

August 23, 2001

Honorable Rodney S. Melville
Presiding Judge, Santa Barbara Superior Court
312-C East Cook Street
Santa Maria, CA 93456-5369

Grand Jury Foreperson
1100 Anacapa Street
Santa Barbara, CA 93101

RE: Response to 2000-2001 Grand Jury Report:
Natural Resources in the Santa Maria Valley

The Santa Barbara County Agricultural Commissioner's Office respectfully submits the following responses to findings and recommendations contained within the 2000-2001 Grand Jury Report on the Natural Resources in the Santa Maria Valley.

Finding 2a: The conversion of prime agricultural land for housing and other urban developments conflicts with long-standing County policy. It has been done in the past simply because the prime agricultural land was located conveniently adjacent to a City's boundaries when the need for expansion existed

Response: Agree. Conversion of agricultural land for urban uses conflicts with both county policy and the statutes governing the Local Agency Formation Commission (LAFCO). Because of the location of the cities of Santa Maria and Guadalupe on the Valley's prime alluvial soil, much of these cities' past and currently planned short- to mid-term development has led to conversion of such prime lands. The logical and most economical extension of urban roads, sewers, water lines and other services is to such adjacent areas. The community of Orcutt has been developed primarily upon non-prime soils. However, it should be noted that both the City of Santa Maria and the community of Orcutt's principal longer term growth areas contain mostly non-prime soils.

Finding 2b: The ancient sand dunes in the Santa Maria Valley are presently and potentially the least productive agriculturally zoned lands in the Santa Maria Valley, and thus contribute the least to the revenue base of the County.

Response: Partially agree. Although these lands have traditionally been less productive than prime alluvial soils, grazing and specialty crops are important agricultural industries. Most of the prime and non-prime agricultural land in this county is under Williamson Act contract, and enjoys a significant tax advantage. Most of the County's Williamson Act lands are non-prime. Many of the ancient dune soils in close proximity to the main Santa Maria-Orcutt urban area have been converted to strawberry production using modern drip irrigation technology. Strawberries are consistently a very high value cash crop. It should also be noted that such ancient dunes often support some of the Valley's last remaining wetlands and a number of sensitive plant and animal species. In addition, while prime and cultivated agricultural lands contribute substantial economic activity to the county, neither constitutes a significant direct revenue source for the County's tax base.

Finding 2c: Expansion of city boundaries, by Guadalupe or Santa Maria, does not now need to be into contiguous land, most of which is devoted to agricultural production and is designate prime agricultural land.

Response: Disagree. Sections 56741 and 56742 of the Government code allow small discontinuous annexations only for municipal purposes such as sewer plants and landfills. Such leapfrog or non-contiguous annexation raises both legal issues and inconsistencies with both LAFCO and County policies. In addition, the extension of urban services through agricultural lands, when combined with increased urban/rural conflict, would create tremendous pressure to convert such bypassed lands in the future.

Recommendation 2a: Housing needs for the population growth in the Santa Maria Valley, as projected in the County's Strategic Scan 2000, should be best met by cities and the County by carefully planned development on these ancient dune lands, rather than on highly productive prime agricultural lands.

Response: The recommendation will not be implemented because it is not warranted at this time. Carefully planned development by the cities and county will be needed to accommodate projected population growth through the year 2030. Improved interagency coordination between LAFCO, the County and the cities would lead to improved protection of prime agricultural land. Pursuit of increased urban densities and focused rezones of commercial and industrial lands would also minimize the need for conversion of prime soils. Lands currently planned for urban development by the City of Santa Maria and the County would accommodate about 50% of the unmet (i.e. not yet zoned) demand for housing through 2030, even at historically low densities. At high growth rates and low densities experienced through the 90s, up to 2,000 acres of additional land could be needed to meet such demand. The land requirement could be reduced through infill and higher densities. If historic growth rates are to be maintained in the Santa Maria Valley, the residual land requirement could be met by a combination of a limited amount of prime and non prime lands either east of Highway 101 or to the west of the Black Road. As the Board of Supervisors made clear in its response to the Area Planning Commission report by the Grand Jury, conversion of agricultural lands should not be considered at this time.

Recommendation 2b: Investigate promptly and thoroughly the feasibility of locating urban growth on one or more of these ancient sand dune areas in the Santa Maria Valley.

Response: The recommendation will be implemented over the next two years. The sense in which the recommendation will be implemented is that the feasibility of growth in these areas will be investigated. This does not mean the county intends to support conversion. The County's upcoming 2030 Open Space Newsletter will provide data on land demand and possible options for locations to accommodate urban growth demands through the year 2030. As the County and the cities revise their Housing Elements in response to the State's growth mandates, the location of land needed to accommodate regional housing needs will be debated and decided through public processes. However, non-contiguous or leap frog annexations will not be investigated as they conflict with both County and LAFCO policies. Finally, both LAFCO and County policies encourage infill development over conversion of rural agricultural land and open space.

Finding 3a: The process of revision and improvement of the County's controversial agricultural grading ordinance is being moved along steadily by the Planning and Development Department as directed by the Board of Supervisors.

Response: Agree. Although the TAC process has been lengthy and has required substantial county resources and support, reaching consensus over controversial issues between disparate groups is clearly a worthwhile goal.

Finding 3b: The appointment and organizing of a Natural Resource Technical Advisory Committee (which concern, among other issues, agricultural grading), guided by a skilled facilitator, was a process conceived by the Planning and Development Department

Response: Disagree, based solely on the fact that the Agricultural Commissioner's Office has no information to suggest that the finding is correct or incorrect.

Finding 3c: TAC members have shown an ability to communicate with each other with courtesy, sensitivity, and understanding, while devising the optimum viable compromises needed to honor both environmental and agricultural laws and concerns.

Response: Agree. The TAC process has provided the first structured forum for open communication between interested groups historically on opposite sides of resource protection issues. Such communication is a vital component in resolving such longstanding issues.

Finding 3d: P&D staff have provided excellent support, thus enabling the TAC to focus on its deliberations while staff provided maps, visual aids, basic information, and expert outside speakers, as well as producing agendas and summaries of each meeting's results.

Response: Agree. To permit open discussion between TAC members, P&D staff have primarily functioned in a support rather than leadership role. The goal of this approach is to provide the interest groups with flexibility in reaching consensus, with staff developing proposals only when necessary to move the overall process forward, rather than on each issue or in detail.

Finding 3e: In the course of 11 scheduled meetings, each usually lasting over three hours, and one field trip, the TAC has made slow but solid progress featured by incisive questions, creative suggestions, and meticulous care to eliminate possible sources of future confusion, misunderstandings, and disputes.

Response: Agree. The process has worked as well as possible given divergent viewpoints of TAC members.

Finding 3f: TAC members development of a two-track protection system is a key element in their consensus building. The landowner has the option of following an inexpensive, totally voluntary process or of following the staff regulatory process.

Response: Partially agree. The two-track process has been key to allowing the agricultural resource interest groups to reach tentative compromises. Exact costs of this "voluntary", no permit approach have not been determined. However, substantial ongoing funding for staff time, technical experts to assist landowners in preparing management plans, and incentives will be required. P&D has recommended that these costs be substantially born by the county, partially offset through potential new revenues and state and federal grants. The costs of the alternative regulatory process would also be kept as low as possible.

Finding 3g: TAC's success in working out a consensus for its draft two track Archaeological Protection Program (including grading and clearing activities) and two-track Riparian Setback Protection Program are notable positive achievements that can serve as a model for the more complex TAC goals still remaining. These include protecting wetlands and endangered species.

Response: Agree. Archaeological resources served as a possible model for all issues. P&D will consider this model for other projects.

Recommendation 3a: The TAC should be encouraged to continue its work no matter how long it takes.

Response: The recommendation has been implemented. The County strongly supports the TAC process. The original timeline called for completion of the TAC review last spring. When more time and funding was required, it was provided. However, available funding, competing county priorities, and the TAC members' own stamina require completing the process by the revised December end date.

Recommendation 3b: The services of the facilitator should be retained until the Resource Protection Program drafts and the Agricultural Grading drafts are completed and approved by County decision-makers.

Response: The recommendation will be implemented over the next six months.

Finding 4b: There is a significant potential to redevelop part of Betteravia Lake as a protected preserve for endangered species of water-related wildlife. This could allow the concentration of endangered species in a suitable habitat that could serve as a mitigation trade-off of other more valuable prime farmlands.

Response: Agree in part. The historic Betteravia Lake has the potential to be converted into a premiere central coast wildlife habitat. However, mitigation trade-off proposals would require more investigation, which is not funded at this time, so no

timetable can be given. Restoration of the lakes could allow habitat enhancement and mitigation for certain endangered species. The issue of costs of such a project cannot be taken lightly. Although there is a potential to find grant funds to acquire property, most grant sources require friendly acquisition of property. In addition, most grant funds require a local match. For such a project to become successful, the project must have the support of the agricultural community and the affected property owners.

Recommendation 4: The County's Laguna Sanitation District, which already owns a significant amount of Betteravia Lake, is a potential and early direct beneficiary of a multipurpose tertiary treatment pond and water storage lake, and should play a leading role in trying to get the Lake restoration project stated.

Response: The recommendation will not be implemented at this time because it is not reasonable. Laguna County Sanitation District owns just 67 acres of the approximate 725 acres lake surface area, which represents less than 10% of the total. Currently, Laguna discharges treated effluent to pastureland. In order to change the method of discharge to include discharge to a water body, a significantly greater regulatory and monitoring effort would be required. In addition, several land and water rights issues would have to be addressed. While some grants may be available, the project could easily cost in the tens of millions of dollars. Additional study of the technical and financial feasibility of such proposals would be required. Any such proposal would require support from property owners, local citizens and government and the agricultural community in order to assemble the approvals and funding required.

Finding 5a: It appears that the owners of the Betteravia Lake bottom are likely to face increasing production costs in the future as well as diminished growing seasons, thus less income and profit.

Response: Agree. Landowners pump the Lake during wet periods. There is thus a significant energy component to pumping the lake dry. With increased energy costs, it can be expected that the pumping costs will correspondingly increase.

Finding 5b: There may be significant incentive for some of the landowners to sell their land and use the proceeds to make more profitable investments.

Response: Disagree, based solely on the fact that the Agricultural Commissioner's Office has no information to suggest that the finding is correct or incorrect.

Finding 5c: At least one Betteravia Lake landowner is in bankruptcy and may need to sell much, if not all, of his land around the lake.

Response: Disagree, based solely on the fact that the Agricultural Commissioner's Office has no information to suggest that the finding is correct or incorrect.

Recommendation 8a: Before the State Water Quality Control Board mandates measures to improve groundwater quality in the Santa Maria Basin, the SMVWCD should insist on voluntary "best farming practices" among its membership, and provide local leadership in that area.

Response: The recommendation will not be implemented by the County because it is not warranted. The SMVWCD should respond to this recommendation as it falls

within its area of responsibility. It should be noted that “best farming practices” have not been developed for many crops grown in the Santa Maria Valley. “Best farming practices” are complex and may require significant time to develop.

Recommendation 8b: The SMVWCD should work with the Cachuma Resource Conservation District in implementing these recommendations to improve groundwater quality and provide leadership promoting “best management practices” in the District.

Response: The recommendation will not be implemented by the County because it is not warranted. The SMVWCD and the Cachuma Resource Conservation District should respond to this recommendation as it falls within their areas of responsibility. As stated in response to Recommendation 8a, “best farming practices” have not been developed for many crops grown in the Santa Maria Valley. “Best farming practices” are complex and may require significant time to develop.

Recommendation 9b: The SMVWCD should adjust its boundaries to include all of the SMV groundwater aquifer.

Response: The recommendation will not be implemented by the County because it is not warranted. This is a policy matter for the SMVWCD and LAFCO.

Recommendation 9c: The SMVWCD should charge fees on the annexed lands at the same rate structure applied to existing district landowners, both urban and rural.

Response: The recommendation will not be implemented by the County because it is not warranted. This is a policy matter for the SMVWCD.

Respectfully Submitted,

William D. Gillette
Agricultural Commissioner