AGENDA ITEM

Agricultural Policies, Guidelines, and Practices Study Session

GENERAL MANAGER’S RECOMMENDATION

Review and discuss existing agricultural policies, guidelines, and practices.

SUMMARY

Each year, the Midpeninsula Regional Open Space District (District) sets aside funding and resources to pursue programs, projects, and activities that support sustainable agriculture consistent with its mission on the San Mateo County coastside, which includes protection of regionally-significant agricultural land, preservation of the rural character, and viable agricultural use of land resources. With the extension of District boundaries to the San Mateo County coastline in 2004, the District has expanded its emphasis on supporting local agricultural viability. This emphasis has expanded the District’s conservation grazing program to over 11,000 acres and established numerous new grazing and agricultural leases on District lands. As the District continues to manage these uses, new policy issues arise from time to time that would benefit from additional Board policy guidance.

This study session begins the process to clarify and further define the District’s role in agricultural preservation, consistent with the San Mateo County Coastal Service Plan. Staff will present and organize pertinent information around three main areas: summarizing existing District policy and guidelines; summarizing existing agricultural uses on District lands; and identifying gaps in policies and guidelines that the Board may wish to address. This informational meeting is part of a multi-meeting/workshop process to help fully inform the Board about existing policies and gaps prior to the Board considering final policy actions at a future date. Later this year, the District will host a public meeting/workshop with other bay area land managers who manage agricultural uses on their lands, and a subsequent public meeting/workshop with local agricultural producers to hear from each group about what is working well, lessons learned, and areas that need further attention.

DISCUSSION

Clarifying and further defining the District’s role in agricultural preservation, consistent with the San Mateo Coastal Service Plan, is a component of the work program for Fiscal Year 2018-19.
Agricultural preservation efforts throughout the Bay Area involve a complex partnership that balances the private economic interests and viability of agricultural producers with the resource conservation and open space goals of public agencies and non-profit organizations. The District anticipates that over a series of workshops, meetings, and discussions with partners, agricultural producers, stakeholders, and the public, the Board will gain a more complete understanding of the areas in which the District is best suited to complement the work of local partners and be most effective in supporting local agriculture. Please see the Next Steps section of the report for a description of the main phases of work to complete this agricultural policy review work.

The first step in clarifying and developing the District’s agricultural policies is to compile and review existing agricultural policies and guidelines, and review existing agricultural practices on District lands. This step is particularly important since Board-adopted agricultural policies and guidelines exist in numerous documents (Basic Policy, Resource Management Policies, Coastal Service Plan, etc.), which creates the potential for inconsistencies and/or conflicts.

The information presented below is organized around three main areas: summarizing existing agricultural policies and guidelines; summarizing existing agricultural uses on District lands; and identifying gaps in policies and guidelines that may need clarification and/or development of new Board policy.

**Existing Agricultural Policies and Guidelines**

Existing agricultural policies and guidelines are found primarily within four main documents, listed below in chronological order from their date of adoption.

- Agricultural Use Policy Statements (1978)
- Basic Policy (1999)

Additionally, two Board policies provide direction regarding structures on agricultural lands:

- Housing Policy (2017)
- Improvements on District Lands (2017)

And a guidance manual covers the management of agricultural and rangeland pests:


These documents are summarized below, with more detail provided in Attachment 1. The Service Plan and EIR establishes the policies, guidelines, and practices by which the District purchases and manages lands in the San Mateo County coastside area, including agricultural lands. The Basic Policy, Resource Management Policies, property management policies, and various other board and administrative policies provide staff direction on agricultural uses, leases, and easements. A review of these and other existing agricultural policies will establish a good framework from which to move onto the next phase of policy development -- to host an agricultural workshop with local land managers who manage agricultural uses.
Agricultural Use Policy Statements
The policies found within this document are primarily directed at agricultural leases. However, the first policy clarifies the District’s intent in supporting agricultural use as follows:

The District will sustain and encourage agricultural viability consistent with public use while minimizing the impact on the natural environment. Agricultural use is considered beneficial in that it utilizes almost scarce agricultural resources, reduces fire fuel, and when properly managed, can enhance the environment.

Basic Policy
The Basic Policy begins with definitions and defines Open Space as follows:

Open Space:
- Is land area that is allowed to remain in or return to its natural state. Open space lands may include compatible agricultural uses.
- Protects areas of scenic beauty and preserves natural habitats necessary to sustain plant and animal life, especially native and endangered species.
- Offers opportunities to the public for education, recreation, and renewal of spirit.
- Enhances public safety by preventing development of areas prone to landslides, earthquake damage, flooding, and wildland fires.
- Establishes boundaries for urban growth, provides a respite from urban living, and enhances regional quality of life.
- In short, open space is “room to breathe.”

Within the Open Space Management Objective is the Agriculture and Revenue-Producing Use Policy, which reads as follows:

The District supports the continued agricultural use of land acquired for open space as an economic and cultural resource, including, but not limited to, grazing, orchards, row crops, and vineyards. The District does not consider commercial logging as agriculture. The District requires sound agricultural management practices on land it manages or monitors, in accordance with its Resource Management Policies.

Service Plan for the San Mateo Coastal Annexation Area
The Board adopted the San Mateo Coastal Annexation Area (CAA) Service Plan (Service Plan) in June 2003 to establish the policies, guidelines, and commitments governing District activities and services in the 140,000-acres of coastal San Mateo County. The San Mateo County Local Agency Formation Commission (LAFCo) approved the CAA in September 2004.

The Service Plan is now in its 15th year of implementation. Since approval, the District has completed projects related to land purchases, conservation grazing, the protection of unique natural and scenic resources, stream habitat restoration, and with recent Measure AA voter approval, new public access opportunities. In addition, the District has fostered partnerships
and new relationships on the coast, secured grants and other funding to support the preservation, stewardship, and careful introduction of public access on coastal properties and working lands. All of this work occurs in recognition of the importance of agriculture in sustaining the local economy and in preserving the rural landscape of the San Mateo County coast.

The Board held a Study Session (see R-17-66) and hosted a Coastside Open House on November 1, 2018 in Half Moon Bay to review progress in implementing the Coastal Service Plan since its adoption in 2003. At these meetings, staff presented updates on District progress in implementing the main components of the Service Plan, as well as key projects completed and programs established within the Coastal Area. The Board received community input on ways to improve outreach in the coastside. Please refer to the District website for copies of the materials presented at the November 1, 2017 meeting: (https://www.openspace.org/our-work/projects/coastside-protection-program).

The mission for the Coastside Protection Area is as follows (bold denotes additions to the District’s basic Mission Statement):

“To acquire and preserve in perpetuity open space land and agricultural land of regional significance, protect and restore the natural environment, preserve rural character, encourage viable agricultural use of land resources, and provide opportunities for ecologically sensitive public enjoyment and education.”

Resource Management Policies
The Resource Management Policies were expanded and updated in 2012 and include 15 different chapters focusing on a variety of subject areas, collectively defining the District’s resource management goals, objectives, and implementation actions to steward the natural resources found on District lands. Although many of the specific chapters contain elements relevant to agricultural uses – with a primary concern in protecting the resources from impacts that may result from intensive agricultural uses - the chapters on grazing management, integrated pest management, and water resources are directly relevant to agricultural uses. The complete Resource Management Policies document can be found at https://www.openspace.org/our-work/projects/resource-management-policies.

Housing Policy
The Housing Policy updated in 2017 includes a provision for District housing for agricultural purposes such as grazing, row crops, or other agricultural operations. The policy outlines qualifications for agricultural housing, including an agricultural tenant classification, guidelines for potential rental discounts, and ensuring new housing is evaluated for agricultural use.

Improvements on District Lands
This policy provides for the retention or construction of improvements for agricultural use, retention of structures that contribute to the character of the site, and evaluation of residences on agricultural properties for potential use as housing for agricultural labor.

Provides staff with tools that are consistent with integrated pest management (IPM) principles to select the safest, least harmful, and most effective treatment options for rangeland and agricultural pests.

Existing Agriculture on District Lands
Each year, the San Mateo County Department of Agriculture Weights and Measures publishes an Agricultural Crop Report, detailing the total value of all agricultural commodities produced in the County before labor and other production related costs. It also provides a snapshot of the agricultural diversity within the County (https://agwm.smcgov.org/document/2017-crop-report). While the value derived from livestock rearing is modest compared to other products, pastureland represents the largest category of agricultural land use in the County.

The majority of District agricultural acreage is in grazing, but smaller properties do include row crops, small livestock, vineyards, Christmas trees, and orchards (see Attachments 2 and 3). The District leases a large number of these properties for a 10-year total lease term, starting with initial 5-year terms with optional 5-year extensions depending on whether the tenant is in good standing. Other lease arrangements include a few licenses, a memorandum of agreement (MOA), easements, and two long-term Christmas tree farm leases. Additionally, as the District purchases new agricultural properties, the District is required by the Coastal Service Plan to offer a lease option to the existing tenant until it is leased or sold according to the use and management plan adopted for the property.

Each of the District’s agricultural properties requires a set of key infrastructure (water systems, fencing, roads, corrals, and barns) to support the grazing operation and accomplish the District’s land management goals. In particular, conservation grazing often requires additional fencing to protect creeks and additional water sources to distribute cattle to meet resource management goals. In general, newly acquired properties have lacked the infrastructure needed to run a successful conservation grazing program. Rangeland Management Plans identify needed infrastructure and grazing leases identify roles for both the tenant and the District regarding the construction and maintenance of that infrastructure for the lease term. While the District pays for most of the infrastructure, the District depends on the tenant to install portions of the infrastructure (e.g. water troughs) and maintain certain improvements that support the grazing operation (e.g. fencing). Additionally, tenants work with the District to eliminate invasive species as directed by the District’s Integrated Pest Management program.

Gaps/Issues Affecting Agricultural Policies, Guidelines, and Practices on District Lands
Gaps in existing policies and guidelines exist that affect the District’s ability to implement its agricultural management objectives. One of the primary objects of this policy review is to identify and address important policy gaps that pertain to the following topics:

- Agricultural production plans
- Agricultural workforce housing
- Agricultural infrastructure
- Water supply and use
- Pesticide use
- Conventional and Organic operations on District lands or adjacent to District lands
- Predation and pest management
- Brush management
• Balance with resource protection
• Invasive species management
• Impact of compliance with Federal Food Safety Rules
• Compatible public access
• Riparian and aquatic habitat protection
• Marketing and promotion
• Agricultural Scenic Landmarks
• Use of conservation easements and fee title

• Types of uses permitted (e.g. grazing, row crops, small livestock, poultry, greenhouses, processing plants, cannabis, vineyards, tree farms, horse breeding, dairy, native plant harvesting, orchards, apiaries, farm dinners, tours, environmental education etc.)

On March 27, staff will describe the challenges encountered to date when managing agricultural uses on District lands and when faced with the topics listed above to highlight specific policy areas that can benefit from additional policy guidance. In the course of evaluating all facets that apply to agricultural preservation, the Board will have opportunities to ask questions about the information presented and raise other relevant topics of interest to fold into the agricultural policy review process for further research and consideration. There may also be topics listed that the Board does not feel warrant further consideration. The study session on March 27 is the first step in the yearlong process to review the District’s agricultural policies and is focused on informing the Board about existing policies and gaps. The next steps will be to hear from other land managers who manage agricultural uses on their properties, as well as from agricultural producers to understand about what is working well, lessons learned, and areas or gaps that need further attention.

FISCAL IMPACT

None.

BOARD COMMITTEE REVIEW

This item is being brought to the full Board given full Board interest.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

Review of existing policies, guidelines, and practices is not a project subject to the California Environmental Quality Act.

NEXT STEPS

The details of the Agricultural Policy review process was originally presented to the Board in an informational memorandum dated September 12, 2018 (Attachment 4). The major tasks to complete this work remain largely the same with minor adjustments to the timeline and sequence of steps. Work has progressed on compiling existing policies, guidelines, and practices. Next steps are presented below.
Land Manager/Partner Agency Workshop

July 2019

Agricultural Producers Workshop

August/Sept 2019

District Agricultural Policy, Guidelines, Practices

- Board Study Session of proposed new policy language and evaluation of potential environmental impacts: November 2019
- Board approval of new policy language: Late 2019/Early 2020

Attachments:

1. Summary of District Agricultural Policies and Guidelines
2. Table of Existing Agricultural Properties
3. Map of Existing Agricultural Properties

Responsible Department Heads:
Kirk Lenington, Natural Resources Manager
Michael Jurich, Land and Facilities Manager
Jane Mark, Planning Manager
Mike Williams, Real Property Manager

Prepared by:
Kirk Lenington, Natural Resources Manager
Lewis Reed, Rangeland Ecologist
Elaina Cuzick, Senior Property Management Specialist
Susan Weidemann, Property Management Specialist II
Tina Hugg, Senior Planner
Elish Ryan, Real Property Planner III

Contact person:
Kirk Lenington, Natural Resources Manager
Summary of Agricultural Policies

The Midpeninsula Regional Open Space District’s (District) agricultural policies are covered in several different documents and policies. The value of agricultural lands are addressed in both the Basic Policy and the District’s coastal mission statement. More specific policies are included in the Coastal Service Plan (and associated EIR), Resource Management Policies, Housing Policy, Improvements on District Lands, Integrated Pest Management Program Guidance Manual, and Agricultural Use Policy Statements. Relevant policy statements and implementation measures from each of the following documents are excerpted below.

- Agricultural Use Policy Statements (1978)
- Basic Policy (1999)

Agricultural Use Policy Statement (1978) (See attached)

- Sets authority for approving leases

Basic Policy (2008)

- OPEN SPACE: • Is land area that is allowed to remain in or return to its natural state. Open space lands may include compatible agricultural uses

- Agriculture and Revenue-Producing Use
  Section f. The District supports the continued agricultural use of land acquired for open space as an economic and cultural resource, including, but not limited to, grazing, orchards, row crops, and vineyards. The District does not consider commercial logging as agriculture. The District requires sound agricultural management practices on land it manages or monitors, in accordance with its Resource Management Policies.

Coastal Service Plan (2004)

Coastal Mission Statement

- District To acquire and preserve in perpetuity open space land and agricultural land of regional significance, protect and restore the natural environment, preserve rural character, encourage viable agricultural use of land resources, and provide opportunities for ecologically sensitive public enjoyment and education.

Role & Objectives

- “…protect both the agricultural and natural resources of the Coastal Annexation Area. Although the District is not an agricultural preservation district, and does not propose any
agricultural subsidy programs, its Service Plan does recognize the important of agriculture to the economy and heritage of the Coastal Annexation Area.”

- “As the District extends its services to the Coast, agricultural preservation will play a larger role in the District’s activities than it has within existing District boundaries.”

- **Permanent Policy PA.1** When acquiring lands in agricultural use, the acquisition shall be subject to continued use by the owner or operator until such time as it is sold or leased pursuant to the use and management plan adopted for the property. All agricultural land which is not needed for recreation or for the protection and vital functioning of a sensitive habitat will be permanently protected for agriculture and, whenever legally feasible, the District will offer for sale or lease the maximum amount of agricultural land to active farm operators on terms compatible with the recreational and habitat use. Lands that do not have significant recreation or sensitive habitat values and which can clearly support productive agricultural operations will generally be offered for sale while other agricultural lands will generally be offered for lease. (Reference: Mitigation Measure AGR-3g)

- **Permanent Policy PA.2** The District shall actively work with lessees of District lands and with the owners of land in which the District has an agricultural easement interest to: a) Facilitate the provision of farm worker housing on District owned lands by providing technical assistance in obtaining permits for such housing from the County of San Mateo. b) Seek grant funding for the continuation or establishment of viable agriculture through the California Farmland Conservancy Program and other agriculture grant programs. c) Provide technical assistance to secure water rights for the continuation or establishment of viable agriculture consistent with protection of sensitive habitats. (Reference: Mitigation Measure AGR-3j)

- **Permanent Policy PA.3** The District shall actively pursue opportunities to enter agricultural easements and leases with interested farmers and ranchers. All agricultural easements and agricultural leases in the Coastal Annexation Area shall: a) Be tailored to meet individual farmers and ranchers needs while respecting the unique characteristics of the property; b) Specify uses that are unconditionally permitted pursuant to the easement or lease to provide certainty to the farmer or rancher entering the lease or easement with the District; c) Include terms that allow farmers and ranchers to adapt and expand their operations and farming practices to adjust to changing economic conditions; d) Include terms that ensure farmers or ranchers may provide farm labor housing as defined and approved by San Mateo County; e) Ensure compatibility of resource protection and management, low-intensity public recreation and viable agricultural operations; and f) In the case of leases, be for a sufficient period of time to gain a return on the investment in the agricultural operation. (Reference: Mitigation Measure AGR-3k)

- **Guideline G.3.2** Improvements or public uses located upon open space lands other than agriculture shall be located away from existing prime agricultural lands toward areas containing non-prime agricultural lands, unless such location would not promote the planned, orderly, efficient use of an area.
• **Guideline G.3.3** …The use and management plan shall include an agricultural production plan for District-owned agricultural lands or District lands adjacent to agricultural lands. For district-owned lands, the plan shall describe the crop and/or livestock potential for the property together with the management actions required to protect existing agricultural production (e.g., growing seasons, water requirements, pesticide, manure, and waste management) and the agricultural potential of the land. The plan shall consider the following factors: a) Availability of labor, including farm labor housing; b) Availability of farm support services and goods; c) Necessary capital improvements (e.g. water storage, fencing, land leveling) San Mateo Coastal Annexation Area – Service Plan Midpeninsula Regional Open Space District as approved by the District Board of Directors, June 6, 2003 Page 16 d) Farm operations, including erosion control, the season(s) and times of pesticide or herbicide usage, manure and waste management; e) Water use and availability; f) Access to transportation and markets; and g) Promoting agricultural production on District-owned land.

**Resource Management Policies (2011) - Grazing Policy Key Points**

• **Policy GM-1** Ensure that grazing is compatible with and supports wildlife and wildlife habitats.
  • Inventory and assess sensitive habitats to identify areas requiring special management practices. The conservation of these areas will take precedence over other uses and management practices that are determined to have an adverse effect on these resources.
  • Prepare site-specific grazing management plans by a certified rangeland manager including best management practices (BMPs) for preserves where grazing will be utilized as a resource management tool. The site-specific grazing management plan will be a component of the agricultural production plan developed through the Use and Management Planning process. The Use and Management Planning process provides for public input and Board approval of site-specific grazing management plans.
  • Manage agricultural leases and easements to protect and enhance riparian areas and to maximize the protection or enhancement of water quality. (See WR-4)

• **Policy GM-2** Provide necessary infrastructure to support and improve grazing management where appropriate.
  • Utilize fencing that allows wildlife movement and fosters habitat connectivity (See WM-3:Measure 3).
  • Manage access to existing water features and where needed supply supplemental drinking water through stock ponds and water troughs to preserve clean water for livestock, protect water quality, and enhance habitat for wildlife.
  • Encourage and assist grazing tenants on District land to provide range improvements to restore or conserve wildland resources and to enhance range condition.
• Inventory and assess roads and trails on District lands to identify significant erosion and sediment sources – abandon and where feasible restore to a natural condition poorly designed or sited roads (See WR-4).

• **Policy GM-3** Monitor environmental response to grazing on District lands.
  • Monitor forage utilization and distribution by grazing animals to assure appropriate amounts of residual dry matter (RDM) remain on the ground to achieve desired resource management objectives. In the course of RDM monitoring, evaluate and report on wildland fire fuel levels that may result in an increased risk of wildland fire (See WF policies).
  • Monitor livestock use levels and agricultural infrastructure condition to insure conformity with lease provisions to contribute to improved management.
  • Monitor wildland conditions with an emphasis on documenting the location, distribution and abundance of native grasses, wildflowers, and other native flora and fauna.
  • Monitor water quality in ponds, wetlands, and watercourses with unrestricted livestock access.
  • Monitor non-native vegetation response to grazing with an emphasis on documenting the location, distribution and abundance of target, invasive species.
  • Use information collected from monitoring to annually review rangeland conditions and response to livestock grazing. Use adaptive resource management decision making framework within grazing management plans.

• **Policy GM-4** Utilize different livestock species to accomplish vegetation management objectives.
  • Research the effective use of cattle, goats, sheep, and horses to manage vegetation on District lands.
  • Utilize appropriate species depending on management needs.

• **Policy GM-5** Preserve and foster existing and potential grazing operations to help sustain the local agricultural economy.
  • Establish longer term grazing leases to promote financial viability for the operators and efficient land stewardship for the District.
  • Seek grants or other economic support for agricultural infrastructure maintenance and improvements.
  • Ensure site-specific grazing management plans are economically feasible and practical for grazing operators.

• **Policy GM-6** Provide information to the public about the region’s rural agricultural heritage. (See PI-1)
  • Install display boards and give presentations highlighting historical and educational facts about ranching families and industry at appropriate sites.

• **Policy GM-7** Provide public access in a manner that minimizes impacts on the grazing operation. (See PI-1)
• Grazing operators on District lands or lands under easement to the District shall be consulted when public access is being planned and considered for the property to minimize conflicts between the public and the grazing operation.
• Prepare and distribute a brochure to educate visitors about etiquette for use of open space property with livestock animals.
• Install signage where appropriate to educate the public about the resource benefits of grazing and to educate visitors about approaching animals, closing gates, and other etiquette appropriate for moving through lands with livestock animals.

• **Policy GM-8** Grazing operations on District lands in the Coastside Protection Area will be managed in accordance with the policies established in the Service Plan for the San Mateo Coastal Annexation Area.
  • Consult with appropriate agencies and interest groups, including the San Mateo County Farm Bureau and San Mateo County Agricultural Advisory Committee in the development of site-specific Use and Management plans and agricultural production plan components in the Coastside Protection Area.


**Policy IPM-1** Develop specific pest management strategies and priorities that address each of the five work categories.
  • Manage pests in rangelands and on agricultural properties to support existing uses, while also protecting human health and surrounding natural resources.

**Policy IPM-2** Take appropriate actions to prevent the introduction of new pest species to District preserves, especially new invasive plants in natural areas, rangelands, and agricultural properties.

**Housing Policy (2017)**

• 2. Agricultural.
  a. Agricultural Lease Holder. District housing offered for agricultural lease holder will either be negotiated in conjunction with an agricultural lease or be market rate.
  b. Agricultural Labor. District housing offered for agricultural labor is generally governed by a District lease or license. Agricultural housing rents and associated discounts are negotiated on a case-by-case basis and brought to the Board consistent with the policy regarding *Improvements on District Lands* (Policy 4.02). If District housing is made available to agricultural labor outside of a District Lease or License, the agricultural labor tenant is required to work for a District agricultural tenant on District Lands. Rent will either be negotiated in the agricultural lease, market rate, or an affordable housing rate.

• 2. Agricultural. The selection of agricultural residential sites shall be based on their proximity to the District agricultural leases on District Lands. Due to the need for an
on-site presence for some agricultural lands, this use may take priority over employees that provide direct services in some cases.

Improvements on District Lands (2017)

- C (1) As the District acquires agricultural properties, housing is needed for agricultural lease holders and their agricultural workers. Residences on District agricultural properties should be evaluated as potential housing for agricultural labor.

- C (3) Improvements which Contribute to the Character of the Site:
  (e.g., Buildings with Unique Historical or Architectural merit, Barns, Sheds and Fences)
  Some structures associated with agriculture or other former uses of the site can contribute significantly to the site without detracting from its open space character. When economically feasible within the constraints of the land management budget, examples of these structures will be retained, maintained, and when possible put to use.

- C (4) Improvements for Agriculture and Other Special Uses:
  Agricultural use which is consistent with the open space use of a site is encouraged by the District. Improvements for agriculture or other special uses will be retained or constructed as approved by the Board and stated in the site planning documents. In the Coastside Protection Area; leases, use, and improvements shall be consistent with the District’s Service Plan Policies


9 IPM FOR RANGELANDS AND AGRICULTURAL PROPERTIES

9.1 DEFINITION AND PURPOSE

Some District lands encompass rangelands, crop fields, and orchards that are actively managed as grazing or agricultural operations. Rangeland and agriculture activities on District preserves are primarily managed by lessees who typically operate under a Rangeland Management Plan or Agricultural Management Plan that is attached to their lease. These site-specific management plans guide the rangeland and agricultural activities to ensure compatibility with natural resource protection and low-intensity public recreation. This IPMP does not replace the requirements of the individual range or agricultural management plans, nor does it present the full range of agricultural or range management options. Rather, it seeks to provide staff with tools that are consistent with IPM principles to select the safest, least harmful, and most effective treatment options for rangeland and agricultural pests.

###
1. The District will sustain and encourage agricultural viability consistent with public use while minimizing the impact on the natural environment. Agricultural use is considered beneficial in that it utilizes almost scare agricultural resources, reduces fire fuel, and when properly managed can enhance the environment.

2. The Board of Directors will review and approve agricultural leases or licenses which are long term (over 1 year) and/or involve an anticipated income in excess of $3,500. The General Manager may enter into lease or license agreements on behalf of the District without specific Board approval if they are:

(a) in amounts not exceeding $3,500 income to the District (including in-kind services), and

(b) no more than 1 year in duration, and

(c) not long range commitments, e.g., through agricultural related improvements, which go beyond the scope of Board adopted interim or long term site plan, and

(d) pursuant to a Board adopted interim or long term site plan.

3. All proposed agricultural leases will be advertised in local newspapers to maximize public awareness. If other factors are equal, a lottery will be used to determine the tenant, if more than one potential lessee is interested in the same area.

4. The lease fee will be determined for each type of lease by consulting with local agencies such as East Bay Municipal Utility District, East Bay Regional Park District and agricultural advisors, and will be based upon local prevailing market rates.

5. Staff will have the discretion to enter into leases specifying either cash, in-kind services, or a combination of the two, as payment. If in-kind services are being accepted, they will in no circumstance exceed one year's cash value without Board approval, to preclude the expectation of a continuing relationship.
## Attachment 2
### District Agricultural Properties

<table>
<thead>
<tr>
<th>Property</th>
<th>Type of Ag</th>
<th>Acres</th>
<th>Lease (extensions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bluebrush Canyon Ranch</td>
<td>Grazing</td>
<td>260</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>Lobitos Ridge</td>
<td>Grazing</td>
<td>340</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>Elkus Uplands</td>
<td>Grazing</td>
<td>470</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>October Farm</td>
<td>Grazing</td>
<td>270</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>Tunitas Creek Ranch</td>
<td>Grazing</td>
<td>707</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>Toto Ranch</td>
<td>Grazing</td>
<td>929</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>Event Center</td>
<td>Grazing</td>
<td>12</td>
<td>Annual License</td>
</tr>
<tr>
<td>Driscoll Ranch</td>
<td>Grazing</td>
<td>3,681</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>Apple Orchard Ranch</td>
<td>Grazing</td>
<td>292</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>Mindego Ranch</td>
<td>Grazing</td>
<td>1,047</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>McDonald Ranch</td>
<td>Grazing</td>
<td>1,130</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>Big Dipper Ranch</td>
<td>Grazing</td>
<td>904</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>Skyline Ranch</td>
<td>Christmas Trees</td>
<td>52</td>
<td>25-year (5x5)</td>
</tr>
<tr>
<td>Sare</td>
<td>Christmas Trees</td>
<td>2</td>
<td>24-year (12x12)</td>
</tr>
<tr>
<td>Madonna Creek Ranch</td>
<td>Row Crops</td>
<td>24</td>
<td>Auto-renewal</td>
</tr>
<tr>
<td>Lobitos Farming Grounds</td>
<td>Row Crops</td>
<td>7</td>
<td>10-year (5/5)</td>
</tr>
<tr>
<td>Chestnut Orchard</td>
<td>Orchard (includes bees)</td>
<td>21</td>
<td>Annual License</td>
</tr>
<tr>
<td>Saratoga Gap</td>
<td>Orchard (apple/pear)</td>
<td>&lt;10</td>
<td>None</td>
</tr>
<tr>
<td>Ridge Vineyards</td>
<td>Vineyard</td>
<td>68</td>
<td>Easement</td>
</tr>
<tr>
<td>Picchetti Ranch</td>
<td>Old Vineyard</td>
<td>&lt;10</td>
<td>None</td>
</tr>
<tr>
<td>Sears Ranch</td>
<td>Ag Workforce Housing</td>
<td>&lt;5</td>
<td>Future Ag rental</td>
</tr>
<tr>
<td>Deer Hollow Farm</td>
<td>Small Livestock</td>
<td>&lt;10</td>
<td>MOA</td>
</tr>
<tr>
<td>Toto Ranch Ag Area</td>
<td>Small Livestock</td>
<td>23</td>
<td>Future Annual Agricultural License, followed by future Agricultural Lease</td>
</tr>
</tbody>
</table>
DATE: September 12, 2018

MEMO TO: Board of Directors

THROUGH: Ana Ruiz, General Manager

FROM: Kirk Lenington, Natural Resources Manager
        Brian Malone, Acting Assistant General Manager

SUBJECT: Agricultural Policy Project - Process and Schedule

SUMMARY

This memorandum provides the Board of Directors (Board) with a defined process and schedule to update the Midpeninsula Regional Open Space District’s (District) agricultural policies, which is a Fiscal Year 2018-19 Action Plan project. To ensure that policy development is well informed, the process includes four major phases of work, including two workshops, one study session, and one public hearing. The work would begin in November, with the hiring of the new Natural Resources Specialist/Rangeland Ecologist, and continue through October 2019. To maintain momentum and allocate the resources necessary to host multiple workshops (important new scope), three operational projects would be deferred or have the schedule extended. Moreover, updates made to the District’s agricultural policies will serve to inform the subsequent work for two of these projects.

BACKGROUND

Clarifying and further defining and the District’s role in agricultural preservation, consistent with the San Mateo Coastal Service Plan, is a component of the work program for Fiscal Year 2018-19. The proposed project scope of work includes compiling and reviewing existing agricultural policies, guidelines, and current practices. This step is particularly important since Board-adopted agricultural policies exist in numerous documents (Basic Policy, Resource Management Policies, Coastal Service Plan, etc.) with the potential for inconsistencies and/or conflicts. This work will also evaluate gaps and areas requiring greater clarification, such as understanding the District’s role in the provision of Agricultural Workforce Housing. The goal is to arrive at a comprehensive Board-approved agricultural policy to inform future work.

The updated Agricultural Policy may include or touch on the following topics:

- Agricultural production plans
- Agricultural workforce housing
- Agricultural infrastructure
- Water supply and use
- Pesticide use
- Predation and pest management
• Brush management
• Balance with resource protection
• Invasive species management
• Compatible public access
• Riparian and aquatic habitat protection
• Marketing and promotion
• Use of conservation easements and fee title

• Types of uses permitted (e.g. grazing, row crops, small livestock and poultry, greenhouses, processing plants, cannabis, vineyards, tree farms, horse breeding, dairy, native plant harvesting, orchards, apiaries, farm dinners, tours, environmental education etc.)

Some topics are addressed in sufficient detail within existing policies. Other topics would benefit from additional policy development to better define Board direction and the District’s role. In the course of evaluating all of the facets that apply to agricultural preservation, the Board may request the inclusion of additional topics.

As a reminder, the mission for the Coastal Protection Area (established in the 2004 Coastal Annexation Area Service Plan) is as follows (bold denotes additions to the District’s basic Mission Statement):

“To acquire and preserve in perpetuity open space land and agricultural land of regional significance, protect and restore the natural environment, preserve rural character, encourage viable agricultural use of land resources, and provide opportunities for ecologically sensitive public enjoyment and education. The District will accomplish this mission as a cooperative endeavor with public agencies, non-profit organizations, and individuals with similar goals.”

POLICY DEVELOPMENT APPROACH AND TIMELINE

To best provide the Board with a full understanding of the elements of an agricultural policy, the General Manager is preparing to pursue a phased approach starting with a review of all pertinent District policies, guidelines, and practices as follows:

1) Review Existing Agricultural Policies, Guidelines, and Practices
The San Mateo Coastal Area Service Plan and subsequent EIR establishes the policies, guidelines, and practices by which the District purchases and manages lands in the San Mateo County coastside area, including agricultural lands. The Basic Policy, Resource Management Policies, property management policies, and various other board and administrative policies provide staff direction on agricultural uses, leases, and easements. A review of these and other existing agricultural policies will establish a good framework from which to move onto the next phase of policy development -- to host an agricultural workshop of the San Mateo Coast.

Timeline:
• November 2018 – December 2018
• Board Study Session: January 2018

Potential Attendees:
• Grazing/row crop/chestnut farm/tree farm tenants
• Other interested members of the public
Desired Outcomes:

- Understand current agricultural goals, vision, expectations, emphasis, gaps, inconsistencies, and conflicts on District lands
- Inform the Board about the acreage and types of agricultural uses on District lands
- Understand natural resource management policies, guidelines, and practices that support and affect agricultural uses
- Receive early Board feedback on topics and gaps to address as part of this agricultural policy work

2) San Mateo Coast Agricultural Workshop

Supervisor Don Horsley of San Mateo County is a local leader in agricultural preservation, and has modeled an engagement strategy with the coastside community through hosting agricultural workshops in 2012 (San Mateo County Agricultural Summit on November 29) and 2014 (Water Supply Reliability on December 5). There may be an opportunity to co-host an Agricultural Workshop with San Mateo County to understand the priority issues and concerns of a wide breadth of local agricultural producers to receive the full range of viewpoints (conventional, organic, grazing, row crops, tree farms, vineyards, etc.). Topics may include farm labor housing, infrastructure, predation, public access, and water use. If time allows, the workshop may include site tour(s) of working lands.

Timeline:
- Preparation: January 2019 - March 2019
- Workshop: March 2019

Potential Attendees:
- Grazing/row crop/chestnut farm/tree farm tenants
- Conventional farmers/ranchers
- Organic farmers/ranchers
- San Mateo County Resource Conservation District
- San Mateo County Farm Bureau
- San Mateo County Agricultural Commissioner

Desired Outcomes:
- Identify main issues facing agricultural producers on the San Mateo Coast and Peninsula, from conventional to organic
- Understand the benefits and challenges agricultural producers face with the programs and practices offered or required by the District and other partners, agencies, non-profits
- Strengthen connections between the District and local agricultural producers
- Identify desired elements for the agricultural policy

3) Partner Agency Workshop

Following the Agricultural Workshop, the District would hold a focused workshop with partner agencies and organizations to discuss their roles and responsibilities in helping to preserve and sustain agriculture. As part of this workshop, the Board would gain insights in the current programs offered and practices implemented by partner agencies; the successes, challenges, and lessons learned using case studies; and the gaps or deficiencies that are present within the District’s jurisdiction where the District may consider playing a greater role. Topics may include the balance of natural resources protection with sustainable agriculture; land management costs
and benefits; public outreach and education; and the management of conventional and organic practices on protected open space lands. If time allows, the workshop may include site tour(s) of partner-managed working lands.

Timeline:
- Preparation: April 2019 – June 2019
- Workshop: June 2019

Potential Attendees:
- Peninsula Open Space Trust
- San Mateo County Resource Conservation District
- Coastside Land Trust
- TomKat Ranch Education Foundation
- San Mateo County Planning - Local Coastal Program
- Sonoma Agricultural Preservation and Open Space District
- Marin Agricultural Land Trust
- Point Blue Conservation Science
- Santa Lucia Conservancy
- Pepperwood Foundation
- Sonoma Mountain Institute
- California State Parks

Desired Outcomes:
- Share best practices and lessons learned
- Strengthen connections with partners and organizations that support agriculture
- Identify programs and practices that are most beneficial to agricultural producers and protective of natural resource values
- Identify desired elements for the agricultural policy

4) District Agricultural Policy, Guidelines, Practices:
Information, feedback, and Board direction received at each workshop would be used to either update existing policies, guidelines and practices, or develop a new comprehensive set of policies as necessary, which the Board would review at a study session and approve at a subsequent Board meeting.

Timeline:
- July 2019 – October 2019
- Board Study Session of proposed new policy language: September 2019
- Board approval of new policy language: October 2019

ADJUSTMENTS TO FY2018-19 OPERATING PROJECTS
To accomplish the agricultural policy update as detailed in this memo and accommodate the expanded project scope, adjustments to the following three operating projects for FY2018-19 are necessary. Moreover, updates made to the District’s agricultural policies will inform the work of the first two listed items below.

<table>
<thead>
<tr>
<th>Project</th>
<th>Notes</th>
<th>Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluate District’s Role in Offsite</td>
<td>Deferral</td>
<td>Land and Facilities</td>
</tr>
<tr>
<td><strong>Agricultural Workforce Housing</strong></td>
<td>District’s role in supporting offsite agricultural workforce housing.</td>
<td></td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td><strong>Basic Policy Update for the Coastal Area</strong></td>
<td>Deferral Updates to the agricultural policy will inform updates to the Basic Policy for the Coastal Area.</td>
<td></td>
</tr>
<tr>
<td><strong>Prescribed Fire Program Development</strong></td>
<td><strong>Extension of Schedule</strong> Depending on staff capacity, the project schedule may need to be extended.</td>
<td></td>
</tr>
<tr>
<td><strong>Planning</strong></td>
<td><strong>Natural Resources</strong></td>
<td></td>
</tr>
</tbody>
</table>

###