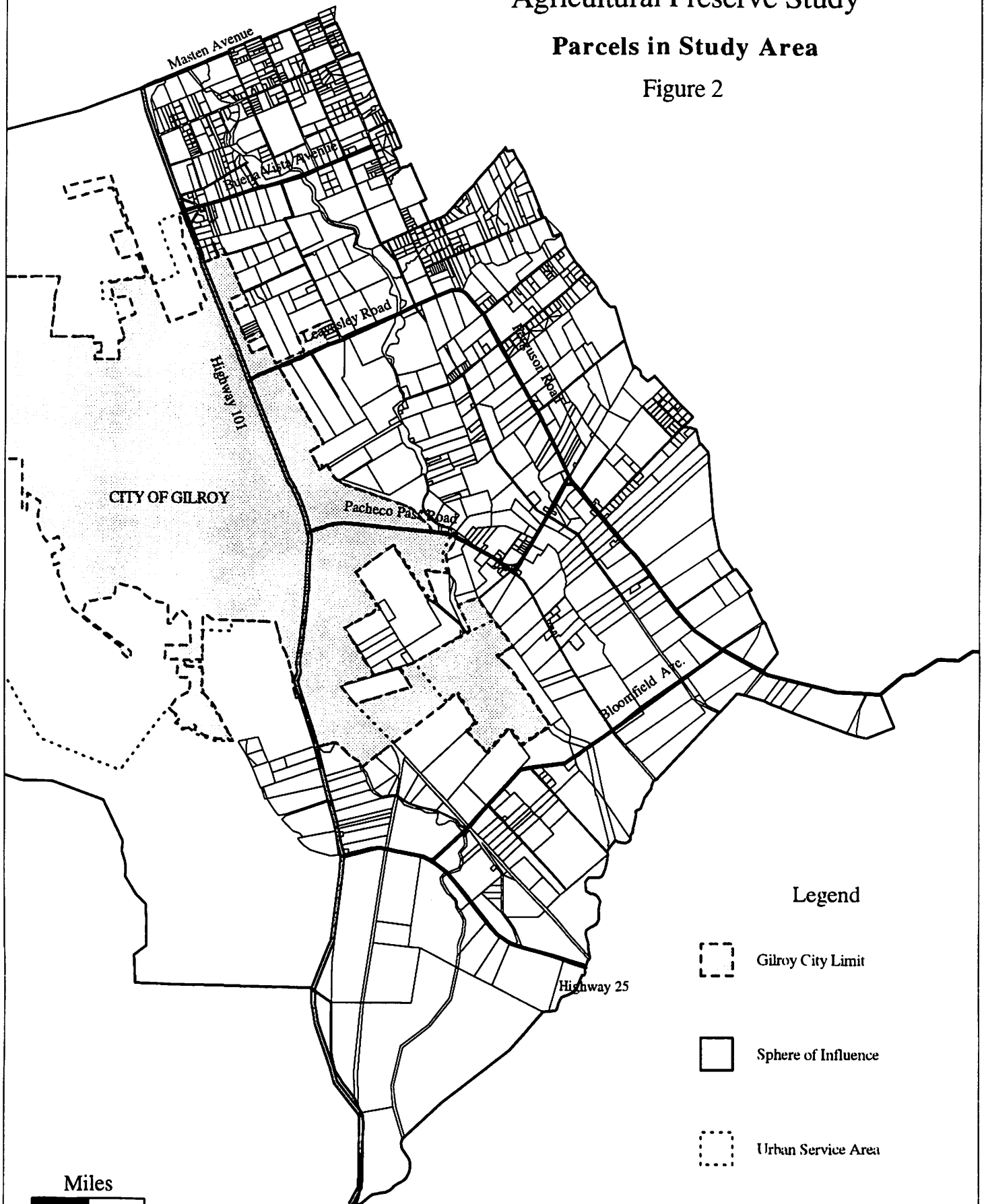
Another annexation application which is still pending is for the Obata property north of Bolsa Road which is planned for industrial use. In addition, several roadside service stands and agricultural accessory structure applications have been approved along Highway 101 in the southern part of the study area, south of Santa Teresa Boulevard.

Many lot splits have been permitted in the northern and northeastern portions of the study area from Rucker Avenue south to Godfrey Road. These lot splits indicate development pressure to create rural ranchette neighborhoods. Various use permit applications have also been approved in this area, including a labor camp and industrial uses which may be incompatible with agriculture. Also, in this same area, a use permit for a dairy operation was denied, which probably points to incompatibilities that could be felt by surrounding ranchettes or "hobby farms." Few lot splits and development use permits have been approved in the southern portions of the study areas.

Agricultural Preserve Study

Parcels in Study Area

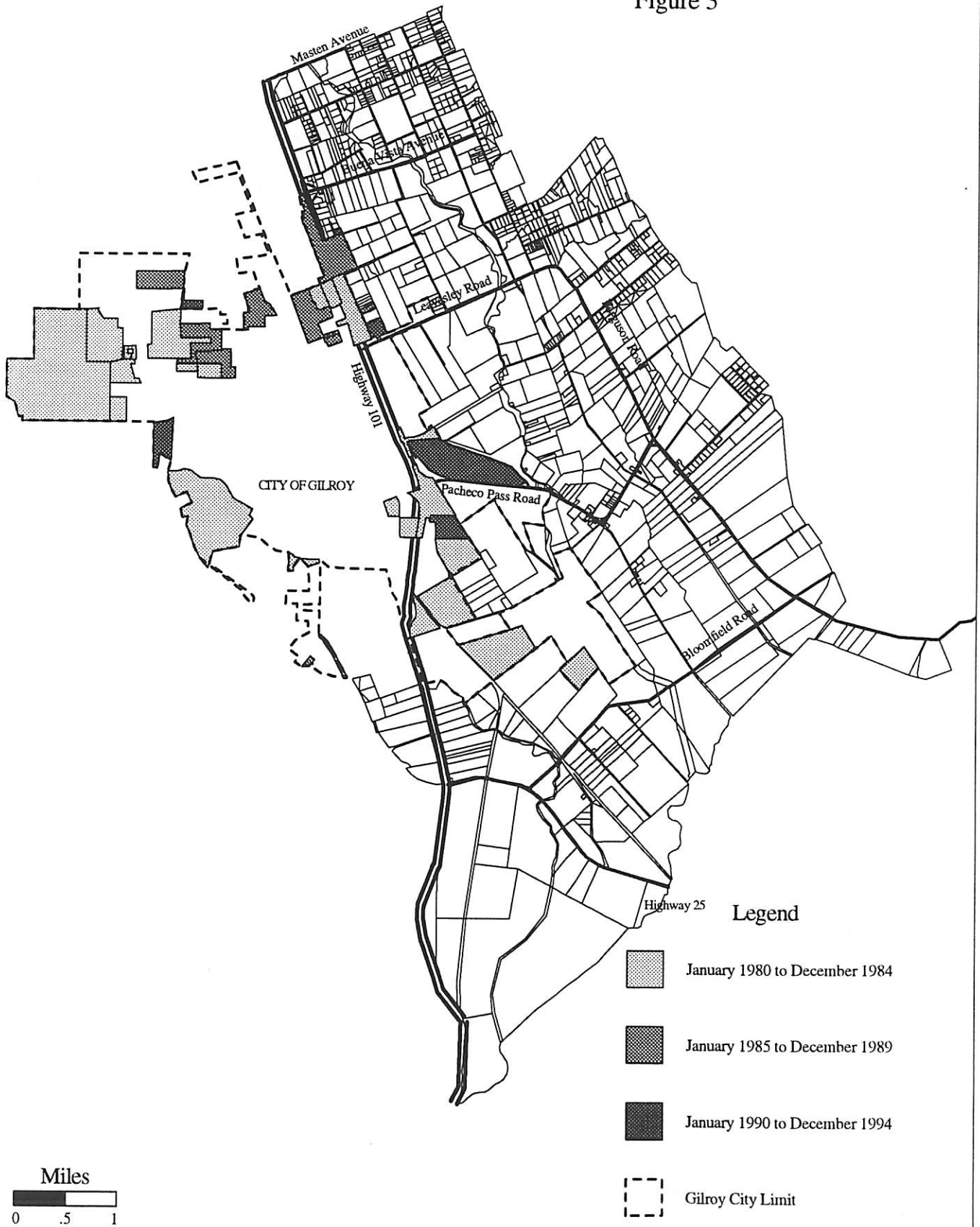
Figure 2



Agricultural Preserve Study

Recent Annexations

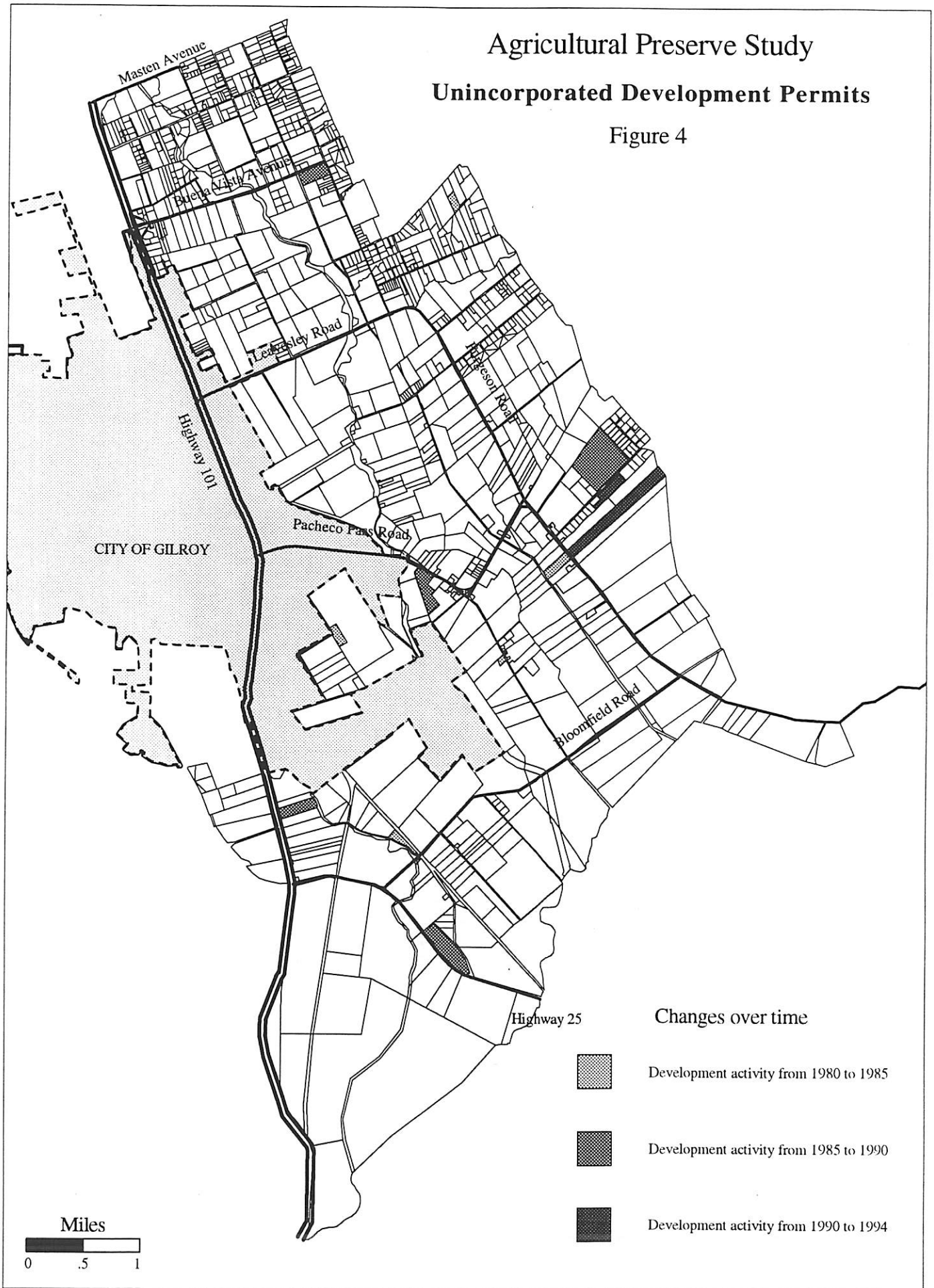
Figure 3



Agricultural Preserve Study

Unincorporated Development Permits

Figure 4



A General Plan amendment application for a new town proposal in the southern portion of the study area (Sargent Ranch) was submitted to the County, but the Board of Supervisors refused to accept the application for processing on the grounds that it would not be consistent with fundamental joint policies of the County and cities concerning growth management.

Urban Service Area

Parcels immediately adjacent to the City of Gilroy's Urban Service Area (see Figure 5) would be eligible to receive extensions of the City of Gilroy's water and sewer systems, if included in the urban service area.

Parcels within a one mile radius of the Urban Service Area may also be provided utility extensions at some time. Parcels outside the one mile zone from the urban services boundary are unlikely to be provided sewer hookups due to costs and service requirements.

Parcel Size

Substandard-sized Parcels

Many of the small, rural ranchette parcels noted above are legal, non-conforming parcels with respect to the minimum parcel size required by existing zoning for new subdivisions (see Figure 6). Only 3 percent of the parcels zoned for 20-acre minimums are actually greater than or equal to 20 acres. Most parcels in this zoning category (almost 80 percent) are actually less than 5 acres. Likewise 13 percent of the parcels zoned for 40-acre minimums are greater than or equal to 40 acres. Many parcels (43 percent) are less than 5 acres in size.

Potential Parcelization

Thirty five parcels in the study area are large enough to be further subdivided under current minimum lot size standards.² (For example, a parcel with a 20-acre minimum lot size must be at least 40 acres to subdivide.) One hundred and two new parcels could be created if all 35 properties were to subdivide to the minimum allowed lot sizes. (The 35 parcels have a combined size of 4,918 acres, which is 31 percent of the study area.)

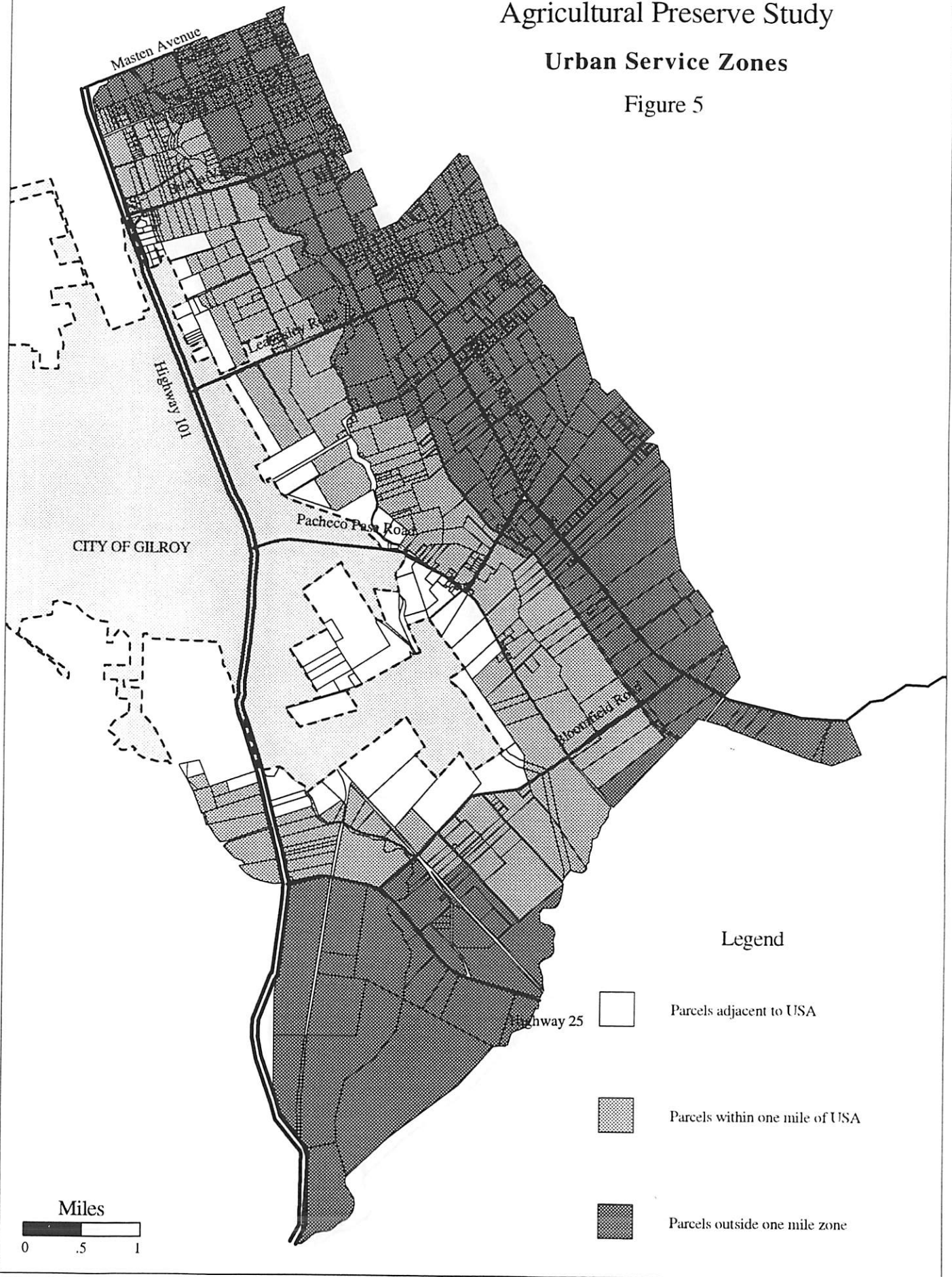
As shown in Figure 7, most parcels would gain only one new lot from a subdivision. The southern portion of the study area has the greatest potential for parcelization (some parcels could subdivide into as many as 14 parcels); some of the existing parcels are very large (up to 560 acres).

² Please note that this does not include neither the three parcels south of the City of Gilroy City Limits which planned for sewer plant percolation ponds expansion nor two parcels at the north end of the study area which have a minimum lot size of 2.5 acres.

Agricultural Preserve Study

Urban Service Zones

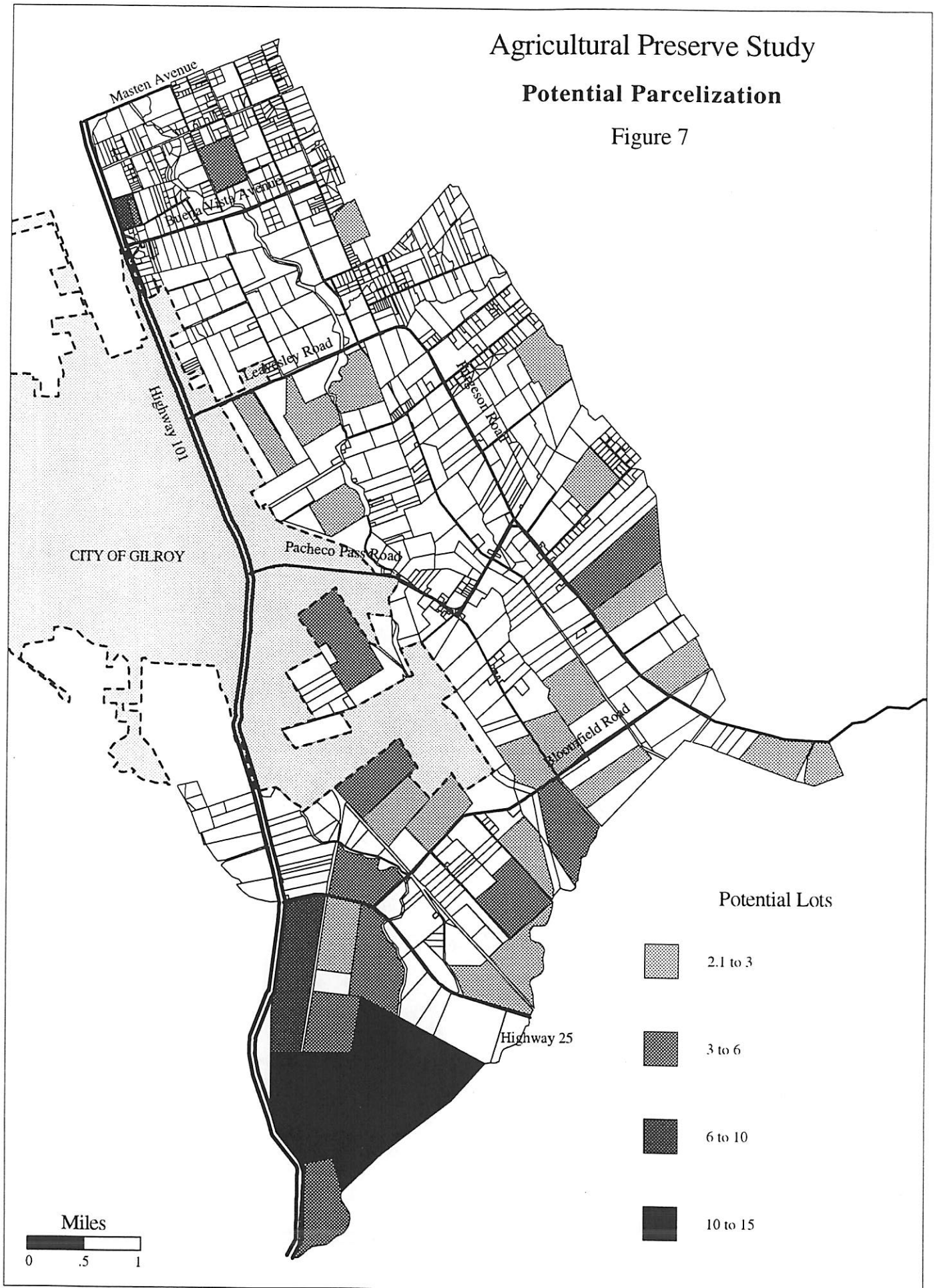
Figure 5



Agricultural Preserve Study

Potential Parcelization

Figure 7



3. *POTENTIAL LAND USES*

Parcels Suited for Agriculture

Based on a combination of factors, portions of the study area were found to be better suited for agricultural uses than others (Figure 8). The factors considered in this analysis include: historic and existing agricultural uses, important farmlands map designation, soil capability classification, soil Storie index, Williamson Act status, surrounding land uses, and environmental constraints (such as flooding, erosion, high-groundwater table, and climate). See *Appendix A—Land Use Trends* for a detailed explanation of methodology and terms.

The best suited agricultural parcels have little or no soil constraints for crop production. These parcels are well-drained, are currently under Williamson Act contract, and are generally located away from most of the developed rural residential areas.

In general, the lands rated as moderate have soil, drainage, and/or surrounding land use constraints which reduce their suitability for crop production. The moderate rated areas north and directly south of Buena Vista Avenue have prime soils that are well-drained but are in the midst of rural residences. The moderate rated areas along Ferguson Road have lower quality soils and also are adjacent to rural residences. Other moderate rated areas along the central and southern portion of the study area are constrained primarily by clay-rich, poorly drained soil profiles and/or poor regional drainage.

The lower to unsuitable lands include the ranchette and rural residences which have either incidental or no existing agricultural use. These areas are located primarily north of Buena Vista Avenue, along Ferguson Road, east of New Avenue, and east of Pacheco Pass Road. Other unsuitable rated areas include riparian corridors, steep slopes, and sites developed with commercial/industrial uses. Most of the developed areas are located in a strip parallel to portions of Highway 101 and along portions of Pacheco Pass Road.

Parcels Suited for Development

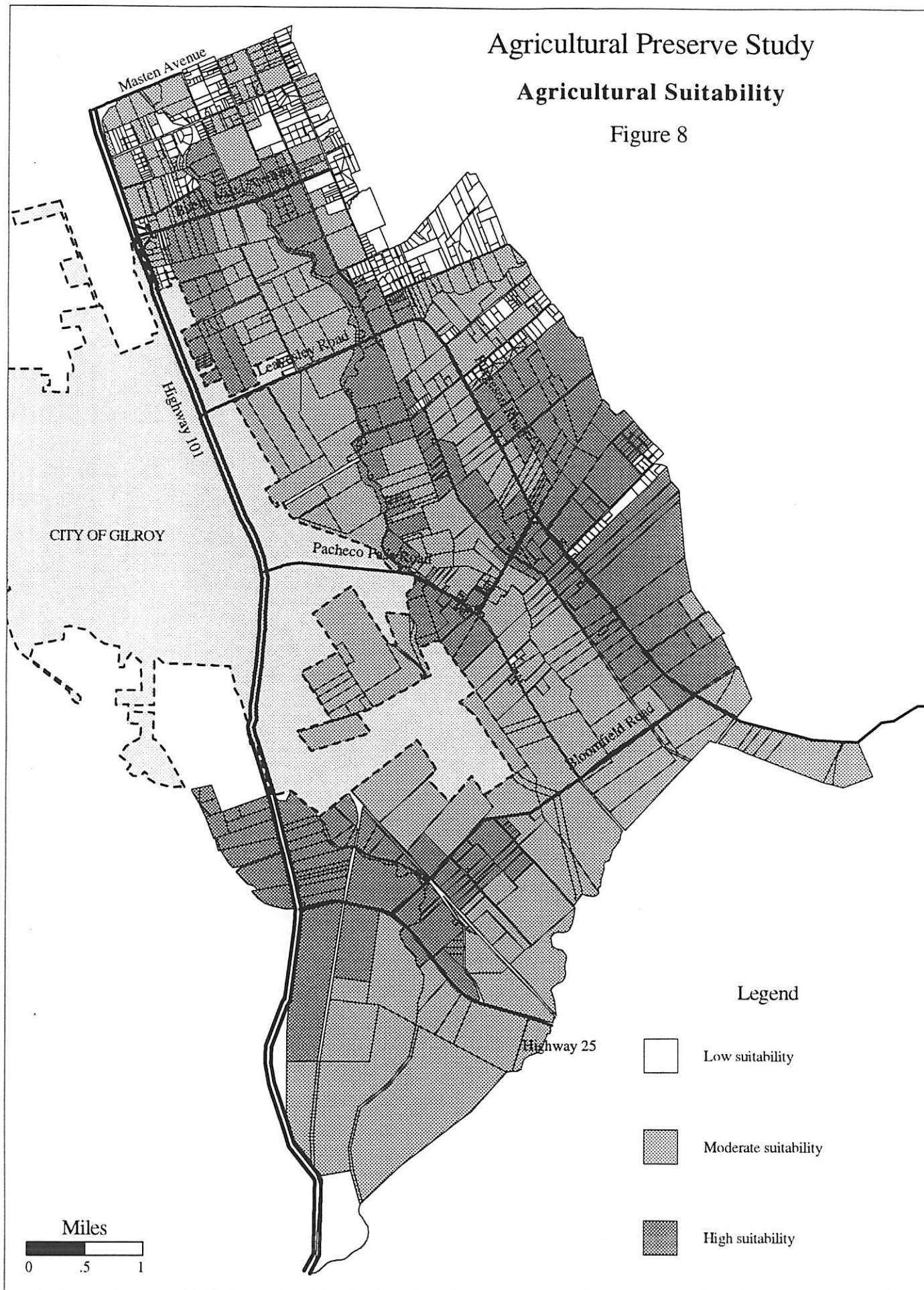
A similar study was done to identify the parcels best suited for development and, therefore, the most susceptible to development pressure. The study area was divided into high, moderately high, moderate, low, and unsuitable development zones (see Figure 9). The factors considered in this analysis included: the type and extent of existing development, circulation, proximity to the urban service area, location within an urban expansion area, parcel size, ownership of multiple parcels, Williamson Act status, recent development activity, and environmental constraints (including scenic resources, liquefaction potential, flooding, and water quality.)

Lands best suited for development are located closest to the City of Gilroy urban boundary, Highway 101, and throughout the northernmost portions of the study area. These areas are outside flood zones, are easily connected to existing utilities, and have good access.

Agricultural Preserve Study

Agricultural Suitability

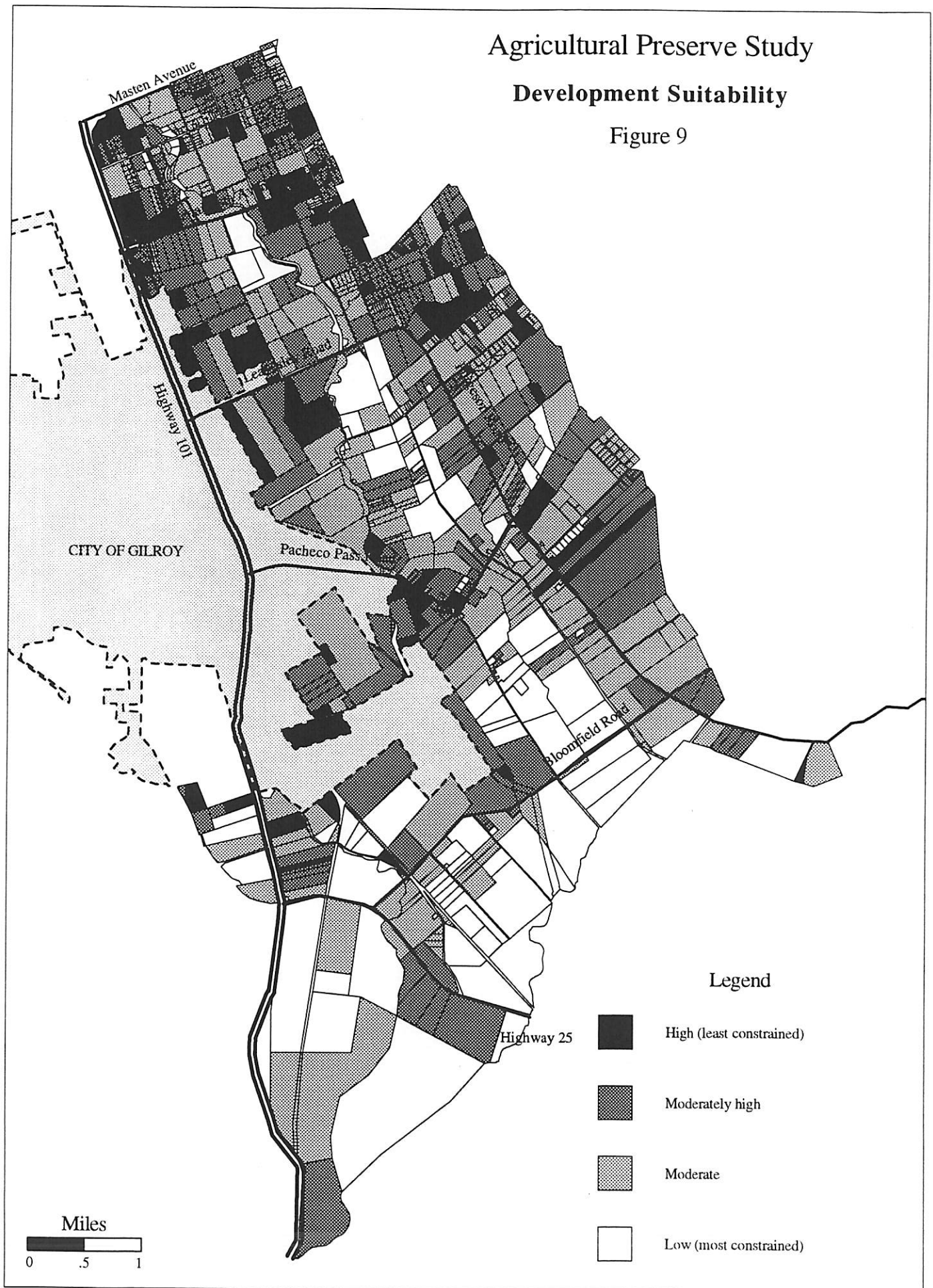
Figure 8



Agricultural Preserve Study

Development Suitability

Figure 9



The moderately rated lands are those closer to Pajaro River tributaries (Uvas and Llagas Creeks) which are constrained by flood zones and more difficult access. Parcels in these areas are typically larger and have had less development activity in recent years.

The lands that were rated with low development suitability are mostly found in the southern and southeastern portions of the study area, where flooding is prevalent, soil characteristics (such as a high groundwater table) create higher development costs, and access is limited. Extension of urban services for these areas may also be more costly.

4. POTENTIAL PRESERVATION MEASURES

Review of the past and current agricultural preservation efforts of both Santa Clara County and other communities suggests that there are six essential elements to a successful agricultural land preservation program:

- Joint planning regarding stable, long term boundaries for urban expansion. The boundaries need to be incorporated into County, City, and LAFCO policies.
- Strong support for agricultural preservation in County, City, and LAFCO policy. This would include language in the General Plan, Zoning Ordinance, subdivision ordinance, CEQA guidelines, and right-to-farm ordinances. Such support sets clear policy standards and reinforces the other preservation programs.
- Incentive programs to encourage the preservation of land for agricultural use. Incentive programs have included Williamson Act contracts, and transfer or purchase of development rights.
- Regulatory measures to maintain minimum parcel sizes and to ensure the viability of agricultural practices. Such measures have included exclusive agricultural zoning, zoning requirements for minimum parcel sizes that reflect the amount of land needed to conduct farming operations in the area, agricultural clustering requirements, performance standards, and agricultural mitigation fees.
- Acquisition of conservation easements to guarantee long-term availability of land for agricultural use. This program may require the formation of a land trust to collect mitigation fees and acquire easements.
- Marketing programs to increase the local demand for agricultural products. Similar programs have been very successful in increasing the profitability of agricultural operations. They have also increased the local awareness of (and support for) agriculture in the area.

Note that within each of the six elements, there are several different methods or measures that can be used to implement a preservation program. Although the experience of other communities indicates that effective preservation programs will address each of the above elements, not every specific measure will be appropriate for Santa Clara County.

The remainder of this chapter discusses the implementation measures listed above. (A full discussion of the measures and of implementation programs in other jurisdictions can be found in *Appendix B — Review of Successful Agricultural Land Preservation Programs*.) At the end of the chapter, each measure is ranked according to its suitability to the study area.

Boundary Limits

Summary

An urban boundary limit defines areas that are to remain in agriculture and prevents conversion of those parcels to urban uses. If a firm boundary limit is established, a buffer zone can then be set up between residential and agricultural uses to minimize conflicts with agriculture.

Applicability to the Study Area

One of the greatest concerns in the study area is the easterly expansion of the City of Gilroy. Policies encouraging adoption of long term urban growth boundaries have been included in the County 1995 General Plan. The program necessary to implement such a boundary is not technically complicated; however, it is necessary to draw a boundary line. Negotiating an agreement among the various political entities (City/County/LAFCO) with the support of the public will be difficult. Because the issue of directing long-term growth is likely to be controversial, an extended public debate may be necessary, requiring multiple public meetings conducted by each of the three entities. The County and City should develop a program to jointly define an urban growth boundary location, policies, and agreement.

Right-to-farm Ordinances

Summary

Local right-to-farm ordinances act to preserve existing farms and protect farming operations from the complaints of suburban newcomers. The California legislature (and other states) have passed right-to-farm laws, and many California counties have also adopted local right-to-farm ordinances.

Once residential development intrudes into agricultural areas, conflicts can arise between residents and farmers over such issues as early morning noise, odors, the potential hazards associated with spraying chemicals and fertilizers near homes, etc. The right-to-farm ordinance requires that new home buyers in an agricultural area formally acknowledge (through a signed statement) their understanding that farming operations are being conducted nearby. In some cases, the document also states that the signee will hold the farming operation harmless from future nuisance complaints.

Such ordinances make it more difficult for homeowners to claim their property rights are being infringed upon by a nearby farm operation if the operation was in existence when the homeowners bought the property.

Applicability to the Study Area

The County adopted a right-to-farm ordinance in April 1993.

General Plan/Specific Plan Policies

Summary

Because general plans and specific plans establish decision-making policies and guidelines for local government, such plans are the starting point for a successful agricultural preservation program. Strong policy support from government documents (and officials) is critical to the

success of an agricultural preservation program. For example, without explicit and enthusiastic support from governing officials, the public may not view an eastern urban growth boundary as long-term. Instead of granting conservation easements on portions of their property, farm owners may decide to wait a few years with the hopes of selling the land at a great profit for residential use. The implementation program is effectively useless without the support of policy documents and local decision makers.

Applicability to the Study Area

The preservation of agriculturally capable soils for continuing agricultural use is generally supported in County, City, and LAFCO policies. The policies in the County 1995 General Plan present strong language regarding agricultural preservation.

California Environmental Quality Act (CEQA) Thresholds

Summary

The State of California CEQA guidelines state that the conversion of prime agricultural land to non-agricultural uses, or development that would impair the agricultural productivity of prime agricultural land, is "normally considered a significant environmental impact." If mitigation measures cannot be incorporated into the project to minimize the impact, an environmental impact report (EIR) should be prepared to address the loss of agricultural land; however, there are no provisions in the CEQA guidelines that makes such an EIR mandatory.

Applicability to the Study Area

When reviewing a development proposal, the Planning Department generally uses a threshold of 10 acres of prime agricultural land converted to development as a trigger for further environmental analysis. During the initial study, the loss of agricultural lands is weighed against other factors which may limit the suitability of the parcel for agricultural purposes. Although Santa Clara County has not adopted additional CEQA guidelines that formalize this threshold, the current system appears to work well. The County may wish to codify the 10-acre threshold in a future amendment to the County 1995 General Plan.

Williamson Act Contracts

Summary

In the 1950s, when faced with increasing tax bills, many farmers had chosen to sell land for residential development to pay the taxes. At that time, the State of California passed legislation to alleviate the pressures of escalating property taxes upon open space and agricultural properties; the legislation was specifically drafted to protect Santa Clara County's rich farmland. The "greenbelt statute," as it was called, laid the foundation for the Williamson Act (Santa Clara County, 1991).

The Williamson Act allows local governments to assess agricultural landowners based on the income-producing value of their farmland rather than on its potential for residential, commercial, or industrial use. The intent of the Act is to provide farmers with property tax relief and to encourage the preservation of agricultural land.

Applicability to the Study Area

Santa Clara County has a long history of successfully administering Williamson Act contracts.

Purchase of Development Rights

Summary

A purchase of development rights (PDR) program involves the acquisition of a deed restriction or easement on farmland which precludes its use for development or for non-agricultural purposes. The restriction is permanent. Individual participation in a purchase of development rights program is voluntary and the land remains in private use and ownership. Purchase of development rights programs can be administered by a government agency or a private, non-profit organization.

Purchase of development rights programs cannot guarantee that adequate amounts of farmland will be saved because 1) they are most often voluntary, 2) they often do not offer sufficient financial incentive for landowners to participate, and 3) a PDR program can quickly deplete its funding resources.

Applicability to the Study Area

Purchase of development rights can directly benefit agricultural landowners, providing a strong incentive for agricultural land preservation.

Transfer of Development Rights

Summary

Transfer of Development Rights (TDR) is a planning and zoning device which has the potential to mitigate the adverse impact of development displacing agricultural uses. TDR allows the development rights on one property (the donor or sending property) to be transferred to another (receiver) property. The purpose of such a transfer is to relocate potential development from areas where environmental or land use impacts could be severe, to areas where those impacts can be minimized (American Farmland Trust, 1990). TDRs are occasionally used as mandatory programs; however, they are generally voluntary measures.

The success of TDR programs appears to be dependent upon two conditions: one is having willing buyers at the same time that there are sellers, and the other is having demand for higher density development in the receiving area which creates demand for the development rights. Finding an appropriate receiving area that can accommodate higher densities without unacceptable political, social, or environmental problems also presents a challenge in many areas.

Applicability to the Study Area

Previous public discussion of transfer of development rights concepts indicated that the designation of specific sending and receiving sites was not acceptable to county residents in the nearby San Martin area.

Exclusive Agricultural Zoning Districts

Summary

Many zoning ordinances distinguish between exclusive and non-exclusive agriculture zones. Exclusive agricultural zoning typically includes large minimum parcel sizes, exclusion of non-agricultural land uses, and other restrictions on the type of development that may take place, such as a limit on the number of building permits. Exclusive agricultural zones are usually applied only to parcels with excellent potential for agricultural production.

Non-exclusive agricultural zoning usually seeks to preserve the overall agricultural character of an area but explicitly creates areas of transitional uses other than commercial agriculture.

Applicability to the Study Area

The County has used exclusive agricultural zoning for a number of years, and, in 1980, defined minimum parcel sizes as 20 and 40 acres for Medium Scale and Large Scale Agriculture, respectively. The exclusive agricultural zoning has helped maintain agricultural productivity in the area. No changes regarding the use of exclusive agricultural zoning districts are recommended at this time.

Land Uses Allowed within Exclusive Agricultural Zoning Districts

Summary

The definition of a permitted use within an agricultural zone will determine whether or not non-agricultural or quasi-agricultural uses will be allowed. Some counties have allowed such land uses as golf courses and other essentially recreational activities in farming areas, that may or may not be compatible with agricultural operations. Marketing, processing and service activities related to local agricultural production may also be considered in the range of uses permitted within an agricultural zone (American Farmland Trust, 1990).

Applicability to the Study Area

Through conversation with County and City officials and the direction given by current policies, this study suggests a program to revise the Zoning Ordinance list of allowable land uses in the City of Gilroy, and Santa Clara County Exclusive Agriculture zones. Allowable uses on parcels under Williamson Act contracts should also be evaluated for their compatibility with agricultural operations. Making changes to the allowed uses is not technically complicated or particularly difficult to administer. Such changes may be seen as undesirable by some landowners, and may require extended discussions to reach a decision.

Clustering Development

Summary

This technique combines zoning and subdivision regulations to permit clustering of the housing units normally allowed by the underlying zoning and, unlike traditional zoning, allows for a mixture of uses. For example, instead of a housing development that would put eight houses dispersed throughout a 40-acre parcel on five acre sites, a clustered development would put the eight houses on a small portion of the site (say eight one-acre sites proximate to one another) while the remainder is left open for farming (see Chapter 5, *Clustering Development* for an

example). The intent of the clustering is to retain as much contiguous farmable area as possible while allowing some residential development or other compatible uses to occur. The remaining open parcel must be economically viable as farmland.

Applicability to the Study Area

The Santa Clara County 1995 General Plan permits clustering in areas designated as "Hillsides" and "Rural Residential," but there is currently no policy which would permit clustering residential development on parcels designated as "Agriculture." Clustering programs can be useful in maintaining large areas for agricultural production.

Standards for clustering development are not technically difficult to establish. Staff time would be required to finalize a program and process a Zoning Ordinance amendment. Applying standards to specific development proposals may, however, require additional time and consideration on the part of County staff. Clustering standards do not generally reduce underlying development potential and may be less controversial than other measures.

Agricultural Buffers

Summary

The purpose of an agricultural buffer is to separate agricultural operations from development, thereby insulating residential and other urbanized areas from the effects of agricultural operations and minimizing opportunities for land use conflicts. In some cases, these buffers may be as small as a stand of trees, or they may be 200 yards wide or more.

Agricultural buffers may be designated as part of the approval process for a specific development proposal. The buffers can be required as part of the development project, or a separate parcel of land adjacent to the proposed development project may be required to be purchased to serve as a buffer.

Agricultural buffers may also be a designated zone, indicated on a map and included within the General Plan or Zoning Ordinance. Buffers could include the use of land for recreation, such as a bicycle path or equestrian trail. In such a buffer area, agricultural practices would usually present fewer possible conflicts than in a residential area.

Applicability to the Study Area

It is assumed that Gilroy will expand into a portion of the study area. To minimize potential conflicts between agricultural and non-agricultural uses, a buffer should be established on non-agricultural parcels along the eastern urban growth boundary (see also *Boundary Limits*).

Implementation Issues

Agricultural buffer requirements can be established as part of the City of Gilroy Zoning Ordinance. A policy supporting agricultural buffers should also be added to the City's General Plan. The program would require City of Gilroy staff time to process a program establishing agricultural buffers along the Eastern Urban Growth Boundary. Staff time will also be required to process a General Plan amendment.

Performance Standards

Summary

Performance standards do not rely on specified zoning districts. For example, instead of restricting professional offices to a specific area of the downtown, such uses could be allowed in a residential area where it could be demonstrated that the office use would not 1) need more than five parking spaces at any time, 2) create obnoxious odors, 3) create noise early in the morning, etc. Specific performance standards can make zoning decisions more objective and less subject to political pressure.

In the case of performance zoning in agricultural area, non-farm land uses would only be permitted on a case-by-case basis and would rely on specific "performance" standards to assess the impact on farmland of a proposed land use. For example the non-farm use might be allowed if it did not have more than 10 employees, or if customers would not be at the site during normal aerial spraying times for adjoining parcels.

Applicability to the Study Area

Performance standards could be useful in allowing non-farming land uses that would not conflict with the remaining farmland operations. However, the primary intent of this study is to preserve farm lands per se. Performance standards also tend to be more complicated than traditional zoning standards and more difficult to define and administer.

Land Trusts

Summary

Land trusts are private, non-profit, tax-exempt corporations usually set up for the purpose of acquiring and managing interest in real property for the public interest. Land trusts are privately funded organizations usually consisting of individuals residing in the area served by the trust. The Peninsula Open Space Trust (POST) is involved with preservation of agricultural parcels in Santa Clara County.

As a private organization, land trusts have certain advantages over governmental bodies in the acquisition of land. They are often able to move more quickly and quietly on land transactions and are less susceptible to sudden changes in the local political arena. Frequently, land trusts are also more likely than government agencies to receive private contributions for land conservation.

Applicability to the Study Area

Although POST does not operate exclusively in Santa Clara County, this organization could provide significant assistance in implementing the programs suggested in this study.

The charter of the Peninsula Open Space Trust allows them to function within Santa Clara County. County staff should coordinate implementation of preservation programs with POST. If the programs are successful, consideration should be given to establishing a land trust that operates exclusively within Santa Clara County. (A more focused land trust may be better able to meet the needs of Santa Clara County.)

Conservation Easements

Summary

A conservation easement is a voluntary agreement between a landowner and a conservation organization or public agency. The agreement legally restricts uses of the land, such as building houses on it, that would reduce or destroy its potential for agricultural production. The principal objective of a agricultural conservation easement is to safeguard the productivity of the farmland and the integrity of the agricultural operation (American Farmland Trust).

Present federal tax law allows both individuals and corporations to take deductions from their taxable income for gifts of property, including easements, to a tax-exempt non-profit organization or a government agency. Individuals may deduct the value of the gift up to a certain percentage of their income and spread a deduction over several years.

Applicability to the Study Area

The only way to ensure permanent preservation of agricultural land is to acquire the development rights of the property. This can be accomplished through the acquisition of conservation easements.

Dedication Incentives

Summary

Some land trusts rely exclusively on the federal tax benefits as incentives for landowners to place their properties in conservation easements (see *Conservation Easement* above). However, most landowners are unwilling to restrict the use of their property, (i.e., place it under a conservation easement) unless they receive some form of compensation for that easement. Such compensation can come in the form of money or other incentives.

Applicability to the Study Area

Landowners within the study area may not be interested in placing conservation easements on their properties without some form of compensation. Furthermore, given tight fiscal budgets at all levels of government, it is not likely that the County will have large sums of money available for purchase of such easements. Some other form of incentive may be necessary.

Past development trends indicate a strong desire for small residential parcels in the study area. In exchange for conservation easements, the County could allow an increase in residential development density.

Agricultural Mitigation Fees

Summary

In return for taking agricultural land out of production, developers can be required to pay a mitigation fee to purchase agricultural conservation easements in portions of the study area outside the urban growth boundary. The fees or conservation easements would then be deeded to the County or to a Land Trust.

Applicability to the Study Area

Developing an appropriate fee structure may be expensive. To do this, a regional appraisal of agriculture parcels will have to be conducted. The appraisal will need to determine the average value per acre of parcels with and without development rights. The difference between these two figures becomes the "per acre" value of conservation easements and the mitigation fee per acre.

Marketing Program

Summary

The County can assist in marketing products that are grown or processed in Santa Clara County so that farmers may increase local sales and have less incentive to convert farmlands to other uses.

Applicability to the Study Area

Santa Clara County does not currently have a marketing program for agricultural products grown in the county. Such an organization could be useful for lobbying for and promoting locally grown agricultural products.

Summary of Preservation Approaches and Local Usefulness

As mentioned at the beginning of this chapter, not all agricultural preservation measures may be suitable or useful to Santa Clara County at this time. Table 2 ranks each measure according to the following factors:

- The *need* for such an approach given existing circumstances³;
- The *technical complexity* of a particular approach in the setting of the South County Agricultural Preserve Study Area;
- The likely public *costs* associated with the implementation of each approach—staff time and direct monetary outlays; and
- The potential *acceptability* of each approach in the political, economic, and social settings of the South County—a qualitative notion of the likelihood of a particular measure being adopted.

The highest ranking programs are a land trust and agricultural buffers. Other high ranking measures include clustering guidelines, Zoning Ordinance amendments regarding the list of allowable uses, and additional policies to be included in the General Plan. Boundary limits and conservation easements also ranked quite high.

³ Please note that the table does not have a specific column for this factor. Instead, the phrase "Not necessary /recommended at this time" or "Not appropriate for the area" is used within the table.

Although agricultural mitigation fees received a low ranking, such a program may be useful in conjunction with other incentive programs, such as density bonuses in exchange for conservation easements.

Table 2 — Matrix Evaluation of Proposed Programs

| Approach | Technical Complexity | Costs to Implement | Potential Acceptability | Score |
|--------------------------------------|------------------------------|--------------------|-------------------------|--------|
| Boundary Limits | 3 | 2 | 2 | 7 |
| Right-to-Farm Ordinance | Not necessary at this time | | | |
| General Plan Policies | 3 | 3 | varied | 7 to 9 |
| CEQA Thresholds | Not necessary at this time | | | |
| Williamson Act Contracts | Not necessary at this time | | | |
| Purchase of Development Rights | 1 | 2 | 3 | 6 |
| Transfer of Development Rights | Not recommended at this time | | | |
| Exclusive Agricultural Zoning | Not necessary at this time | | | |
| Allowable Land Use Zoning Amendments | 3 | 3 | 2 | 8 |
| Clustering Guidelines | 3 | 2 | 3 | 8 |
| Agricultural Buffers | 3 | 3 | 3 | 9 |
| Performance Standards | Not appropriate for the area | | | |
| Land Trust | 3 | 3 | 3 | 9 |
| Conservation Easements | 2 | 2 | 3 | 7 |
| Dedication Incentives | 2 | 2 | 2 | 6 |
| Agricultural Mitigation Fees | 2 | 2 | 1 | 5 |
| Marketing Program | 3 | 1 | 2 | 6 |

Technical Complexity

- 3 Not complicated
- 2 Moderately complicated
- 1 Very complicated

Costs to County

- 3 Low
- 2 Moderate
- 1 High

Acceptability

- 3 Good
- 2 Fair
- 1 Poor

5. PROPOSED PROGRAMS

Overview of Proposed Program Elements

The approach recommended by the consultants in this study involves an integrated series of individual preservation program elements that can each assist in reinforcing and implementing existing County, City, and LAFCO policies. Collectively, the proposed programs offer a greater potential for long-term success than any individual method. The most important proposed action would be the establishment through negotiation of a long-term Eastern Urban Growth Boundary for the City of Gilroy; the other proposed programs would work toward ensuring the stability of the boundary, and minimize the agricultural land conversion effects of additional allowable development in the unincorporated areas. Specifically, the proposed agricultural preservation programs include the following interrelated actions:

1. **Allowable Land Use Zoning Amendments.** Conversion of crop and grazing land to uses not directly involved with agricultural production can currently occur in the unincorporated areas. This program would involve creating a combining zoning district to more effectively limit the range of land uses allowed in the South County Agricultural Preserve to those that are either soil-dependent, or directly support on-site agricultural operations. In addition to reserving the best suited agricultural soils and grazing lands for production activities, this program would also direct new regional agricultural support services (e.g., produce grading and packing facilities, seed processing and packaging, etc.) to industrial areas within communities adjacent to the Agricultural Preserve.

Additional amendments are suggested for the City of Gilroy Zoning Ordinance. The City's current Agricultural (A1) zoning district allows most residential uses, which may conflict with the objective of allowing continuing agricultural use of parcels in this zone, while reserving them for appropriate urban development. These proposed amendments would limit the uses allowed in the A1 zone in advance of full urbanization to those directly related to agricultural production.

2. **Eastern Urban Growth Boundary.** Establishment of an Eastern Urban Growth Boundary for the City of Gilroy that would provide for additional urban expansion easterly of Highway 101 only as necessary to "regularize" the existing City limits and Urban Services Area. The location of the Eastern Urban Growth Boundary would be determined through negotiation between the City, County, and LAFCO, could be enacted through a memorandum of understanding or other mutually acceptable instrument, and would ultimately be implemented through amendments to the City's and County's General Plans, and LAFCO policies. All land within the study area that is west of the growth boundary is referred to as the Agriculture Protection Zone.
3. **Coordinate Programs with Land Trust.** An Eastern Urban Growth Boundary will be effective in preserving agricultural land only if the boundary is retained over the long-term. Because such boundary determinations are ultimately political decisions, they are subject to change through the political process unless their permanence is reinforced through

acquisition of fee or partial ownership interest in affected lands. A land trust can acquire and administer conservation easements along the boundary and in other portions of the study area. The County should consider working with the Peninsula Open Space Trust to assist in administration of any programs that require mitigation fees/dedications for lost agricultural land or conservation easements. The land trust would hold title to the conservation easements.

4. **Conservation easement acquisition.** Without funding or suitable incentives to landowners, acquisition of an effective pattern of conservation easements may require years to complete. Two programs are proposed to expedite the procurement of conservation easements:
 - a. **Mitigation fee as replacement of lost agricultural lands.** Establish an agricultural land conversion mitigation fee to be paid by development in the study area east of the proposed Eastern Urban Growth Boundary for the City of Gilroy; accumulated fees would be used to purchase conservation easements on parcels immediately outside of the Eastern Urban Growth Boundary; and
 - b. **Density bonus incentive program.** Allow landowners to create additional residential parcels under specified conditions in exchange for conservation easements on a portion of their property.
5. **Clustering Development.** As long as the viability of large farming parcels can be preserved, smaller homesites may also be appropriate within the Agriculture Protection Zone. Such homes must be carefully located, because residential development within a commercial agricultural area can not only directly remove agricultural soils from production, but also create the potential for functional conflicts between residential uses and agricultural operations. Therefore, all residential development within the Agriculture Protection Zone should be carefully located, where possible, on the least productive soils in an ownership, consistent with the need to also have road access where residential and agricultural traffic will not conflict. This program recommends guidelines for residential development on newly subdivided parcels that would cluster allowed dwellings in the most appropriate, and least sensitive, areas.
6. **Incentives for appropriate subdivision.** The study area contains parcels that are both sufficiently larger than the minimum lot area requirements of the Zoning Ordinance to be subdivided further, and parcels that are far smaller than the zoning minimum lot area. This program addresses two issues: 1) when subdividing large parcels, allow greater flexibility in minimum parcel size as long as large, viable farming units are preserved; and 2) provide incentives for landowners to combine existing smaller lots to create larger farming units.
 - a. **Parcels that exceed the minimum parcel size.** The Zoning Ordinance requires large minimum parcel sizes when subdividing property in order to maintain viable farming units; the zoning standards, however, do not have the flexibility to allow smaller lots.

- b. **Parcels that do not meet the minimum parcel size.** The presence of large numbers of 5-acre and 10-acre parcels is of particular concern because the integrity of a commercial agricultural area can be threatened by the separate ownership of such parcels that are too small individually to farm economically (and yet too large for an individual homesite). The intent of this program is to provide an incentive for owners to combine smaller parcels and deed a conservation easement for a portion of their property in exchange for additional residential development opportunities.
- 7. **Agricultural buffers.** The most effective means for minimizing conflicts between urban uses and agricultural operations is to separate them with as much distance as possible. This program proposes amendments to the City of Gilroy Zoning Ordinance to ensure that development proposals on the "urban edge," are configured to minimize land use conflicts. The new zoning standards for the City of Gilroy would establish minimum distances for agricultural buffers that would be incorporated into development proposals.
- 8. **Marketing programs.** Because land that supports profitable agricultural operations is likely to be slightly less prone to urbanization pressures, the County's interests would be served by any efforts that encourage more consumption of agricultural products from the study area. This proposal would work toward establishing more name recognition of local products and more institutionalized support for the local purchase of local products.

A detailed description of each program follows.

1. Allowable Land Use Zoning Ordinance Amendments

Summary

The purpose of the program is to 1) minimize urban-type development within the Agriculture Protection Zone outside of the City of Gilroy; 2) minimize residential and other urban land uses on agricultural parcels within the Gilroy city limits until they are determined to be appropriate for urbanization through the rezoning process; and 3) minimize non-soil dependent uses on parcels that are greater than 2.5 acres and rated as having high and/or moderate suitability for agricultural.⁴ This program would apply to: all parcels in the study area, all agricultural parcels in the City of Gilroy, and all Williamson Act parcels in Santa Clara County. Implementing agencies would be the City of Gilroy and Santa Clara County.

Program Description

A. Revise the County's list of Land Conservation Contract Compatible Uses as follows:

- 2.a. Facilities for the drying, packing, or other processing of an agricultural commodity usually performed on the premises where it is produced...
- 2.f. Limited areas for storage and maintenance facilities for trucks used exclusively for hauling agricultural produce which must include produce grown on the property.....
- 3. The maintenance of land in its natural state for the purpose of preserving open space for recreation or plant or animal preserves; or the holding of non-producing land for future agricultural use or future mineral extraction, provided that the property is not currently in agricultural use.

B. Revise the County's Zoning Ordinance to create a combining district that applies to the Agricultural Protection Zone, and revise the list of allowed and conditionally allowed uses in the "A" Exclusive Agriculture District to minimize non-agricultural uses in the area. Suggested changes are detailed below:

Sec. 4-2.1(f) Under uses permitted as matter of right, revise Sec 4-2.1(f) to read, "Limited structural facilities (no greater than 20 percent of net acreage) for the drying of crops grown on site. Lots less than or equal to 2.5 acres where farm operator/owner does not have lease/own adjacent property are excluded from this provision."

Sec. 4-2.1(m) Under uses permitted as matter of right, revise Sec 4-2.1(m) to read, "Greenhouses where underlying soils are used for agricultural production or where such facilities do not cover more than 20 percent of the net acreage with impervious surface. Lots less than or equal to 2.5 acres where farm operator/owner does not have lease/own adjacent property are excluded from this provision."

⁴ Non-soil dependent uses would include support facilities such as a produce drying or seed packaging plant.

- Sec. 4-4.1(a) Under uses permitted upon securing of a use permit for agricultural research facility, add the following finding: (3) The proposed facility does not cover more than 20 percent of net acreage with impervious surface. Greenhouses or other structures that are erected without continuous foundations and/or slab flooring are exempt from this finding. Lots less than or equal to 2.5 acres where farm operator/owner does not lease/own adjacent property are also excluded from this provision.
- Sec. 4-4.1(b) Under uses permitted upon securing a use permit for auction yards and rodeos, add the following finding: (5) The structural facilities for the proposed use do not cover more than 20 percent of net acreage with impervious surface. Lots less than or equal to 2.5 acres where farm operator/owner does not have lease/own adjacent property are also excluded from this provision.
- Sec. 4-4.1(c) Under uses permitted upon securing a use permit for dairies, add the following finding: (6) Any structures for the proposed use are located so as to minimize the impact on soils with a soil Storie index greater than or equal to 80.
- Sec. 4-4.1(d) Under uses permitted upon securing a use permit for hog raising, add the following finding: (5) Any structures for the proposed use are located within the site so as to minimize impact on soils with a soil Storie index greater than or equal to 80.⁵
- Sec. 4-4.1(e) Under uses permitted upon securing a use permit for mushroom farms, add the following finding: (5) Any structures for the proposed use are located within the site so as to minimize impact on soils with a soil Storie index greater than or equal to 80.
- Sec. 4-4.1(f) Under uses permitted upon securing a use permit for poultry raising, add the following finding: (7) Any structures for the proposed use are located within the site so as to minimize impact on soils with a soil Storie index greater than or equal to 80.
- Sec. 4-4.1(g) Under uses permitted upon securing a use permit for stables, add the following finding: (3) Any structures for the proposed use are located within the site so as to minimize impact on soils with a soil Storie index greater than or equal to 80.

⁵ The Soil Storie index is determined by the Soil Conservation Service Soil Survey or site-specific soil analysis. An explanation of the Soil Storie Index rating system can be found in Appendix A.

- Sec. 4-4.2(b-e) Regarding cultural, educational and recreational allowed uses with a use permit, the following uses should be deleted: (b) golf courses, (c) golf driving tee or range, (d) hunting of wildlife and/or fishing preserves, and (e) parks, playgrounds, community center, campgrounds.
- Sec. 4-4.3(a) Revise to read, "Agricultural processing centers, regional, to include handling, packing, storing and preparing for shipment of fruits, nuts, vegetables, and flowers incidental to on-site agricultural production operations. This does not include canneries or frozen food processing. Agricultural processing centers that are not incidental to on-site agricultural production may be permitted where such facilities do not cover more than 20 percent of the net agricultural parcel. Lots less than or equal to 2.5 acres where farm operator/owner does not have lease/own adjacent property are also excluded from this provision.
- Sec. 4-4.3(d) Revise the text to read, "Pallet and bin repair and manufacturing incidental to on-site agricultural production operations...." Pallet and bin repair and manufacturing facilities that are not incidental to on-site agricultural production may be permitted where such facilities do not cover more than 20 percent of the net agricultural parcel. Lots less than or equal to 2.5 acres where farm operator/owner does not have lease/own adjacent property are also excluded from this provision.
- Sec. 4-4.3(e) Revise the text to read, "Wineries, commercial bonded, including storage, bottling, wholesaling of wines, and wine-tasting rooms open to the public and incidental to on-site vineyards (additional grapes may be imported for processing)." Wineries that are not incidental to on-site vineyards may be permitted where such facilities do not cover more than 20 percent of the net agricultural parcel. Lots less than or equal to 2.5 acres where farm operator/owner does not have lease/own adjacent property are also excluded from this provision.
- Sec. 4-4.5(a) Delete "Farm equipment and supplies . . ." as an allowed use with a use permit use.
- Sec. 4-4.5(c) Under uses permitted upon securing a use permit for kennels, add the following finding: (3) Any structures for the proposed use are located within the site so as to minimize impact on soils with a soil Storie index greater than or equal to 80.
- Sec. 4-4.5(d) Under uses permitted upon securing a use permit for veterinary hospitals, add the following finding: (4) Any structures for the proposed use are located within the site so as to minimize impact on soils with a soil Storie index greater than or equal to 80.

- Sec. 4-4.6(a)&(c) Under uses permitted upon securing a use permit for antennas or corporation yards, add the following finding: (4) Any facilities or structures for the proposed use are located within the site so as to minimize impact on soils with a soil Storie index greater than or equal to 80.
- Sec. 4-4.6(b) Delete "small-scale electronic facilities" as a permitted use upon securing a use permit.
- Sec. 4-4.7(b) Under uses permitted upon securing a use permit for truck yards, add the following findings: (4) Any structures or equipment storage areas for the proposed use are located within the site so as to minimize impact on soils with a soil Storie index greater than or equal to 80.
- C. Revise the City of Gilroy's A1 zoning district to include a list of allowed uses similar to those established within the County's "A" zone but with the revisions noted in B above.

Because the type and extent of agriculture-related industrial activities that can take place within the County will be limited, the City of Gilroy General Plan and Zoning Ordinance should be modified to provide sufficient land for such development. The County, City, and LAFCO should appoint a farm advisory group to develop criteria for appropriate uses within an agriculture-related industrial zone.

Supporting Policies

County 1995 General Plan

Land Use Policy R-LU 11 and R-LU(i) 2

Resource Conservation Policies R-RC 61 and R-RC(i) 21

South County Policy SC 14.6 and SC 14.12

City of Gilroy General Plan

Agriculture Policies 40 and 41

Agriculture Implementation Policy FF

Comments

This program will directly supports Land Use Policy R-LU 11 which limits allowable uses to those compatible with resource conservation/agriculture.

The process of determining the allowed uses within the current work program will implement South County Policy SC 14.12 and Resource Conservation Policy R-RC 61, which limit the range of activities permitted in agricultural areas.

The program will further City of Gilroy Agriculture Policy 40 and Agriculture Implementation Policy FF, which support agricultural operations on parcels that are not yet annexed to the city.

Implementation Steps

The following documents would need to be revised: Santa Clara County Williamson Act Land Conservation Contract Compatible Use List; City of Gilroy Zoning Ordinance Section 4.20, Permitted Uses and Conditional Uses in the A1 Agriculture District; and Article 4 of the Santa Clara County Zoning Ordinance, Regulations for "A" Exclusive Agricultural Zoning Districts. The revisions would need to be approved by both the City and County, as applicable.

2. Eastern Urban Growth Boundary

Summary

This program would seek to establish a stable boundary between urban and agricultural land uses between the City of Gilroy and the South County Agricultural Preserve, along the easterly edge of the City, only. This study does not propose boundaries for other perimeter areas of the City of Gilroy. This program would apply to all parcels within and adjoining the study area. Implementing agencies would include the City of Gilroy, Santa Clara County, and Santa Clara County LAFCO.

Program Description

LAFCO, the County, and the City would agree to an Eastern Urban Growth Boundary for the City of Gilroy, with assurances that Santa Clara County would not place urban uses within the South County Agricultural Preserve. The agreement could be in the form of resolutions by the governing bodies of each entity, a joint memorandum of understanding, or other mutually acceptable instrument. Any subsequent boundary definition for the City of Gilroy by LAFCO, the City, and the County should recognize the Eastern Urban Growth Boundary established by this report.

Lands inside the Eastern Urban Growth Boundary would be annexed to the City in compliance with the procedures and standards similar to past annexations. Lands outside the Eastern Urban Growth Boundary would be designated as within an Agriculture Protection Zone and would not be eligible for urban uses. It is important to the success of the other proposed programs that the Eastern Urban Growth Boundary be viewed as long term and stable. If there is a perception that property in the Agriculture Protection Zone may eventually be annexed, the acquisition of conservation easements to "solidify" the boundary could become significantly more difficult. (See also *Land Trust, Mitigation Fees/Conservation Easements, and Subdivision Program*.)

Two preliminary alternatives for an Eastern Urban Growth Boundary for the City are shown in Figures 10 and 11. A portion of the area within the urban growth boundary (428 acres) has already been (or will soon be) acquired by the City of Gilroy for agricultural buffers to the City's Sewer Plant. (The sewer buffers will be left vacant or in agricultural use to serve as percolation ponds; treated water will be pumped onto the land and allowed to percolate through the ground. Once annexed to the City, the parcels will likely be designated as Open Space or Park/Public Facilities.) Alternative A would result in an additional 2,200 acres being available for annexation and development. Alternative B would provide approximately 1,200 acres. This alternative is very similar to the boundaries proposed in the Gilroy General Plan.

Supporting Policies

The following existing planning policies (see Appendix C) would support the concept of establishing a stable Eastern Urban Growth Boundary.

County 1995 General Plan

Land Use Policy R-LU 9

South County Policies SC 1.9, SC 14.0 and SC 14.2

Countywide Growth and Development Policies C-GD 19 through C-GD 22 and C-GD(i) 5

LAFCO Policies and Guidelines

Urban Service Area Policies USA-B 3, USA-B 4, USA-B 6, USA-B 7, and USA-B 8

City of Gilroy General Plan

Urban Growth and Development Policies 5 and 8

Agriculture Policies 38 and 39

Comments

The program would directly implement Countywide Growth and Development Policies C-GD 19 through C-GD 22 and C-GD(i) 5, which call specifically for an Urban Growth Boundary. LAFCO Urban Service Area policy USA-B 3 encourages contractual agreements and/or plans between the cities and the County which define growth at the urban fringe or potential new growth areas. The program would also help to implement City of Gilroy Urban Growth and Development Policy 5 and Agriculture Policy 38, which limit urban expansion into the outlying agricultural areas.

The program would implement agricultural preservation goals of Land Use Policy R-LU 9, South County Policies SC 1.9, SC 14.0 and SC 14.2, as well as City of Gilroy Urban Growth and Development Policy 8 and Agriculture Policy 39.

Implementation Steps

The City of Gilroy, Santa Clara County, and Santa Clara County LAFCO each need to adopt a tripartite memorandum of understanding establishing an Eastern Urban Growth Boundary.⁶ The final location of an Eastern Urban Growth Boundary would be determined through discussions between the City, County, LAFCO, property owners and the public.

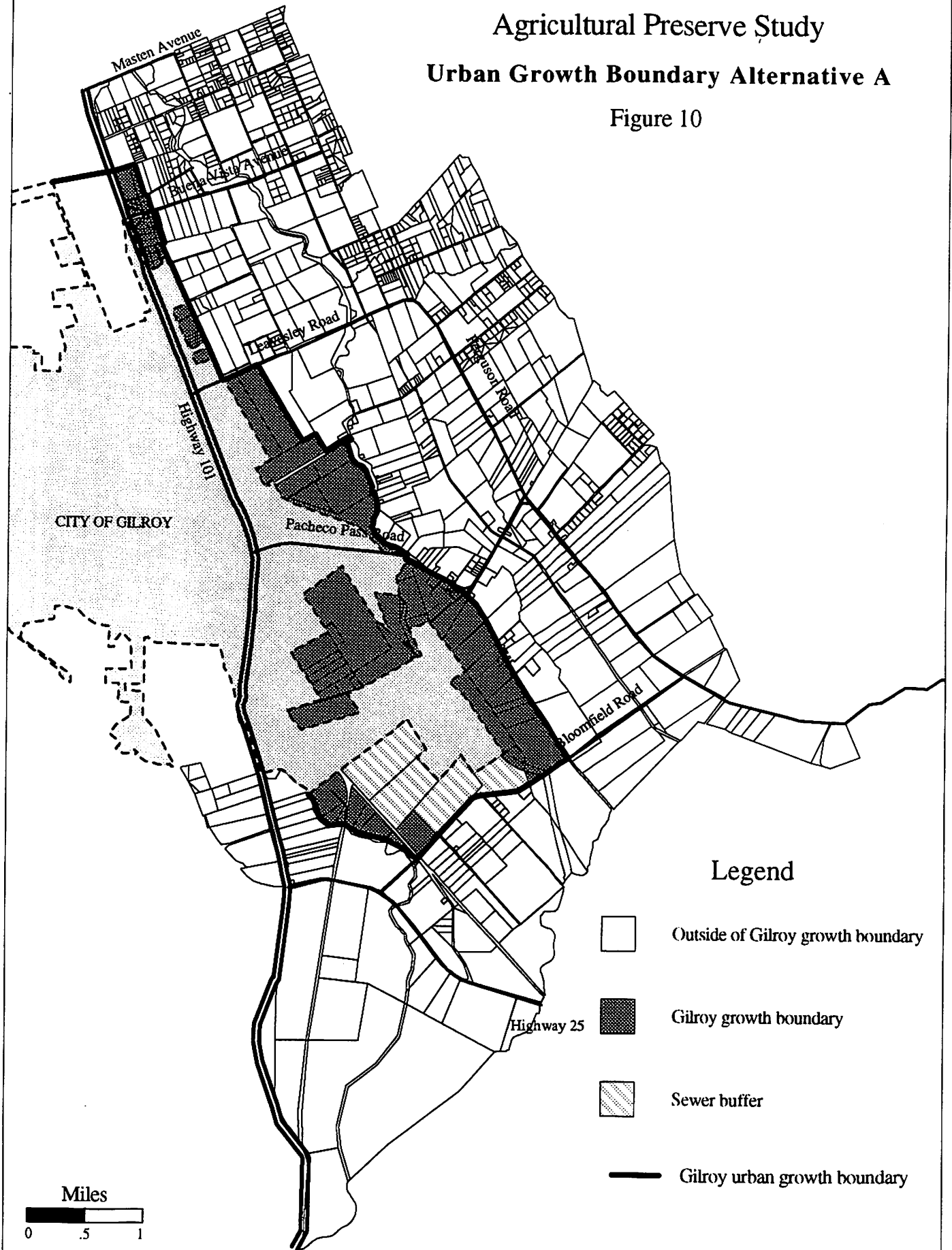
⁶

Although a memorandum of understanding does not create a legally binding agreement, it is the most appropriate approach at this time. To create a legally binding agreement, the City of Gilroy would, in effect, be giving their land use authority over to the County, which is not supported by the state and federal constitution. Recent California legislation specifically aimed at allowing such an action was recently (9/94) vetoed by Governor Wilson.

Agricultural Preserve Study

Urban Growth Boundary Alternative A

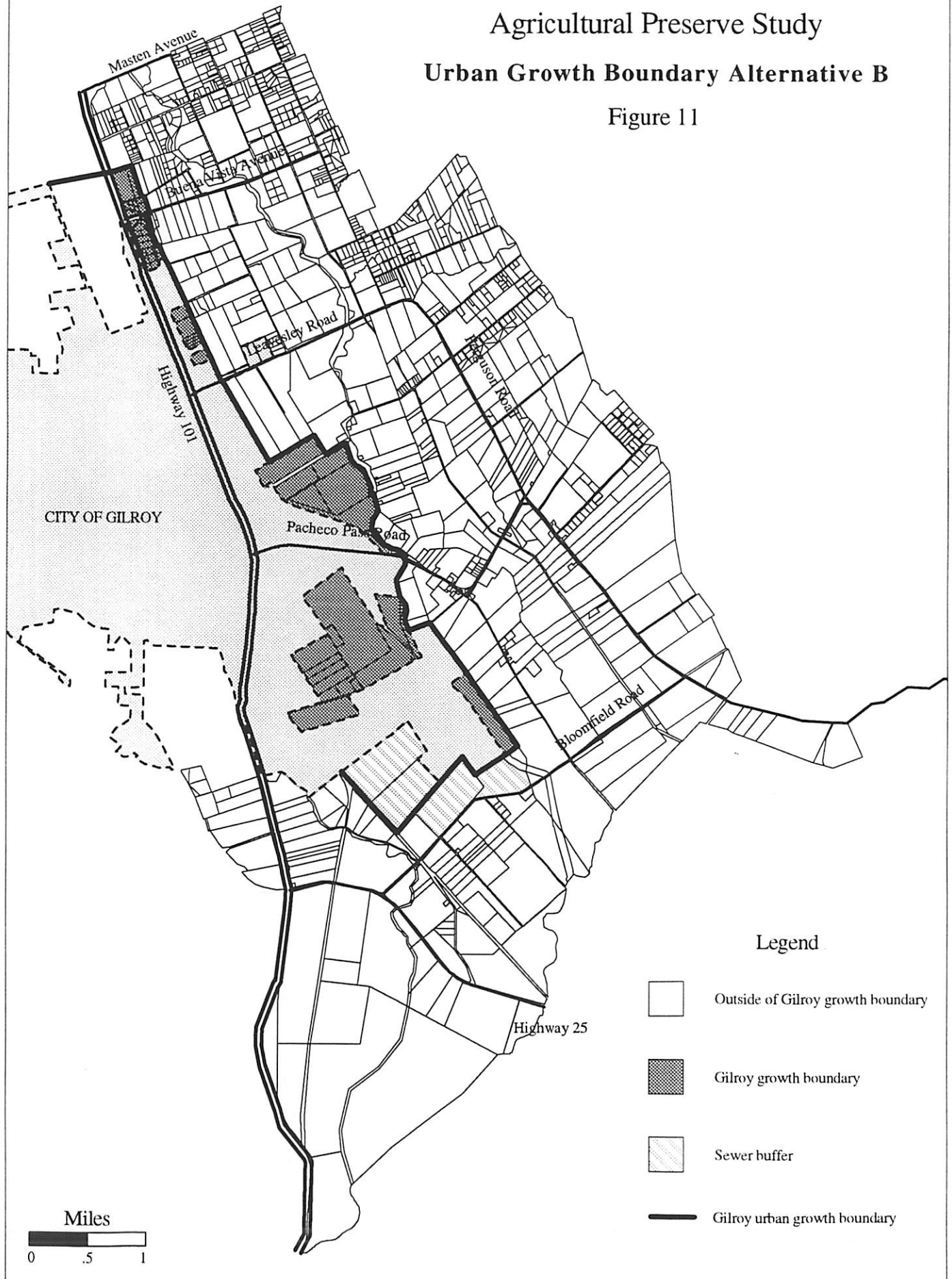
Figure 10



Agricultural Preserve Study

Urban Growth Boundary Alternative B

Figure 11



3. Coordinate Programs with a Land Trust

Summary

This program proposes that Peninsula Open Space Trust (POST) be asked to assist in implementing proposed programs involving the negotiation and acquisition of conservation easements. If the proposed programs are successful and POST feels it is appropriate or necessary, a land trust with jurisdiction exclusively within Santa Clara County could be established, instead. The Santa Clara County Open Space Authority would be responsible for working with POST to administer the conservation easement and acquisition programs.

Program Description

Land trusts are private, non-profit, charitable, tax-exempt corporations set up for the purpose of acquiring and managing interests in real property for the public interest. Land Trusts are privately funded organizations typically consisting of individuals residing in the area served by the trust. Land trusts can obtain agricultural conservation easements with funds collected from mitigation fees, public funds, or private donations. The Peninsula Open Space Trust (POST) is primarily involved with preservation of agricultural and open space parcels in northern Santa Clara County and throughout San Mateo County.

The Santa Clara County Open Space Authority could work with POST (or, if appropriate, another land trust) to assist in implementing many of the recommended programs, such as the Eastern Urban Growth Boundary, agricultural buffers, mitigation fees, and conservation easement acquisition.

Applicability to the Study Area

Although POST does not operate exclusively in Santa Clara County, this organization could provide significant assistance in implementing the programs suggested in this study. As a private organization, a land trust has various advantages over governmental bodies in the acquisition of land. They are often able to move more quickly and quietly on land transactions and are less susceptible to sudden changes in the local political arena. Frequently, land trusts are also more likely than government agencies to receive private contributions for land conservation.

Implementation Issues

The charter of the Peninsula Open Space Trust allows them to function within Santa Clara County. County staff should coordinate implementation of preservation programs with POST. If the programs are successful, consideration should be given to establishing a land trust that operates exclusively within Santa Clara County. (An exclusive land trust could focus attention on the needs of Santa Clara County.)

Supporting Policies

County 1995 General Plan

Countywide Resource Conservation Policy C-RC(i) 19(c)&(d)

Land Use Policies R-LU 8 and R_LU 9

Resource Conservation Policies R-RC 59 and R-RC 64

South County Policies SC 14.3 and SC 14.4

LAFCO Policies and Guidelines

Urban Service Area USA-B 6

Comments

This program would help to implement Santa Clara County 1995 General Plan Land Use Policies R-LU 8 and R-LU 9, Countywide Resource Conservation Policies C-RC(i) 19(c)&(d), Resource Conservation Policy R-RC 64, South County Policies SC 14.3 and SC 14.4, and LAFCO Urban Service Area Policy USA-B 6, which all seek to permanently preserve valuable agricultural parcels.

The program would also help to implement Resource Conservation Policy R-RC 59, which seek to stabilize long term land use patterns to preserve agriculture in the region.

Implementation Steps

Request that Peninsula Open Space Trust assist the County in implementing agricultural preservation programs.

4. Conservation Easement Acquisition

Summary

This two-part program would establish a mechanism for the funding and acquisition of agricultural conservation easements. In the first program, the conservation easements are funded or acquired as a mitigation for loss of productive agricultural land to urban development. The chief implementing agency would be the City of Gilroy; a land trust would administer the conservation easement.

At the time of development, this program would apply to 1) any agricultural lands being annexed to the City of Gilroy within the new Eastern Urban Growth Boundary; and 2) lands within the City of Gilroy currently zoned for agriculture that wish to develop with urban land uses.

The second program provides a density bonus as an incentive to property owners to place a large portion of their agricultural lands in a conservation easement. This program would apply to the all Medium Scale or Large Scale Agricultural properties in the Agriculture Protection Zone. The County would be the chief implementing agency for the lot subdivision; a land trust would administer the conservation easement.

PROGRAM 1 — REPLACEMENT OF LOST AGRICULTURAL LAND

Program Description

Developers of agricultural lands annexed to the City of Gilroy after establishment of the Eastern Urban Growth Boundary would be required to replace agricultural land through one of two means: 1) deeding conservation easements to a Land Trust placing such parcels in the Agricultural Protection Zone for continuing agricultural use; or 2) paying in-lieu fees to a Land Trust to purchase such conservation easements. The first priority for conservation easement acquisition should be those parcels immediately adjacent to the Eastern Urban Growth Boundary, then the next "tier" of parcels beyond the Eastern Urban Growth Boundary, etc.

If an owner proposes to deed conservation easements, the following table—based on Storie Index of the soil—will serve as a guide to the number of acres needed.⁷

⁷

An explanation of the Storie Index soil rating system can be found in Appendix A. Please note that the owner must also consider the rating for the land being exchanged.

Table 3 — Conservation Easement Land Exchange

| Soil Storie Rating of Agricultural Land Being Replaced | Acreage Requirement by Rating of Replacement Land | | | |
|--|---|-----------|-----------|------------|
| | High | Mod. High | Moderate | Low |
| High (80 to 100) | 1 acre | 2 acres | 3 acres | 4 acres |
| Moderately High (60 to 79) | .5 acre | 1 acre | 1.5 acres | 2 acres |
| Moderate (40 to 59) | .33 acre | .66 acre | 1 acre | 1.33 acres |
| Low (20 to 39) | .25 acre | .5 acre | .75 acre | 1 acre |

Note: Land with a soil Storie Rating of less than 20 is unsuitable for farming and no exchange is required.

If the developer instead elects to pay the in-lieu fee, the following table notes the magnitude of the fee. As mentioned earlier, the fee is defined as the value of an acre of conservation easement for an average parcel. In completing the table, we assume that an average parcel has a moderately high soil Storie rating.

Table 4 — Mitigation Fee Exchange

| Soil Storie rating for 1 acre of agricultural land being replaced | Mitigation Fee Magnitude |
|---|--------------------------|
| High (80 to 100) | 1.5 fees |
| Moderately High (60 to 79) | 1 fee |
| Moderate (40 to 59) | .5 fee |
| Low (20 to 39) | .25 fees |

Note: Land with a soil Storie Rating of less than 20 is unsuitable for farming and no fee is required.

Program Impacts

The value of this program cannot be precisely assessed until an Eastern Urban Growth Boundary is established. If the growth boundary is similar to Alternative A presented earlier in this report, 2,200 acres of property would be available for annexation and development. If a one-to-one exchange is made, 2,200 acres would go into the agricultural land trust. This number will vary, depending on soil Storie rating of the developed and mitigating parcels.

This program in tandem with the Eastern Urban Growth Boundary will provide an effective mechanism for preserving agricultural parcels in the county. The regulatory nature of this program will likely raise controversy.

Supporting Policies

County 1995 General Plan

Land Use Policies R-LU 3, R-LU 8, and R-LU 9
Resource Conservation Policies R-RC 59 and R-RC 64
South County Policies SC 14.3 and SC 14.4

Comments

This program puts land into permanent agricultural preserves as called out in Land Use Policies R-LU 3, R-LU 8, and R-LU 9; Resource Conservation Policies R-RC 59 and R-RC 64; and South County Policies SC 14.3 and 14.4.

Implementation Steps

Establish a Land Trust and an Eastern Urban Growth Boundary. Adopt a program that requires developers of agricultural lands annexed to the City of Gilroy to replace agricultural land through one of two means: 1) deeding conservation easements to a land trust placing parcels in the Agricultural Protection Zone for continuing agricultural use; or 2) paying in-lieu fees to a Land Trust to purchase such conservation easements. Adopt agricultural in-lieu fees.

PROGRAM 2 — DENSITY BONUS INCENTIVE PROGRAM

Summary

This program would provide a monetary incentive for property owners to maintain a large portion of an ownership in an agricultural conservation easement. Santa Clara County would implement the density bonus incentive program and accompanying subdivision standards; conservation easements would be forwarded to a land trust for administration.

Program Description

Current zoning regulations allow 1) one single family residential unit by right, 2) one additional residence (800 square feet) on parcels of 10 acres or greater for full time agricultural employees, and 3) additional temporary units subject to use permit approval. These units may be allowed on a single parcel, which could otherwise not be subdivided unless the parcel were at least twice the minimum lot area required by zoning. As an incentive to dedicate a conservation easement on a portion of the property, landowners would be able to create and sell separate small parcels as homesites. Various results are achieved depending on the eligible parcels and the density bonus. The *Program Impacts* section outlines the increase in total residences for the study area given four, three, two, and one (i.e., no bonus) allowed residences.

The remaining agricultural parcel cannot be further subdivided, and the owners would relinquish further rights to development on the property through a conservation easement.

The property placed in the conservation easement should be a viable agricultural parcel. The following questions should be used to evaluate the appropriateness of the parcels being placed in the agricultural preserve:

Is the property in the conservation easement of sufficient size and suitable soils to support farming activities, and are needed services available? If not...

- Do the adjoining parcels have agricultural conservation easements?
- Do the adjoining parcels have Williamson Act contracts? If so, when do the contracts expire? What is the likelihood for renewal?
- Are farming activities likely to cause substantial nuisance complaints?
- If the property has little agricultural value, are there willing sellers of other, more suitable agricultural parcels?

The residential parcels would be clustered on a portion of the property. See also *Clustering Development*. Minimum parcel size for residences would be .5 acres or as necessary for septic disposal. (The agricultural parcel may be considered in leach field calculations.) Maximum parcel size would be 2.5 acres.

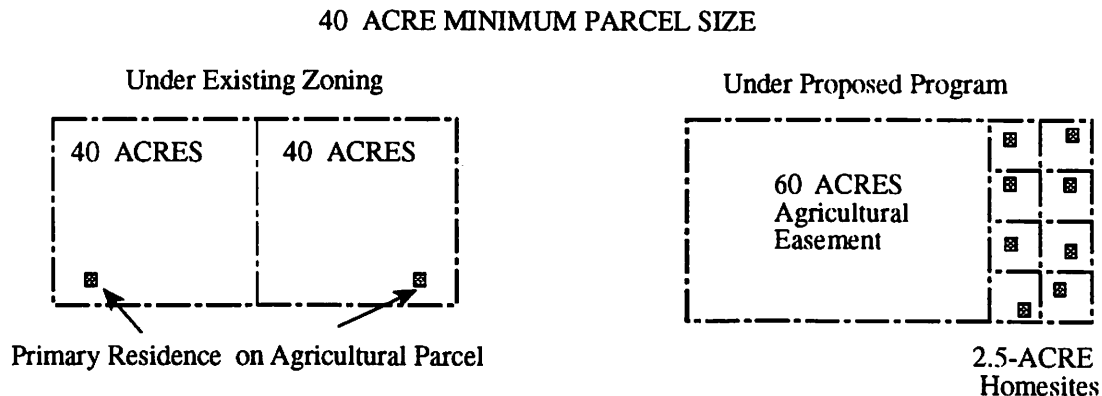
Applicability to Study Area

To provide a true incentive, the density bonus must allow the property owner(s) to create at least one additional residence for every 20 or 40 acres of land (depending on minimum lot size as established by the zoning district). In some instances, this would require allowing up to four residential units for every 20 or 40 acres.

Example

Currently a property owner has one 80-acre parcel. The minimum parcel size is 40 acres. Normally, the owner could subdivide the parcel in half. Under an incentive program allowing four residential homesites, the owner would be allowed to create up to eight residential homesites at a clustered location on the property. The residential parcels are each 2.5 acres, making the total acreage dedicated to residences 20 acres. The remaining 60 acres would be placed in a conservation easement (see Figure 12).

Figure 12: Example of Subdivision Program



Program Impacts

The following analysis is based on the all parcels in the study area, excluding those planned for the City of Gilroy sewer plant expansion. The table identifies several variations to the program (for more information on the methodology, please see Appendix D):

Table 5 — Maximum Possible Residences and Acreage

| Approach ¹ | Increase in Residences in Study Area (1,116 parcels) | | Conservation Easements as portion of Study Area (15,660 acres) | |
|---------------------------------|--|-------|--|-------|
| | Number | % | Acres | % |
| 1.A Legally subdivide — 4 units | 339 | 30.38 | 3,175 | 20.27 |
| 1.B Legally subdivide — 3 units | 247 | 22.13 | 3,405 | 21.74 |
| 1.C Legally subdivide — 2 units | 155 | 13.89 | 3,635 | 23.21 |
| 1.D Existing Conditions | 63 | 5.65 | 3,865 | 24.68 |
| 2.A Meet minimum — 4 units | 521 | 46.68 | 5,417 | 34.59 |
| 2.B Meet minimum — 3 units | 369 | 33.06 | 5,797 | 37.02 |
| 2.C Meet minimum — 2 units | 217 | 19.44 | 6,177 | 39.44 |

Note: ¹ See following discussion for explanation of approaches.

Approach 1. Allow only those parcels that can legally subdivide to take advantage of the density bonus incentive program (e.g., a 40-acre parcel with 20-acre minimum lot size).

1.A Allow four residences per every 20 or 40 acres (depending on zoning).

1.B Allow three residences per every 20 or 40 acres.

1.C Allow two residences per every 20 or 40 acres.

1.D Existing conditions — for comparison purposes only.

Allow one residence per every 20 or 40 acres.

In general, this approach offers several advantages: (1) it could potentially place conservation easements on the largest parcels in the study area; and (2) it provides a benefit only to those landowners who can subdivide under existing zoning standards. The disadvantages would be that it does not address any of the smaller agricultural parcels.

Option 1.C provides the greatest number of acres and least number of residences. Because the parcels are relatively large, two units for each 20 or 40-acre parcel (depending on zoning) may be sufficient incentive to the landowners. For example, a landowner with 160 acres designated as Large Scale Agriculture could subdivide to create eight residential parcels.

2. Allow only those parcels that meet or exceed the minimum lot size to take advantage of the density bonus incentive program (e.g., a 40-acre parcel with 40-acre minimum lot size).

- 2.A Allow four residences per every 20 or 40 acres (depending on zoning).
- 2.B Allow three residences per every 20 or 40 acres.
- 2.C Allow two residences per every 20 or 40 acres.

Because this approach includes more parcels, more land could potentially be placed in conservation easements. Conversely, there would be a greater increase in the number of residences in the area. Although Option 2.C provides the greatest number of acres in conservation easement and the least number of residences, two units may not be sufficient incentive to the landowners; many of the participating landowners could only gain a total of one new residential parcel. Option 2.B provides a good incentive and has good results.

Supporting Policies

County 1995 General Plan

South County Policies SC 14.3 and SC 14.4

Land Use Policy R-LU 3

Resource Conservation Policies R-RC 59, R-RC 64 and R-RC 65

City of Gilroy General Plan

Agriculture Policy 39

Comments

This program would directly support Santa Clara County 1995 General Plan South County policies SC 14.3 and SC 14.4, and Resource Conservation policies R-RC 59, R-RC 64 and R-RC 65. These policies (in general) are concerned with the permanent protection of agricultural parcels.

The program could conflict with Resource Conservation Policy R-RC 62 which requires that residential uses in agricultural areas be only for persons directly involved in agricultural operations. The City of Gilroy Agriculture Policy 39 states that the city will oppose urban development in lands under County jurisdiction. Some of the resulting subdivisions may be considered "urban uses" by the City.

The program would also conflict with Santa Clara County Land Use policies R-LU 14 and R-LU 15, which maintain minimum parcel sizes of 40 and 20 acres.

Implementation Steps

Amend the General Plan to not conflict with the proposed program (see *Comments* section under *Supporting Policies*). Amend the Subdivision Ordinance and Zoning Ordinance to allow the proposed program within the Agricultural Protection Zone.

5. Clustering Development

Summary

The purpose of the clustering guidelines is to concentrate residential uses which occur in agricultural areas to maintain the most productive soils for agricultural use, and protecting agricultural practices from nuisance complaints by residents who are not involved with agriculture. The program would apply to all subdivision proposals that create 2.5 acre residential homesites, either with or without an increase in density.

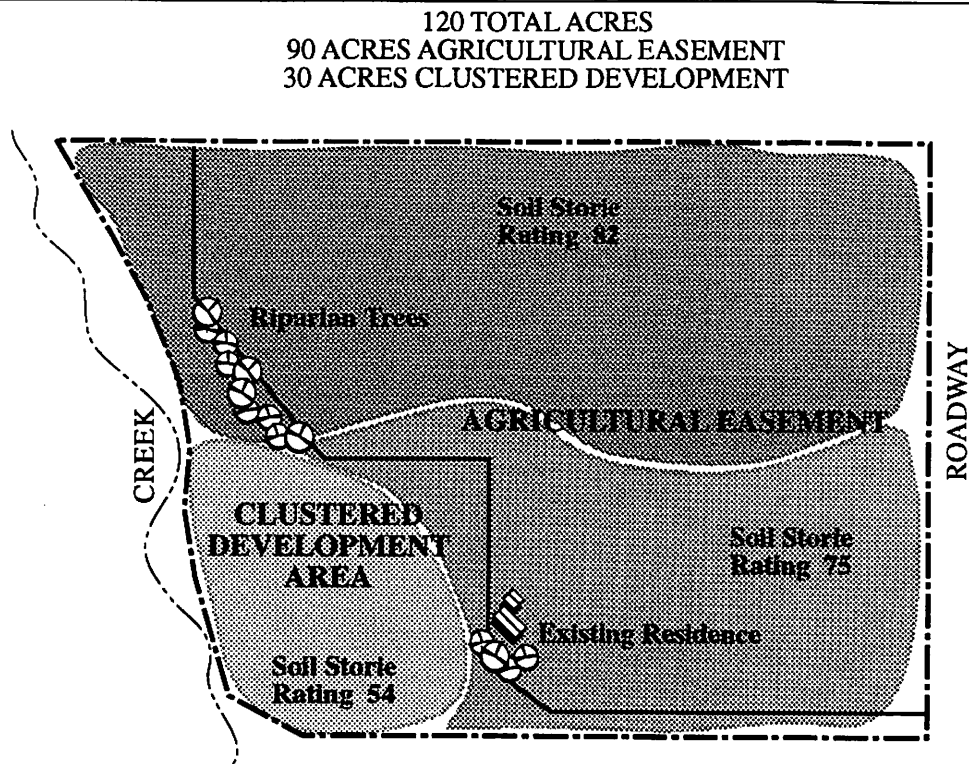
For any clustering proposal, conservation easements would be required on the agricultural portion of the site. The County would be responsible for administering the clustering program.

Program Description

The following guidelines should be used to locate residential parcels in agricultural areas. See Figure 13 for an illustration of the program.

- a. An existing residence would be exempt from the clustering provisions applied to the proposed parcels.
- b. The soil Storie index would be used to identify the best agricultural soils on the parcel. To the greatest extent possible, clustered homesites should be located on the least productive agricultural soils, while preserving the configuration of the larger parcel as an efficiently farmable unit.
- c. If the analysis described in (b) above does not highlight appropriate sites for residences (i.e., there is no variation in the agricultural suitability), staff would evaluate the impact of residential development on the agricultural parcel under the following circumstances:
 1. If residences are clustered around the existing residence;
 2. If residences are clustered along a stand of trees, creek, or other prominent natural feature that will separate the residences from the farming activities.
 3. If residences are clustered along a roadway or easily accessible corner of the site; or
 4. If residences are clustered along a property line adjoining other non-agricultural uses, preferably residential.
- d. If there is more than one existing residence on the site, staff would work with applicant to minimize the impact of development by using a combination of the criteria noted in items (b) and (c) above;
- e. Parcel lines and building envelopes would be located outside of FEMA-designated floodplain areas.
- f. Building envelopes located within areas known to be subject to seismic hazards would require site-specific geotechnical studies to ensure that structures can be safely constructed.

Figure 13: Clustering Example



Supporting Policies

The Santa Clara County 1995 General Plan permits clustering in areas designated as "Hillsides" and "Rural Residential," but there is currently no policy which would permit clustering residential development on parcels designated as "Agriculture."

Implementation Steps

Amend the General Plan to allow clustering in agriculture designated area and the Zoning Ordinance to include the standards established in this program.

6. Incentives for Appropriate Subdivision

Summary

In some instances, the County may be better able to preserve agricultural land by providing appropriate alternatives to the current standards regulating subdivision of parcels. The suggested program allows small residential parcels clustered in a portion of the landholding that least impacts agricultural production.

Program Description

The first program pertains to large parcels that exceed the County's minimum parcel sizes (defined as 20 and 40 acres for Medium Scale and Large Scale Agriculture, respectively). Owners of agricultural parcels that exceed the current minimum lot size may be allowed to create clustered residential parcels. The number of allowed residential parcels would be determined by the Zoning Ordinance minimum parcel size. For example, the owner of a 160-acre parcel zoned as Large Scale Agriculture could normally be allowed to subdivide the property into four 40-acre parcels. Under this program, the owner could create up to four residential parcels (maximum size 2.5 acres). The remaining 150-acre agricultural parcel would be restricted from further subdivision. This program does not offer an increase in residential as an incentive; however, certain landowners may want to provide additional homes for family members or to subdivide for the purpose of estate settlement.

To minimize the impact of the residential development on agricultural operations, the owner would be required to cluster the development on the least productive portions of the site. See the preceding program on *Clustering Development*.

Applicability to the Study Area

There are 29 parcels (4,095 acres) in the study area that (1) are large enough to be legally subdivided considering current minimum lot size standards⁸, (2) are not planned for City of Gilroy sewer plant expansion, and (3) are zoned as Large Scale or Medium Scale agriculture. Sixty-three new parcels could be created if all 29 properties were to subdivide to the minimum allowed lot sizes.

Under this program, the landowners of such properties could cluster residential parcels (2.5 acre maximum lot size) in a portion of the site while maintaining a larger parcel for agricultural production. The remaining agricultural parcel could not be further subdivided.

Supporting Policies

County 1995 General Plan

South County Policies SC 14.3 and SC 14.4

Land Use Policy R-LU 3

Resource Conservation Policies R-RC 59, R-RC 62, R-RC 64 and R-RC 65

⁸

For example, a parcel with a 20-acre minimum lot size would have to have at least 40 acres to subdivide.

**City of Gilroy General Plan
Agriculture Policy 39**

Comments

This program would directly support Santa Clara County 1995 General Plan South County policies SC 14.3 and SC 14.4 and Resource Conservation policies R-RC 59, R-RC 64 and R-RC 65. These policies (in general) are concerned with the permanent protection of agricultural parcels.

The program may be in conflict with Resource Conservation Policy R-RC 62 which require that residential uses in agricultural areas be only for persons directly involved in agricultural operations. The City of Gilroy Agriculture Policy 39 states that the city will oppose urban development in lands under County jurisdiction. Some of the resulting subdivisions may be considered "urban uses" by the City.

Implementation Steps

Amend the General Plan to not conflict with the proposed program (see *Comments* section under *Supporting Policies*). Amend the Subdivision Ordinance and Zoning Ordinance to allow the proposed program within the Agricultural Protection Zone.

8. Agricultural Buffers

Summary

The purpose of the program is to minimize conflicts between agricultural practices and other land uses, particularly residential. The program would apply to any parcel annexed to the City of Gilroy abutting the Eastern Urban Growth Boundary. The chief implementing agencies would be the City of Gilroy and Santa Clara County LAFCO.

Program Description

Any development proposed abutting the Eastern Urban Growth Boundary must establish an agricultural buffer along the Boundary. The buffer should be on the western side of the boundary (the non-agricultural parcel).

The necessity of a buffer to protect public safety and health is well supported. The width of the buffer, however, may come under legal challenge. Given recent Supreme Court decisions, this issue should be carefully considered. Because of agricultural spraying, active use of the buffer (such as for recreation) must be limited.

The width of the buffer will vary depending on the type of use and the orientation of the buildings. For all residential projects, a buffer of 200 feet provides sufficient space for aerial spraying. For non-residential projects that "turn their back" on the agricultural use (e.g., commercial uses with only loading areas adjacent to the agricultural area), a 25-foot buffer is probably sufficient. Non-residential projects that face the agriculture parcel should have a buffer of 100 to 200 feet, depending on type of use. The 200 foot buffer would be appropriate for non-residential uses with many clients or customers, or that have high employee turnover during their business hours. A 100-foot buffer may be sufficient for other uses.

Supporting Policies

County 1995 General Plan
South County Policy 14.11

Comments

South County Policy SC 14.11 specifically calls for a buffer between viable agricultural areas and urban expansion areas.

Implementation Steps

The City of Gilroy should adopt the following policy:

"Protect agricultural operations by establishing a buffer between the agricultural land use and other uses adjacent to the Eastern Urban Growth Boundary. Buffers shall generally be defined as a physical separation of 100 to 200 feet and/or may be a topographic feature, a substantial tree stand, water course, or similar feature. In some circumstances a landscaped berm may provide the buffer. The buffer shall occur on the parcel for which a permit is sought and shall favor protection of the maximum amount of farmable land."

9. Marketing Programs

Summary

The purpose of the program is to increase awareness of local agriculture products and practices, and to increase the profits of local farmers, vintners, and/or ranchers. The program would apply to all agricultural landowners and/or farmworkers. The chief implementing agency would be Santa Clara County, although cities with strong agricultural roots (such as the City of Gilroy) may be interested in participating in the program.

Program Description

Prepare, or provide funding for the preparation of, a marketing study to support agriculture in Santa Clara County. Some suggested programs are:

- A local agricultural business association could provide stickers/labels to local growers that prominently identify the produce or manufactured item as coming from within Santa Clara County.
- The County and cities could consider giving first consideration to local products when purchasing agricultural goods, even if those items cost somewhat more than goods from other areas. (This may require amendments to the procurement rules used by the various agencies.)
- Gilroy's Garlic Festival is an excellent opportunity to market other Santa Clara County products. One idea would be to have a well-known local chef (local to Santa Clara County) come up with a recipe that uses many locally grown products.
- The County should continue to allow use permits for roadside agricultural stands displaying local grown products, especially along major roadways within the study area. (This also provides a transition along rural roads from the intensive agricultural areas to the City of Gilroy.)

Supporting Policies

County 1995 General Plan

Resource Conservation Policies R-RC 65, R-RC(i) 26, and R-RC(i) 30

Comments

The marketing plan would directly implement Resource Conservation Policies R-RC 65, R-RC(i) 23, and R-RC(i) 30 which seek to improve markets for locally grown products and explore the use of marketing for increasing economic viability (respectively).

Implementation Programs

Decide on parameters of marketing study and secure budget funds to undertake study.

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MAP SOURCES AND METHODOLOGY

Figure 1 — Regional Location. Santa Clara County 1995 General Plan; Crawford Multari & Starr, 1995.

Figure 2 — Study Area. Santa Clara County Surveyors Office, 1986 update.

Figure 3 — Recent Annexations to the City of Gilroy. Santa Clara County LAFCO information on annexations since 1980.

Figure 4 — Unincorporated Development Permits. Santa Clara County Planning Department File search of: County Use Permits, General Plan Amendments, Zone Changes, and Subdivisions.

Figure 5 — Urban Service Zones. RRM Design Group, 1994. Santa Clara County Surveyor's Office Urban Service Area Boundary.

Figure 6 — Substandard Parcels. Crawford Multari & Starr, 1994. Santa Clara County Assessor's Office Assessor Parcel Maps and Santa Clara County Zoning Classifications Method: parcels that are smaller than zoning designations allow.

Figure 7 — Potential Parcelization. Crawford Multari & Starr, 1994. Santa Clara County Assessor's Office Assessor Parcel Maps and Santa Clara County Zoning Classifications Method: parcels that can still be divided according to the zoning designation.

Figure 8 — Agricultural Suitability. Sage Associates, 1994 using site visits, United States Department of Agriculture Soil Conservation Service, 1974, and Soil Survey Eastern Santa Clara Area.

Figure 9 — Development Suitability. Crawford Multari & Starr and RRM Design Group, 1994. Based on Technical Appendices Figures; 5: Williamson Act Status, 7: Flood Zones, 8: Liquefaction Potential, 9: Scenic Zones, 10: Water Quality, 12, Ownership Patterns, and 13: Circulation.

Figure 10 — Urban Growth Boundary (Alternative A). Crawford Multari & Starr, 1994.

Figure 11 — Urban Growth Boundary (Alternative B). Crawford Multari & Starr, 1994.

