



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: SEPTEMBER 7, 2021

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARD: 4
DEPARTMENT

SUBJECT: ADOPT A RESOLUTION APPROVING THE TENTATIVE CANCELLATION OF A WILLIAMSON ACT LAND CONSERVATION CONTRACT FOR MAP NO. 52 FOR AN APPROXIMATELY 10.06-ACRE PARCEL LOCATED AT THE SOUTHEAST CORNER OF LURIN AVENUE AND OBSIDIAN DRIVE; AUTHORIZE THE DIMINISHMENT OF THE WOODCREST AGRICULTURAL PRESERVE NO. 3

ISSUE:

Adopt a Resolution approving the Tentative Cancellation of the Williamson Act Land Conservation Contract, Instrument Number 1970-19064 (Assessor Parcel Number 266-100-025), for Map No. 52 for an approximately 10.06-acre parcel located at the southeast corner of Lurin Avenue and Obsidian Drive and authorize the diminishment of the Woodcrest Agricultural Preserve No. 3 upon the execution and recording of the Certificate of Final Cancellation of Williamson Act Land Conservation Contract.

RECOMMENDATIONS:

That the City Council:

1. Adopt the attached Resolution (Attachment 2), based on the findings set forth therein, approving the Tentative Cancellation of Williamson Act Land Conservation Contract, Instrument Number 1970-19064 (Assessor Parcel Number 266-100-025), located at the southeast corner of Lurin Avenue and Obsidian Drive, contingent upon conditions being satisfied;
2. Authorize the City Manager, or his designee, to execute and record the Certificate of Tentative Cancellation of Williamson Act Land Conservation Contract (Attachment 6);
3. Authorize the City Manager, or his designee, to execute and record the Certificate of Final Cancellation of Williamson Act Land Conservation Contract (Attachment 7) upon notice of satisfaction of all conditions and contingencies required in the Certificate of Tentative Cancellation, and to execute any and all documents necessary to effectuate the cancellation of the Williamson Act Land Conservation Contract; and
4. Upon the execution and recording of the Certificate of Final Cancellation of the Williamson Act Land Conservation Contract, authorize the diminishment of the Woodcrest Agricultural Preserve No. 3.

LEGISLATIVE HISTORY:

The Williamson Act, also known as the California Land Conservation Act of 1965, enables local governments to enter into contracts with private landowners to restrict specific parcels to agricultural or related open space uses. In return, landowners receive property tax assessments that are much lower than normal because they are based upon farming and open space uses as opposed to full market value.

Per Government Code § 51282, a landowner may petition the City Council to cancel a Williamson Act Land Conservation Contract only under limited circumstances and conditions. In such cases, the City Council is required to hold a public hearing and may grant tentative cancellation only if it makes required statutory findings. Should the City Council grant a tentative cancellation, the property owner is required to pay a 12.5% cancellation fee of the property's fair market cancellation value as determined by the County Assessor's Office. When the cancellation fee and other identified conditions are met, a Final Certificate of Cancellation is recorded.

BACKGROUND:

The subject property is located at 18875 Lurin Avenue (Property), with Assessor Parcel Number 266-100-025. The Property is located at the southeast corner of Lurin Avenue and Obsidian Drive and is approximately 10.06 acres. On February 27, 1970, the property owner entered into Williamson Act Land Conservation Contract, Instrument Number 1970-19064 ("Contract") (Attachment 3), which was recorded with the County of Riverside.

On May 13, 2008, the Property was annexed into the City of Riverside, including the Contract. The Property transferred title to Lurin Land, LLC on July 15, 2013.

On June 16, 2020, the City was served a Notice of Nonrenewal and Cancellation for the Contract (Attachment 1).

On July 9, 2020, Lurin Land, LLC filed an application for development entitlements to subdivide the 10.06 acres into a planned residential development permit (PR-2020-000733) for 41 single-family lots, private streets, open space, and a detention basin.

On July 22, 2021, the Planning Commission approved Planning Case PR-2020-000733, entitlements to establish a planned residential development consisting of 41 single-family residential lots.

DISCUSSION:

The Property lies within the Woodcrest Agricultural Preserve No. 3 and is subject to a Williamson Act Land Conservation Contract. The Orangecrest Specific Plan provides that once the Williamson Act Land Conservation Contract is canceled, and the Agricultural Preserve is diminished, the Agricultural Preserve can be terminated, and the property reverts to the R-1-13000 single-family residential zone.

Pursuant to Government Code Section 52182, the City Council can grant Tentative Cancellation of a Williamson Act Land Conservation Contract if they are able to make specific findings. The following findings, or facts, have been identified to justify the cancellation of the Contract at the Property:

1. Cancellation is consistent with the purposes of the California Land Conservation Act of 1965 as the property:
 - a. Has been fallow since 2005
 - b. Is not “devoted to agricultural use”
 - c. Is contiguous to and surrounded on all four sides by urban development; and
 - d. Is not classified as Important Farmland by the California Department of Conservation Farmland Mapping and Monitoring Program.
2. A Notice of Nonrenewal was served on the City and was recorded on June 16, 2020 (Instrument Number 2020-0257388) for the cancellation.
3. Cancellation is for an alternative use that is consistent with the applicable provisions of the General Plan 2025. With the cancellation of the Contract, the alternative use of the Property is a 41-unit single family residential development. The development is permitted by the R-1-13000 single-family residential zone with approval of a Planned Residential Development Permit, which pursuant to City Municipal Code Section 19.780.010, permits a higher density than the underlying zoning. The underlying zoning is consistent with the Low-Density Residential General Plan Land Use designation for the Property.
4. Cancellation is not likely to result in the removal of additional lands from agricultural use based on the following:
 - a. The Property is surrounded by urban uses. The adjacent property to the west is owned by the City and will be developed as an urban City park. The adjacent property to the east is graded with individual lots and streets for the development of single-family residences. The adjacent property to the south is partially developed with single-family residences. The property to the north, on the opposite side of Lurin Avenue, is partially developed with single-family residences. None of the surrounding property is devoted to agricultural uses. Development of the Property will not be a catalyst for removal of additional property from agricultural use as such properties are not devoted to such use.
 - b. The Property is located within the Orangecrest Specific Plan (“Specific Plan”), allowing residential and other uses in this area. The Property will be developed in accordance with the R-1-13000 single-family residential zone, the Planned Residential Permit, the Specific Plan, and the General Plan 2025.
5. Cancellation will not result in dis-contiguous patterns of urban development. The Property is located within the Specific Plan area. Implementation of the Specific Plan will ensure that the area will be developed harmoniously and, in a manner, consistent with planning and development requirements of the City. Adjacent to property devoted to urban development.
6. There is no proximate, non-contracted land which is both available and suitable for the use to which the contracted land be put, or, that development of the contracted land would provide more contiguous patterns of urban development than development of proximate non-contracted land. The proximate land surrounding the Property, which is in an urban area, is situated with the Specific Plan area. If not already developed, the land will be developed in accordance with the Specific Plan. No other non-contracted land, proximate to the Property is available for development of single-family residences per the local Multiple Listing Service. No other non-contracted land with the requisite zoning or General Plan designation is for sale to accommodate comparable single-family residential development.

7. Cancellation is in the public interest because other public concerns substantially outweigh the objectives of the California Land Conservation Act of 1965. As expressed by the Governor of California and the State Legislature, California is facing a housing crisis with production being a priority. Available housing is of vital statewide and City importance. The Property is not classified as Important Farmland, is not devoted to agricultural uses, and has been fallow since 2005. The Property is, therefore, not fulfilling the objectives of the Land Conservation Act of 1965.

Staff believes the statutory obligations for the cancellation of the Contract is consistent with the purposes of the Williamson Act. Given the emphasis on the production of housing for all economic segments in the City, cancellation is in the public interest because it facilitates the production of 41 critically needed residential housing units which significantly outweighs the fallow condition of the Property.

The County of Riverside Office of the Assessor has determined that the cancellation value of the Property is \$2,255,000, and pursuant Government Code Section 51283, the fee for cancellation shall be 12 ½ percent of the cancellation value, calculated to be \$281,875 (Attachment 5).

Pursuant to Government Code Section 51284, a public hearing notice was sent to six Williamson Act Contract-holding property owners within one mile of the Property fifteen days prior to the public hearing to be held on September 7, 2021. Additionally a public hearing notice was published in the Press Enterprise at least 10 days prior to the public hearing.

A mitigated negative declaration (MND) has been prepared for the alternative use and the cancellation of the Contract. The Planning Commission considered the MND and alternative use at its July 22, 2021 meeting and approved the alternative use of a planned residential development consisting of 41 single-family residential lots.

Staff recommends the City Council finds and determines that the cancellation of the Contract and the Agricultural Preserve regarding the Property are consistent with the Purposes of the Williamson Act and is in the public interest to approve a tentative contract cancellation. Upon approval of a tentative cancellation, the property owner must pay the cancellation fee in full within one year from the date of the recording of the certificate of tentative cancellation, thus allowing the City Clerk's Office to certify a final certificate of cancellation to the Director of Conservation.

STRATEGIC PLAN ALIGNMENT:

The actions undertaken for the Contract cancellation contributes to the following Strategic Priority and Goal from the Envision Riverside 2025 Strategic Plan:

Priority 2. Community Well Being – Goal 2.1- Facilitate the development of a quality and diverse housing supply that is available and affordable to a wide range of income levels.

The actions undertaken for the Contract cancellation aligns with the Cross-Cutting Threads as follows:

1. **Community Trust** — The proposed project aligns with the Community Trust Cross-Cutting Thread as the associated development proposal for a 41-lot Planned Residential Development was reviewed at a public meeting held by the Planning Commission on July 22, 2021. Public Hearing notices of the proposed Contract cancellation were sent to the

property owners within 300 feet of the project site and to property owners with active land contracts within a mile of the project site.

2. **Equity** – Transitioning the Property out of its long-time unproductive status into a housing development benefits the community by increasing access to much needed housing units for Riverside residents.
3. **Innovation** –The Contract cancellation on fallow agriculturally zoned land which has not been productive since 2005, provides for much needed housing units to meet the community's needs for housing.
4. **Fiscal Responsibility** – All project costs are borne by the property owner, Lurin Land, LLC. Removal of the property from a Williamson Act Contract enables the City to realize additional revenue from increased property taxes upon completion of the residential development project.
5. **Sustainability & Resiliency** – The proposed project will result in the development of vacant, unproductive land into new residential single-family houses that will meet the most up-to-date building Codes.

FISCAL IMPACT:

There is no fiscal impact associated with this action. All project costs are borne by the property owner, Lurin Land, LLC. Removal of the property from a Williamson Act Contract enables the City to realize additional revenue from increased property taxes upon completion of the residential development project.

Prepared by: David Welch, Community & Economic Development Director
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Notice of Nonrenewal
2. Resolution
3. Land Conservation Contract, Instrument Number 1970-19064
4. Legal Description
5. Cancellation Fee from Riverside County Assessor
6. Certificate of Tentative Cancellation of Land Conservation Contract
7. Certificate of Final Cancellation of Land Conservation Contract