

## Application Packet for Urban Agriculture Incentive Zone Contract

### URBAN AGRICULTURE INCENTIVE ZONE CONTRACT

An Urban Agriculture Incentive Zone Contract is a voluntary contract between the City and a property owner of vacant, unimproved, or blighted property whereby the property owner agrees to keep the property in active agricultural use for a period of five years in exchange for a property tax benefit.

### ELIGIBLE APPLICANTS

Property owners may apply for a UAIZ Contract if their property meets the following criteria:

- It is at least 0.10 acres (4,356 sq. ft.) and not more than 3 acres (130,680 sq. ft.) in size;
- If in a residential zone, parcel must be 1 acre or less, or have approved CUP;
- It is blighted, unimproved, or vacant;
- It was previously blighted, unimproved, or vacant but has been converted to an urban agriculture use;
- It does not include any dwelling units;
- It includes only structures that are accessory to the urban agriculture activity, including, but not limited to toolsheds, greenhouses, produce stands;
- It has a metered water service connection or approved water well; and
- Any land use approvals or building permits which are required for the urban agriculture use to commence must have been approved.

Please note that urban agriculture activity must commence on the property within 30 days of execution of a UAIZ contract or it will be terminated.

### HOW DOES THE PROCESS WORK?

#### Step 1:

If the applicant is not the owner of the property, it will be necessary to obtain a signed letter of authorization (see page 7) from the property owner.

#### Step 2: (Optional)

For tax **estimates**, general questions or to set an appointment to discuss the valuation of properties under the Urban Agriculture Incentive Zone Act, please contact the Sacramento County Assessor's Office:

Marisa Ornelas, Associate Real Property Appraiser  
Phone - (916) 876-7957  
Email – [OrnelasM@saccounty.net](mailto:OrnelasM@saccounty.net)

Tami Frizzell, Senior Real Property Appraiser  
Phone - (916) 876-6831  
Email - [FrizzellT@saccounty.net](mailto:FrizzellT@saccounty.net)

#### Step 3: Community Development Department Determines Eligibility

The property owner or applicant brings the completed application to the Community Development Department public counter at 300 Richards Blvd. 3<sup>rd</sup> floor.

- A. The applicant obtains confirmation from the Department of Utilities that the property has a metered water services connection or approved well.

- B. Utilities Department staff will also consult with the applicant regarding water conservation and storm water quality Best Management Practices (BMPs). If the property has a metered water service connection or approved well and has satisfactorily received consultation regarding water conservation and storm water quality Best Management Practices (BMPs), has satisfactorily indicated water conservation plan in application, Utilities staff signs the Certificate of Eligibility and the applicant is routed to the planning counter.
- C. A planner confirms that property meets the size requirements, and makes a preliminary determination that the property does not have dwelling units or other potential disqualifying primary uses, and confirms that the proposed urban agriculture use does not need a use permit. If all three conditions are met, the planner signs the appropriate section of the Preliminary Certificate of Eligibility.
- D. If the property is eligible and the application and is complete the application packet is accepted for processing.

Applications missing one or more documents are incomplete and cannot be accepted.

- E. The City will review the application and conduct site inspections within 30 days of the date a complete application is filed. The City may initially recommend approval or deny the application at this time.

### Step 3: Application and Approval

The City will review the application, conduct a site inspection, and determine that the property will not result in the following:

- A. The Contract would not result in a combined tax revenue loss to the city, County, and other recipients of ad valorem property taxes of more than \$25,000 per year or more than \$125,000 for the term of the contract; or
- B. The estimated combined cumulative tax revenue loss to the city, County, and other recipients of ad valorem property taxes for all properties currently under contract is greater than \$250,000 through January 1, 2019.

### Step 4: Contract

The City will contact the property owner to set up an appointment to sign and notarize the Contract.

### Step 5: Execution of the Contract

If the Community Development Department determines that the Contract is ready for signatures, it is routed through the City's contract approval process. The Contract will not be signed unless all requirements are met.

Step 6: The Contract is attested by the City Clerk.

### Step 6: Recordation

The City will have the Contract recorded by the Sacramento County Recorder by December 31. A Contract may be considered incomplete if all components are not adequately satisfied. For properties to receive a property tax reduction during the following fiscal year, the contract must be recorded by December 31, 2015. If the property is not already in use for urban agriculture, the property owner has 30 days from recording of the Contract to begin agricultural activity.

### Step 7: Monitoring Compliance with the Contract

The City conducts initial site inspection within 90 days. Annually thereafter, the Planning Director conducts annual inspections and confirmations of contract.

Preliminary Certificate of Eligibility for

**Urban Agriculture Incentive Zone Contract**

<b>Important Information for Applicants and Owners</b>	
<p>The Preliminary Certificate of Eligibility is issued over-the-counter by the Community Development Department and Department of Utilities. Its completion signifies that you are eligible to <u>submit</u> for a UAIZ Act Contract. Eligibility is subject to verification.</p> <p>Use the <i>Application Completeness Checklist</i> below to confirm that your application packet is complete. To allow adequate time for over-the-counter processing, it bring your completed UAIZ Application Packet to the Community Development Department before 3:15 pm M-F.</p>	
<b>Application Completeness Checklist (Applicant to Complete)</b>	
<input type="checkbox"/>	Completed Urban Agriculture Incentive Zone application
<input type="checkbox"/>	A legal description of the property on a separate sheet
<input type="checkbox"/>	Signed Preliminary Certificate of Eligibility (note: this is completed at public counter)
<input type="checkbox"/>	Photos (prints required) of the site and all sides existing structures
<input type="checkbox"/>	Letter of Agency signed by property owner if applicant is not the owner of the property

<b>For Departmental Use Only</b>		
<b>Utilities staff please verify:</b>	<b>Check the Appropriate Box</b>	<b>Reviewer's Name:</b>
Does the property have a metered water hookup or approved well?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Has the applicant consulted with appropriate Utilities staff regarding water conservation BMP's?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Has the applicant consulted with appropriate Utilities staff regarding storm water quality BMP's?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Planning staff please verify:</b>		
Is the property at least 0.10 acres (4,356 square feet) and not more than 3 acres (130,680 square feet) in size?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Does the property appear to be free of dwelling units?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> TBD	
Does the property appear to include only structures that are accessory to the urban agricultural use, including, but not limited to: toolsheds and greenhouses?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> TBD	
CUP is not needed (If parcel is in an R-zone it must be 1 acre or less in size or have approved CUP for market garden or private community garden greater than 1 acre)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> TBD	
<b>Certification of Eligibility:</b> The above property meets the preliminary eligibility criteria for an Urban Agriculture Incentive Zone Contract*.		<input type="checkbox"/> Yes <input type="checkbox"/> No
Planning Staff Verification (name):	Date:	I&R Number:
Comments:		

\*Note: If the answer to any of the above questions is "NO," the project is ineligible to apply for an Urban Agriculture Incentive Zone Contract.

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# Urban Agriculture Incentive Zone Application

The application deadline is November 5, 2015 to receive tax reductions starting in the next fiscal year, beginning on July 1, 2016. Applications are not accepted after 3:15 pm M-F.

## Application Submittal Requirements

1. Certificate of Eligibility signed by the appropriate City Utilities Department and Planning Division staff.
2. Letter of Authorization signed by the property owner (unless applicant is property owner).
3. A legal description of the property on a separate sheet
4. Completed application form
5. Photos of site and all sides of existing structures.
6. Optional Attachment: Site plan showing current and proposed uses, including crop area.

Note: Completing this application does not guarantee approval of an Urban Agriculture Incentive Zone Contract. Submitting an incomplete or incorrect application can result in delays in receiving tax relief benefits

## Application Information

Name of Applicant: \_\_\_\_\_

Organization \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

Address of Property: \_\_\_\_\_

APN of Property: \_\_\_\_\_

Applicant is owner of subject property  Yes  No. If no, complete following and the attached letter of agency.

Name of Owner: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ E-Mail: \_\_\_\_\_

## Property Information

Are there structures on the site? If yes, please describe and provide photos of each: \_\_\_\_\_

\_\_\_\_\_

Lot Dimensions:

Lot Area:

Does the parcel have an on-site metered water hook-up?\*  Yes  No

Does the parcel have an approved well?  Yes  No

Have you applied for a metered water service connection and paid the fee?  Yes  No

## Urban Agriculture Plan

Does the applicant and/or managing party intend to use the property for a minimum of five years for urban agriculture purposes?  Yes  No

Proposed urban agriculture uses (market garden, private community garden, aquaculture): \_\_\_\_\_

\_\_\_\_\_

Describe the urban agriculture operations planned for the site: \_\_\_\_\_

\_\_\_\_\_

List any structures (greenhouses, toolsheds, aquaculture systems, fences etc.) proposed for the site including proposed dimensions). \_\_\_\_\_

\_\_\_\_\_

Water Conservation Plan: Check one below.

- I will only water on allowed watering days and hours, consistent with Chapter 13.04.870 of Sacramento City Code.
- I will water with a low volume (drip) irrigation system, which is not subject to limits on watering days and hours.

Describe additional measures that will be taken to conserve water. \_\_\_\_\_

\_\_\_\_\_

How do you plan to commence urban agriculture operations within 30 days as would be required under a contract?

\_\_\_\_\_

\_\_\_\_\_

**Required Attachment:** Photos of site and all sides of any existing structures

**Required Attachment:** Legal description of the property

**Optional Attachment:** Attach a site plan showing the entire site, property lines, adjacent streets, existing on-street parking, off-street parking, location and size of existing and proposed structures, fences, etc.

City of Sacramento  
**Letter of Agency**

If the applicant is not the owner of record of the subject site, a Letter of Authorization from the owner must be submitted with the application which gives the applicant permission to submit an application for an Urban Agriculture Incentive Zone Act Contract.

Date: \_\_\_\_\_

To: City of Sacramento  
Community Development Department  
300 Richards Boulevard, Third Floor  
Sacramento, CA 95811

I, \_\_\_\_\_, the undersigned legal owner of record of the parcel located at \_\_\_\_\_ understand that an Urban Agriculture Incentive Zone Act Contract, if approved, would be attached to my property, and that I would be bound by the terms and conditions of the Contract and obligated to comply with the terms identified in the Contract.

I, the undersigned legal owner of record, hereby grant permission to: \_\_\_\_\_ (the Applicant) to apply for an Urban Agriculture Incentive Zone Act Contract with the City of Sacramento on my behalf.

Applicant:

\_\_\_\_\_

Applicant's Address:

\_\_\_\_\_

Applicant's phone: \_\_\_\_\_

I, \_\_\_\_\_, certify that I am the legal owner of record of the subject parcel located at \_\_\_\_\_, Assessor's Parcel Number \_\_\_\_\_

Printed Name of Owner of Record:

\_\_\_\_\_

Address of Owner of Record: \_\_\_\_\_

Phone: \_\_\_\_\_,

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OFFICIAL BUSINESS:

Document entitled to free recording  
under Government Code section 27383

Recording requested by and  
when recorded return to:

**City of Sacramento**

Community Development Department  
300 Richards Blvd. 3<sup>rd</sup> Floor  
Sacramento, CA 95811  
Attn: Helen Selph

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**URBAN AGRICULTURE INCENTIVE ZONE CONTRACT**

This URBAN AGRICULTURE INCENTIVE ZONE CONTRACT (“**Contract**”), dated \_\_\_\_\_, for purposes of identification only, is by and between the City of Sacramento, a California municipal corporation (“**City**”) and [PROPERTY OWNER] (“**Property Owner**”). The City and Property Owner are sometimes each referred to as “**Party**” and collectively as the “**Parties.**”

**Background**

In 2013, the State of California enacted the Urban Agriculture Incentive Zones Act (commencing with California Government Code section 51040) (“**UAIZ Act**”), which recognizes the public interest in promoting sustainable urban farming. The UAIZ Act authorizes cities and counties to establish Urban Agriculture Incentive Zones (“**UAIZ**”) for the purpose of entering into voluntary contracts with property owners of vacant, unimproved, or blighted lands within the zone. Through these contracts, property owners can agree to commit their land to urban agriculture for a minimum of five years in exchange for lower property taxes during the term of the contract.

To take advantage of the UAIZ Act, the City, in 2014, adopted Chapter 17.722 of the Sacramento City Code: Urban Agriculture Incentive Zone (the “**Ordinance**”). The Ordinance authorizes the city manager or the city manager’s designees to enter into UAIZ contracts with property owners who agree to commit their land to “**Urban Agriculture,**” as defined in City Code section 17.108.220, subject to the Ordinance, for a minimum of five years in exchange for lower property taxes during the term of the contract.

The Property Owner owns the property located at [ADDRESS], in Sacramento, California (the “**Property**”), and further described in Exhibit A, and has asked to enter into a UAIZ contract with the City.

**With these Background facts in mind, the City and the Property Owner agree as follows:**

- 1. Term.** The term of this Contract (“Term”) will run for five years beginning on the Effective Date, unless canceled sooner under Section 5 of this Contract.
- 2. Property Owner Representations.** To induce the City to enter into this Contract, the Property Owner represents and warrants the following:
  - 2.1 Property Size.** The Property is at least 0.10 of an acre, and not more than 3 acres.
  - 2.2 Legal Description.** The legal description in Exhibit A is a true and accurate legal description of the Property.
- 3. Property Owner Responsibilities.** The Property Owner agrees to the following:
  - 3.1 Use of the Property.** Throughout the Term of the Contract, the Property Owner shall dedicate and use the entire Property for Urban Agriculture purposes in accordance with the UAIZ Act, Title 17 of the Sacramento City Code (including the Ordinance), and this Contract.
  - 3.2 Commencement of Urban Agriculture.** The Property Owner shall commence Urban Agriculture on the Property within 20 days of the execution of this Contract.
  - 3.3 Prohibition Against Dwellings.** There shall be no dwellings on the Property throughout the Term of the Contract.
  - 3.4 Government Inspections.** The Property Owner consents to periodic inspections of the Property, upon 72-hours’ notice, by the city manager, the city manager’s designee, the county assessor, and the State Board of Equalization, as may be necessary for tax assessment purposes or to determine the Property Owner’s compliance with this Contract or the law.
  - 3.5 Pesticides and Fertilizers.** The Property Owner shall not use any pesticides or fertilizers on the Property, except for those pesticides or fertilizers allowed by the United States Department of Agriculture’s National Organic Program.
  - 3.6 Water Service.** The Property shall have a metered water service connection or approved water well.
  - 3.7 Water Conservation Plan.** The Property Owner shall use and conserve water in accordance with the water conservation plan described in Exhibit B (the “**Urban Agricultural Plan**”), which includes best practices for conservation, and the City’s Outdoor Water Conservation Ordinance (codified at Article XI of Chapter 13.04 of the Sacramento City Code), as it may be amended from time to time. If there is a conflict

between the water conservation plan and the Outdoor Water Conservation Ordinance, the terms of the Outdoor Water Conservation Ordinance shall prevail.

**3.8 Administration Fee.** The City may charge the Property Owner a fee for the reasonable costs of implementing and administering the Contract, including the costs related to inspections on the Property and determining compliance with the Contract. The Property Owner shall pay the fee within 45 days of the City's request.

**3.9 Cessation or Change in Activity.**

(A) The Property Owner shall notify the City's planning director, in writing, of the following:

- (1) Any cessation of Urban Agriculture for any reason, including cessation due to the loss of a tenant who was conducting Urban Agriculture on the Property; and
- (2) Any change in Urban Agriculture activity from that contemplated in the Urban Agricultural Plan (Exhibit B).

Notices under this section must be given within two weeks of the cessation or change in activity.

(B) The Property Owner must resume Urban Agricultural activity within three months of any cessation.

**4. Property Tax.** This Contract is entered into under the authority of the UAIZ Act and the Ordinance. Accordingly, the Property shall be assessed pursuant to California Revenue and Taxation Code section 422.7.

## 5. Cancellation.

**5.1 Events of Default.** The following events, if not cured within 10 days of the City's written notice, are "Events of Default":

- (A) The Property Owner has failed to commence Urban Agriculture on the Property within 30 days of the Effective Date of the Contract;
- (B) The Property Owner has failed to conduct Urban Agriculture on the Property in accordance with the UAIZ Act and Title 17 of the Sacramento City Code (including the Ordinance);
- (C) The Property contains a dwelling;
- (D) The Property Owner has failed to resume Urban Agriculture on the Property after cessation in accordance with Section 3.10(B) of this Contract;
- (E) The Property Owner has failed to allow any inspection as provided in Section 3.5 of this Contract;
- (F) The Property Owner has failed to timely pay the Administration Fee in accordance with Section 3.9 of this Contract;
- (G) The Property Owner has failed to maintain adequate insurance for the Property in accordance with Section 7 of this Contract; or
- (H) The Property Owner has failed to comply with any other provision of this Contract.

Upon the occurrence of an Event of Default, the City may cancel the Contract. The City shall give the Property Owner and the county assessor notice of the cancellation.

**5.2 Property Owner Cancellation.** Prior to the expiration of the Term, the Property Owner may cancel the Contract at any time by submitting written notice to the planning director and the county assessor. Upon cancellation of the Contract, the Property Owner shall record a notice of cancellation with the Sacramento County Clerk Recorder.

**5.3 Cancellation Fee.** If the Contract is canceled by the City or the Property Owner prior to the expiration of the Term, the Property Owner must pay to the county a cancellation fee equal to the cumulative value of the tax benefit received during the duration of the Contract, as determined by the county assessor, plus interest. The city manager or the city manager's designee may waive payment of all or a portion of the fee if he or she determines that the cancellation was caused by extenuating circumstances despite the good faith effort by the Property Owner.

**6. Indemnity.** The Property Owner shall defend, hold harmless and indemnify the City, its officers and employees, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, including, but not limited to, any fees or costs reasonably incurred by the City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Contract by the Property Owner, any sub-consultant, subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for any damage or expense for death or bodily injury to persons or damage to property to the extent arising from the sole negligence or willful misconduct of the City, its agents, servants, or independent contractors who are directly responsible to the City, except when such agents, servants, or independent contractors are under the direct supervision and control of the Property Owner.

**7. Insurance.**

**7.1 Required.** During the Term of this Contract, the Property Owner shall maintain in full force and effect at its own cost and expense the insurance required by this section. By requiring the insurance herein, the City does not represent that that the coverage and limits will necessarily be adequate to protect the Property Owner. It is understood and agreed by the Property Owner that the required insurance coverage and limits shall not be deemed as a limitation on the Property Owner's liability under the indemnities granted to the City in this Contract.

**7.2 Generally Liability Insurance ("CGL").** CGL is required providing coverage at least as broad as ISO GL Form 00 01 on an occurrence basis for bodily injury including death of one or more persons, property damage and personal injury, with limits of not less than \$500,000. The policy shall include coverage for premises, operations, products and completed operations, contractual liability and liquor liability (if alcohol will be served on the Property) for the term of the policy. The policy shall include a fire legal liability limit of \$50,000.

**7.3 Additional Insured Coverage.** The City, its officers, employees and volunteers shall be covered by policy terms or endorsement as additional insured as respects general liability arising out of activities performed by or on behalf of the Property Owner including products and completed operations of the Property Owner and premises owned, leased or used by the Property Owner.

**7.4 Other Insurance Provisions.** The policies are to contain or be endorsed to contain the following provisions.

- (A) The Property Owner's insurance shall be primary as respects the City, its officers, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers shall be in excess of the Property Owner's insurance and shall not contribute with it.
- (B) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officers, employees and volunteers.
- (C) Coverage shall state that the Property Owner's insurance shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the insurer's liability.
- (D) The City shall be provided with 30 days written notice of cancellation or material change in the policy terms or language.

**8. Miscellaneous Provisions.**

**8.1 Effective Date.** This Contract is effective on the date both parties have signed it, as indicated by the dates in the signature blocks below.

**8.2 Notices.** Any notice required under this Contract or by reason of the application of any law will be deemed to have been given by a Party on the business day immediately following the day of personal delivery to a recognized overnight courier or on the third business day after deposit in the U.S. mail, postage prepaid and addressed as follows:

If to the City:

Thomas S. Pace  
Interim Planning Director  
City of Sacramento  
Community Development Department  
300 Richards Blvd., 3<sup>rd</sup> Floor  
Sacramento, CA 95811

*with a copy to:*

Helen Selph  
Associate Planner  
City of Sacramento  
Community Development Department  
300 Richards Blvd., 3<sup>rd</sup> Floor  
Sacramento, CA 95811  
Phone: (916) 808-7852  
Email: hselph@cityofsacramento.org

If to the Property Owner: [NAME]

[ADDRESS]

Phone:

Fax:

Email:

- 8.3 Entire Contract.** This document, including all Exhibits, contains the entire agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of the Contract. No alteration to this Contract is valid unless approved in writing by the Parties.
- 8.4 Public Record.** The Property Owner understands that this Contract is a public record under the California Public Records Act and will be disclosed to the public upon request.
- 8.5 Severability.** If any portion of this Contract or the application thereof to any person or circumstance is held invalid or unenforceable, the remainder of this Contract shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
- 8.6 No Waiver.** No failure by the City to insist on the strict performance of any obligation of the Property Owner under this Contract, or to exercise any right power or remedy arising out of a breach hereof, shall constitute a waiver of such breach or of the City's right to demand strict compliance with any terms of this Contract.

- 8.7 Choice of Law; Venue.** This Contract shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Contract shall lie exclusively in the state trial court or federal district court located in Sacramento County in the State of California, and the Parties consent to jurisdiction over their persons and over the subject matter of any such litigation in those courts, and consent to service of process issued by those courts.
- 8.8 Binding on Successors and Assigns.** The covenants, benefits, restrictions, and obligations contained in this Contract shall run with the land and shall be binding upon and inure to the benefit of all successors and assigns in interest of the Property Owner.
- 8.9 Further Assurances.** The Parties, at any time after the execution of this Contract will execute, acknowledge, and deliver any further assignments, conveyances, and other assurances, documents, and instruments reasonably requested by the other party for the purpose of performing the obligations created hereunder.
- 8.10 Third Parties.** This Contract is made and entered into for the sole protection and benefit of the Parties and their successors and assigns, and no other person or entity is a third-party beneficiary of, or has any direct or indirect cause of action or claim in connection with the Contract or any other related document to which that person or entity is not a party.
- 8.11 Attorney's Fees.** The Party prevailing in any litigation concerning this Contract or any documents related to it will be entitled to an award by the court of reasonable attorneys' fees and litigation costs through final resolution on appeal, in addition to any other relief that may be granted in the litigation. If the City is the prevailing party, then this section will apply whether the City is represented in the litigation by the Office of the City Attorney or by outside counsel.
- 8.12 Relationship of the Parties.** Nothing in this Contract should be deemed or construed to create between the Parties a joint venture, partnership, or any other relationship of association other than that described herein.
- 8.13 Authority to Sign.** The person signing the Contract on the Property Owner's behalf represents that he or she is the Property Owner of the Property or is authorized to sign on behalf of the Property Owner and that no further action beyond his or her signature is required to bind the Property Owner to this Contract.

*(Signature Page Follows)*



**CITY OF SACRAMENTO**

By: \_\_\_\_\_

Thomas S. Pace

Interim Planning Director

For: John F. Shirey, City Manager

Date: \_\_\_\_\_

APPROVED TO AS FORM:

By: \_\_\_\_\_

City Attorney

ATTEST:

By: \_\_\_\_\_

City Clerk

**PROPERTY OWNER**

By: \_\_\_\_\_

[Signature]

\_\_\_\_\_

[Print Name]

Title: \_\_\_\_\_

Date: \_\_\_\_\_

PROPERTY OWNER ACKNOWLEDGEMENT

*A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.*

The State of California  
County of Sacramento

On \_\_\_\_\_, before me, \_\_\_\_\_, personally appeared

\_\_\_\_\_

who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument—URBAN AGRICULTURE INCENTIVE ZONE CONTRACT—and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

*[signature]*

(This area for official notarial seal)

**EXHIBIT A**  
**PROPERTY DESCRIPTION**

**EXHIBIT B**  
**URBAN AGRICULTURAL PLAN**

## Frequently Asked Questions

Can I use my backyard as an “agricultural zone” and apply for a contract?

- No. Only properties that have no dwellings on them and are entirely dedicated to agricultural use are possible applicants.

Do I need a health permit to sell produce?

- At a minimum, you will need to register as a Community Food Producer. Other permits may be required, depending on what you are selling and where you are selling it and . Contact [Sacramento County Environmental Management Department](#) at (916) 875-8440 for more information.

If I apply for an Urban Agriculture Incentive Zones Contract, is the City obligated to enter into the contract?

- No. The City will evaluate each contract application based on the criteria specified in the ordinance.

As a private landholder, why would I want to participate in the Urban Agriculture Incentive Zones Ordinance?

- Land that is under an Contract will be assessed based on the agricultural, not the residential or commercial, value of the land, which could result in a significant reduction in property taxes to the property owner.

How long does the contract last for?

- Contracts will last for five years. Contracts that are canceled or terminated prior to that will pay a cancellation fee equal to that of the tax revenue lost including interest. That fee is calculated by the Office of the Assessor-Recorder.

Can I expect the same amount of property tax savings every year?

- No. The Office of the Assessor-Recorder, as mandated by state law, evaluates each property annually to determine the assessment. Market rates and the property tax rate change annually, which impacts the taxable value of the property. However, in most circumstances, the tax savings from year to year is likely to be relatively consistent.

Is my contract final once it is approved by the City?

- No. Contract is not considered final until it has been signed by all parties, notarized, recorded by the Sacramento County Clerk-Recorder, and a copy of the recorded contract is on file with the Community Development Department.

When will I see the reduction in my property tax bill?

- For most properties under contract, the property owner will see a reduction in their property tax bill in the fiscal year following the date when they recorded the Contract with the Sacramento County Clerk/Recorder. The absolute deadline to have your Contract recordation completed is December 31st by 3pm to receive any tax benefit for the following fiscal year (July 1- June 30). If the Contract is not recorded by December 31, then you will not receive the tax benefit for another year and a half. Please contact the Sacramento County Tax Collector's Office if you do not receive your tax bill by dialing (916) 874-6622.

Is there a fee to apply for an Urban Agriculture Incentive Zone Contract?

- The City is not currently charging an application fee (to cover City staff time), however, the recordation fee that is charged by Sacramento County Recorder will be collected at the time of application.

## **ADDITIONAL INFORMATION**

### **Additional Applications and Approvals**

If applicable, urban agriculture projects must have all necessary use permits prior to applying for an UAIZ contract, otherwise, urban agriculture activity may not be able to commence within the required 30 days. For example, a Zoning Administrator Conditional Use Permit is required for a market garden in a residential zone that is larger than one acre. A UAIZ application cannot be accepted until the CUP is approved.

### **Deadlines**

This Contract must have been signed, accepted and recorded before the lien date (January 1) for a fiscal year (the following July 1-June 30) for the Property to be valued under the taxation provisions of the Urban Agriculture Incentive Zones Act for that fiscal year.

### **Termination of the Contract**

The City may cancel the contract upon finding that a property owner is in breach of the terms of the contract. The County Assessor and the property owner will be notified of the City's cancellation of the contract.

A property owner may cancel an Contract at any time by submitting written notice to the Planning Director. Upon cancellation of the contract prior to the expiration of its term, the property owner must record a notice of cancellation of the contract against the property.

If the Contract is cancelled by the City or property owner prior to the expiration of its term, the property owner must pay to the County Assessor a cancellation fee equal to the cumulative value of the tax benefit received during the duration of the contract plus interest, as determined by the assessor.

### **Inspections and Monitoring**

The City, County Assessor, and State Board of Equalization may conduct periodic inspections of the property to determine compliance with the contract and the law.

### **Transfer of Ownership**

A UAIZ Contract is attached to the property. Subsequent owners are bound by the terms and conditions of the UAIZ Contract, and obligated to comply with the terms identified in the Contract unless the new owner terminates the Contract and pays the cancellation fee. The City and County Assessor must be notified of any transfer of ownership. The Assessor's Office should be notified by filling out a Preliminary Change of Ownership Report (PCOR). Visit [www.assessor.saccounty.net](http://www.assessor.saccounty.net) for a copy. The City may be notified by sending a letter to the Planning Director.

### **Continuation of the Contract**

City will contact the property owner annually to determine that: the agricultural activity continues; the property owner is in accordance with the Contract; any major modifications to the original application are documented; and, any annual fees for the administration of the Contract are paid.

### **Who can I contact for additional questions?**

Email your questions to the Planning Helpline: [planning@cityofsacramento.org](mailto:planning@cityofsacramento.org) or visit the Community Development Department, 3<sup>rd</sup> Floor, 300 Richards Blvd. in Sacramento for more information, between the hours of 9:00am – 4:30pm.

## **ROLES & RESPONSIBILITIES**

### **Role of the Community Development Department**

The Community Development Department reviews the application to determine if the property is eligible and ensures that the agricultural use is consistent with existing zoning regulations. It also separately issues any required use permits or building permits, and processes applications for eligible properties. The Community Development Department accepts eligible applications for Contracts, reviews and approves and executes Contracts, executes all Contracts, and conducts site inspections and monitors compliance with Contract requirements, and terminates non-compliant Contracts.

### **Role of the Utilities Department**

The role of the Utilities Department is to confirm that the property has a metered water hookup or approved well, and to consult with the applicant regarding water conservation and storm water quality Best Management Practices (BMPs).

### **Role of Sacramento County Assessor**

The County Assessor's role is to locate and accurately assess all taxable property in the Sacramento County. Once a Contract has been approved and recorded against the property, the County Assessor assesses the property based on an approach set forth in state law. Once an Contract has been approved and recorded, the County Assessor will assess the property as an agricultural use as set forth in state law. It is the property owner's responsibility to obtain an estimated valuation from the County Assessor prior to applying for an Contract.

### **Role of Sacramento County Clerk Recorder**

The County Clerk Recorder's role is to serve as the official record-keeper of documents such as deeds, liens, maps and property contracts. Fully executed Urban Agriculture Incentive Zone Contracts must be recorded with the County Clerk Recorder with all recordation requirements fulfilled, such as all required approvals, signatures, recordation attachments and all applicable recording fees paid. An Contract may be considered incomplete if all components are not adequately satisfied. Once an Contract has been approved and recorded, the Assessor will assess the property as an agricultural use as set forth in state law.