

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Planning and Community Development

BOARD AGENDA # D-6

Urgent

Routine

AGENDA DATE November 15, 2011

CEO Concurs with Recommendation YES  NO

4/5 Vote Required YES  NO

(Information Attached)

SUBJECT:

Approval to Continue Implementation of Shorter Williamson Act Contracts in Return for a Reduction in Landowner's Property Tax Relief in Calendar Year 2012 and Related Actions Under AB 1265

STAFF RECOMMENDATIONS:

1. Find that the County received less than one-half of the foregone property tax revenue pursuant to Government Code Section 16142.1(d)(1) for the 2011-2012 Fiscal Year.
2. Approve the implementation of AB 1265 (Formerly SB 863) to maintain Williamson Act Contracts including a reduction of property tax benefits by ten percent and a related reduction of the term of the contracts to nine years, to be effective for calendar year 2012.

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FISCAL IMPACT:

Per the Stanislaus County Assessor's Office, the continued implementation of AB 1265 is estimated to increase the County's General Fund revenue for Fiscal Year 2012-2013 by up to \$1.2 million. Costs associated with the implementation will be funded out of existing budgeted appropriations for the respective County Departments responsible for implementation. The current Fiscal Year's revenue generated by AB 1265 will be evaluated as part of the 2011-2012 Mid-Year Financial Report.

BOARD ACTION AS FOLLOWS:

No. 2011-716

On motion of Supervisor De Martini, Seconded by Supervisor O'Brien  
and approved by the following vote,

Ayes: Supervisors: O'Brien, De Martini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: Withrow and Chiesa

1)  Approved as recommended

2)  Denied

3)  Approved as amended

4)  Other:

MOTION: County Counsel determined that Supervisors O'Brien, Chiesa, Withrow and De Martini have disqualifying conflicts of interest with agenda item D-6 because they all own agricultural property under Williamson Act contract or qualified to be under contract. Therefore, in order to establish a quorum to consider this matter, the Board invoked the rule of necessity and Supervisor O'Brien and Supervisor De Martini drew long straws and thus participated in the decision.

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

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**STAFF RECOMMENDATIONS: (Continued)**

3. Direct the Assessor, Auditor-Controller, Treasurer-Tax Collector, and Director of Planning and Community Development to take all necessary steps to implement AB 1265 for the 2012-2013 Fiscal Year including, but not limited to, making the appropriate modifications to all affected properties assessed values, modifying tax bills to reflect the assessment changes and supplemental fees associated with the reduced tax benefit, and recording any necessary notices.

**DISCUSSION:**

AB 1265, enacted into law on July 15, 2011, provides an opportunity for counties to offset a portion of the loss of Williamson Act Subvention funds by establishing a local self-help subvention program. AB 1265 allows counties to voluntarily implement new contracts that are ten percent shorter in return for a ten percent reduction in the landowner's property tax relief. The increased revenue resulting from the reduction in the landowner's property tax relief are transferred directly in the County's General Fund. If a landowner does not want to participate in a shorter contract with its reduced level of benefit, the landowner has the option to non-renew the contract. Counties are eligible to participate if they find that the County received less than one-half of the foregone property tax revenue (Williamson Act Subvention funds) pursuant to Government Code Section 16142.1(d)(1) for the previous fiscal year. AB 1265 is a temporary solution remaining in effect only until January 1, 2016.

AB 1265, approved as an urgency status, provides essentially the same opportunities as SB 863 which was enacted in 2010 and eventually repealed by SB 80 in March of 2011. The Board of Supervisors took the necessary actions to implement SB 863 on October 26, 2010 and November 9, 2010. On August 2, 2011, the Board of Supervisors ratified the actions taken in 2010 to allow the continued implementation of SB 863 as allowed under AB 1265.

For Fiscal Year 2011-2012, the foregone tax revenue is approximately \$1,457,668. Stanislaus County will receive zero in Williamson Act Subvention funding from the State for Fiscal Year 2011-2012.

Approval of this item will only allow the County to continue to move forward with the implementation of AB 1265 for Fiscal Year 2012-2013. Separate action(s) to implement AB 1265 in future years will be brought to the Board of Supervisors for consideration at a later date.

**POLICY ISSUES:**

The continued implementation of AB 1265 furthers the Board's priorities of Efficient Delivery of Public Services, A Strong Agricultural Economy/Heritage, and A Strong Local Economy by allowing Stanislaus County to continue offering the Williamson Act program with some local recovery of lost State Williamson Act Subvention funds in Fiscal Year 2012-2013.

**STAFFING IMPACTS:**

There are no staffing impacts associated with this request. Existing staff from the Auditor-Controller, Assessor, Planning and Community Development, and Treasurer-Tax Collector will be involved in the continued implementation of the program.

**CONTACT PERSONS:**

Kirk Ford, Planning and Community Development Director, (209) 525-6330  
Dave Cogdill, County Assessor, (209) 525-6461  
Gordon B. Ford, County Treasurer-Tax Collector, (209) 525-6388  
Lauren Klein, County Auditor-Controller, (209) 525-6398