

5. Narrative Descriptions

5a. Project Description

Placer County requests \$185,000 from the Proposition 84 Preservation of Ranches and Agricultural Lands Grant Program to assist with the purchase of an agricultural conservation easement on the 47-acre Side Hill Citrus farm, an organic mandarin and citrus orchard in the Sierra Nevada foothills. The orchard owner is requesting the County establish an agricultural conservation easement over the property in order to sustain the economic viability of organic farming on the property, to preserve the agricultural and ecological characteristics of the land in perpetuity, and to protect the property's riparian corridor from development and other harmful impacts.

An appraisal has determined the cost of purchasing the agricultural conservation easement on this property at \$305,000. Placer Land Trust has committed \$10,000 towards the easement appraisal and other project costs borne by Placer County. The balance of the funding, other than the Sierra Nevada Conservancy grant, will be \$50,000 from the Placer County Open Space Trust Fund and General Fund, \$50,000 from Emigrant Trails Greenway Trust and a \$20,000 bargain sale contribution from the property owner. Additionally, Placer County will contribute \$25,000 in in-kind transaction-closing costs and bear all ongoing and perpetual easement monitoring and defense costs. Pending funding approval, close of escrow on an easement on the Side Hill Citrus farm is anticipated by January 1, 2014.

Project Summary

The purpose of this project is to acquire an agricultural conservation easement on the Side Hill Citrus organic mandarin and citrus orchard.

The 47-acre farm is located at 4065 Pleasant Hill Road in Lincoln, unincorporated Placer County (APNs 026-190-009, 026-190-010, 026-380-042, 026-380-045, and 026-380-050).

Family-owned and operated, Side Hill Citrus was established on 17 acres in 1975. Today Side Hill Citrus provides organic mandarins and other citrus (Meyer lemons and grapefruit) to consumers in Placer County, Northern California, and to the rest of the United States.



The ranch is certified organic by California Certified Organic Farmers (CCOF), and the family grows its citrus with proven organic horticultural practices. Organic farming not only results in healthier produce, but also a healthier property and a healthier watershed. Side Hill Citrus' farming practices protect and enrich the soil, avoid putting harmful chemicals into the ground, and protect the Coon Creek watershed. Three important results are wholesome quality citrus for all to enjoy, an agriculture destination

for the central Sierra Nevada foothill region, and a family farm that is contributing to its local economy while operating in harmony with its watershed and its environment.

The property owners, Richard Ferreira and daughters Betsy and Florence, are requesting Placer County establish an agricultural conservation easement over the site in order to sustain the agricultural operation, help protect water quality in the Coon Creek watershed, and preserve the natural habitat characteristics of the property in perpetuity.

The easement would prevent any use or development of the property that would significantly damage or impair the property or its agricultural values, with the exception of the ability to build one new single-family residence. A wooded riparian corridor along a tributary to Doty Ravine and oak woodlands on the property will also be protected. The owner is also proposing to run interpretive programs at the site as part of an organic farming/education program.



Under current zoning, the parcel could be subdivided with four additional housing units built. The development of four rural home sites with related clearing and ongoing management activities would significantly fragment a large portion of the property's relatively intact block of blue oak woodland and further degrade the water quality and riparian habitat of the Coon Creek watershed. Acquiring the property now, while the owners are interested in selling an agricultural conservation easement to the public, will protect the land and its important resources while allowing for ongoing agricultural use.

In summary, protecting the Side Hill Citrus farm with an agricultural conservation easement will prevent development and other harmful land uses, maintain agriculture and open space, retain natural systems and processes, protect water quality, help preserve the local agricultural economic base, and protect a rural lifestyle.

Environmental Setting

Description/Use. In general, the topography of the property is varied, from flat, elevated areas to gently sloping orchards. Approximately 50 percent of the property is irrigated orchards and the balance is a combination of dry pasture, riparian, and oak woodland. There is one residential structure on the property in addition to a shop, packing shed with a computerized packing line, and a storage area. Surrounding properties are a mix of rural residential and agricultural land uses.

There are currently 25 acres of orchard on the Side Hill Citrus property consisting of mandarin, lemon and grapefruit trees. Nine acres of the site consists of Blue Oak

woodland and Valley Foothill riparian along an unnamed tributary to Doty Ravine, part of the Coon Creek watershed. This heavily-vegetated corridor will also be protected. On a clear day, downtown Sacramento and Mt. Diablo are visible from the property.

The existing home, shop, packing shed and storage area occupy 2.5 acres of the site. Eight acres have been designated for future crop or orchard expansion. There is a one-acre irrigation pond near the westernmost property line. The owners will retain one building right to construct a home on a 1.5-acre area in the future for a family member.

Wildlife. Mixed farmland and oak woodlands are important habitats for wildlife including reptiles, birds, mammals, and invertebrates. Some of the wildlife species expected to utilize the property for shelter, foraging, and/or breeding habitat include red-tailed hawk, Anna's hummingbird, western rattlesnake, western harvest mouse, western fence lizard, barn owl, yellow-billed magpie, tree swallow, northern flicker, western bluebird, loggerhead shrike, western meadowlark, house finch, American goldfinch, gopher snake, and numerous other species.

Some of the more common bird species observed on the property, or in this portion of the county include: American widgeon, black-chinned hummingbird, black-crowned night heron, black-necked stilt, Canada goose, great blue heron, great egret, greater white-fronted goose, green-winged teal, herring gull, mallard, northern pintail, northern shoveler, ring-necked duck, snow goose, snowy egret, solitary sandpiper, tree swallow, tundra swan, white-faced widgeon, and wood duck. Duck boxes have been installed around the property's irrigation pond.

Protection of the creek corridor is important to the health and integrity of foothill fish and wildlife populations. Anadromous fish (i.e., salmon and steelhead) are known to exist within the Coon Creek watershed, the least developed watershed in western Placer County, although the numbers are quite low compared to historical estimates. The creek also supports populations of bass, trout, catfish, and bluegill.

Soil Quality. According to the California Department of Conservation's Farmland Mapping and Monitoring Program, the property is designated as 70 percent "Farmland of Local Importance" and 30 percent "Unique Farmland." Portions of the farm are likely to be upgraded to "Unique" if field rows are installed or the orchard expands. (see map in Section 6F).

According to the Natural Resource Conservation Service, the area is in the Ahwahnee-Auberry-Sierra soil association. Specific soils on site (see map in Section 6F) include:

- Andregg coarse sandy loam, rocky, 2 to 15 percent slopes
- Auburn silt loam, 2 to 15 percent slopes
- Auburn-Sobrante silt loams, 15 to 30 percent slopes
- Auburn-Sobrante-Roak outcrop complex, 30 to 50 percent slopes

Conversion Threat. According to the 2010 Census, 348,432 people live in Placer County. By 2050, the population is projected to roughly double. The open space resources in the rural Lincoln area are perhaps the most threatened in the county, with a burgeoning human population increasingly drawn to the urban fringes, where quality-of-life is perceived to be high due to the abundant natural amenities and small-town character.

The most obvious threat to the Side Hill Citrus area remains the increasing number of large-lot ranchettes. These rural estates or hobby farms range in size from one or two acres to over 10 acres. Their long-term effect on the viability of agriculture is extremely negative. By carving up rural lands with estates, ranchettes inevitably drive up land values far beyond what farming can support. Development of ranchettes also creates a patchwork of parcels often too small to lease for commercial agriculture.

This site potentially could be subdivided into four home sites of 10 or more acres each.

Nearby Acquisitions. The County has made preservation of agriculture and properties in the Sierra Nevada foothills a priority for conservation. This area, sparsely-populated but relatively close to the rapidly urbanizing areas of South Placer, is dominated by farmland, rangeland and wildlands. The Natural Trading Company, a 40-acre organic farm located approximately one mile south of Side Hill Citrus, was protected through an agricultural conservation easement in 2010 with financial assistance from the Department of Conservation, Placer Land Trust, and Emigrant Trails Greenway Trust.

A number of acquisitions have been completed north of the Side Hill site by the County, Placer Land Trust, or in a number of transactions, a partnership between the County and Placer Land Trust together.

Due to large parcel sizes, particularly in the Garden Bar area along the Nevada County border, oak woodlands are relatively intact and unfragmented, facilitating wildlife movement and migration. Major acquisitions include the 1,200-acre Hidden Falls Regional Park and the 1,773-acre Harvego Bear River Preserve. Several properties in between these two large sites have also been acquired and the County is working on obtaining connecting easements to establish a multi-purpose trail from Hidden Falls Park north to the Bear River.

Zoning. The property is zoned Farm (F) with a minimum building site size of 10 acres (F-B-X-10). Under current zoning four new residences could be built on the five Side Hill Ranch parcels (three of the parcels are legal, non-conforming in regards to minimum parcel size). With rising farm and property costs in Placer County, the family is willing to sell the development rights on the ranch, while retaining the right to construct a new home at some point through the County's Additional Building Site provisions. The second unit will be deed restricted prohibiting separate sale or rental. This will provide housing for a family member and help make agriculture a truly viable activity for this land now and in the future.

Prior to the easement purchase, the property owner will apply to the County for a Minor Boundary Line Adjustment to combine the five current parcels into one parcel. This will make for a cleaner easement transaction (one parcel vs five) in keeping with the restriction against future subdivision.

Consistency with General Plan. The proposed easement is consistent with local zoning and helps implement policies contained in the 1994 Placer County General Plan. Local residents and groups, from farm organizations to elected officials, land trusts, and environmental advocates, are working together to protect Placer's agricultural heritage, while still accommodating growth and change. Agriculture, one of the major economic generators in Placer County, requires protection.

Adopted in June 2000, Placer Legacy is a program of the County of Placer to protect and conserve open space and agricultural lands. The program has been developed to implement the goals, policies and programs of the Placer County General Plan. One of the key objectives of the program is to “maintain a viable agricultural segment of the economy.” Placer Legacy is a critical step toward protection, preservation, and restoration of the integrity, productivity, and biodiversity of the County’s natural resources.

Placer Legacy was recognized with the 2002 Governor’s Environmental and Economic Leadership Award for its outstanding contribution in the area of Environmental Economic Partnerships. Placer Legacy is intended to be proactive in that it seeks out conservation opportunities from willing sellers through the acquisition of conservation easements and fee title on properties, which have open space, and/or agricultural resources that meet program objectives. These objectives include:

- **Maintain** a viable agricultural segment of the economy;
- **Conserve** natural features necessary for access to a variety of outdoor recreation opportunities;
- **Retain** important scenic and historic areas;
- **Preserve** the diversity of plant and animal communities;
- **Protect** endangered and other special status plant and animal species;
- **Separate** urban areas into distinct communities; and,
- **Ensure** public safety.

The Side Hill Citrus easement contains multiple objectives for the Placer Legacy program. The easement would represent the third agricultural easement under the Legacy Program (the Grey farm was the first in 2003, The Natural Trading Company was completed in 2010). To date over 9,000 acres of property have been permanently protected through the Placer Legacy program.

Public Benefit

As Placer County’s population increases, so does the struggle to protect and restore natural resources. Protecting farmland is a way for the public to maintain open space, retain natural systems and processes, control public infrastructure costs, preserve the local economic base and local self-sufficiency, promote rural lifestyles, maintain local specialty crops, and conserve energy.

National and international trends are shaping Placer County agriculture. Escalating grocery bills and energy prices are leaving many consumers searching for local, low-cost alternatives. Farmers Markets are as popular as ever as consumers are seeking cheaper and healthier fresh produce. “Buy Local” is a common refrain across the country as more and more people view the local farm as a valuable asset and less transportation of food means ‘fresh.’ Locally, the “PlacerGROWN” movement has facilitated the efficiency of local agriculture and the marketability of their products. Placer County recognizes the multiple public values of organic farming in its community. In addition to the ecological benefits, organic foods are attracting an increasingly loyal group of local customers as the benefits of eating healthier and supporting sustainable agriculture take hold.

The combination of increased population and high disposable income provides unique opportunities for niche and direct marketing. Several restaurants in western Placer County now feature locally produced foods. Farmers markets, CSA's and other direct marketing opportunities are increasing, as do retail produce outlets with a local focus. Placer County also annually celebrates its mandarin growing tradition. For the past 18 years, the Mountain Mandarin Festival, attended by Side Hill Citrus, attracts up to 40,000 visitors to Auburn in late-November to celebrate the start of the mandarin harvest. The orchard regularly hosts school tours and farm tours. Side Hill Citrus is a member of the Placer County Farm Bureau, PlacerGROWN, and the Mountain Mandarin Growers Association.

5b. Workplan and Schedule

| TASK | RESPONSIBILITY | SCHEDULE |
|--|--------------------------|---|
| Board Authorization – Grant Submittal | Facility Services | Complete |
| Preliminary Title Report | Property Management (PM) | Complete |
| Property Appraisal | PM | Complete |
| Draft Easement | PM | Draft Complete |
| Grant Award/Agreement | SNC | May 1, 2013 |
| Public Notice Per Government Code | PM | Three weeks, one publication per week, following Board approval to proceed |
| Board Authorization to proceed with acquisition | PM/Planning | July 2013 |
| Minor Boundary Line Adjustment Application and Approval | Owner/Planning | August 2013 |
| Phase I Env. Assessment (if needed) | PM | 45 days after BOS authorizes to proceed with acquisition |
| Property Survey (GPS) to Delineate Building Envelope | PM | 45 days after BOS authorization to proceed |
| Finalize Easement | PM | 60 days after BOS authorizes to proceed with acquisition (October 2013) |
| Purchase and Sale Agreement Negotiated and Finalized | PM | 60 days after BOS authorizes to proceed with acquisition (Beginning October 2013) |
| Submit Draft Conservation Easement, Escrow Instructions and Other Required Escrow Documents to SNC for Review and Approval | PM | October 2013 |
| Revise Easement, Escrow Instructions and/or Other Required Escrow Documents per SNC Review | PM | December 2013 |
| Escrow Instructions, Closing Statement, other escrow documents finalized | PM | Approximately 30 days after SNC Comments Received (December 2013) |
| Close of Escrow | PM | End of December 2013 |
| Easement Copy of Recorded Deed to SNC | PM | 15 Days After Close of Escrow |

5c. Restrictions, Agreements, Regulatory Permits

There is no known environmental contamination on the site. There are no identified encumbrances or restrictions that could adversely impact project completion.

Regulatory Permits

Not-Applicable for Category 1 Easement Acquisition Projects

5d. Organizational Capacity

Since the Placer Legacy Open Space and Agricultural Conservation Program (“Placer Legacy”) was conceived and adopted by the Board of Supervisors in 2000, the County has worked with willing-seller property owners and other partners to conserve 9,013 acres of land throughout Placer County to preserve agricultural lands, protect habitat and open space and/or to provide passive recreational opportunities in a natural setting. Nearly \$5.8 million in grants have been secured by the County (and tens of millions by project partners) to complete land transactions, restoration activities, biological surveys, and natural resource planning efforts.

Placer County will hold and monitor the Side Hill Citrus conservation easement. The County has dedicated most or all of the time of three staff members from the Planning Division to prepare a Habitat Conservation Plan for western Placer County, oversee the purchase of conservation land and/or easements, coordinate the various Placer Legacy initiatives, monitor existing conservation easements, and seek supplemental funds for the program. There are five conservation easements currently monitored by County staff.

Several other departments work to meet Placer Legacy objectives and implement program activities. Facility Services oversees land acquisition negotiations and the development of parks. The Agricultural Commissioner provides input related to the agricultural component of the work program and promotes the availability and sale of locally grown agricultural products. The County Executive Office and County Counsel provide administrative support in policy direction, process, legal assistance and financial oversight.

5e. Cooperation and Community Support

The County seeks to meet a number of objectives on the Side Hill Citrus property which include preservation of agriculture and protection of farmland, water resources, and wildlife habitat – all of which are based upon the Placer County General Plan and the Placer Legacy Open Space and Agricultural Conservation Program.

All components of the Placer Legacy program were developed following input of the public through citizen stakeholder groups, public workshops, presentations to various stakeholder groups, and Board of Supervisors hearings over a two-year period. Implementation of the Placer Legacy program proceeds in a similar manner with all key decisions made by the Placer County Board of Supervisors. The Board authorized submission of this grant application on August 21, 2012.

According to Placer County Agricultural Commissioner Joshua Huntsinger, the 47-acre Side Hill Citrus property is one of the larger farms in Placer County that is not rangeland or rice. The farm production is focused on organic specialty crops and niche markets where a profit can be made. On August 13, 2012 the Placer County Agricultural Commission voted unanimously (7-0) to support this grant application and purchasing a conservation easement on the Side Hill Citrus property. Letters of support have been received from Placer Land Trust, Nevada Irrigation District, UC Cooperative Extension – Placer & Nevada Counties, Placer County Agricultural Commissioner, The Natural Trading Company, Placer County Farm Bureau, Placer Grown, and Joanne Neft, Mountain Mandarin Festival Founder.

5f. Long Term Management and Sustainability

The Ferreira family intends to continue to be an integral part of Placer County agriculture and help to educate our community about agriculture, as they have done for generations already. To permanently protect this land for agricultural uses in the future, the family is seeking partners to establish the agricultural conservation easement on the site. This will afford the ranch the ability to diversify into other agricultural opportunities and endeavors, including future orchard expansion and the addition of other crops.

The owners have been outstanding stewards of the resources found on the farm. The property has a long agricultural history and has not been severely disturbed by discing or other intensive soil manipulation. Vegetation communities on site support a diversity of plant and wildlife species and are important resources in Placer County.

The Ferreira family intends to continue to use best management practices in irrigation, maintaining riparian habitat, increasing beneficial insect habitat, meeting organic growing standards, and preserving the native plants and trees. All of these practices are necessary for organic production and good yield from the trees.

The parcel proposed for conservation will continue to be used for, and is large enough to sustain, commercial agricultural production. The land is also in an area that possesses the necessary market, infrastructure (e.g., Nevada Irrigation District water), and agricultural support services. The surrounding land uses are compatible with long-term commercial agricultural production.

The Agricultural Commissioner has reviewed the long-term plans for improvements to the farm and concluded that the residence, packing shed, production handling areas, and an irrigation pond are necessary to successfully work a farm of this size.

A Farm Plan proposed by the landowner includes several specific stewardship practices that will promote the long-term conservation and integrity of the property. The riparian and oak woodland in the center of the property will remain undisturbed to foster biodiversity and support a thriving organic farm. Existing granite outcroppings and oak trees will be undisturbed.

County Role. To ensure the land stewardship measures identified in the Conservation Easement are followed and activities prohibited by easement do not occur, the site will be monitored on an annual basis. A Natural Resource Planner from the Placer County Planning Division will evaluate the condition of the property for consistency with the easement agreement, identify prohibited and/or permitted activities conducted onsite,

note any areas that may need changes in management strategies, and photograph and GPS the site to document site condition. All agricultural activities currently performed on the site will be noted and the owners will be interviewed to discuss management measures and management techniques that may need modification.

Monitoring work is funded by the Placer County General Fund, Planning Division budget. Monitoring reports will be kept on file in the Planning Division. In addition, the County has been obtaining updated aerials of western Placer County approximately every three years which will be beneficial to monitor property changes over time.

5g. Performance Measures

Project-specific performance measures include:

Number of People Reached

Conservation of the Side Hill Citrus property is expected to reach and benefit thousands of people annually. Consumers are seeking cheaper and healthier fresh produce and “Buy Local” is a common refrain as more and more people view the local farm as a valuable asset. Additionally, organic foods are attracting an increasing loyal group of local customers as the benefits of eating healthier and supporting sustainable agriculture take hold. Side Hill Citrus sells to an estimated 3,500 consumers annually.

A sign will be placed on site identifying the property as being conserved under the Placer Legacy program with financial assistance from the Sierra Nevada Conservancy Ranches and Agricultural Lands Grant Program (and other project partners).

Dollar Value of Resources Leveraged for the Sierra Nevada

Leverage will be measured by project funds contributed by other sources, the value of the bargain sale agreed to by the seller, and in-kind staff time and other expenses provided by the County. The property owner, Placer Land Trust, Emigrant Trails Greenway Trust and the County are each contributing financial resources and/or in-kind services to this project, in addition to the Sierra Nevada Conservancy. Of the \$305,000 easement cost, \$185,000 would be funded through the Sierra Nevada Conservancy grant and the \$120,000 balance, or nearly 40 percent percent, would be provided by project partners.

Number and Type of Jobs Created

An easement at the Side Hill Citrus Orchard is expected to preserve the jobs of 12 employees that work on the site during peak harvest periods and three full-time, year-round employees. The easement will ensure that this land stays in agricultural production, and these employees remain working, over the long-term. As the orchard expands and matures, there is the potential for employment growth.

Number of New, Improved or Preserved Economic Activities

Acquiring an easement on the property will allow for the continued operation of the Side Hill Citrus orchard and its economic activities. It is hoped that the easement encourages other farmers and ranchers to consider similar protection as an easement establishes the County’s desire to maintain the agricultural character of

the Sierra foothills and support the existing agricultural infrastructure in Placer County.

Acres of Land Conserved

Through the easement, 47 acres of farmland will be conserved in perpetuity along with 2150' of riparian corridor.

5h. Budget Narrative

The \$305,000 acquisition price is based upon an appraisal conducted on the property on October 1, 2012 by Bender Rosenthal, Inc. Acquisition of the easement is nearly evenly split between Proposition 84 Preservation of Ranches and Agricultural Lands Grant Program funding and the four other funding partners.

Land values are generally high in Placer County though they have fallen considerably since the real estate market peaked in 2005. Conversion of farmland into homes and other uses is an issue in every agricultural region experiencing urbanization in California. While ranchettes may appear idyllic, their long-term effect on the viability of agriculture is extremely negative. By carving up rural lands with large estates, ranchettes inevitably drive up land values far beyond what farming can support. Development of ranchettes also creates a patchwork of parcels often too small to lease for commercial agriculture.

Fragmentation drives up land values. Even land that is zoned for agriculture increases in value as nearby land is developed. Such speculation prices potential farmers and ranchers out of the market. As conversion of agricultural land drives up land values, fewer young farmers will be able to enter the industry (either through inheritance or purchase).

The Placer County Board of Supervisors has approved the expenditure of \$25,000 from the General Fund and \$50,000 from the Open Space Trust Fund to support acquisition of the Side Hill Citrus agricultural conservation easement. \$10,000 for an appraisal and related project costs has been committed by Placer Land Trust. A \$50,000 would come from the Emigrant Trails Greenway Trust. In addition, the property owner has agreed to a significant bargain sale, reducing the easement purchase price by \$20,000.

There is no revenue planned as part of this project. All monies are expected to be placed directly into an escrow account to purchase the agricultural conservation easement.

The County's \$25,000 General Fund contribution is in the form of staff time to oversee/manage the transaction, and expenses including escrow/title costs and a property survey.

