



## **FARMLAND SECURITY ZONE:**

### **GENERAL CANCELLATION PROCESS**

A Farmland Security Zone (FSZ) Cancellation is an option only under limited circumstances and conditions, as set forth in Government Code (GC) § 51297. Cancellation of a FSZ contract requires additional findings as compared with a Williamson Act contract cancellation, including approval of the FSZ cancellation findings by the Director of the Department of Conservation (Department).

Pursuant to GC §51297(a) the county or city must make both the Consistency with the Williamson Act and Public Interest findings, outlined in GC § 51282(a), based on substantial evidence in the cancellation petition. Subdivisions (b) to (e) of GC § 51282, shall also apply to the findings made by the county or city.

As part of the cancellation process the county or city assessor determines the current, unrestricted fair market valuation of the property. Gov Code § 51297(b) requires a cancellation fee payment by the landowner to the county treasurer<sup>1</sup> that is 25 percent of the valuation of the property. A county or city may impose their own fee in addition to the fee imposed by the Act. Valuation is not required to accompany the petition, but must be made available to the Department prior to any action by the board or council on the tentative cancellation approval.

Since the Director of the Department of Conservation has the authority to approve or deny a FSZ cancellation petition, when a FSZ cancellation is proposed the Department of Conservation becomes a responsible agency under CEQA.

Gov Code § 51200 prevails over this document. This document is intended to be used for informative purposes. If you have any questions, please feel free to contact the Department of Conservation at [LCA@conservation.ca.gov](mailto:LCA@conservation.ca.gov) and/or the local county/city planning or assessor's office.

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<sup>1</sup> Per GC § 51283(e) the cancellation fee is passed onto the State Controller's office within 30 days of execution of a final Certificate of Cancellation of Contract by the board or council.

## **FARMLAND SECURITY ZONE CANCELLATION PROCESS**

### **Landowner:**

A landowner files a petition for cancellation of a FSZ contract (cancellation of a contract may only be filed by the landowner). Please contact the local county/city planning office for information on their application process, as they will be the lead agency for the cancellation.

Gov Code § 51284.1 outlines what is basically required in the tentative cancellation petition:

- A copy of the petition
- A copy of the contract
- A general description of the land that is the subject of the proposed cancellation (in text or by map, and in relation to the contract as a whole if proposed as a partial cancellation).
- A deadline for submitting comments (consistent with the Permit Streamlining Act, but no less than 30 days prior to the scheduled action by the board or council).

Per GC § 51283(e) the cancellation fee is passed onto the State Controller's office within 30 days of execution of a final Certificate of Cancellation of Contract by the board or council.

The Department has also compiled a Cancellation Petition Advice Paper to assist landowners and jurisdictions in compiling and organizing the material necessary to document the need to prematurely exit existing Land Conservation Act contracts.

### **County/City:**

Valuation - A copy of the petition is sent to the county/city assessor for determination of the current fair market value of the land and the cancellation fee<sup>2</sup>. The assessor determines the cancellation fee valuation prior to any board or council action on the tentative cancellation and sends the valuation to the landowner and the Department for review.

The county/city forwards a copy of the cancellation petition (accepted by the county/city as complete<sup>3</sup>) to the Department not less than 30 days prior to any scheduled action.

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<sup>2</sup> Equal to 25% of the current fair market value of the land.

<sup>3</sup> A cancellation petition is considered to be complete once the county/city has either, conducted a preliminary review and deemed the petition data and findings to be acceptable, or they have finished their own environmental review and set of required findings to forward on to the Department. As a result, the cancellation petition will reflect the views of the county/city as the lead agency.

**Department of Conservation:**

Reviews the proposed cancellation petition and submits comments to the county/city.

**County/City:**

The board/council shall determine and certify to the county/city auditor the cancellation fee amount that the landowner must pay to the county/city treasurer prior to tentative approval of the cancellation.

Mails notice of hearing to every landowner under contract within 1 mile of exterior boundary. Mails notice of the hearing to the Department ten (10) days before the hearing.

The county/city is required to address three additional findings outlined in GC § 51297(c) that will become a part of the record for the tentative cancellation resolution decision, in addition to those found in GC § 51282 (Consistency with the Williamson Act and Public Interest findings).

A public hearing is held for the tentative cancellation of the FSZ contract.

Board/council determines whether to grant tentative approval based upon whether the petition meets the required cancellation findings: Consistency with the Williamson Act, Public Interest, and the three findings required to be made by the county/city per GC § 51297(c).

Board/council certifies that the cancellation fee has been paid.

Upon tentative approval of the cancellation resolution, the clerk of the board/council will record with the county/city recorder a certificate of tentative cancellation that includes<sup>4</sup>:

1. Name of landowner requesting cancellation
2. The fact that a certificate of cancellation of contract will be issued and recorded upon satisfaction of conditions and contingencies specified.
  - a. The resolution for tentative cancellation notes that final approval of the cancellation is dependent upon approval from the Director of the Department of Conservation.
3. The fee must be recomputed if the cancellation fee has not paid within one year of the last valuation.
4. A requirement that the landowner must obtain all necessary permits to commence the project.

Once the County approves the tentative cancellation resolution, a signed and recorded copy, along with the record of decision supporting all the findings for

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<sup>4</sup> Per GC § 51283.4

cancellation, are required to be sent to the Director of the Department of Conservation.

**Department of Conservation:**

The Director of the Department of Conservation will review the record of the tentative cancellation provided by the county/city, and may approve the cancellation for a FSZ only if he finds both of the following:

That there is substantial evidence in the record supporting the decision.

That no beneficial public purpose would be served by the continuation of the contract.

The Department will then send a letter regarding the findings made by the Director to the county/city.

**County/City:**

The county/city will send a copy of the Director's decision to the landowner.

**Landowner:**

If the FSZ cancellation is approved by the Director, the landowner shall notify the board or council when he/she has satisfied the conditions and contingencies enumerated in the tentative cancellation resolution.

**County/City:**

Within 30 days of being notified by the landowner that the conditions and contingencies have been satisfied, the board or council shall execute a Certificate of Cancellation of Contract, cause the certificate to be recorded, and send a copy to the Director of Conservation (GC § 51238.4).

County treasurer sends cancellation fee to State Controller within 30 days of execution of Certificate of Cancellation. The letter to the Controller should be copied to the Department of Conservation and include:

1. Project name, number, cancellation/contract number
2. Assessor's parcel number(s)
3. Applicant or Landowner
4. Assessed cancellation valuation