

City and County of San Francisco
DEPARTMENT OF PUBLIC HEALTH
ENVIRONMENTAL HEALTH /
AGRICULTURE

1390 Market Street, Suite 910, San Francisco, CA 94102 T: 415.252.3939 F: 415.252.3869

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APPLICATION PACKET FOR AN

Urban Agriculture
Incentive Zone

The application packet is a summary of the City and County of San Francisco's implementation program for the California Urban Agriculture Incentive Zones Act. The complete text of the relevant laws can be found at California Government Code Section 51040 (Urban Agriculture Incentives Zone Act) and San Francisco Administrative Code Chapter 53A.

IMPORTANT: Please read the entire application packet before getting started.
Applicants are responsible for all of the information contained in the application guide.
Completing this application does not guarantee Urban Agriculture Incentive Zones
Contract approval.

WHAT IS AN URBAN AGRICULTURE INCENTIVE ZONE CONTRACT?

Urban agriculture provides many benefits to citizens of San Francisco through education about food, nutrition, and the environment; addressing sustainability goals; building community; creating green spaces, and benefiting the local economy. An Urban Agriculture Incentive Zones Contract ("Contract") is a voluntary agreement between the City and County of San Francisco and the owner of a qualified property owner based on California Government Code (SECTION 51040-51042). This State law, enacted in 2014 and enabled through local ordinance, provides for a potential tax reduction for owners of qualifying property who agree to keep their property in active agricultural use for a set period of time. Applicants for a Contract must demonstrate that they will benefit the larger community through produce distribution and/or sales, open house days, educational tours, or other public programs. The City's Agricultural Commissioner executes the contract and administers the program.

WHO MAY APPLY FOR AN URBAN AGRICULTURE INCENTIVE ZONE CONTRACT?

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

- It is located within a zoning district where Neighborhood Agricultural or Large-Scale Urban Agricultural Uses as defined in Planning Code Section 102 are principally or conditionally permitted uses;
- It is at least 0.10 acres (4,356 sq ft) and not more than 3 acres (130,680 sq ft) in size;
- It does not include any dwelling units; and,
- It includes only structures that are accessory to the agricultural activity, including, but not limited to toolsheds, greenhouses, produce stands, or educational space.

Please note that all urban agriculture projects must have all necessary land use approvals (if applicable), such as a change of use permit, or Conditional Use Authorization allowing agricultural use, before the Agricultural Commissioner will sign a finalized Contract. It is strongly encouraged that applicants apply for the necessary use permits prior to applying for an Urban Agriculture Incentive Zone, and that they allow plenty of time for the approval process.

www.siapii.org

Urban Agriculture Incentive Zones Process

Phase 1:

Planning Department Determines Eligibility

 Applicant acquires a Certificate of Eligibility (see form attached) from the Planning Department's Planning Information Center (PIC) located at 1660 Mission Street.

Applicant can be property owner or authorized agent.

Phase 2:

Contract Application

 Submit to Agricultural Commissioner. The Agricultural Commissioner will review the application within 30 days of the application cycle deadline. The Commissioner may initially recommend approval or deny the application at this time.

APPLICATION DEADLINES: MARCH 1, JUNE 1, AUGUST 1

ACTION TAKEN

Agriculture Commissioner initially approves or denies application.

Phase 3:

Assessor-Recorder Office Determines Value

- 3. Once the Agricultural Commissioner has determined that a subject property has met all application criteria, the complete packet will be forwarded to the Office of the Assessor-Recorder for an initial valuation of the property using a formula prescribed by the State Board of Equalization.
- 4. As required by state law, the Office of the Assessor-Recorder must also value property annually as of the January 1st lien date, including Urban Agriculture Incentive Zone property.

ACTION TAKEN

The Assessor-Recorder's Office respond to the Agricultural Commissioner with an initial value of the subject property within 30 days.

Phase 4:

Approval

5. If the Agricultural Commissioner and the Assessor-Recorder's office determine the property will not result in: a) an estimated tax revenue loss of more than \$25,000 a year or more than \$125,000 for the term of the Contract; b) contiguous parcels totaling five acres or more under contract at the same time; or c) an estimated combined tax revenue loss for all properties under all Contracts greater than \$250,000 a year, the Agricultural Commissioner may approve the Application if he or she also finds that it meets all the other requirements for a Contract. If the application meets some but not all requirements, a Board of Supervisors hearing is required to approve the Application.

Agriculture commissioner contacts City Attorney to let City Attorney know of approved applications. City Attorney prepares four contracts for signatures (City Attorney, Agricultural Commissioner, Applicant, and Assessor-Recorder's Office each receive one).

ACTION TAKEN

Agriculture Commissioner approves application and contract, or forwards it to the Board of Supervisors for approval.

Phase 5:

Execution of the Contract

 Agricultural Commissioner will facilitate all parties signing contract and provide original contracts for signature. City Attorney, Agricultural Commissioner, Assessor-Recorder, and applicant must sign all four copies of the Contract in order to have the contract recorded in Phase 7.

City Attorney must be first signature on all contracts. The Agricultural Commissioner will not sign the Contract until all required use permits from the Planning Department have been approved (See Step 1). Agricultural Commissioner will ensure that all parties sign the document in the proper order. All Owners must sign the contract and the Owner(s)'s signature(s) must be notarized.

ACTION TAKEN

Agricultural Commissioner facilitates signature and copies of contract to appropriate parties.



Applicant deadline



Action taken by City agencies

Phase 6:

Board of Supervisors Final Approval

7. Once the City Attorney's Office and the Agricultural Commissioner have signed the Contract, a final version of said contract, which will be in its substantially final form unless the Board authorizes any further changes or amendments, will be sent by the Agricultural Commissioner to the Board Clerk with a cover sheet stating that this notice is required under Administrative Code Section 53A.5 and providing the estimated combined tax revenue loss.

Not all signatures are required at time of initial Clerk contact.

8. The Clerk of the Board of Supervisors will then distribute the Contract to the Board members. The Board of Supervisors has 10 business days from the date the Clerk received the notice to request a hearing on any of the applications. If there is no request, the Clerk of the Board of Supervisors will inform the Agricultural Commissioner that the Contract may be finalized. If a request is made, the Contract cannot be finalized unless the Board holds a hearing and affirms the Agricultural Commissioner's approval of the Contract.

The Agricultural Commissioner will let the City attorney, Applicant, and Assessor-Recorder's office know in writing that the application has been approved by the Board of Supervisors. Finally, once the contract is fully executed, the Agricultural Commissioner shall forward a final version to the Clerk of the Board to send to the Board Members.

ACTION TAKEN

The BOS approves the final contract, either with or without a board hearing.

Phase 7:

Record Contract with the Office of the Assessor-Recorder

9. As the final step in the application process, the Applicant delivers the signed Contract to the Office of the Assessor-Recorder for recordation and for Urban Agriculture Incentive Zone value to be effective for the following fiscal year. Applicant will ask for conformed copy of document and send copy to Agricultural Commissioner. All applicants must also pay the required recordation fees (see www.sfassesor.org for current fee schedule).

All contracts must be recorded by December 31st to qualify for reduced assessment by the January 1 lien date.

DEADLINE: DECEMBER 31

10. If the property is not already in use for urban agriculture, the property owner has 30 days from the date of the recording of the Contract to begin agricultural activity.

Phase 8:

Monitoring Compliance with the Contract

11. The Agricultural Commissioner will conduct an initial site inspection within 90 days of the Contract recording. Every year after that as long as the Contract is in effect, the Agricultural Commissioner will inspect the property to monitor compliance with the Contract requirements.



California's first Urban Agriculture Incentive Zone participant: 18th & Rhode Island Garden

In just a few short years, an empty lot at the corner of 18th and Rhode Island Streets in Potrero Hill has transformed from a sandy lot to a verdant and beautiful permaculture garden boasting many varieties of vegetables, fruit and nut trees, and rare plants, thanks to neighborhood volunteers and the vision of the site's owner, San Francisco physician Aaron Roland. The garden has become a prized open space in this dense residential neighborhood, where locals can meet one another and participate in growing and harvesting fresh fruits and vegetables.

The garden has become the first participant to take advantage of the state's Urban Agriculture Incentive Zones Act (CA Assembly Bill 551), meant to incentivize the creation and preservation of urban agriculture sites. The legislation acknowledges that urban agriculture benefits communities in many ways, through education about food, nutrition, and the environment; addressing sustainability goals; building community; creating green spaces, and benefiting the local economy. Under this program, property taxes for the 18th and Rhode Island Garden will be deeply discounted for five years, on the condition that the site will be preserved as publicly-accessible urban agriculture over this period.

For more information:

Department of Public Health www.sfdph.org San Francisco Recreation & Parks

http://sfrecpark.org/park-improvements/urban-agriculture-program-citywide/

What does each department do?

Role of the Planning Department

The Planning Department reviews and issues the Certificate of Eligibility for a Contract, ensuring that the property meets eligibility criteria and the agricultural use is consistent with existing zoning regulations. It also separately issues any required use permits and Conditional Use Authorizations for urban agriculture projects.

Role of the Agricultural Commissioner

The role of the City's Agriculture Commissioner is to protect health and safety by enforcing agricultural laws and regulations through inspection, monitoring, permitting and licensing. The Commissioner accepts applications for Contracts, communicates with the Office of the Assessor-Recorder and Clerk of the Board of Supervisors, approves some Contracts, executes all Contracts, and conducts annual site inspections and monitors compliance with all Contract requirements.

Role of the Office of the Assessor-Recorder

The Office of the Assessor-Recorder's locates and values all taxable property in the City and County of San Francisco. This Office also serves as the City's official record-keeper of documents such as deeds, liens, maps and property contracts. In an Urban Agriculture Incentive Zone contract, the Office of the Assessor-Recorder values qualified property based on a valuation approach prescribed by the State Board of Equalization and the USDA. The Assessor-Recorder also records and maintains as part of the public record, the fully executed property contract.

Role of the Recreation and Park Department

The Recreation and Park Department manages the citywide Urban Agriculture Program to coordinate all of the City's urban agriculture activities and to work toward advancing urban agriculture in San Francisco. Through the Urban Agriculture Program, the Recreation and Park Department will coordinate efforts with the Agricultural Commissioner and applicants to provide outreach and education around the application. The Department may assign staff to provide any needed technical assistance and public engagement.



Additional Information About Urban Agriculture Incentive Zones

Additional Applications and Approvals

If applicable, urban agriculture projects must have all necessary use permits, such as a change of use permit, Conditional Use Authorization, and building permits for proposed structures, before the Agricultural Commissioner may sign a Contract. Please note that other permits and licenses may be required, such as health permits, depending on what type of agriculture uses are proposed. However, projects are not required to finalize these permits prior to signing a Contract.

Termination of the Contract

If the Agricultural Commissioner deems the property owner to be in breach of the terms of a Contract, the Agricultural Commissioner will notify the property owner, the Assessor-Recorder, and the Planning Department in writing and will include pertinent details. The property owner then has 30 days to send a written appeal to the Clerk of the Board of Supervisors before the Contract is terminated and if they wish to appeal this determination. The owner may terminate the Contract by notifying the Agricultural Commissioner and upon payment of a cancellation fee equal to that of the tax revenue lost including interest to the Treasurer-Tax Collector. The amount of that cancellation fee will be determined by the Assessor-Recorder, but payment of the fee may also be appealed to the Board of Supervisors under Chapter 53A. The property owner must record the cancellation within 30 days of termination.

Inspections and Monitoring

The City may conduct periodic inspections of the property in addition to the Agricultural Commissioner's annual inspection. Generally, these inspections require a 72-hour prior notification. Agencies that may inspect include: the Department of Public Health, the Office of the Assessor-Recorder, Department of Building Inspection, the Planning Department, Agricultural Commissioner and the State Board of Equalization.

Transfer of Ownership

The Urban Agricutlure Incentive Zone contract is attached to the property. Subsequent owners are bound by the terms and conditions of the 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 Office of the Assessor-Recorder must be notified of any transfer of ownership.

Continuation of the Contract

Annually the Agricultural Commissioner will contact the property owner 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.

Additional Fees

For at least one year from the ordinance enactment, there is no fee other than that of the Recorder (see www. sfassessor.org for up to date fee schedule). After that the Agricultural Commissioner will deliver a recommendation to the Board of Supervisors to create an application fee and a fee to cover the time and materials needed for each relevant agency to monitor the Contracts. It would be up to the Board of Supervisors to decide whether to impose additional fees at that time.

Frequently Asked Questions

Can I use my backyard as an "agricultural zone" and apply for a Contract?

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

Can I build structures related to the urban agriculture use, such as greenhouses, toolsheds, fences, etc.?

Structures accessory to the urban agriculture use are permitted; however, you may need additional permits depending on the size, location, and type of accessory structure. Structures that do not require a permit are limited to one enclosed building of not more than 100 square feet of roof area (toolshed, storage unit, greenhouse) and one 60 square feet for open-walled structure (such as gazebos). Both must be less than 8-feet tall. Constructing a fence on the property may require an additional building permit application, depending on the size and location. Consult the Planning Information Center (PIC) located at 1660 Mission Street and Department of Building Inspection for more information.

What kind of permits do I need to sell food and plants grown on site?

If you are selling produce and plants offsite at a Certified Farmers Market, you need to apply for a Certified Producers Certificate (application available at: http://www.cdfa.ca.gov/egov/farmersmarket/). All other sales of plants and whole, uncut produce does not require a certificate. Sales of processed and prepared foods may require additional permits.

Am I required to open my property to the public?

Yes. According to Administrative Code Section 53A.5, the site must be periodically open to the public through agricultural education or outreach, distribution and/or sales of agricultural products, or general public open hours like a community garden.

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

Land that is under a 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 a minimum of 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.

How are my property taxes reduced?

This legislation requires a county assessor to value land that is restricted by a contract at a rate based on the average per-acre value of irrigated cropland in California. UAIZ property is assessed on an annual basis at the lowest of the fair market value, the factored base year value, or the Urban Agriculture Incentive Zone value.

How much of a reduction will I receive?

The Office of the Assessor-Recorder can only provide value estimates on assessed value as of the date of valuation. All property is again reassessed annually by the January 1st lien date per state law. Values are based on the per acre value (published by the USDA) as well as the property tax rate. Both rates change annually. Property calculations are based on:

(Size of the parcel in acres) X (Per acre value as published USDA National Agricultural Statistics Service)

= Restricted Urban Agriculture Incentive Zone value of the land

Property tax rates, while not changed, are applied to the new updated value of land.

What happens if I want to sell my property after I have a UAIZ contract?

A Contract is attached to the property. Subsequent owners are bound by the terms and conditions of the 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 Office of the Assessor-Recorder must be notified of any transfer of ownership.

Are there potential penalties for property owners with a UAIZ contract?

Yes. If a property is not maintained under the terms of the contract, is improperly altered, or if agricultural work is not performed, the owner could be found in breach of contract. If the breach of contract cannot be resolved to satisfy the contract, it may be cancelled and the owner is assessed a cancellation fee that is equal to the cumulative value of the tax benefit received during the duration of the contract. This fee shall include the cumulative tax owed, including interest.

If I apply for a UAIZ contract, is the City obligated to enter into the contract?

No. The City will evaluate each individual contract application alongside a set of priority criteria and determine which applications qualify.

How often will a property under Urban Agriculture Incentive Zone contract be assessed?

The Office of the Assessor-Recorder will conduct a preliminary valuation during the application process and will review the UAIZ value annually as of the lien date, January 1st.

What happens to assessed value after the UAIZ contract expires?

Property tax reverts to being assessed through the normal process (base year value + the combined inflation adjustments in the subsequent years, including those when the land was under AB 551 contract). The assessed value is temporarily lowered during the duration of the contract. At the end of the five year contract, the Office of the Assessor-Recorder will restore the property's factored base year value. The cancellation of the contract does not constitute a change of ownership and therefore would not result in establishing a new base year value.

Will my tax savings be the same every year?

No. The Office of the Assessor-Recorder, as mandated by state law, will reappraise your property annually. The factors that will impact that taxable value are property tax rate and per acre value. These both change annually.

Is my contract final once approved by the San Francisco Board of Supervisors?

No, your contract is not final until it has been recorded with the Office of the Assessor-Recorder by December 31st by 4pm. If the contract is not recorded by this date, the property cannot be reassessed on January 1st under the UAIZ valuation and the property owner will not receive a tax savings for the following tax year. Contracts must be recorded in-person by the property owner at:

Office of the Assessor-Recorder City Hall, Room 190 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 Website: www.sfassessor.org Recording Hours of Operation: Mon-Fri (8-4pm)

Is there a fee to have my UAIZ property contract recorded with the Office of the Assessor-Recorder?

Yes. Please visit www.sfassessor.org for the current recording fee schedule as they may be amended from time-to-time.

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 Office of the Assessor-Recorder. The fiscal year annual secured property tax bill is mailed by the Tax Collector's Office in October of each year and property owners should receive their bill by November 1. The absolute deadline to have your Contract recorded is December 31st by 4pm 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 Tax Collector's Office if you do not receive your tax bill by dialing 311 or (415)701-2311.

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

For at least one year from the ordinance enactment, there is no fee other than that of the Recorder (see www. sfassessor.org for up to date fee schedule). After that the Agricultural Commissioner will deliver a recommendation to the Board of Supervisors to create an application fee and a fee to cover the time and materials needed for each relevant agency to monitor the Contracts. It would be up to the Board of Supervisors to decide whether to impose additional fees at that time.

What if I have a question that isn't answered here?

Please contact the Urban Agriculture Program Coordinator at the Recreation and Park Department at (415)575-5604 or the Agricultural Commissioner at (415)252-3830.

Application Instructions

- Bring the completed Certificate of Eligibility form to the Planning Information Counter (at 1660 Mission Street), along with:
 - Site plans illustrating the current and future agriculture uses on the site
 - Photos of the site, including photos of the exterior and interior of any existing structures.
 - Letter of authorization, if the applicant is not the property owner.
- 2. Complete the application materials and submit to the Agriculture Commission by no later than 5pm on or before the application deadline. The completed application packet should include:
 - Application for Urban Agriculture Incentive Zones
 - Letter of Authorization (if applicable)
 - Signed Certificate of Eligibility
 - (If applicable) A copy of the issued change of use permit or a copy of the Planning Commission Motion approving a Conditional Use Authorization.

Applications are due to the Agricultural Commissioner by 5pm of the application cycle deadline (listed below) via email, USPS, or hand delivered to:

Department Environmental Health Attn: Agriculture Program 1390 Market Street, Ste. 210 San Francisco, CA 94102 - OR miguel.monroy@sfgov.org

The application cycle deadlines are March 1st, June 1st, and August 1st.

- 3. Await approval of application from Agricultural Commissioner. Once approved, the Agricultural Commissioner, City Attorney, Assessor-Recorder and you must sign the contract in order for it to be effective and recorded against the property.
- 4. Bring approved and signed contract to Assessor-Recorder office to record the contract.
- 5. Begin agricultural activity within 30 days from recording.



APPLICATION FOR AN

Urban Agricultural Incentive Zone Contract on Private Property

Application must be filled out by the property owner or an authorized agent. Applications are due to the Agricultural Commissioner by 5pm of the application cycle deadline (listed below) via email, USPS, or hand delivered to: Environmental Health Section, Attn: Agriculture Program, 1390 Market Street, Ste. 210, San Francisco, CA 94102 or miguel.monroy@sfgov.org.

The application cycle deadlines are March 1st, June 1st, and August 1st.

Applicants will receive notification within 30 days whether their application has either a) been approved and forwarded to the Assessor's Office for review or b) been denied. Questions about the application can be directed to:

Hannah Shulman Urban Agriculture Program Coordinator, San Francisco Recreation & Parks Department hannah.shulman@sfgov.org (415)575-5604 Miguel Monroy Agricultural Commissioner, San Francisco Department of Public Health miguel.monroy@sfdph.org (415)252-3939

1. Owner/Applicant Information

PROPERTY OWNER'S NAME	:					
PROPERTY OWNER'S ADDRI	ESS:			TELE	PHONE:	
				()	
				EMAIL	-:	
APPLICANT'S NAME:						
						Same as Above
APPLICANT'S ADDRESS:				TELEF	PHONE:	
				()	
				EMAIL		
2. Property Inf	ormation					
STREET ADDRESS:						
CROSS STREETS: ASS			ASSESSOR'S	BLOCK AND LOT		
					/	
LOT DIMENSIONS (FT):	LOT AREA (SQ FT):	ZONING DISTRICT:	SPECIAL/RE	STRICTED US	SE (SUB)DISTRICT(S)	HEIGHT/BULK DISTRICT:
	, ,				,	

Does the site have a driveway for site access for vehicles or a space to load and unload equipment?			
Does the site have on-site water access? If yes, please give the approximate location of the water source. Contact SFPUC for more information on how to apply for a water meter: http://sfwater.org/index.aspx?page=469			
USE AUTHORIZATION: Is there an approved use permit or Conditional Use Authorization for Neighborhood Agriculture or Large-Scale Urban Agriculture at the site?	□YES □NO		
If the answer is "No," have you filed an application for a change of use permit or Conditional Use Authorization?	□YES □NO		
Please note: Urban Agriculture Incentive Zone contracts cannot be recorded until necessary use permits have been issued.	If there is an approved or pending use permit / Conditional Use Authorization, please provide the BPA # or case number:		
3. Agricultural Plan			
URBAN AGRICULTURE BUSINESS/ORGANIZATION NAME (if applicable):			
NAME OF PRIMARY CONTACT / RESPONSIBLE PARTY DURING BUSINESS HOURS: MOBILE TELEPHONE NUMBER:			
Does the applicant and/or manging party intendto use the property for a minimum of five years for agricultural purposes?	□YES □NO		
DESCRIPTION OF AGRICULTURAL ACTIVITIES, INCLUDING: (Attach additional plans and documents, as needed) • Any plans for bees or animal husbandry projects • All structures on site (existing and proposed) including greenhouses, sheds, fences, etc. • A schedule of when agriculture uses will be developed on site (if available)			
4. Community Engagement			
How will the applicant make the site open to the public? Possibilities include: produce stand, agricultural educ open hours, food distribution by sale or donation, or other (describe below).	ation, general		
Describe the benefits to the community of the applicant's urban agricultural project:			

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5. Applicant's Affidavit

Under penalty of perjury the following declarations are made:

- 1. I am the owner or authorized agent of the owner of this property.
- 2. The information presented on this application is true and correct to the best of my knowledge.
- 3. Additional information or applications may be required in order to render this application complete.

Applicant's Signature:	Date:
Print name, and indicate whether owner or authorized agent:	
	Property Owner
	Authorized Agent for Property Owner (attach letter of authorization to this application)

6. Application Submittal Checklist

APPLICATION MATERIALS	CHECKLIST			
Original Application, signed with all blanks completed				
Letter of authorization for agent (if applicable)				
Signed Certificate of Eligibility				
Photographs: including site and existing structures				
Copy of Motion approving the Conditional Use Authoriation (if applicable)				
Copy of Issued Building Permit for change of use (if applicable)		NOTES:		
Set of plans:		Required Material. Write "N/A" if you be the item is not applicable, (e.g. letter o authorization is not required if applicar		
Site Plan (existing and proposed)		property owner.)		
Schedule of agriculture development plan (if applicable)		Optional Material, may be requested by a planner at a later date.		



City and County of San Francisco

DEPARTMENT OF PUBLIC HEALTH

ENVIRONMENTAL HEALTH / AGRICULTURE

FOR MORE INFORMATION:

Department of Public Health, Environmental Health / Agriculture attn: Miguel Monroy, Agriculture Commissioner

1390 Market Street, Suite 910 San Francisco, CA 94102 miguel.monroy@sfdph.org

TEL: 415.252.3939 FAX: 415.252.3869 WEB: http://www.sfdph.org San Francisco Recreation & Parks Dept. Urban Agriculture Program attn: Hannah Shulman, Program Coordinator

30 Van Ness Avenue, 4th Floor San Francisco, CA 94102 hannah.shulman@sfgov.org

TEL: 415.575.5604 WEB: http://www.sfrecpark.org

Urban Agriculture Incentive Zone

Important Information for Applicants and Owners

- This Certificate for Eligibility will be issued by the Planning Department.
- Please fill out sections 1 through 4 of the Application for Urban Agriculture Incentive Zone prior to bringing this Certificate in person to the Planning Information Center.
- Bring the completed application plus a site plan (if applicable), photos of the site and existing structures (exterior and interior), and letter of authorization to the Planning Information Center (PIC). The PIC is located at 1660 Mission Street, ground floor. The hours are weekdays from 8:00 AM to 5:00 PM, except on Wednesday mornings when it opens at 10:15 AM. No appointment is necessary.
- If you have any questions about this Certificate of Eligibility, contact the Planning Information Center at (415) 558-6377.

PLANNING DEPARTMENT USE ONLY

STREET ADDRESS:	ASSESSOR'S BLOCK AND LOT		
	1		
Planning staff, please check and complete. Use PIM, photographs a	nd permit history to verify:		
ELIGIBILITY CRITERIA		YES	NO
Is the property located within a zoning district where Neighborhood Agricultural or Large-Scale Urban Agricultural Uses as defined in Planning Code Section 102 are principally or conditionally permitted uses?			
Is the property at least 0.10 acres (4356 sq ft) and not more than 3 acres (130,680 sq ft) in size?			
Is the property free of dwelling units?			
Does the property include only structures that are accessory to the permitted agricultural activity, including, but not limited to: toolsheds, greenhouses, produce stands, or educational space?			
If the answer to any of the above questions is "NO," the project is ineligib	le for an Urban Agriculture Incentive	Zone.	
COMMENTS:			
CERTIFICATION OF ELIGIBILITY:		YES	NO
The above property meets the eligibility criteria for an Urban Agriculture Incentive Zone.			
PLANNING STAFF VERIFICATION:			
Signature:	Date:		
Printed Name:	Phone:		

14 Last updated: 02.20.2015

[THE FOLLOWING IS AN EXAMPLE OF AN URBAN AGRICULTURE INCENTIVE ZONES ACT AGREEMENT. DO NOT SIGN THIS SAMPLE AGREEMENT. THE AGRICULTURAL COMMISSIONER WILL PROVIDE AN AGREEMENT FOR SIGNATURE AFTER INITIALLY APPROVING YOUR APPLICATION.]

Recording Requested by, and when recorded, send notice to: Agricultural Commissioner 1390 Market Street, Ste 210 San Francisco, California 94102

URBAN AGRICULTURE INCENTIVE ZONES ACT PROPERTY AGREEMENT [STREET NUMBER AND STREET NAME] ("[NAME OF PROPERTY, IF ANY]") SAN FRANCISCO, CALIFORNIA

THIS AGREEMENT is entered into by and between the City and County of San Francisco, a California municipal corporation ("City") and [NAME(S)] ("Owner(s)").

RECITALS

Owners are the owners of the property located at [ADDRESS], in San Francisco, California (Block [BLOCK NUMBER], Lot [LOT NUMBER]). The San Francisco Planning Department and San Francisco Agricultural Commissioner have determined that the property located at [ADDRESS] ("Property") is eligible under the California Urban Agriculture Incentive Zones Act for an urban agriculture incentive zones contract. Owners desire to implement a small-scale urban agricultural use project for the Property.

The State of California has adopted the "Urban Agriculture Incentive Zones Act" (California Government Code Sections 51040, *et seq.*, and California Revenue & Taxation Code, Article 1.5 [Section 422.7 *et seq.*]) authorizing local governments to enter into agreements with property Owners to reduce their property taxes, or to prevent increases in their property taxes, in return for a commitment to a sustainable urban farm enterprise in an urban area. The City has adopted enabling legislation, San Francisco Administrative Code Chapter 53A, authorizing it to participate in the Urban Agriculture Incentive Zones Act program.

Owners desire to enter into an Urban Agriculture Incentive Zones Act Agreement (also referred to as "Agreement") with the City to help mitigate expenditures for the use of the Property for small-scale urban agricultural use. The City is willing to enter into such Agreement to promote the use of vacant, undeveloped land for sustainable urban agricultural use and to provide public benefits to the City such as connecting residents to the broader food system, providing green space and recreational opportunities, building community, and promoting food access, public health, and economic development potential.

NOW, THEREFORE, in consideration of the mutual obligations, covenants, and conditions contained herein, the parties hereto do agree as follows:

1. <u>Application of Urban Agriculture Incentive Zones Act.</u> The benefits, privileges, restrictions and obligations provided for in the California Urban Agriculture Incentive Zones Act and San Francisco Administrative Code Chapter 53A shall be applied to the Property during the time that this Agreement is in effect commencing from the date of recordation of this Agreement.

- 2. <u>Use of the Property.</u> Owners shall dedicate the entire Property to commercial or noncommercial agricultural use and shall undertake and complete the work set forth in Exhibit A ("Agricultural Use Plan") attached hereto. The Agricultural Use Plan sets forth the permitted agricultural use of the property and includes the proposed site plan and development schedule for the property. Owners shall proceed diligently in commencing agricultural use as set forth in the Agricultural Use Plan and shall commence such use not less than thirty (30) days after recordation of this Agreement if not already using the Property for agricultural use. Owners shall permit members of the public to periodically access the site as set forth in the Agricultural Use Plan. No dwelling units shall be permitted on the Property. Failure to timely commence agricultural use, failure to permit public access according to the Agricultural Use Plan, or the presence or construction of any dwelling unit(s) on the Property shall result in cancellation of this Agreement as set forth in Paragraphs 13 and 14 herein.
- 3. <u>Cessation of Agricultural Use.</u> Owners shall report in writing to the Agricultural Commissioner any cessation of agricultural use for any reason or any other change in use from that approved under the attached Agricultural Use Plan within two (2) weeks of the cessation of activity. Owners shall resume agricultural activity consistent with the Agricultural Use Plan within three (3) months of any such cessation. Failure to timely resume agricultural use shall result in cancellation of this Agreement as set forth in Paragraphs 13 and 14 herein.
- 4. <u>Pesticides and Fertilizers.</u> [OPTIONAL FOR AGRICULTURAL COMMISSIONER TO INCLUDE: "Use of pesticides and fertilizers on the Property shall be restricted to those allowed by the United States Department of Agriculture's National Organic Program." IF NOT USED, THEN INSERT "Intentionally left blank." INSTEAD.]
- 5. <u>Insurance.</u> Owners shall secure adequate liability insurance to cover the uses proposed in the attached Agricultural Use Plan, including coverage for any third parties on the Property, and shall submit evidence of such insurance to the City upon request.
- 6. <u>Inspections.</u> Owners shall permit periodic examination of the Property by representatives of the City's Assessor-Recorder, the Department of Building Inspection, the Planning Department, the Agricultural Commissioner, and the State Board of Equalization, upon seventy-two (72) hours advance notice, to monitor Owners' compliance with the terms of this Agreement. Owners shall provide all reasonable information and documentation about the Property demonstrating compliance with this Agreement as requested by any of the above-referenced entities.
- 7. <u>Term.</u> This Agreement shall be effective upon the date of its recordation and shall be in effect for a term of five (5) years from such date ("Initial Term").
- 8. <u>Valuation.</u> This Agreement must have been signed, accepted and recorded on or 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.
- 9. <u>Renewal and Extension.</u> Owners may apply for an extension of the Agreement for an additional term of up to five (5) years, provided that the California Urban Agriculture Incentive Zones Act and San Francisco Administrative Code Chapter 53A permit such an extension. Any such extension shall be subject to the same requirements as an initial application as set forth in San Francisco Administrative Code Chapter 53A.

- 10. <u>Payment of Fees.</u> Owners agree to pay any fee authorized by the San Francisco Board of Supervisors under the California Urban Agriculture Incentives Zone Act and Administrative Code Chapter 53A for the City's reasonable costs related to implementing and administering the Agreement, including but not limited to the costs of inspecting the Property and determining compliance with the Agreement, as provided for in Government Code Section 51042(a)(2)(A). Owners shall promptly pay any such requested amount within forty-five (45) days of receipt of notice of the fee amount due.
- 11. Default. An event of default under this Agreement may be any one of the following:
 - (a) Owners' failure to conduct the agricultural use set forth in Exhibit A;
- (b) Owners' failure to resume agricultural use after cessation in accordance with the requirements of Paragraph 3 herein;
 - (d) Owners' failure to allow any inspections as provided in Paragraph 6 herein;
 - (e) Owners' termination of this Agreement during the Term;
- (f) Owners' failure to pay any fees imposed by the City as provided in Paragraph 10 herein;
 - (g) Owners' failure to maintain adequate insurance for the Property; or
 - (h) Owners' failure to comply with any other provision of this Agreement.

An event of default shall result in cancellation of this Agreement as set forth in Paragraphs 13 and 14 herein and payment of the cancellation fee and all property taxes due upon the Assessor-Recorder's determination of the assessed value of the Property as set forth in Paragraph 14 herein.

- 12. <u>Cancellation by Owner.</u> In the event Owners cancels this Agreement during the Term, Owners shall provide written notice to the Agricultural Commissioner and Assessor-Recorder and pay the Cancellation Fee as set forth in Paragraph 14 herein. In addition, the Assessor-Recorder shall determine the assessed value of the Property as of the date of cancellation and shall assess all property taxes for the Property without regard to any restriction imposed on the Property by this Agreement.
- 13. Cancellation by City. City may initiate proceedings to cancel this Agreement if it makes a reasonable determination that Owners have breached any condition or covenant contained in this Agreement or have defaulted as provided in Paragraph 11 herein. In order to cancel this Agreement, the Agricultural Commissioner shall provide written notice to Owners, the Assessor-Recorder, and the Planning Department of his or her intent to cancel the Agreement. Owners may file a written appeal of this determination with the Clerk of the Board of Supervisors within thirty (30) days of the notification as set forth in San Francisco Administrative Code Section 53A.8. The Board of Supervisors shall determine at a public hearing whether this Agreement should be cancelled. If the Agreement is cancelled, Owners shall pay the Cancellation Fee as set forth in Paragraph 14 herein, and the Assessor-Recorder shall determine the assessed value of the Property as of the date of cancellation and shall assess all property taxes for the Property without regard to any restriction imposed on the Property by this Agreement

- 14. <u>Cancellation Fee.</u> If the City cancels this Agreement as set forth in Paragraph 13 above or Owners cancel the Agreement as set forth in Paragraph 12 above, Owners shall pay a cancellation fee equal to the cumulative value of the tax benefit received during the duration of the Agreement, as determined by the Assessor-Recorder, as set forth in Government Code Section 51042(a)(2)(B). This fee shall include the cumulative tax owed, including interest. The cancellation fee shall be paid to the City Tax Collector at such time and in such manner as the City shall prescribe. Owners may appeal payment of this fee to the Board of Supervisors as set forth in San Francisco Administrative Code Section 53A.8. The Board of Supervisors may waive payment of the fee, or any portion thereof, if it determines that the cancellation was caused by extenuating circumstances despite the good faith effort by Owners to comply with the provisions of the Agreement.
- 15. Enforcement of Agreement. In lieu of the above provision to cancel the Agreement, the City may bring an action to specifically enforce or to enjoin any breach of any condition or covenant of this Agreement. Should the City determine that Owners have breached this Agreement, the City shall give Owners written notice by registered or certified mail setting forth the grounds for the breach. If Owners do not correct the breach, or if do not undertake and diligently pursue corrective action, to the reasonable satisfaction of the City within thirty (30) days from the date of receipt of the notice, then the City may, without further notice, initiate default procedures under this Agreement as set forth in Paragraph 13 and bring any action necessary to enforce the obligations of Owners set forth in this Agreement. The City does not waive any claim of default by Owners if it does not enforce or cancel this Agreement.
- 16. <u>Indemnification.</u> Owners shall indemnify, defend, and hold harmless the City and all of its boards, commissions, departments, agencies, agents and employees (individually and collectively, the "City") from and against any and all liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses incurred in connection with or arising in whole or in part from: (a) any accident, injury to or death of a person, loss of or damage to property occurring in or about the Property; (b) the use or occupancy of the Property by Owners, their Agents or Invitees; (c) the condition of the Property; (d) any construction or other work undertaken by Owners on the Property; or (e) any claims by unit or interval Owners for property tax reductions in excess those provided for under this Agreement. This indemnification shall include, without limitation, reasonable fees for attorneys, consultants, and experts and related costs that may be incurred by the City and all indemnified parties specified in this Paragraph and the City's cost of investigating any claim. In addition to Owners' obligation to indemnify City, Owners specifically acknowledge and agree that they have an immediate and independent obligation to defend City from any claim that actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false, or fraudulent, which obligation arises at the time such claim is tendered to Owners by City, and continues at all times thereafter. Owners' obligations under this Paragraph shall survive termination of this Agreement.
- 17. <u>Binding on Successors and Assigns.</u> The covenants, benefits, restrictions, and obligations contained in this Agreement shall be deemed to run with the land and shall be binding upon and inure to the benefit of all successors and assigns in interest of Owners.
- 18. <u>Legal Fees.</u> In the event that either the City or Owners fail to perform any of their obligations under this Agreement or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the prevailing party may recover all costs and expenses incurred in enforcing or establishing its rights hereunder, including reasonable attorneys' fees, in addition to court costs and any other relief ordered by a court of competent

jurisdiction. Reasonable attorneys fees of the City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

- 19. <u>Governing Law.</u> This Agreement shall be construed and enforced in accordance with the laws of the State of California.
- 20. <u>Recordation.</u> Within 20 days from the date of execution of this Agreement, Owners shall cause this Agreement to be recorded with the Office of the Recorder of the City and County of San Francisco.
- 21. <u>Amendments.</u> This Agreement may be amended in whole or in part only by a written recorded instrument executed by the parties hereto in the same manner as this Agreement.
- 22. <u>No Implied Waiver.</u> No failure by the City to insist on the strict performance of any obligation of Owners under this Agreement 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 Agreement.
- 23. <u>Authority.</u> If Owners sign as a corporation or a partnership, each of the persons executing this Agreement on behalf of Owners does hereby covenant and warrant that such entity is a duly authorized and existing entity, that such entity has and is qualified to do business in California, that Owners have full right and authority to enter into this Agreement, and that each and all of the persons signing on behalf of Owners are authorized to do so.
- 24. <u>Severability.</u> If any provision of this Agreement is determined to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each other provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- 25. <u>Tropical Hardwood Ban.</u> The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood or tropical hardwood product.
- 26. <u>Charter Provisions.</u> This Agreement is governed by and subject to the provisions of the Charter of the City.
- 27. Signatures. This Agreement may be signed and dated in parts.

CITY AND COUNTY OF SAN FRANCISCO:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as follows:

By:Carmen Chu Assessor-Recorder	DATE:	
Bv:	DATE:	

By:	DATE:
Miguel Monroy Agricultural Commissioner	
APPROVED AS TO FORM: DENNIS J. HERRERA CITY ATTORNEY	
By:	DATE:
OWNERS	
By:	DATE:

[IF MORE THAN ONE OWNER, ADD ADDITIONAL SIGNATURE LINES. ALL OWNERS MUST SIGN AGREEMENT.]

EACH OWNER(S)' SIGNATURE(S) MUST BE NOTARIZED. ATTACH PUBLIC NOTARY FORMS HERE.