

Sample Contract

FARMLAND SECURITY ZONE CONTRACT FOR _____ COUNTY

FARMLAND SECURITY ZONE CONTRACT

THIS CONTRACT made and entered into this _____ day of _____ [date], by and between the **COUNTY OF** _____, a political subdivision of the State of California, hereinafter called "County" and _____, hereinafter called "Owner."

WHEREAS, Owner possesses certain real property located within the County of _____, State of California, which is presently devoted to the production of food and fiber and is described in Exhibit A attached hereto and made a part hereof; and

WHEREAS, the property is located in agricultural preserve No. _____ heretofore established by County Resolution No. _____; and

WHEREAS, the property is the subject of a contract between Owner and County intended to limit the use of the property to agricultural production and compatible uses under the provisions of the California Land Conservation Act of 1965, as amended, (the Williamson Act) at Chapter 7 (commencing with Section 51200), Part 1, Division 1, Title 5 of the Government Code; and

WHEREAS, this contract was entered into _____ and at the expiration of each year of its term an additional year is automatically added to its term so that there is always a period of ten (10) years remaining on the contract term until a notice of non-renewal is served on the other party and recorded by the non-renewing party, Owner or County; and

WHEREAS, the County of _____ in keeping with the intent of the Legislature in enacting during the 1998 legislative session a program for the establishment by the various counties of Farmland Security Zones under Article 7 of the Williamson Act commencing with Section 51296, intended to encourage the creation of longer term voluntary enforceable restrictions within agricultural preserves; and

WHEREAS, the County has established a farmland security zone (Farmland Security Zone No. _____, Resolution No. _____) in accordance with the requirements of Government Code Section 51296.1 which contains, within its boundaries, the property of owner; and

WHEREAS, owner desires to continue to limit the use of the property to agricultural and compatible uses for a period greater than is now required under the existing contract with the County; and

WHEREAS, the property meets one or all of the criteria specified in Government Code Section 512969(i) for farmland security zone property;

NOW, THEREFORE, County and Owner agree as follows:

1. RESCISSION OF CURRENT CONTRACT FOR THE PURPOSES OF ENTERING INTO A FARMLAND SECURITY ZONE CONTRACT

The existing contract between County and Owner pertaining to the property entered into _____ is rescinded. In its place the County and Owner enter into this Farmland Security Zone contract pertaining to the property in accordance with the Williamson Act provisions for Farmland Security Zone contracts under Article 7 commencing with Section 51296. This contract is subject to all of the Farmland Security Zone provisions of the Williamson Act as presently existing and which in the future may be enacted.

2. RESTRICTION ON USE OF PROPERTY

During the term of this contract, and any and all renewals thereof, the property described in Exhibit A shall not be used by Owner, or Owner's successors in interest, for any purpose other than the production of food and fiber for commercial purposes and uses compatible thereto. A list of all such compatible uses is set forth in Exhibit B, attached hereto and by this reference incorporated herein. Notwithstanding the compatible uses set forth in Exhibit B, County and Owner understand and agree that in accordance with Government Code Section 51296(h) the compatible use provisions contained in Government Code Section 51238.1(c) are not applicable to farmland security zone property.

3. TERM OF CONTRACT

This contract shall become effective on the _____ day of _____ [date], and shall remain in full force and effect for an initial term of twenty years. The initial term of twenty years shall be measured commencing as of the first day of January next succeeding the date of execution. Each succeeding first day of January shall be deemed to be the annual renewal date of this contract. This contract shall be automatically renewed on each succeeding January 1 and one additional year shall be added automatically to the initial term unless notice of nonrenewal is given as provided in paragraph 4.

4. NOTICE OF NONRENEWAL

(a) If either party desires in any year not to renew this contract, that party shall serve written notice of nonrenewal upon the other party in advance of the annual renewal date of this contract. Unless such written notice of nonrenewal is served by Owner at least 90 days prior to the renewal date, or by County at least 60 days prior to the renewal date, this contract shall be considered renewed as provided in paragraph 3 above. (b) If either party serves written notice of nonrenewal in any year within the time limits of (a), above, this contract shall remain in effect for the balance of the period remaining since the original execution or the last renewal of this contract, as the case may be.

5. NO COMPENSATION

Owner shall not receive any payment from County in consideration of the obligations imposed under this contract, it being recognized and agreed that the consideration for the execution of this contract is the substantial benefit to be derived therefrom, and the advantage that may accrue to Owner as a result of the effect upon the assessed value of the property on account of

the restrictions on the use of the property contained herein which because of this Farmland Security Zone contract will result in the property being valued for assessment purposes in accordance with the provisions of Revenue and Tax Code Section 423.4.

6. SUCCESSORS IN INTEREST

This contract and the restrictions imposed hereunder shall run with the property described in Exhibit A and shall be binding upon the heirs, executors, administrators, trustees, successors, and assign of Owner. Notwithstanding the foregoing, each new Owner who succeeds to ownership of the aforesaid property shall be obliged to execute a new contract identical to or more restrictive than this contract. This contract shall be transferred from County to any succeeding city or county acquiring jurisdiction over the property described in Exhibit A. On the completion of annexation proceedings by a city, that city shall succeed to all rights, duties and powers of the County under this contract for that portion of the property described in Exhibit A which may be annexed to the city.

7. DIVISION OF LAND

The property described in Exhibit A shall not be divided without the written approval of the County first had and obtained. This contract is divisible in the event the property described in Exhibit A is divided. Owner agrees to submit any proposed division to County for its approval and County, if it approves the division, shall, as a condition of its approval of the division, require the execution by Owner of a contract identical to this contract on each parcel created by the division. Owner agrees to execute such contract. The division of land under contract in a farmland security zone will not be approved unless it is found there will be no loss in the production of food and fiber within the farmland security zone as a consequence of the division and that the size of each parcel remaining following the division is found to be economically viable for continued agricultural production.

During the term of this contract no additional, separate legal parcels currently making up the property described in Exhibit A, which may be based on previous patent or deed conveyances, subdivisions, or surveys, may be recognized by a Certificate of Compliance under Government Code Section 66499.35. Owner agrees not to apply during the term of the contract for, or otherwise seek recognition of, additional legal parcels within the property based on a Certificate of Compliance.

8. CONDEMNATION

When any action in eminent domain for the condemnation of the fee title of any land described in Exhibit A is filed or when such land is acquired in lieu of eminent domain for a public improvement by a public agency or person, or whenever there is any such action or acquisition by the federal government, or any person, instrumentality or agency acting under authority or power of the federal government, excluding those circumstances in which under the provisions of Government Code Section 51296 eminent domain is not permitted, this contract becomes null and void as to the land actually being condemned or so acquired as of the date the action is filed or so acquired.

9. CANCELLATION

This contract may only be cancelled under the provisions of Government Code Section 51297.

10. NOTICES

All notices required or permitted by this contract shall be given in writing and may be mailed or delivered in person. If mailed, the address of Owner shall be the last known address on the assessment record of County, and County's address shall be In Care of Board of Supervisors, Courthouse _____, California _____, and deposit in the mail, postage prepaid, shall be deemed receipt thereof.

11. ENFORCEMENT

In the event of breach of this contract, including but not limited to (1) incompatible use, or (2) failure of successors in interest to sign a contract similar to this one, or (3) failure to obtain the approval of the Board of Supervisors for a division of the land under contract, all the affected property under contract shall be reassessed at full cash value pursuant to Revenue and Taxation Code Section 110.1. However, such reassessment for the period encompassed by the breach shall not terminate the contract. Reassessment shall be in addition to the other remedies available to the County including, but not limited to, an action to enforce the contract by specific enforcement or injunction under Government Code Section 51251. If incompatible uses during the period of breach have diminished the ability of the property to contribute to the production of food and fibre on the lien date, the property shall be reassessed at full cash value. The period of breach is the period commencing upon breach as set forth above, and ending upon cure of the breach. If the lien or assessment date falls within the period of the breach, all the property under this contract will be reassessed at full cash value pursuant to Revenue and Taxation Code Section 110.

IN WITNESS WHEREOF the parties have caused this contract to be executed by Owner on the date affixed next to the signature of each, and by County on the date affixed next to the signature of the chairperson of the Board of Supervisors.

Dated: _____ COUNTY OF _____

By: _____

Board of Supervisors

ACKNOWLEDGMENT

State of California)

): ss.

County of _____)

On _____ (date), before me _____, Clerk of the Board of Supervisors, in and for said County and State, personally appeared _____, known to me to be the person who executed the within instrument on behalf of said political subdivision, and acknowledge to me that such County of _____ executed the same.

Clerk of the Board of Supervisors of
_____ County, State of California

By: _____
Deputy

Dated: _____
Owners

Dated: _____
Owners

STATE OF CALIFORNIA
COUNTY OF _____

On _____ (date), before me, _____, Notary Public, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subject to the within instrument and acknowledged to me that he/she/they executed the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public