



## Frequently Asked Questions – Gridley Area Agriculture to Rural Residential General Plan Amendment

### 1. How will the proposed change from Agriculture to Rural Residential affect my property taxes?

The following is a discussion of the implications of zoning and land use designation changes as it relates to the Revenue and Taxation Code (R&T Code) provided by the Butte County Assessor. Specifically, Section 110.1 (“full cash value”) requires the Assessor to respond to four events under Prop 13: 1) Establishment of a 1975 base value; 2) Establishment of a new base value upon change in ownership; 3) Establishment of a new base value upon completion of construction; 4) Establishment of a lien date value (January 1) for purposes of reductions in value. As to item #4, the “reductions in value” must be due to damage, destruction, depreciation, obsolescence, removal of property, or other factors (overall market conditions) causing a decline in value (Section 51).

Enforceable land use restrictions are detailed in Section 402.1 of the R&T Code and, indeed, the affect of zoning is a significant factor to be determined in the appraiser’s “highest and best use” analysis of real property, *upon change in ownership*. Just as the Assessor does not add value to property for a perceived zoning enhancement (for instance, a property was formerly zoned agriculture and subsequently zoned high-density residential, with a commercial element), value is not removed for a perceived downzone. Statute is very specific and restricts that.

Under Section 1603 of the R&T Code, taxpayers have the right to file an appeal of their assessment each year from July 2 through November 30 for reductions in value *due to market decline*. Adjustment, if warranted, must be proven by factual, properly adjusted, sales evidence. That section does not apply, however, to an appeal based upon an assertion of value decline due to the affect of an enforceable governmental restriction; specifically, Section 1630, as follows, is applicable:

**1630. Statement of intention.** (a) Any real property owner the use of whose land is subject to an enforceable restriction placed upon it by a local agency may apply to the governing body of the local agency for a written statement declaring the present intention of the governing body to refrain from removing or modifying any such restriction in the predictable future.

- (b) The written statement of intention may be granted or denied by the governing body at its discretion. A reasonable fee not to exceed ten dollars (\$10) may be charged for each such statement.
- (c) The written statement may be presented to the county board of equalization as evidence that a restriction on the use of the taxpayer's land exists and that such restriction should be considered in assessing the value of the land.
- (d) The written statement shall constitute a rebuttable presumption that the governing body does not intend to remove or modify the restriction in the predictable future.

It is important to note that when appealing a value under Section 1630, "representative sales information," as detailed in Section 402.1, is required of the applicant and the Assessor. That is to say, information from sales of a "sufficient number of comparable lands" similarly zoned must be obtained "to give an accurate indication of the full cash value of the land being valued;" *conjecture is insufficient to prove a case.*

## **2. Why is this change proposed?**

One of the goals of the Butte County General Plan 2030 process is to match General Plan land use designations with existing land uses. During the latter part of the General Plan 2030 process staff determined that several areas in proximity to Gridley, Biggs and Palermo needed further review to determine appropriate land use designations under the new General Plan. This was determined due to the existing parcel sizes and residential uses taking place in these areas. On October 26, 2010, the Butte County Board of Supervisors, after considering staff's analysis presented on September 29, 2010, approved a Resolution directing the Department of Development Services to further study and present specific a General Plan Map amendment from Agriculture to Rural Residential for future consideration by the Board.

## **3. What is the difference between the General Plan and Zoning?**

There is an important distinction between a General Plan designation and a Zone. A General Plan designation can provide for a variety of land uses and levels of development. For instance, the Rural Residential designation provides the ability to create parcels from 5 to 10 acres in size, or more. The zones implemented under the Rural Residential designation will show where the various 5 or 10-acre subzones would be implemented. Some areas would be zoned RR-5, providing for a 5-acre minimum parcels size, and some areas would be zoned RR-10, providing for a 10 acre minimum parcel size. It is important to note that the 5 or 10-acre minimum only applies when determining the ability to subdivide, and would not negatively influence a parcel that is smaller than the minimum parcel size (see question #15 below).

If the Board of Supervisors acts to approve the proposed General Plan Amendment from Agriculture to Rural Residential, a corresponding update to the Zoning Map would also be considered for approval. Further review would determine where the 5 and 10-acre Rural Residential zoning would be located.

The Draft Butte County Zoning Ordinance is undergoing a comprehensive update at this time. Public comment concerning the uses that should be included in the Rural Residential zone is being considered by staff and additional input is encouraged at this time.

**4. How soon will the Board of Supervisors consider this General Plan Amendment and corresponding Zone Change?**

A supplemental Environmental Impact Report (EIR) must be prepared and the proposal must be reviewed by the Planning Commission before consideration by the Board of Supervisors. Additional analysis and community meetings must also take place. The tentative project schedule calls for the proposal to be reviewed by the Board of Supervisors no later than fall of 2011.

**5. How was notification of this proposed change provided to property owners?**

This change was analyzed in coordination with the General Plan 2030 update, which included extensive outreach to the public. Since this change was proposed later in the process, further outreach to affected property owners was determined to be appropriate. On September 29, 2010, the Board of Supervisors directed staff to conduct further review of inclusion of these areas in the General Plan. On November 29, 2010, a special meeting was held at the Manzanita School to hear comments and concerns from community members. Development Services staff worked with District 4 Supervisor Steve Lambert's office and other community members to provide notification of this meeting to area residents. Since the Board of Supervisors directs that a General Plan Amendment for this change, additional notification will take place as this process continues.

**6. What is the reasoning behind the locations for this proposed change?**

See attached Fact Sheet from the November 29, 2010, meeting held at the Manzanita School in Gridley.

**7. Will there be a permit requirement and associated fee to have animals or farm equipment because of this proposed change?**

The Rural Residential zone would be subject to Article 25, Section 24-152 of the Draft Zoning Ordinance, which is currently under review. This section, entitled Animal Keeping, provides criteria for the keeping of animals on parcels less than

5-acres and on parcels greater than 5-acres in size. Temporary educational projects (e.g., FFA, 4-H, and school projects) are exempt from these criteria. A Minor Use Permit and associated fee would be required on parcels of less than 5 acres to keep animals at a greater density than the criteria specified.

**8. Are there developments projects approved for this area?**

There are no approved or proposed development projects in this area under General Plan 2030. Any development proposed must be consistent with the existing General Plan. Individual property owners can apply for a subdivision of their lands provided the subdivision complies with the General Plan and zoning.

**9. What rules must be met to permit building on specific parcels?**

Most development, whether designated Agriculture or Rural Residential, requires at a minimum obtaining a building permit from the Butte County Department of Development Services. In some cases, agricultural buildings receive a simpler and less costly review process, and this would continue to be the case whether the parcel is designated Agriculture or Rural Residential.

**10. Why would Butte County want to eliminate agricultural land?**

The intention of this change is not to eliminate agricultural land but to ensure that General Plan designations and zoning match existing land use patterns and uses. The Rural Residential designation will not eliminate agricultural land uses or land from this area. While this designation recognizes the area's residential uses, agricultural uses and practices are also recognized and allowed.

**11. Is this eminent domain?**

No. Eminent domain is a power exercised by government to take property for a public and sometimes private use. The use of a General Plan to designate land uses and to implement various zones regulating land uses throughout the county, in accordance with State law, does not constitute eminent domain.

**12. Would the "Rural Residential" designation and zone impact loan programs for commercial agricultural operations.**

Responses are provided below from the Executive Director of the Butte County FSA, Rob Maurer, and the Farm Loan Manager of the Farm Service Agency Katherine Lewis.

- ◆ There would be no impact directly from the zoning from our Farm Loan Program, unless the zoning prevents commercial agriculture (Rob Maurer, Butte County FSA County Executive Director)

- ♦ Would the “Rural Residential” zone allow commercial production? If not, this could cause a problem, as we would not loan to an operation that did not comply with state and local laws and regulations. Although not related specifically to the zoning change, FSA Farm Loan eligibility includes a requirement that the operation be considered a family farm rather than a rural residence (Handbook 3-FLP, Exhibit 2). One element for this determination is that the “Family Farm” produces agricultural commodities for sale in sufficient quantities so that it is recognized as a farm rather than a rural residence. We would not necessarily look to zoning to make this determination, but rather the operation itself (Katherine Lewis, Farm Loan Manager, Farm Service Agency)

*Staff Note: The Rural Residential designation would not prohibit commercial agriculture. Farmsteads are uniquely permitted in the Rural Residential and Foothill Residential General Plan designations.*

**13. Could agriculture electricity rates be changed to a residential rate because of this change (e.g., agricultural well)?**

No. According to PG&E, rates applied to customers are determined by use, not by zoning or General Plan designations. In other words, if a customer is currently enjoying a reduced rate for an agricultural well, that rate will not change because of a change in local land use designation or zoning.

**14. Is the proposed change related to an annexation to the City of Gridley?**

No. The County is not aware of any proposed annexation plans for this area.

**15. Would parcels that are less than the 5-acre minimum parcel size imposed by the Rural Residential designation be considered non-conforming?**

No. The minimum parcel size under the Rural Residential designation describes the parcels sizes needed to subdivide property (e.g., a 10-acre parcel is required to create two 5-acre parcels under the Rural Residential designation). Existing parcels that are less than 5-acres in size are entitled to all of the uses provided for under the Rural Residential designation and are considered conforming.

## FACT SHEET

### November 29, 2010 Meeting on proposed General Plan Amendment in Gridley and Biggs Area (Agriculture to Rural Residential)

#### Background

Five areas, totaling 4,566 acres, located near the cities of Biggs, Gridley and the community of Palermo have been identified as having a mixture of small-scale farming, and other more rural and urban type development. For the purpose of this meeting, the Gridley and Biggs areas are discussed below in more detail.

These areas have been designated Agriculture under the existing General Plan 2030 Land Use Map and Preferred Land Use Alternative. After further review of the General Plan 2030 Land Use Map, staff identified that the areas would be more appropriately designated Rural Residential under General Plan 2030. After providing initial direction to staff on September 29, 2010 to provide additional analysis of these areas, the Board approved a resolution directing staff to prepare a General Plan Amendment solely to consider the re-designation of the areas from Agriculture to Rural Residential.

The creation of parcels of five acres or less in size in these five areas took place under the existing General Plan (approved in 1979) and existing A-5 (Agriculture, 5-acre minimum parcel size) zone, and during earlier periods in the County's history. Under the subsequent approval of the 1995 Agriculture Element of the existing General Plan, new policy discouraged the creation of smaller 5-acre parcels in areas designated for Agriculture, but much of this development pre-dated this new policy. Because of the historic development and parcelization that has taken place, these areas may be less suitable for an Agriculture designation and more suitable for a Rural Residential designation under General Plan 2030.

The five areas proposed for Rural Residential designations have been limited to existing development that has taken place at a density of less than 10-acres, with some exceptions. In establishing the boundaries for each of these five areas, staff considered the following factors

- ◆ Proximity to the existing urban centers of Biggs, Gridley and the Spheres of Influence of Biggs and Gridley
- ◆ Areas of existing residential development and land uses
- ◆ Areas of existing agricultural land uses
- ◆ Areas currently zoned A-5 (Agriculture, 5-acre minimum parcel sizes).

- ◆ Parcels less than 10 acres in size
- ◆ No parcels under Williamson Act Contracts

It was necessary to include some parcels larger than 10 acres in order to limit the creation of isolated areas (spot zones) with differing land use designations. The potential future subdivision of these larger parcels may allow up to approximately 72 additional parcels between all of the five areas (if all parcels were zoned Rural Residential 5-acre minimum, rather than Rural Residential 10 acre minimum. This is unlikely to occur and will be finalized in the future Zoning Ordinance project). For each of the three areas the number of new 5-acre parcels that could be created is provided below:

1. Gridley West: 8 new parcels
2. Gridley East: 13 new parcels
3. Biggs East: 14 new parcels

#### Gridley West

Propose AG change to RR on 526 acres.

Agriculture designation allows no new parcels.

Proposed Rural Residential designation allows 8 new parcels.

#### *Analysis*

Total Parcels: 250

< or equal to 5 ac: 220 parcels (0 new parcels)

< 10 ac: 246 (0 new parcels)

10 to 15 ac: 1 (1 new parcel)

15 to 20 ac: 2 (4 new parcels)

20 to 25 ac: 1 (3 new parcels)

#### Gridley East

Propose AG change to RR on 889 acres.

Existing Agriculture designation allows 0 new parcels.

Proposed Rural Residential designation allows 13 new parcels.

#### *Analysis*

Total Parcels: 326

< or equal to 5 ac: 265 parcels (0 new parcels)

< 10 ac: 318 (0 new parcels)

10 to 15 ac: 5 (5 new parcels)

15 to 20 ac: 2 (4 new parcels)

25 to 30 ac: 1 (4 new parcels)

#### Biggs East

Propose AG change to RR on 554 acres.

Existing Agriculture designation allows no new parcels.

Proposed Rural Residential designation allows 14 new parcels.

*Analysis*

Total Parcels: 140

< or equal to 5 ac: 117 parcels (0 new parcels)

< 10 ac: 131 (0 new parcels)

10 to 15 ac: 5 (5 new parcels)

15 to 20 ac: 3 (6 new parcels)

20 to 25 ac: 1 (3 new parcels)