

July 15, 2014

San Francisco Board of Supervisors  
Land Use and Economic Development Committee  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102

Re: Establishing an Urban Agriculture Incentive Zone in San Francisco

Dear Members of the Land Use and Economic Development Committee:

Thank you for the opportunity to comment on the proposed ordinance that would create an Urban Agriculture Incentive Zone in San Francisco (File no. 140702). SPUR strongly supports this legislation.

As we highlighted in SPUR's 2012 report, *Public Harvest*, San Francisco benefits in a variety of ways from urban agriculture and access to land is one of the most significant obstacles to its expansion in the city. Land tenure – the ability for gardeners and farmers to stay on their sites – is also an issue that has only become more prominent in the past couple of years. This ordinance, by implementing state Assembly Bill 551 and allowing property owners to receive a property tax reduction in exchange for committing their land to urban agricultural use for at least five years, will help address both those obstacles by providing landowners with an incentive to allow urban agriculture projects on their land for set periods of time.

The proposed ordinance strikes a good balance between encouraging urban agriculture while also providing numerous safeguards to ensure that the property tax reduction is not exploited or provided without considerable oversight. The most recent version of the legislation includes thresholds that trigger automatic hearings at the Board of Supervisors prior to approval if the proposed property would result in: a) more than \$25,000 in annual property tax revenue loss, b) five acres or greater of contiguous property under an urban agriculture incentive zone contract, or c) a total property tax revenue loss of more than \$250,000 with all contracts combined. Furthermore, with the recent amendments, the Board of Supervisors can hold a hearing regarding any contract recommended for approval by the Agricultural Commissioner prior to contract execution, should it decide that is merited. These safeguards, combined with the application and annual inspection process outlined in the legislation, will help ensure that the tax reduction will only go to urban agriculture projects that meet the guidelines of the ordinance.

Recent amendments to the legislation instruct the agencies involved with implementing this ordinance to propose, within a year of the law's passage, fees for the administration of the program within a year. While we support agencies charging fees to cover the expenses of administering the program, we encourage the Board to be careful when reviewing the fees to make sure that the total a property owner is charged does not substantially take away from the tax savings they would expect to receive, which is the heart of the program's incentive.

Given that San Francisco has only a limited number of vacant parcels that meet the eligibility requirements for this program, SPUR expects only a small number of property owners to apply for this program in the coming years. For those projects, this will be a helpful and important program. Looking beyond San Francisco, I can attest to the fact that advocates and policymakers in other cities in California – including Los Angeles, Sacramento, San Jose, and Oakland – have indicated that they are looking to San Francisco to set the example for how to establish an urban agriculture incentive zone. By doing so, we can set the model for other cities and have a broad impact statewide. San Francisco has been a pioneer in promoting urban agriculture through policy and, by passing this legislation, the city will continue its leadership.

We appreciate your consideration of SPUR's comments and encourage you to approve this legislation without delay.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Z.', with a stylized flourish at the end.

Eli Zigas  
Food Systems and Urban Agriculture  
Program Manager