

**SPUR**

San Francisco | San Jose | Oakland

August 12, 2015

Finance and Government Operations Committee  
Santa Clara County Board of Supervisors  
70 West Hedding Street  
San Jose, CA 95110

Dear Supervisor Simitian and Supervisor Chavez,

Thank you for the opportunity to comment on the proposed ordinance that would create an Urban Agriculture Incentive Zone in Santa Clara County (Ordinance No. NS-1200.350, ID #77640). SPUR generally supports the legislation, but recommends that the Board consider a few key changes to improve the proposal.

As we highlighted in our 2012 report, *Public Harvest*, urban agriculture provides numerous benefits to cities and counties. However, access to land and land tenure are significant obstacles to its expansion in the Bay Area. This ordinance, by implementing state Assembly Bill 551 and allowing property owners in the unincorporated areas of the county 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.

**In order to ensure that the property tax reduction is not exploited in unintended ways, we recommend that the Board add a requirement that the urban agriculture projects have a public interface.** San Francisco, which created the first urban agriculture incentive zone in California in 2014, required that urban agriculture projects seeking to benefit from the tax break demonstrate that they interact with the general public through a) agricultural education or outreach on site such as classes, workshops, or visits by school groups; b) periodic distribution of agricultural products grown on the site, via donation or sales; and/or c) operation of the site as a community garden that has hours when the site is open to the general public. We encourage the Committee to add similar criteria for applications to the those already listed in Section C21-7(a). Without a clause like this, a property owner could receive a tax break by using a vacant lot to grow food solely for their personal benefit. While this would benefit that individual and likely beautify the space, we do not believe that that activity alone provides sufficient public benefit to merit a tax reduction.

The draft leaves open the question of which agency will administer contract renewals. **Given the role of the Agricultural Commissioner in enforcing the regulations with**

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**annual inspections, we recommend that the annual renewal paperwork also be administered by that office to help maintain a single, primary point of contact between the county government and the landowner during the duration of the contract.**

I think there was a misunderstanding of San Francisco's ordinance in regard to tax revenue loss. The Staff report to the committee notes that San Francisco's ordinance precludes approval of a contract that would individually result in a tax revenue loss of more than \$25,000 per year, and precludes cumulative contracts where revenue loss would exceed \$250,000 per year. Instead, rather than precluding approval of a contract, those thresholds in San Francisco's ordinance automatically trigger review by the Board of Supervisors before they can be approved. Given that the draft Santa Clara County ordinance requires all contracts to be reviewed by the Board of Supervisors before they are approved, the thresholds in San Francisco's law may not be relevant to the draft ordinance currently before you.

Lastly, while we support agencies charging fees to cover the expenses of administering the program, **we encourage the Board to be careful when setting 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.

We appreciate your consideration of SPUR's comments and if we can answer any questions or provide any additional information about our position, please let me know. In moving this ordinance forward, Santa Clara County would continue to be a pioneer in the implementation process for other counties across the state. We look forward to helping in that effort.

Sincerely,

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

Eli Zigas  
Food and Agriculture Policy Director