



COUNTY OF MENDOCINO
DEPARTMENT OF PLANNING AND BUILDING SERVICES

860 NORTH BUSH STREET • UKIAH • CALIFORNIA • 95482
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Steve Dunicliff, Director
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pbs@co.mendocino.ca.us
www.co.mendocino.ca.us/planning

MEMORANDUM

DATE: MARCH 19, 2015
TO: PLANNING COMMISSION
FROM: SCOTT PERKINS, PLANNER I
SUBJECT: A 2013-0004 (SCHNEIDER)

On October 16, 2014, the Planning Commission considered Agricultural Preserve application A 2013-0004. Staff recommended denial of the application as submitted, finding that the acreage proposed requires a minimum of 142 animal units, and the land in the application is unable to produce the adequate forage to support 142 animal units. Staff's recommendation relied on support from the Resource Lands Protection Committee, including a slope and soil analysis and a fly-over site visit by the County Agricultural Commissioner.

The Planning Commission continued the hearing to December 18, 2014, providing the applicant time to gather additional materials supporting the application. Additional materials were supplied by the applicant, but staff was provided inadequate time to review the application materials prior to hearing. The Commission continued the item to the February 19, 2015 hearing, and subsequently to the March 19, 2015 hearing.

The Resource Lands Protection Committee has been working with the applicant and his attorney to address staff concerns regarding the application. Additionally, County Counsel and the attorney for the applicant have corresponded (attached), resulting in the County Assessor's office requesting supplemental information from the applicant. As of the date of this memorandum, the County has not received additional information from the applicant.

STAFF RECOMMENDATION: Staff has previously recommended denial of this agricultural preserve application as submitted. The Resource Lands Protection Committee intends to meet one more time prior to the Planning Commission meeting to discuss the evidence provided and will provide a final recommendation to the Planning Commission at the March 19 meeting.

RECOMMENDED MOTION: That the Planning Commission recommends to the Board of Supervisors denial of #A 2013-0004 finding there to be insufficient information supporting the request for an agricultural preserve, pursuant to the requirements of County Code 22.08.050.



MEMORANDUM

TO: PLANNING COMMISSION
FROM: SCOTT PERKINS, PLANNER I
DATE: FEBRUARY 19, 2015
SUBJECT: A 4-2013 (SCHNEIDER)

On October 16, 2014, the Planning Commission considered Agricultural Preserve application A 2013-0004. Staff recommended denial of the application as submitted, finding that the acreage proposed requires a minimum of 142 animal units, and the land in the application is unable to produce the adequate forage to support 142 animal units. Staff's recommendation relied on support from the Resource Lands Protection Committee, including a slope and soil analysis and a fly-over site visit by the County Agricultural Commissioner.

The Planning Commission continued the hearing to December 18, 2014, providing the applicant time to gather additional materials supporting the application. Additional materials were supplied by the applicant, but staff was provided inadequate time to review the application materials prior to hearing. The Commission continued the item to the February 19, 2015 hearing.

Subsequently, the Resource Lands Protection Committee has been working with the applicant and his agent to rectify outstanding staff concerns regarding the application. Staff and the applicant have agreed to continue the matter to provide additional time to submit and review materials supporting the Agricultural Preserve application, and request continuing the project to the March 19th Planning Commission hearing.



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MEMORANDUM

DATE: DECEMBER 18, 2014

TO: PLANNING COMMISSION

FROM: SCOTT PERKINS, PLANNING & BUILDING SERVICES

RE: A 4-2013 SCHNEIDER

At the October 16, 2014 Planning Commission hearing, the Commission heard from Planning staff and the applicant for Agricultural Preserve application A 4-2013. Staff recommended denial of the application as submitted, finding that the acreage proposed requires a minimum of 142 animal units, and the land in the application is unable to produce the adequate forage to support 142 animal units. Staff's recommendation relied on support from the Resource Lands Protection Committee, including a slope and soil analysis and a fly-over site visit by the County Agricultural Commissioner.

The Planning Commission continued the hearing to December 18, 2014, providing the applicant time to gather additional resources supporting his claim that the land subject to the agricultural preserve can and has effectively supported at least 142 animal units, the minimum quantity needed to qualify a 5,660 acre ranch.

On November 4, 2014, staff wrote a letter to the applicant summarizing the status of the application, and what is necessary for staff to recommend approval (attached). Staff's letter to the applicant reiterates the findings staff must make the recommend approval of the project. On November 20, 2014, the applicant responded to staff with an email asking for clarification on staff findings, and indicating the applicant is "gathering the requested information and will be submitting it as soon as possible."

At the time of writing this memorandum, staff is working to respond to the applicant's inquiries. At this date, no additional information has been submitted to staff by the applicant, supplementing the application materials reviewed by staff and presented at the October 16, 2014 Planning Commission hearing. Should additional materials be provided by the applicant prior to the December 18, 2014 hearing, staff will review the materials as time allows and present updated findings at the hearing.

Mr Perkins;

Thank you for your email on what you need to approve my Agricultural Preserve application. I am gathering the requested information and will be submitting it as soon as possible.

I do have a few questions however that I don't fully understand and maybe you can provide further clarification.

A. The ranch has sufficient carrying capacity, and has a demonstrated history as to the fact, to carry the required 142 AUM as beef cattle. However, I can not find anywhere in the ordinance where other animals are excluded. There is a reference as to sheep and cows but only as a unit of measurement such as acres, feet and gallons would be used. Section 22.08.050(B)(1) refers to sheep and cattle but only as a unit of measurement. In fact the Resource Preserves Ordinance embraces all animals into the agricultural preserve contract as stated in section 22.08.080 " With respect to property under an agricultural preserve contract zoned rangeland(R-L), the permissible agricultural and compatible uses shall be as follows;" horse stables, kennels, stockyards. It goes on to state "(2) Agricultural use types; Animal raising". I would take this to mean all animals since it does not specify a particular animal. This section of the ordinance even goes further to state that one of the compatible uses of the agricultural preserve contract is "Commercial recreation: outdoor sports and recreation". One could definitely interpret this as hunting.

Is there another ordinance or guidelines the board of supervisors has adopted that I cannot find?

B. I am confused on your requirement that I provide documentation on the carrying capacity for three of the past five years. The ordinance says a one year history in the proceeding three years. The section you are quoting is for noncompliance. Are we looking at a new contract or reinstating the existing one? If we are reinstating it is assumed my taxes and costs will be reimbursed by the county.

I am in agreement with you that Mendocino has a complicated process for Williamson Act applications. A lot of counties just have you go to the assessor's office and sign an agreement. Applying a permitting process to a simple agreement is overkill unless you really don't want them to happen.

Please so inform.

Sincerely,

Dave Schneider
Schneider Ranches



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November 3, 2014

David Schneider
990 West Waterfront Drive
Eureka, CA 95501

Subject: **AGRICULTURAL PRESERVE APPLICATION: A 4-2013**
Land located southeast of Covelo, north of the Middle Fork Eel River

Mr. Schneider,

I wanted to touch base with you as the December 18 Planning Commission hearing approaches. As you're aware, your Williamson Act application was continued following discussion at the September Planning Commission hearing. Below is a summary of where the application stands, and what can be done for the Planning Department to recommend approval.

- A. Your application requests the designation of 5,660 acres of land as Agricultural Preserve, citing its use as rangeland for up to 150 pairs of cattle.
- B. Sec. 22.08.050(A) defines the requirements for placing rangeland parcels in an agricultural preserve, and states "All land comprised of soils classified as grass, oak-grass, and other soils that may produce feed at the rate of forty (40) acres or less per animal unit." There are two aspects of this requirement for rangeland parcels in agricultural preserves:
 - 1) Animal Units per Acre. Rangelands in agricultural preserves must have at least one animal unit for every forty acres, as required in the code section quoted above. Sec. 22.080.050(A)(1) defines an animal unit as "the quantity of forage required for good growth and production of one mature head of cattle or its equivalent in feed requirement; 4.8 tons of hay shall be deemed such feed requirement." Your application states, "the ranch has carried 150 pairs," which would equal 150 animal units, per this definition.

For a 5,660 acre preserve, at least 141.5 animal units are required to qualify a 5,660 acre operation ($5,660 / 40 = 141.5$). Again, your application states, "the ranch has carried 150 pairs," which would meet the requirement of a minimum of 141.5 animal units.

- 2) Soils and Slopes. The requirements for placing rangeland parcels in an agricultural preserve dictate staff to investigate the soil types of the operation and analyze their ability to produce adequate feed. Sec. 22.08.050(A)(2) states, "The definition and separation of rangeland soils shall be as indicated in the soil-vegetation maps filed with the University of California Cooperative Extension Service in Mendocino County and in accordance with the Storie land-use rating and grazing percentage of range soils." As stated in the staff report, the analysis of the soils revealed that "at least 46.3 percent of the total acreage consists of soil types not consistent with commercial rangeland uses, per the USDA Soil

Survey." This has the potential to disqualify 46.3 percent of the acreage proposed in the application for the agricultural preserve.

Sec. 22.08.050(B)(1) et. seq. goes on to state that "No land shall be included with an agricultural preserve as rangeland unless...a minimum production potential of ten (10) animal units of feed, such production potential requiring a production of feed sufficient for fifty (50) sheep or ten (10) mature beef or dairy animals." The Resource Lands Protection Committee, in their review of the application, felt that there were large portions of the proposed operation that could not meet this requirement due to "relatively densely forested or chaparral-covered land and maps estimating slopes in the region to average over 32 degrees or greater in grade." Please note that this definition specifies sheep, beef or dairy animals, and does not recognize wild animals (deer, boar, bear, etc.) or horses when qualifying rangeland applications as agricultural preserves.

However, Sec. 22.08.050(A)(2) goes on to say, "Land not included in the Upland Soil Survey may qualify for inclusion if the carrying capacity can be shown to be forty (40) acres or less per animal unit. The burden of demonstrating that land not included in the said Upland Soil Survey has a carrying capacity of forty (40) acres or less per animal unit shall be borne by the applicant."

In order to meet this requirement for inclusion of rangeland parcels in agricultural preserve, staff encourages you to provide information demonstrating that the land not classified as consisting of rangeland soils can produce a forage carrying capacity of forty acres or less per animal unit.

Your application states that the "ranch has carried 150 pairs" of cattle. Any verifiable documentation supporting this claim would be sufficient for staff to recommend approval of your application. Barring any, the slopes and soils indicate that large portions of the land do not qualify based on the rules that apply to all lands eligible for incorporation as rangeland in an agricultural preserve specified in Sec. 22.08.050 of County Code. The following materials, if submitted to Planning staff prior to the Planning Commission hearing, would likely garner a recommendation of approval:

- 1) Verifiable documentation that the ranch has carried upwards of 141.5 animal units in 3 of the last five years, or
- 2) Information demonstrating that the land constituting the entire application area has a carrying capacity of forty (40) acres or less per animal unit.

I understand that the application process for agricultural preserves can be complicated. The intent of this letter is to clearly inform you of the state of staff review of your application, and what measures are required for staff to recommend approval. I look forward to receiving supplemental information from you prior to the Planning Commission hearing, and I welcome any questions you may have as the hearing nears.

Sincerely,

Scott Perkins
Planner I
Mendocino County
Planning & Building Services



RECEIVED
FEB 18 2015

TELEPHONE:
(707) 234-6885
FAX NUMBER:
(707) 463-4592

BY
PLANNING & BUILDING SERVICES
Ukiah, CA 95482

DEPUTY COUNTY COUNSELS
BRINA A. LATKIN
DOUGLAS V. PARKER
MATTHEW T. KIEDROWSKI
GEORGE R. VALENZUELA
REBECCA C. SUDTELL

OFFICE OF THE
COUNTY COUNSEL
ADMINISTRATION CENTER
501 LOW GAP ROAD, RM. 1030
UKIAH, CALIFORNIA 95482

February 6, 2015

Allison G. Jackson
Harland Law Firm LLP
622 H Street
Eureka, CA 95501
ajackson@harlandlaw.com
Sent via email and mail and fax

Re: David Schneider Application for Williamson Act Agricultural Preserve

Dear Ms. Jackson:

This letter is in response to your January 23, 2015, letter that sent supplemental information regarding the application of Mr. and Ms. Schneider for a new Williamson Act contract for their Covelo Ranch property (Schneider Covelo Ranch). I am writing to thank you for providing the supplemental information, clarify some historical information, and ask for information specific to the Schneider's cattle operation.

The Schneider Ranch in Covelo

Ford Ranch Lease

Your letter began by stating your understanding that the County would like additional information regarding two issues specific to the grazing lease for the Ford Ranch. You are correct that the County has asked for this information, and we thank you for providing the correction to the Ford Ranch lease that the Resource Lands Protection Committee (RLPC) requested, which confirms that the lease is limited to the Schneider Covelo Ranch. You also provided a letter from the Schneider's accountant in which he states he has been engaged by Mr. Schneider to prepare income tax returns, which, according to Mr. Schneider, will include income amounts related to ranchland in Covelo.

The above information provides additional evidence that there are 75 head of cattle on the

Schneider Covelo Ranch. However, the RLPC noted that the letter from the accountant provided little evidence as to whether there was payment by the lessee to the Schneider's. Since a statement regarding the 2014 tax year is not yet available, the RLPC inquired as to whether the accountant could make any statement showing payment under the lease for the 2013 tax year.

The Schneider's Cattle Operation

Your January 23, 2015 letter was silent as to the County's request for additional information regarding the approximately 75 head of cattle owned by Mr. Schneider that are also claimed to be on the Schneider Covelo Ranch. Since we had discussed this specific issue over the telephone prior to the date of your letter, I was surprised that the letter made no mention of the County's request on this issue.

In order for the entirety of the Schneider Covelo Ranch to qualify for a Williamson Act preserve and contract, the Department of Planning and Building Services calculated that a minimum quantity of 142 animal units is required to qualify 5,660 acres for a Williamson Act contract. Please note that Mr. Schneider's application form stated an overall parcel size of 5,660 acres on the first page, which is where that number came from. Mr. Schneider also provided a list of Assessor's Parcel Numbers (APN's) with his application. According to a review by the Assessor's Office, these APN's total 5,622± acres, though this includes a correction of an assumed typographical error in the list (the list referred to APN 031-141-04-05, which does not exist, but APN 034-141-04-05 does exist, is 160 acres and is owned by the Schneider's).

With adequate factual support, the lease with Ford Ranch provides evidence that 75 head of cattle are on the Schneider Covelo Ranch. In order for the entirety of the Schneider Covelo Ranch to qualify, the RLPC has requested additional evidence regarding Mr. Schneider's own cattle on the ranch. Mr. Schneider's application asserted that the Schneider Covelo Ranch was supporting 150 cattle, and he has shown photographic evidence of a corral and ponds on the property. The RLPC has requested, and I requested from you, additional information regarding cattle owned by the Schneider's themselves.

Conversations between you and I have not yet been fruitful as to what additional information could be provided by the Schneider's. Following our conversations I spoke with Chuck Morse, the County's Agricultural Commissioner, regarding what evidence the County has requested from other applicants for Williamson Act contracts to show proof of operations on an applicant's property. He provided the following list of types of records the RLPC has asked for and received to show proof of operations:

- Livestock auction sales tags (these demonstrate that the cattle operation is actually producing and marketing cattle)
- Veterinary or other direct animal costs
- Maintenance costs of ongoing agriculture, which might include:
 - o Fencing
 - o Structures related to the animals
 - o Water development or improvements

- o Supplement costs (mineral/salt blocks)
- o Feed costs, if needed to supplement available forage production
- o Transport costs

We have previously discussed the issue of transport records. You stated that many ranchers do not hire transport companies but instead simply use their own trailers for transport and do not keep records related to fuel or mileage. In the County's previous experience, many ranchers have recorded the dates and fuel costs for tax purposes, and have provided such information to the County.

I want to acknowledge that Mr. Schneider has provided some evidence of maintenance of an ongoing operation at the Schneider Covelo Ranch. Mr. Schneider has provided evidence of structures on the property related to the animals as well as ponds on the property. However, because of the Ford Ranch lease, the evidence does not show that these improvements necessarily relate to cattle owned by the Schneider's. Similarly, evidence related to the existence of fencing or structures would not necessarily show that the Schneider's have an ongoing cattle operation, due to the Ford Ranch operation.

The RLPC remains interested in the County receiving additional evidence to substantiate the Schneider's own cattle operation on the Schneider Covelo Ranch. At one point in our exchange of voicemails and messages over the last week, you mentioned that you had some suggestions, which I would be more than happy to discuss. In addition, to the extent that there are concerns about the confidentiality of any information provided to the County, the Assessor could make the request for information pursuant to Revenue and Taxation Code Section 441. The information would remain with the Assessor's Office, with that office reporting to the RLPC that the evidence substantiates the existence of a cattle operation.

I would also like to add that the County is in the process of updating its Williamson Act procedures. The revisions are still in draft form and being actively reviewed by the RLPC. While the RLPC hopes to finish its work and release the document for public review soon, there is no certainty as to what the final form of the procedures will be, following public review and comment, as well as review by the Planning Commission and the Board of Supervisors. While the RLPC hopes that these procedures are able to go into effect starting January 1, 2016, that date is also uncertain. What I can state is that, following some neighboring jurisdictions, the RLPC will propose moving to an income-based qualification and reporting system, with all information transmitted to the Assessor's Office.

Please let me know your availability to discuss your thoughts on additional evidence that might be submitted to support the Schneider's application.

Historical Analysis of Agricultural Preserve 925

Your letter went in to some detail regarding your review of the 2009 eligibility statements regarding ranches neighboring the Schneider Covelo Ranch. These statements were provided to you pursuant to your December 19, 2014, Public Records Act request. Your letter reviews

certain ranches (not specifically identified) that border the Schneider Covelo Ranch and whether the property was non-renewed based on its 2009 eligibility statement. After reviewing your letter, I spoke with the Assessor's Office regarding the recent history of the original preserve that once contained the majority of the Schneider Covelo Ranch.

Agricultural Preserve No. 925 originally consisted of approximately 22,790 acres which were encumbered by a single contract with a single property owner: BT Holdings. The BT Holdings property was eventually split up and sold to 8 separate property owners (one of which later sold portions to two other property owners).

Following the County's review of the 2009 eligibility statements, on September 30, 2011, the Assessor's Office sent notices of nonrenewal to 5 of the then 8 property owners, including to the Schneider's, representing approximately 11,000 acres of the original 22,790 acres. Technically, a sixth owner, owning $365 \pm$ acres was also non-renewed, but it was known at the time that the property was in foreclosure; the property was later sold to a neighboring ranch that qualified for a continued Williamson Act contract. Copies of individual notices were not maintained, but the form of the letter was retained (a copy of which is enclosed with this letter), and the return receipts were kept (a copy of which was provided in response to your Public Records Act request).

The Assessor's Office also has a spreadsheet of properties to which it sent non-renewal notices. The County's response to your Public Records Act request contained one page of this spreadsheet relating to the Schneider Covelo Ranch; subsequent review of the spreadsheet shows that 2 additional pages of the spreadsheet include properties located within Agricultural Preserve No. 925; all 3 pages are attached to this letter. The Assessor's Office has stated that the orange highlighting reflects property owners who provided some sort of additional information to the County and were subsequently not non-renewed.

The County's notice of non-renewal provides that property owners may protest the determination of the County to non-renew the contract or portion thereof by writing to the Board of Supervisors; a request is also made to send a copy to the Assessor's Office. A review of the files of the Clerk of the Board of Supervisors shows that of the 5 property owners that received a notice of non-renewal, 2 protested to the Board of Supervisors; that correspondence is attached, as it was part of the November 1, 2011, agenda packet. These files were not specifically identified as relating to Agricultural Preserve No. 925 and so were not located as part of the County's records search for your Public Records Act request. The 2 property owners who protested were not non-renewed.

In summary, the County sent notices of non-renewal to 5 of the 8 property owners of the original $22,790 \pm$ acre ranch, including the Schneider's. Those property owners owned almost half of the acreage of the original ranch. Two of the property owners sent formal letters of protest to the Board of Supervisors and provided additional information to the County; those properties were not non-renewed. I do not know if the other preserves discussed in your letter similarly protested and/or provided information to the County that enabled a determination to not non-renew.

Conclusion

I would like to conclude by saying that the County is more than willing to discuss the Schneider's Williamson Act application with you further. Please let me know when we can discuss the issue; I would like to have the Agricultural Commissioner on the call as well. Feel free to contact me at (707) 234-6885.

Sincerely,

Douglas L. Losak, Interim County Counsel

by: Matthew Kiedrowski
MATTHEW KIEDROWSKI, Deputy

Cc: Chuck Morse, Agricultural Commissioner
Sue Ranochak, Assessor Clerk-Recorder
Planning Commission

MTK/ja

SUSAN M. RANOCHAK

ASSESSOR-COUNTY CLERK-RECORDER

REGISTRAR OF VOTERS

COMMISSIONER OF
CIVIL MARRIAGES



PHONE (707) 463-4311

FAX (707) 463-6597

COUNTY OF MENDOCINO

OFFICE OF THE COUNTY ASSESSOR

501 LOW GAP ROAD, RM. 1020

UKIAH, CALIFORNIA 95482

E-MAIL: acr@co.mendocino.ca.us

September 30, 2011

RE: NONRENEWAL OF AGRICULTURAL PRESERVE CONTRACT

Dear:

Mendocino County records indicate you are the present owner of land restricted by an agricultural preserve contract executed pursuant to California Government Code §51200 et seq and Mendocino County Code §22.08.010 et seq.

This letter is your official notice that the county of Mendocino intends to not renew your contract pursuant to Government Code §51245 and County Code §22.08.110 by recording the attached NOTICE OF NONRENEWAL OF AGRICULTURAL PRESERVE CONTRACT.

The primary reason for taking this action is because you no longer meet the minimum requirements for an agricultural preserve.

The effect of this notice is that the automatic renewal of your contract will cease as of December 31, 2010, and the contract will then have a remaining term of nine years. At the end of this nine year period, the land will no longer be restricted by the contract, but will be restricted by existing zoning.

An additional effect will be a cessation of the property tax advantage provided as a result of the program. You will notice a substantial increase in property taxes on your November 2011 tax bill. The increase for the remaining years of the contract will be smaller due to the method of calculation prescribed by Revenue and Taxation Code §426. It is impossible to calculate the actual amount of taxes that will be due each year, but an estimate may be obtained by writing this office. In any event, the value for property tax purposes at the end of the nine year term will be the value prescribed by the California Constitution, Article XIII A (Proposition 13).

You may protest this notice by writing the Board of Supervisors, 501 Low Gap Road, Room 1090, Ukiah, CA 95482 prior to November 30, 2011 and formally protesting the no renewal action. A copy of that protest letter should be sent to our office.

Very truly yours,

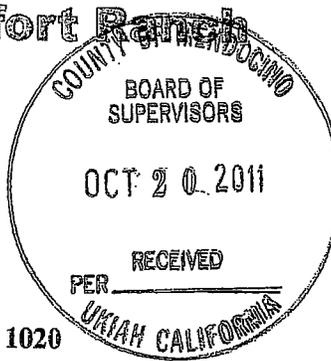
SUSAN M. RANOCHAK
Assessor-County Clerk Recorder

Non-Renewal List #6

		34-130-54	280.00	No ag use on property.	
		35-050-41	244.31	No ag use on property.	
	Christensen, Craig M.	33-090-51-05	23.00	No ag use on property.	
		33-180-28-05	247.20	No ag use on property.	
		33-180-27-05	123.60	No ag use on property.	
		33-180-28-05	9.70	No ag use on property.	
	Christfort, Jacob C.	34-130-38-05	160.00	Non-filer	
		34-130-39-05	160.00	Non-filer	
		34-130-40-05	160.00	Non-filer	
		34-130-41-05	160.00	Non-filer	
		34-130-42-05	160.00	Non-filer	
		35-080-48-05	184.00	Non-filer	
		35-080-49-05	190.00	Non-filer	
		35-080-50-05	145.00	Non-filer	
	Lunardi, Raymond & Tina 1/3	33-180-42-05	205.00	Non-filer	
		33-180-44	225.00	Non-filer	
		33-180-73-05	169.00	Non-filer	
		34-130-34-05	160.00	Non-filer	
		34-130-35-05	80.00	Non-filer	
		34-130-36-05	51.00	Non-filer	
		34-130-37-05	160.00	Non-filer	
		34-130-55-05	159.00	Non-filer	
		35-080-23-05	380.00	Non-filer	
		35-080-44-05	40.00	Non-filer	
		35-080-45-05	320.00	Non-filer	
	Poonkinney Ranches Inc	34-121-45	148.00	Non-filer	
		34-121-46	212.00	Non-filer	
Contract #	Ownership	APN	Acreege-Type I	Acreege-Type II	Reason
	Schneider, David & Kathleen	34-141-02-05		160.00	No ag use on property.
		34-141-04-05		160.00	No ag use on property.
		34-141-05-05		160.00	No ag use on property.
		34-141-06-05		160.00	No ag use on property.
		34-144-09		20.00	No ag use on property.
		34-145-02-05		160.00	No ag use on property.
		34-145-03-05		160.00	No ag use on property.
		34-145-04-05		160.00	No ag use on property.
		34-145-05-05		160.00	No ag use on property.



Christfort Ranch



Board of Supervisors
501 Low Gap Road, Room 1090
Ukiah, CA 95482

CC: Office of the County Assessor, Room 1020

October 19th, 2011

Re: Protest re. non-renewal of Ag Preserve contract for Parcels: 034-130-38-05, 034-130-39-05, 034-130-41-05, 035-080-46-05, 035-080-49-05, 034-130-40-05, 035-080-50-05, 034-130-42-05, 035-080-48-05

In response to letter from Mendocino County, dated Sept 30, 2010, I hereby protest the decision to non-renew our agricultural preserve contract as referenced above.

Our property has for several years been used for grazing 60 heads of cattle under contract with H Bench Ranch, and prior to that by Bill Hurt until his death in 2003. Historically the ranch was part of Diamond H Ranch, also a cattle operation. In the years from Bill Hurt's death to H Bench Ranch we undertook extensive range land improvements before resuming cattle grazing.

We need the continued protection of the agricultural preserve contract in order to keep this unique land in its historic use as a cattle operation.

We therefore ask that you re-consider your decision and allow the contract to continue.

Please do not hesitate to contact us if you have any further questions regarding this matter.

Sincerely,

Jacob Christfort.

Enclosed:

- 1) Reporting statement to maintain agricultural preserve eligibility
- 2) Documentation re. cattle operation from H Bench Ranch



Agricultural Preserve No. _____

Check one: Type I _____ Type II _____ Type III _____

Assessor's Parcel Number(s) 034-130-38-05, 034-130-39-05,
034-130-41-05, 035-080-46-05,
035-080-49-05,
034-130-40-05, 035-080-50-05,
034-130-42-05, 035-080-48-05

COUNTY OF MENDOCINO
REPORTING STATEMENT TO MAINTAIN AGRICULTURAL
PRESERVE ELIGIBILITY - MENDOCINO COUNTY CODE SECTION 22.08.090

Your Agricultural Preserve contract requires that you provide information to the County concerning your Agricultural Preserve in order to maintain the contract. You must fill out this form immediately and file it with the Agricultural Commissioner's Office.

Failure to fill out and file this form with the County constitutes a breach of your contract and the county will either: (1) Seek a court order requiring you to comply with the contract or (2) Treat such failure as material breach, terminate the contract and have the county Assessor value the property by sales data pursuant to Proposition 13, and tax it as if it were not subject to an "enforceable restriction." In addition, the County may sue whether for compensatory damages or for liquidated damages, a sum equal to 25 percent of the property's fair market value without the enforceable restriction.

Jacob Christfort

1. Name of owner(s): _____ Date: October 19th, 2011
(or contact person)

a) Name of Previous Owners: _____

b) Name of New Owner if sold: _____

2. Mailing address of owner of new owner: 37 Commercial Blvd, Suite 100, Novato, CA 94949

3. Reporting period: Calendar years: _____

4. Have you ever indicated your intent not to continue your Agricultural Preserve Contract or filed a Notice of Nonrenewal: Yes _____ No When? _____

Would you now like to nonrenew your contract? Yes _____ No

5. Is the Agricultural Preserve property now being used for the commercial production of either food or fiber, or both, for this reporting period? Yes _____ No If "yes," what was the total gross dollar income in

2007:\$ _____ 2008:\$ _____

From what source? _____ Has a portion been devoted to non-ag use?
Yes _____ No _____ If "Yes," please explain. _____

6. Did you realize or otherwise obtain any income (revenue) from recreational uses of the land under contract for the reporting period? Yes _____ No

- If "Yes," a) State the type of the recreational Use: _____
 b) State total gross income from recreational use: _____
 c) Is the property solely used for hunting? Yes _____ No _____

7. Please list Number of Acres for each category below:
 a) Timber: _____ b) Livestock: 1510 c) Watershed: _____
 d) List acreage for each crop: _____
 e) Recreational areas: _____ f) Other acres of compatible uses: _____

8. State the maximum number of livestock on the Agricultural Preserve at any one time during the past five (5) years:

	TYPE OF LIVESTOCK	NUMBER OF HEAD	CONTRACTED ACRES AVAILABLE FOR GRAZING
2011	Cattle	60	1510
2010	Cattle	60	1510

9. If you have not had livestock on the property for any year during the past five (5) years because you were doing range improvement, then please list any range improvement such as timber stand improvement, fencing, spring development or brush clearing during the reporting period. List:

Pond construction, spring development, brush clearing, fence construction, road improvement

I declare under penalty of perjury that the foregoing answers are true and correct with respect to the above-described property.

Executed on this 19 day of October, 2011, at Novato, CA
 (city and state)

Signature: _____

 Signature: _____

DEADLINE FOR COMPLETING AND RETURNING THIS STATEMENT IS _____
 MAIL, FAX, OR EMAIL THIS REPORTING STATEMENT TO:

Mendocino County Department of Agriculture
 890 N Bush St.
 Ukiah CA 95482
 Phone: 707.463.4208
 Fax: 707.463.0240
 E-mail: agcomm@co.mendocino.ca.us

Tim and LeAnne Hurt
H Bench Ranch
PO Box 782
Covelo CA. 95428
(707) 983-6276 Home
(707) 272-3079 Cell

Feb. 21, 2010

To Whom it May Concern:

Tim and LeAnne Hurt of the H Bench Ranch are currently leasing property owned by Jacob Christfort: 1510 acres located at 57925 HGWY. 162 Covelo CA.

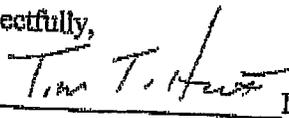
This property is being used by us, to graze livestock. This property will be in production status by March 10, 2010. It is the understanding of both the H Bench Ranch and the Christfort Ranch, that this lease is to run no less than 5 years.

The H Bench Ranch is proud to be working with The Christfort Ranch to maintain, preserve, and better this truly important ag. land.

Please feel free to contact us with any questions concerning this ag. land matter.

Respectfully,

Sign



Date 2-22-10

Sign _____

Date _____

CARLEY RANCH
26390 Hinman Ln
Covelo, CA



October 19, 2011

Board of Supervisors
County of Mendocino
501 Low Gap Road, Rm. 1090
Ukiah, CA 95482

RE: Protesting Non-renewal of Agricultural Preserve Contract
APN 034-130-44-05, 034-130-45-05, 034-130-46-05, 034-130-47-05, 034-130-48-05
034-130-49-05, 034-130-50-05, 034-130-53, 034-130-54, 035-080-41-05

To Whom It May Concern:

I do want to protest the non-renewal of our agricultural preserve contract. Since we have owned the property, I have been clearing brush, developing springs and other water for livestock. We have also done extensive fencing. As indicated in 2010, we signed a contract with Tim Hurt of the H-Bench Ranch in Covelo, to allow him to graze cattle on our land.

We have 60 head of cattle for 9 months out of the year on our ranch. We are meeting the minimum requirements for an agricultural preserve and have been.

Please call me if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Rodney E. Carley".

Rodney E. Carley
CARLEY RANCH

415 860-7741
carleyranch@comcast.net

January 1, 2010

To Whom It May Concern:

Tim & LeAnne Hurt of the H-Bench Ranch are currently leasing the Carley Ranch (1660 ac.) Located at 26390 Hinman Ln, in Covelo Ca. The lease is for the purpose of grazing livestock. With limited, rotational grazing, to provide maximum sustainability, the Carley Ranch will be fully stocked by the end of 2010. The Carley Ranch, is currently a model for diverse resource management. The H-Bench Ranch is proud to be involved with several ranches that apply similar principles, practices, and management plans.

Please feel free to contact us with any questions concerning this Ag land matter.

Respectfully,

Tim T. Hurt



Rodney Carlry

Tim & LeAnne Hurt
H-Bench Ranch
P.O. Box 782
Covelo, Ca. 95428

707-983-6276

707-272-3079

January 1, 2010

Mr. Tony Linegar
Mendocino Agriculture Commission
890 North Bush Street
Ukiah, CA 95482

Dear Tony,

As per your request, please find our contract with Tim & LeAnne Hurt of the H-Bench Ranch in Covelo. We are presently putting up fences and will have cattle on our property within a couple of months.

Please feel free to contact Tim Hurt if you have any questions.
Thank You.

Sincerely,

Rodney (Butch) Carley
CARLEY RANCH
Covelo, CA

415 518-1984

carleyranch@comcast.net

707 463-4208

Tim 983-6276



Agricultural Preserve No. _____

Check one: Type I _____ Type II _____ Type III _____

Assessor's Parcel Number(s) _____

COUNTY OF MENDOCINO REPORTING STATEMENT TO MAINTAIN AGRICULTURAL PRESERVE ELIGIBILITY - MENDOCINO COUNTY CODE SECTION 22.08.090

Your Agricultural Preserve contract requires that you provide information to the County concerning your Agricultural Preserve in order to maintain the contract. You must fill out this form immediately and file it with the Agricultural Commissioner's Office.

Failure to fill out and file this form with the County constitutes a breach of your contract and the county will either: (1) Seek a court order requiring you to comply with the contract or (2) Treat such failure as material breach, terminate the contract and have the county Assessor value the property by sales data pursuant to Proposition 13, and tax it as if it were not subject to an "enforceable restriction." In addition, the County may sue whether for compensatory damages or for liquidated damages, a sum equal to 25 percent of the property's fair market value without the enforceable restriction.

1. Name of owner(s) Ronney & Brenda Carley Date: OCT. 16, 2011
(or contact person)

a) Name of Previous Owners: _____

b) Name of New Owner if sold: _____

2. Mailing address of owner of new owner: 606 WILSON AVE. NORTON, CA 94947

3. Reporting period: Calendar years: ~~2009-2010~~ 2010 -

4. Have you ever indicated your intent not to continue your Agricultural Preserve Contract or filed a Notice of Nonrenewal: Yes _____ No X When? _____

Would you now like to nonrenew your contract? Yes _____ No X

5. Is the Agricultural Preserve property now being used for the commercial production of either food or fiber, or both, for this reporting period? Yes _____ No X If "yes," what was the total gross dollar income in
2007:\$ _____ 2008:\$ _____

From what source? _____ Has a portion been devoted to non-ag use?
Yes _____ No X If "Yes," please explain. _____

6. Did you realize or otherwise obtain any income (revenue) from recreational uses of the land under contract for the reporting period? Yes No X

If "Yes," a) State the type of the recreational Use: _____

b) State total gross income from recreational use: _____

c) Is the property solely used for hunting? Yes _____ No X

7. Please list Number of Acres for each category below:

a) Timber: _____ b) Livestock: 1683 c) Watershed: _____

d) List acreage for each crop: _____

e) Recreational areas: _____ f) Other acres of compatible uses: _____

8. State the maximum number of livestock on the Agricultural Preserve at any one time during the past five (5) years:

TYPE OF LIVESTOCK	NUMBER OF HEAD	CONTRACTED ACRES AVAILABLE FOR GRAZING
<u>2008</u>	_____	_____
<u>2007</u>	_____	_____
<u>2006</u>	_____	_____
<u>2005</u>	_____	_____
<u>2004</u>	_____	_____

9. If you have not had livestock on the property for any year during the past five (5) years because you were doing range improvement, then please list any range improvement such as timber stand improvement, fencing, spring development or brush clearing during the reporting period. List:

Cleaning Bush water & spring improvements
and proper fencing

I declare under penalty of perjury that the foregoing answers are true and correct with respect to the above-described property.

Executed on this 19 day of Oct, 2011, at Newark CA
(city and state)

Signature: Rodney E. Long

Signature: Brenda J. Carley

DEADLINE FOR COMPLETING AND RETURNING THIS STATEMENT IS 30 DAYS FROM DATE OF NOTICE.

MAIL, FAX, OR EMAIL THIS REPORTING STATEMENT TO:

Mendocino County Department of Agriculture
890 N Bush St.
Ukiah CA 95482
Phone: 707.463.4208
Fax: 707.463.0240
E-mail: agcomm@co.mendocino.ca.us



COUNTY OF MENDOCINO
DEPARTMENT OF PLANNING AND BUILDING SERVICES
860 NORTH BUSH STREET · UKIAH · CALIFORNIA · 95482
120 WEST FIR STREET · FT. BRAGG · CALIFORNIA · 95437

Steve Dunncliff, Director
Phone: 707-234-6650
Fax: 707-463-5709
Ft. Bragg Phone: 707-964-5379
Ft. Bragg Fax: 707-961-2427
pbs@co.mendocino.ca.us
www.co.mendocino.ca.us/planning

MEMORANDUM

TO: PLANNING COMMISSION
FROM: SCOTT PERKINS, PLANNER I
DATE: FEBRUARY 19, 2015
SUBJECT: A 4-2013 (SCHNEIDER)

On October 16, 2014, the Planning Commission considered Agricultural Preserve application A 2013-0004. Staff recommended denial of the application as submitted, finding that the acreage proposed requires a minimum of 142 animal units, and the land in the application is unable to produce the adequate forage to support 142 animal units. Staff's recommendation relied on support from the Resource Lands Protection Committee, including a slope and soil analysis and a fly-over site visit by the County Agricultural Commissioner.

The Planning Commission continued the hearing to December 18, 2014, providing the applicant time to gather additional materials supporting the application. Additional materials were supplied by the applicant, but staff was provided inadequate time to review the application materials prior to hearing. The Commission continued the item to the February 19, 2015 hearing.

Subsequently, the Resource Lands Protection Committee has been working with the applicant and his agent to rectify outstanding staff concerns regarding the application. Staff and the applicant have agreed to continue the matter to provide additional time to submit and review materials supporting the Agricultural Preserve application, and request continuing the project to the March 19th Planning Commission hearing.

Adrienne Thompson - Attention: Jim Little - Correspondence re Schneider Ranch Application

From: Paul Heagerty <pheagerty@harlandlaw.com>
To: "thompsoa@co.mendocino.ca.us" <thompsoa@co.mendocino.ca.us>
Date: 1/26/2015 9:17 AM
Subject: Attention: Jim Little - Correspondence re Schneider Ranch Application
CC: Allison Jackson <ajackson@harlandlaw.com>
Attachments: 2015-01-23 Letter to County of Mendocino re Application.pdf

RECEIVED
JAN 26 2015

Planning & Building Services

Dear Adrian:

Please forward this email and the attached correspondence to Commissioner Jim Little. Thank you for your assistance.

From: Paul Heagerty
Sent: Friday, January 23, 2015 4:27 PM
To: kiedrowskim@co.mendocino.ca.us; 'littlej@co.mendocino.ca.us'
Cc: Allison Jackson
Subject: Correspondence re Schneider Ranch Application

Gentlemen:

Please see the attached correspondence. We are also confirming that the Schneiders agree to your request to extend the hearing on their application to the next Planning Commission hearing on March 19, 2015.

Best Regards,

Paul Heagerty
Legal Assistant
The Harland Law Firm LLP
622 H Street
Eureka, California 95501-1026
Telephone: 707.444.9281
Facsimile: 707.445.2961

CONFIDENTIALITY STATEMENT:

This communication and any accompanying or attached document(s) are confidential and privileged and intended solely for the use of the addressee(s). If you receive this communication in error, you are advised that any use, disclosure, copying, distribution or the taking of any action in reliance upon this communication is strictly prohibited. Additionally, inadvertent disclosure shall neither compromise nor waive the attorney-client privilege as to this communication, the accompanying or attached documents, or otherwise. If you received this message in error, please immediately telephone The Harland Law Firm, LLP at 707-444-9281 and delete this message without copying it.

JAMES J. ASTE
TAMARA C. FALOR
ALLISON G. JACKSON
JOHN S. LOPEZ
AMY MENDOZA-STOVER
RICHARD A. SMITH

Gerald R. Harland
(Partner 1952 - 2012)

Harland Law Firm LLP

ATTORNEYS AT LAW

622 H STREET
EUREKA, CALIFORNIA 95501
(707) 444-9281
FACSIMILE: (707) 445-2961

Allison G. Jackson
ajackson@harlandlaw.com

FORTUNA

954 MAIN STREET
FORTUNA, CA 95540
(707) 725-4426
FACSIMILE: (707) 725-5738

RECEIVED
JAN 26 2015

BY
PLANNING & BUILDING SERVICES
Ukiah, CA 95402

January 23, 2015

Chairman Jim Little, Mendocino Planning Commission
501 Low Gap Road,
Ukiah, California 95482

Matthew Kiedrowski - Deputy County Counsel
501 Low Gap Road,
Ukiah, California 95482

Re: *Supplemental Information* for Dave Schneider, new application for Agricultural Preserve, Williamson Act, Schneider Covelo Ranch prior Contract No. 925, APNs 034-141-02, 034-141-04, 034-141-05, 034-141-06, 034-144-09, 034-145-02, 034-145-03, 034-145-04, 034-145-05, 034-146-06, 034-146-26, 034-146-27, 034-146-28, 034-146-29, 034-146-30, 034-147-05, 034-147-07, 034-147-13, 035-090-01, 035-090-05, 035-090-12, 035-090-19, 035-090-37, 035-090-48, 035-090-49, 035-090-50, 035-090-51, 035-090-52, 035-090-51, 035-090-52, 035-090-53, 035-090-54, 035-090-55, 035-090-56, 035-100-02, 035-100-13, 035-100-14, 035-230-23, 035-230-24, 035-230-25, 035-240-23, 035-240-24, 034-147-13

Dear Chairman Little and Mr. Kiedrowski:

On behalf of Mr. and Mrs. Schneider and their application for a new Williamson Act contract for their Schneider Covelo Ranch, I am submitting this letter along with two enclosures to clear up two issues that staff wants addressed. These two issues were discussed between me and Mr. Kiedrowski in several conversations beginning in December. It is my understanding that the county would like additional information regarding two issues: 1.) That the grazing lease for the Ford Ranch to add grazing cattle numbers on the Covelo Ranch actually means that the cattle will be grazing on the subject ranch and not on other non-contracted property; and 2.) That there has been payment on the commercial lease by the lessee to the Schneiders.

At the onset, the applicants submit the following observations: The economic success of ranching in California is absolutely linked with the California Land

Harland Law Firm LLP

Chairman Jim Little and Mr. Matthew Kiedrowski

January 23, 2015

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Conservation Act of 1965 (the Williamson Act). The goal of the Williamson Act is to preserve agricultural and open space lands by encouraging landowners to stay in agricultural production through reduced property tax rates. Landowners voluntarily commit to maintaining their land in agricultural production under a local county contract for a minimum of 10 years. In return, they receive a reduction in their annual property taxes. Under the original program, contract-holding counties received annual subvention payments from the state in proportion to their enrollment and the productivity of the enrolled lands. Beginning in 2008–2009, California drastically reduced subvention reimbursements to counties as part of a plan to phase out the program. In 2009–2010, the state cut state subvention funding to \$1,000, essentially eliminating state support.

In 2010, in response to subvention payment loss, and under mounting budget deficits, a number of counties placed a moratorium on new contracts because of uncertainty surrounding the future of subvention payments or began an extensive review of their current contracts with landowners. Both Mendocino and Humboldt (which is predominantly my practice) initiated review of their agricultural preserve contracts to make sure that enrollees were complying. While many rural counties have lost revenue due to the cut in subvention payments, many of the same counties, including Mendocino, have recognized that the failure to keep up with these contracts will likely result in the loss of open space and rangeland, as the disenrolled properties are likely to be cut up and developed thereby permanently removing this rangeland and open space from use.

It is beyond dispute that non-renewal of Williamson Act contracts will likely make large areas of rangeland throughout the Mendocino (and the rest of the state) vulnerable to sale, and ranchers have indicated in at least one study done by UC Davis, Department of Agriculture, that these lands would likely be commercially developed.

David and Kathleen Schneider own the Schneider Covelo Ranch which is Agricultural Preserve No. 925 in Mendocino County. Their Preserve is from a previous 30,000 acre Type II preserve which is now six different ranches of varying sizes (see below), and it seems that the other five ranches are still under agricultural preserve contracts. The Schneider Covelo Ranch is approximately 5,500 plus acres¹ of rangeland and the topography is the same as the other five ranches. Prior to 2009, the Schneiders had

¹ Planning Staff refers to the acreage of the ranch as 5,660; the applicant's paperwork indicates 5,500.

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January 23, 2015

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never received any Statement to Maintain Agricultural Preserve Eligibility for their Preserve No. 925. In 2009, David and Kathleen Schneider received their first Statement to Maintain Agricultural Preserve Eligibility and provided the necessary paperwork.

The 2009 statement from the Schneider Ranch correctly stated that they ran black angus beef cattle commercially and in various amounts depending upon the year with the 2008 amount at 75 head and \$26,000 in revenue. Their 2009 statement provided their own breakdown of the ranch as approximately 2300 livestock acres, 2400 watershed/brush acres and 800 timber acres. All of the approximately 5,500 plus acres are also used for recreation and hunting. After receiving the Schneiders' 2009 Statement, the county non-renewed the Schneiders' Williamson Act contract under the claim that the Schneiders were not using the land for agricultural purposes as required for a Type II preserve. Curiously, the county chose not to non-renew the other ranches from that original 30,000 acre preserve, although they are all similar in topography and use to the Schneider Ranch.

A review of the other 2009 eligibility statements from the landowners neighboring the Schneider Covelo Ranch, many of which were part of the earlier Williamson Act contract of the original 30,000 acre preserve, are puzzling due to the fact that it reveals that not only are they of the same topography, but the commercial use is also similar, but the other ranches once part of the original 30,000 acre preserve were not non-renewed (unlike the Schneiders' ranch):

- One preserve of 4,100 acres was running 20 head of cattle when actually 103 were required (by county standards), but the county did not choose to non-renew this contract.

- One preserve of 6,366 acres was running 30 head of cattle when actually 159 were required (by county standards), but the county did not choose to non-renew this contract.

- One preserve of 7,000 acres was running 165 head of cattle when actually 175 were required (by county standards), but the county did not choose to non-renew this contract.

- One preserve of 21,000 acres was running 425 head of cattle when 525 were required (by county standards), but the county did not choose to non-renew this contract.

Harland Law Firm LLP

Chairman Jim Little and Mr. Matthew Kiedrowski

January 23, 2015

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- One preserve of 4,070 acres was not running any cattle at all, but instead claimed commercial production of “wood fiber” with negative annual amounts, but the county did not choose to non-renew this contract.

Although it is the Schneiders’ belief that Mendocino County incorrectly non-renewed their original Agricultural Preserve contract (No. 925) after receiving their 2009 Statement, the Schneiders have chosen to simply reapply for a *new* contract after securing additional cattle to commercially graze their land. It is clear from a review of Mendocino Code section 22.08.050 that their ranch currently qualifies to re-enroll into a new contract. The new Preserve Application shows that the most of the lands subject to the application are designated as rangeland under the named maps set forth under 22.080.050(A)(2). The Schneiders have submitted statements from two experts (Farm Bureau letter and Humboldt State University professor) as to the remaining other undesignated lands in the application that the undesignated lands have a carrying capacity of 1 animal unit per 25 acres. Therefore, the applicants have provided evidence that their 5,500 plus acres of rangelands also meet the carrying capacity of forty (40) acres or less per animal unit as set forth under subsection (A)(2).

The applicants have also produced evidence in support of their new Preserve Application regarding the increase of cattle grazing the ranch (75 head belonging to the applicant and 75 head belonging to the lessee) as required by the county at the mentioned standard of 40 acres or less per animal unit. Staff has submitted that the required amount of cattle for the new Preserve is 141.5 head. The lease for the additional 75 head of the commercial grazing lease also allows the lessee to increase the number of cattle grazing on the subject ranch with consent. The potential to increase the lessee’s number of grazing cattle is to best use the land and to also maintain a healthy range. The grazing under the lease commenced in September 2013 thereby establishing the one-year history of such production within a three-year period of time as required by 28.080.050(B)(2).

The current commercial grazing lease for five years allows additional one-year extensions and the lessee is Merrill Ford for the Ford Family Ranch. The Ford Ranch grazes 75 head of cattle on the subject property in addition to the Schneider’s 75 head of black angus. Merrill Ford (and the Ford Ranch) is a highly respected cattle rancher who currently has approximately 20,000 acres of other additional leased rangelands used for grazing his herds in Mendocino County alone. The Ford Ranch and the Ford family are well know and they commercially ranch in both Mendocino and Humboldt County.

Harland Law Firm LLP

Chairman Jim Little and Mr. Matthew Kiedrowski

January 23, 2015

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In addition to the now 150 head currently grazing on the applicants' ranch, the Schneiders also have some cattle in Humboldt County, and also rotate the Humboldt cattle onto their Mendocino ranch as feed needs require and range conditions permit. The commercial grazing lease with the Fords, while currently providing for 75 head of Ford cattle to be pastured with Schneider cattle and splitting grazing 50% between the parties, also clearly provides that the Ford Ranch can graze *additional cattle in excess of 75 head* with the Schneiders' consent as conditions permit.

I have been informed that county staff still have concerns regarding the Schneiders' current application for a new agricultural preserve contract, which are due to clause in the Schneider/Ford grazing lease, which staff believes allows the Ford Ranch cattle to graze on other properties owned by Mr. Schneider which may not be on the Covelo Ranch subject to the new application. As discussed with Mr. Kiedrowski, this language was surplusage and unnecessary in the contract, which was drawn up by the ranchers. There is no other land belonging to the applicants that the Ford Ranch could use to graze their cattle other than the Schneider's Covelo Ranch. I have been informed that, due to this language, the applicants are being asked for additional information of two things: 1.) proof that the Ford Ranch is actually running their cattle on the preserved lands by way showing payment on the lease; and 2.) proof that the Ford Ranch is actually cattle grazing at the subject property and not other property owned by the Schneiders. These additional requests are attributed solely to the clause in the lease staff believes gives the Ford Ranch the ability to graze on other lands not under the agricultural preserve contract application.

In response to the first concern, (in addition to the actual lease) I have enclosed a letter from the Schneider's current accountant. The accountant attests that he has received the income information from the 2014 tax year regarding cattle sales and land leased for grazing (Ford lease income entered into in September 2013) and that he is in the process of completing the income information which will be completed at the time the returns are finalized. Upon finalizing the income verification and documentation all of this income information is submitted to the IRS and State Franchise Board.

In response to the second concern, I have enclosed a legal modification of the Commercial Lease grazing contract. The language which was concerning to staff as set forth above was surplusage from another standard lease and totally unnecessary. The Schneiders do not have any other additional grazing lands in Mendocino nor any available in Humboldt to graze Ford cattle. *Therefore, the parties have stricken this clause and initialed this change, so this concern is no longer at issue.* The existing

Harland Law Firm LLP

Chairman Jim Little and Mr. Matthew Kiedrowski

January 23, 2015

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commercial lease does not allow any ability for the Ford Ranch to graze their 75 head anywhere else other than the Schneider Covelo Ranch. Since these two matters have been addressed, it appears that the new agricultural preserve contract must be approved.

I have dealt with many other Williamson Act contract matters in Humboldt County and must say that Mendocino County is quite thorough in the extent of the documentation that it requires regarding new Williamson Act contracts. I have never before had any county employee conducting an aerial survey of the subject property nor have I experienced such concern over lease language. I can appreciate the thoroughness of county staff for the review of this new preserve application. If there is anything more that the applicant can provide to the planning commission regarding this application for new Preserve Contract for the Schneider Covelo Ranch, please contact me immediately so that the approval can be concluded at the next commission hearing.

Please do not hesitate to call if you have questions or comments.

Sincerely,



Allison G. Jackson

Enclosures: letter, amended lease

cc: client

Hunter, Hunter & Hunt, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Members of the AICPA

1315 Fourth Street
Eureka, California 95501

Phone 707-476-0674
Fax 707-476-0675
www.hhh-cpa.com

January 21, 2015

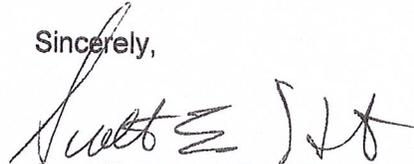
Re: David Schneider - 2014 Individual Tax Returns (1040)
Kathleen M. Schneider Residual Trust - 2014 Fiduciary Returns (1041)

To Whom It May Concern:

As of this date, while we have been engaged to prepare the above-referenced individual and fiduciary returns, we have not received all the information necessary to complete them. These returns will include income amounts related to ranchland located in Covelo, California, which, according to David Schneider, consists of income from cattle sales and land leased for grazing purposes. We have received the income information, but will complete the expense portion at the time we finalize these returns.

Should you need any additional information, please do not hesitate to let me know.

Sincerely,



Scott E. Hunt, CPA/ABV
Partner

SCHNEIDER RANCHES

P.O. Box 141 · Covelo · CA 95501 · Phone (707) 498-0920

Pasture Lease

This lease entered into this 1st day of September, 2013, between:

David Schneider, 707-498-0920, owner, of Schneider Ranch, Chicken Ridge, Covelo, CA hereafter known as "the landlord," and

Merril Ford, 707-599-0723, operator, of Ford Ranches, 3131 Liscom Hill Road, McKinleyville, CA 95521 hereafter known as "the tenant."

I. Property Description

The landowner hereby leases to the operator, to occupy and use for agricultural and related purposes, the following described property:

Schneider Ranch, Elk Creek, Covelo, CA consisting of approximately 6000 acres situated in Mendocino County (Counties), CA (State) ~~and on any other land that the landlord may designate by mutual written agreement.~~

MRF 1/20/15
MS 1/20/15

II. General Terms of Lease

A. Term.

1. **Continuing Lease.** The term of the lease shall be 5 year(s), commencing on the 1st day of September 2013, and shall continue in effect from year to year thereafter (as an annual lease) unless written notice of termination is given by either party to the other at least 5 days prior to expiration of this lease or the end of any year of continuation. (Note: State laws differ on the duration of agricultural leases.)

B. Review of Lease. A request for general review of the lease may be made by either party at least 5 days prior to the final date for giving notice to terminate the lease.

C. Amendments. Amendments and alterations to this lease shall be in writing and shall be signed by both the landlord and tenant.

D. No partnership created. This lease shall not be deemed to give rise to a partnership relation, and neither party shall have authority to obligate the other without written consent, except as specifically provided in this lease.

E. Binding on heirs. The terms of this lease shall be binding upon the heirs, executors, administrators, and successors of both landlord and tenant in like manner as upon the original parties, except as provided by mutual written agreement otherwise.

F. Transfer of property. If the landlord should sell or otherwise transfer title to the farm, such action will be done subject to the provisions of this lease.

G. Right of entry. The landlord, as well as agents and employees of the landlord, reserve the right to enter the farm at any reasonable time for purposes: a) of consultation with the tenant; b) of making repairs, improvements, and inspections; and c) after notice of termination of the lease is given, of performing customary seasonal work, none of which is to interfere with the tenant in carrying out regular operations. Landlord also may request right of entry to hunt and fish.

H. Additional agreements regarding terms of lease:

Tenant acknowledges that landlord will have 50% of grazing and have 75 head of his own cows on ranch.

I. Animal Units (maximum allowable). Not more than 75 animal units shall be kept in the pasture at any one time without the express written consent of the landlord. Deliberate violation of this provision shall constitute grounds for termination of this lease.

III. Operation and Maintenance

A. The livestock owner agrees:

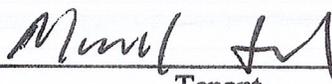
1. Not to pasture livestock that continue to break through fences. Should any animal be found outside that pasture on at least three occasions, the pasture owner may request its removal.
2. Not to assign rights and duties under this lease without the written consent of the pasture owner.
3. Not to put any cattle in pasture without getting specific approval from the pasture owner in advance regarding number, health, sex, breed, and age.

B. Payment Schedule: Tenant shall pay landlord a lump sum payment on September 1st of each year in the amount of \$15,000.00 in the form of either cash or cashier's check for the forthcoming grazing season.

V. Arbitration of Differences

Any differences between the parties as to their several rights or obligations under this lease that are not settled by mutual agreement after thorough discussion, shall be submitted for arbitration to a committee of three disinterested persons, one selected by each party hereto and the third by the two thus selected. The committee's decision shall be accepted by both parties.

Executed in duplicate on the date first above written:



Tenant



Landlord

State of CALIFORNIA

County of MENDOCINO

OWNER/APPLICANT: DAVID SCHNEIDER
990 WEST WATERFRONT DRIVE
EUREKA, CA 95501

AGENT: RYAN SCHNEIDER
990 WEST WATERFRONT DRIVE
EUREKA, CA 95501

REQUEST: Placement of 5,660± acres into Williamson Act (Agricultural Preserve).

LOCATION: Approximately 4± miles southeast of Covelo Town Center, lying 2.25± miles southeast of the intersection of CR 327 B (Hill Road) and CR 329 (Dobie Lane), and bordering the north bank of the Middle Fork Eel River.

TOTAL ACREAGE: 5,660± Acres

ZONING: Rangeland

ADJACENT ZONING: North: Timber Production, Public Facilities, Agricultural; East: Public Facilities; South: Rangeland, Public Facilities; West: Rangeland

GENERAL PLAN: Rangeland – 160 acre minimum (RL-160)

SURROUNDING LOT SIZES: North: 1-160± Acres
East: 1-160± Acres
South: 1-160± Acres
West: 1-160± Acres

EXISTING USES: Agricultural

SURROUNDING LAND USES: North, South and West: Agricultural; East: National Forest

SUPERVISORIAL DISTRICT: 3

OTHER RELATED APPLICATIONS ON SITE AND SURROUNDING AREA:

- #A 3-1995- This Agricultural Preserve placed approximately 24,000 acres of land into a Williamson Act contract, including the parcels subject to the current application.
- #CC 39-1984- This Certificate of Compliance recognized ninety-one parcels. These parcels were the subject of Agricultural Preserve #A 3-1995.

PROJECT DESCRIPTION: The applicant proposes to place approximately 5,660 acres into a Type II Agricultural Preserve. 5,165 acres of the 5,660 acres in this application were under Agricultural Preserve until January 1, 2011. The applicant was asked to complete a Reporting Statement to Maintain Agricultural Preserve Eligibility as required by Mendocino County Code Section 22.08.090. Based on the information supplied in that report, the Resource Lands Protection Committee (RLPC) determined that Mr.

Schneider was not meeting the minimum production standards to keep the acreage in agricultural preserve, initiating a "rollout" from Williamson Act. The previous Williamson Act contract is set to expire in 2021. This application essentially requests to reestablish the Agricultural Preserve status of those lands, and add an additional 495 acres.

The property is currently bordered on the west by Agricultural Preserves with National Forest to the east. No improvements exist on the property other than a stock corral. Surrounding properties are comprised of sparsely scattered development in the general area.

APPLICANT'S STATEMENT: The following information was included with the application materials for the project:

The purpose of this application is to rectify the cancelation of my Williamson Act contract on my Covelo ranch. My ranch has been in the Williamson Act program since 1997 when it was a portion of the 30,000± acre Diamond H Ranch. The Diamond H was subdivided into four ranches with only mine being dropped from the program. Since my purchase of the ranch in 1998 I have continued to run cattle and horses on the ranch as was historically done. Several of the years I leased the ranch for grazing as supplemental income to my own cattle. I use the ranch for winter grazing moving cattle from my Arcata/Bayside ranch during the winter months. During that time the ranch has carried 150 pairs with a summertime low of 30 pairs. This is in addition to the 32 horses we maintain full time on the ranch as well as other typical ranching activities. We have continuously maintained the watering ponds and springs, fences, stock corrals, feeding bins, roads, irrigation systems, etc... We have also completed controlled burns on the ranch every year to improve grazing. In 2009, 3,200 acres of the ranch was burned. This is not a "farmed" ranch. The ranch is composed of 42 patent parcels.

STAFF ANALYSIS:

General Plan

The Mendocino County General Plan contains goals and policies pertinent to the protection of agricultural resources. Policy RM-110 specifically applies to Williamson Act contracts, stating "Consistent with State funding, encourage the creation and renewal of Williamson Act contracts on eligible agricultural lands..." The Resource Lands Protection Committee (RLPC) met on February 13, 2014, and on March 27, 2013, to discuss the eligibility of the proposed lands for the creation of a Williamson Act contract, including acreage requirements and the ability for the land to produce adequate forage for the proposed operation.

Acreage

Section 22.08.050(A) of the County Code states that the land must be "comprised of soils classified as grass, oak-grass, and other soils that may produce feed at the rate of forty (40) acres or less per animal unit (A.U.)."

A minimum quantity of 142 animal units is required to qualify 5,650 acres, assuming the acreage is comprised of the required soil types. The applicant proposes an operation of "150 pairs" of cattle, where a cow/calf pair equates to one A.U., per the RLPC. Therefore, the operation proposed in the application meets the acreage minimums for a commercial rangeland agricultural preserve, provided the applicant's ranch land can produce adequate forage (RLPC, April, 2014).

Feed Production Capability of Acreage

Section 22.08.050(A)(1) explains that, "An animal unit (A.U.) for the purposes of this chapter is defined as the quantity of forage required for good growth and production of one mature head of cattle or its equivalent in feed requirement; 4.8 tons of hay shall be deemed such feed requirement." Based on the minimum quantity of 142 animal units, "to place the entire 5,660 acres into an Agricultural Preserve, there would need to be demonstrated an annual forage production of at least 680 tons" (RLPC).

Aerial photos show densely forested and chaparral-covered land (Page PC-7). Additionally, much of the land comprising the subject parcels is characterized by slopes 32 degrees or greater in grade (Page PC-10). Due to these topographical and vegetative constraints, the RLPC was unable to verify the ability of the land to produce the necessary amount of forage (680 tons) to support a commercial rangeland operation of more than 142 animal units.

The RLPC requested documentation from the applicant to “confirm the size and scope of the on-going agricultural production on the parcels in question,” including tax forms (1040 Schedule F), and the location of existing stock corrals on the property. Planning and Building Services received a letter from the applicant on April 7, 2014, stating, “Our accountant has advised us not to send personal tax information for fear of public disclosure” (Schneider, April, 2014). An accountant for the applicant did confirm that tax forms relating to an agricultural use on the subject parcels were filed for 2011, 2012, and filed for extension for 2013. Additionally, the applicant provided a map illustrating the location of a corral on the southern edge of the subject parcels.

The presence of steep slopes and the appearance of dense forest and shrub vegetation on the majority of the parcel prevented the RLPC from recommending approval of the project. Specifically, the Committee states in its referral letter:

Based on the lack of information received and the vegetative and slope analysis done, the RLPC will not be able to recommend approval of the application to have the entire 5,660 acres property placed into an Agricultural Preserve. Section 22.08.050(B) (2) specifies that the land must be in “continuous use” for livestock production for at least 1 out of the past 3 years. Without clearer documentation as to what the grazing operation consists of with respect to size and required area of operation, especially given the steep and forested characteristics of the vast majority of the proposed preserve, the RLPC is unable to support the project as proposed.

Soils Analysis

The property consists of twenty five (25) soil types identified on the Soil Survey Map issued by the United States Department of Agriculture, Soil Conservation Service (Page PC-11). Of these soil types, the following six soil types make up 87.4 percent of the subject parcels (no other soil type composes more than 3 percent of the total project area):

- Hopland-Witherell-Squawrock – 30 to 50 percent slopes (1,571 acres, 27.5 percent)
- Maymen-Woodin-Etsel – 30 to 50 percent slopes (1,099 acres, 19.2 percent)
- Yorkville-Yorktree-Squawrock – 30 to 50 percent slopes (788 acres, 13.6 percent)
- Dingman-Beaughton – 5 to 50 percent slopes (573 acres, 10.0 percent)
- Hopland-Woodin – 30 to 50 percent slopes (534 acres, 9.4 percent)
- Sanhedrin-Kekawaka-Speaker – 30 to 50 percent slopes (439 acres, 7.70 percent)

The Soil Survey characterizes the above mentioned soils as follows:

Hopland-Witherell-Squawrock – 30 to 50 percent slopes

- *This map unit is on hills and mountains. The vegetation is mainly hardwoods on the Hopland soil and annual grasses and forbs on the Witherell and Squawrock soils.*
- *This unit is about 35 percent Hopland loam, 30 percent Witherell loam, and 20 percent Squawrock gravelly loam.*
- *The Hopland soil is used for firewood production, and the Witherell and Squawrock soils are used for livestock grazing. This unit is also used as wildlife habitat or watershed.*
- *The production of forage is limited by the steepness of slope, by the restricted available water capacity, and by the shallow rooting depth of the Witherell soil.*

- *The main limitations affecting range management on this soil are the slope and the effective rooting depth. The slope limits access by livestock and results in overgrazing of the less sloping areas.*

Maymen-Woodin-Etsel – 30 to 50 percent slopes

- *This map unit is on mountains. The vegetation is mainly brush and hardwoods.*
- *This unit is about 35 percent Maymen loam, 30 percent Woodin extremely gravelly sandy loam, and 15 percent Etsel gravelly sandy loam.*
- *This unit is used mainly as watershed or wildlife habitat or for recreation.*
- *The natural vegetation on this unit is mainly brush because of the limited soil depth and the restricted available water capacity.*

Yorkville-Yorktree-Squawrock – 30 to 50 percent slopes

- *This map unit is on hills and mountains. The vegetation is mainly annual grasses and forbs on the Yorkville and Squawrock soils and hardwoods on the Yorktree soil.*
- *This unit is about 35 percent Yorkville clay loam, 35 percent Yorktree loam, and 15 percent Squawrock gravelly loam.*
- *The Yorkville and Squawrock soils are used for livestock grazing, and the Yorktree soil is used for firewood production. This unit is also used as wildlife habitat or watershed.*
- *The production of forage is limited by the susceptibility of the soil in this unit to compaction when moist and the restricted available water capacity of the Squawrock soil.*
- *The slope is a limitation in areas of this unit. It limits access by livestock.*

Dingman-Baughton – 5 to 50 percent slopes

- *This map unit is on hills and mountains. The native vegetation is mainly chaparral and mixed cypress-pine woodland.*
- *This unit is 45 percent Dingman cobbly clay loam and 40 percent Baughton gravelly loam.*
- *This unit is used mainly as watershed, wildlife habitat, and recreation areas.*
- *The natural vegetation on this unit is mainly brush because of the limited soil depth, limited available water capacity, low soil fertility caused by the ratio of calcium to magnesium, and climate.*

Hopland-Woodin – 30 to 50 percent slopes

- *This map unit is on hills and mountains. The native vegetation is mainly oaks, annual grasses and occasional Douglas fir.*
- *This unit is 40 percent Hopland loam and 30 percent Woodin gravelly sandy loam.*
- *Most areas of this unit are used as watershed and wildlife habitat. A few areas are used for firewood production.*

Sanhedrin-Kekawaka-Speaker – 30 to 50 percent slopes

- *This map unit is on hills and mountains. The native vegetation is mainly conifers and oak.*
- *This unit is 40 percent Sanhedrin gravelly loam, 25 percent Kekawaka loam, and 20 percent Speaker gravelly loam.*
- *This unit is used for timber production and as watershed and wildlife habitat.*

Of these six soil types that make up 87.4 percent of the total application area, only Hopland-Witherell-Squawrock and Yorkville-Yorktree-Squawrock are “used for livestock grazing” and have mainly annual grasses and forbs vegetation (approximately 1,359 acres). At least 46.3 percent of the total acreage consists of soil types not consistent with commercial rangeland uses, per the USDA Soil Survey, with the potential for major forage and grazing limitations due to slope, soil compaction, water capacity and rooting depth. Based on interpretation of the soil types, the parcels in consideration for agricultural preservation appear to be unsuited to produce the 680 tons of forage necessary to support 142 animal units, the minimum number of animal units required for a 5,660 acre operation.

GENERAL PLAN CONSISTENCY RECOMMENDATION: General Plan Policy RM-110 states, “Consistent with State funding, encourage the creation and renewal of Williamson Act contracts on eligible lands...” The land subject to this Agricultural Preserve application is ineligible for Williamson Act contracts, based on the land’s apparent inability to produce the required amount of forage for the required quantity of animal units necessary to qualify the 5,660 acre operation. Absent additional information from the applicant, based on the analysis of soils and land topography, and with the guidance of the Resource Lands Protection Committee, findings cannot be made to support consistency with the General Plan’s requirement of Williamson Act land eligibility.

ENVIRONMENTAL CONSIDERATIONS: The application is exempt from the California Environmental Quality Act (CEQA), Class 17.

STAFF RECOMMENDATION: Staff recommends denial of this agricultural preserve application as presently submitted. The number of acreage proposed for preservation requires a minimum of 142 animal units. Based heavily on the expertise of the Resource Lands Protection Committee, the terrain, vegetation and soil types of the land in the application prevent the production of adequate forage to support 142 animal units, and is therefore inconsistent with General Plan Policy RM-110.

RECOMMENDED MOTION: That the Planning Commission recommends to the Board of Supervisors denial of #A 4-2013 finding there to be insufficient data supporting the request for an agricultural preserve, pursuant to the requirements of County Code 22.08.050.

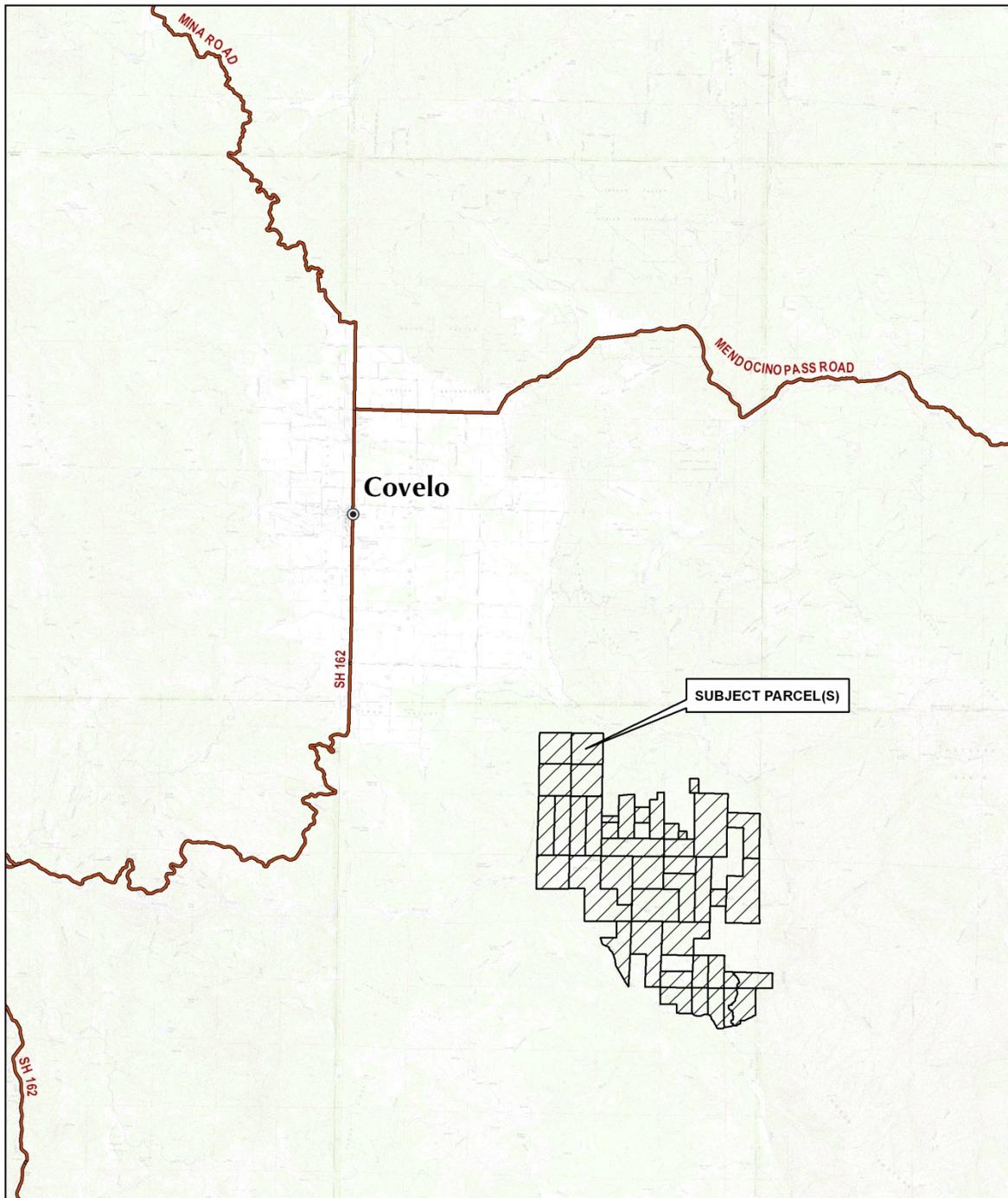
DATE

SCOTT PERKINS
PLANNING TECHNICIAN

SP/hm
May 2, 2014

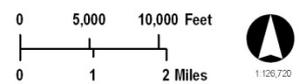
Categorically Exempt

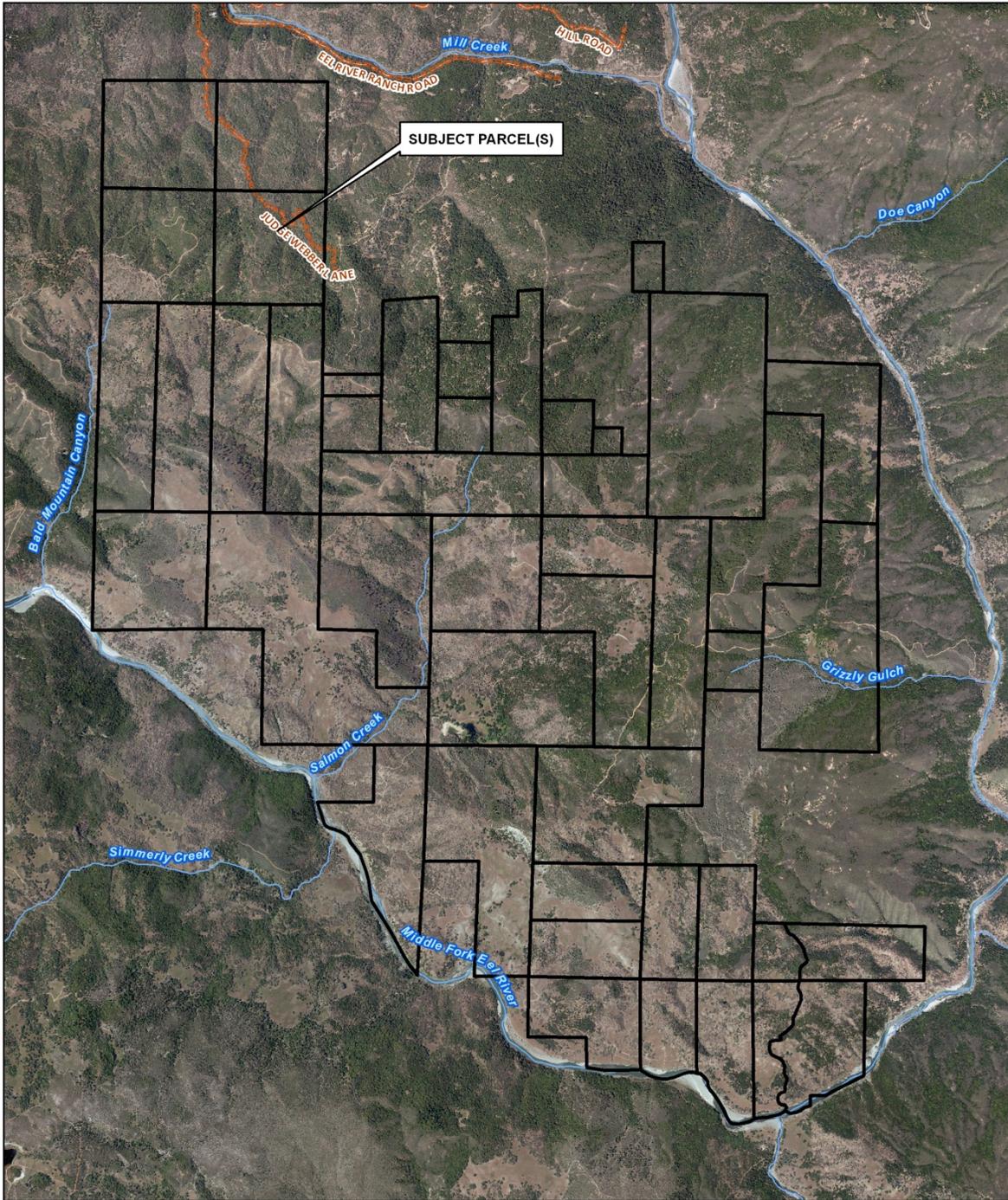
REFERRAL AGENCIES	REFERRAL NOT RETURNED	REFERRAL RECEIVED "NO COMMENT"	COMMENTS RECEIVED
Agriculture Commissioner			X
Assessor			X
Building Inspection			X
Department of Transportation	X		
Environmental Health	X		
Forestry Advisor	X		
Resource Lands Protection Comm.			X



CASE: A 4-2013
OWNER: SCHNEIDER, David
APN: 034-141-02, et. al. (43 parcels)
AGENT:
ADDRESS: None Assigned

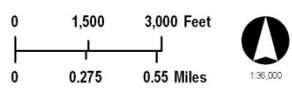
LOCATION MAP

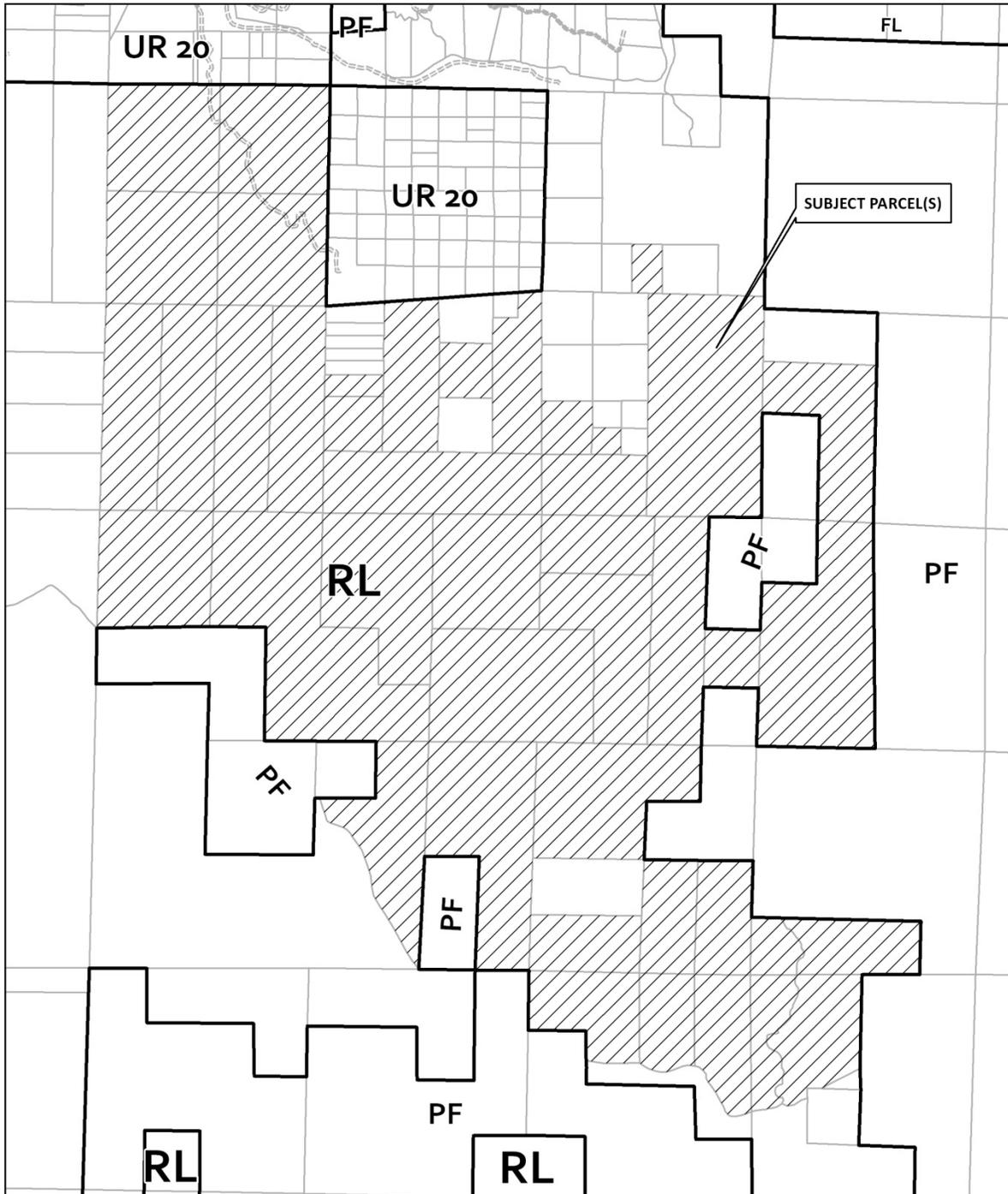




CASE: A 4-2013
OWNER: SCHNEIDER, David
APN: 034-141-02, et. al. (43 parcels)
AGENT:
ADDRESS: None Assigned

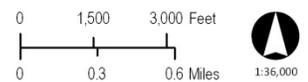
2010 NAIP AERIAL ORTHOPHOTO

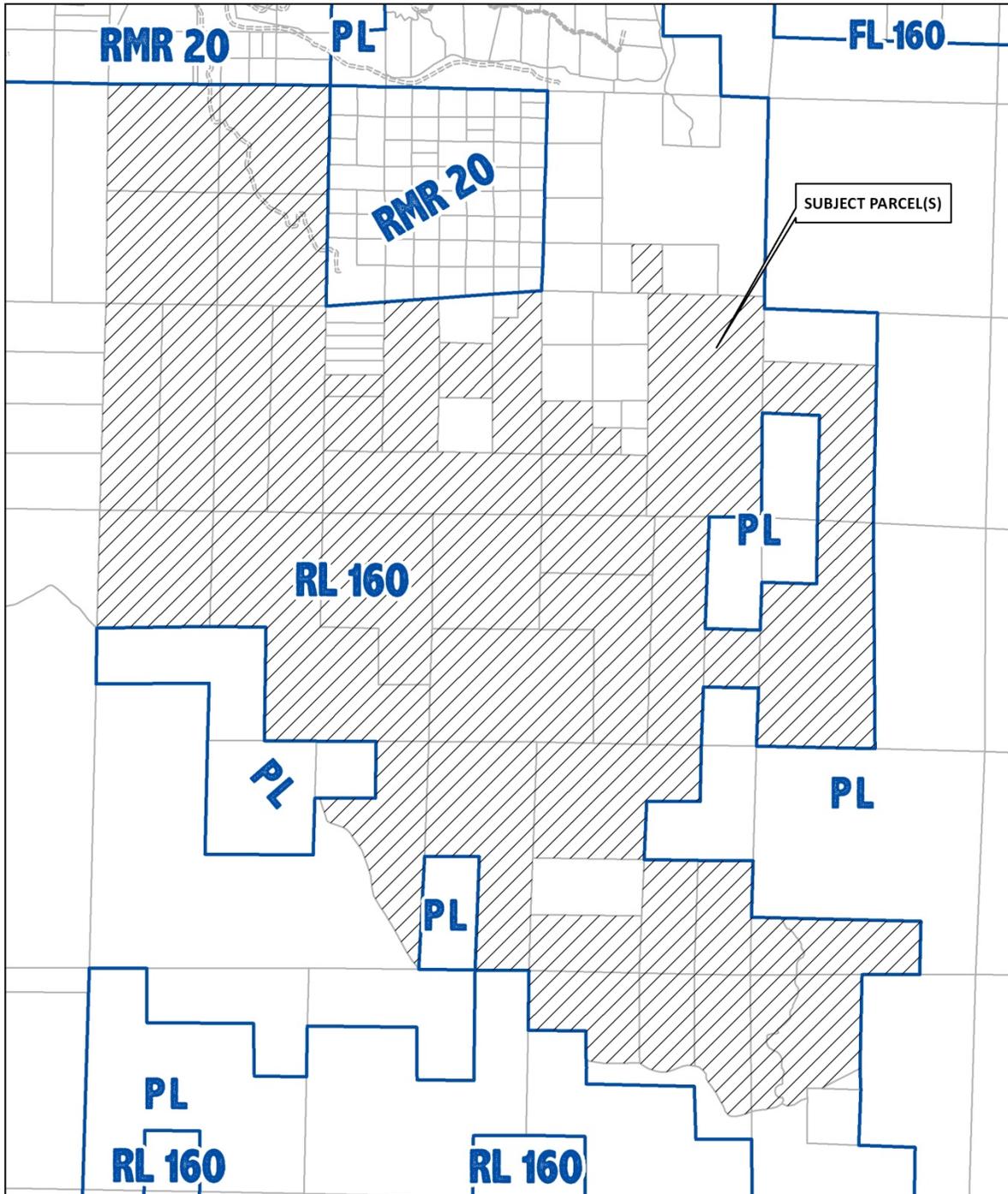




CASE: A 4-2013
OWNER: SCHNEIDER, David
APN: 034-141-02, et. al.
GP/ZONE: RL 160 / RL
ADDRESS: None Assigned

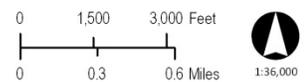
ZONING DISPLAY MAP

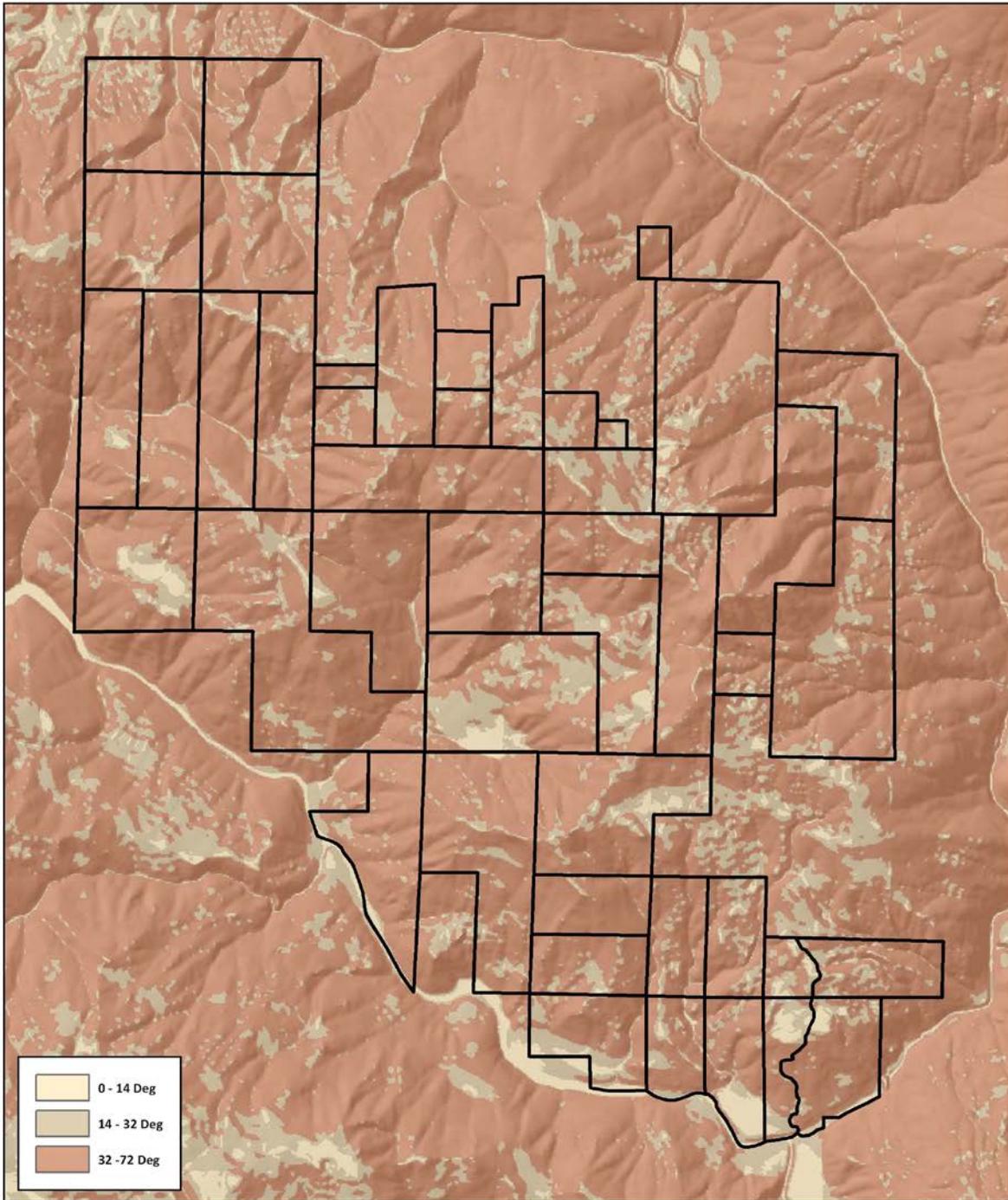




CASE: A 4-2013
OWNER: SCHNEIDER, David
APN: 034-141-02, et. al.
GP/ZONE: RL 160 / RL
ADDRESS: None Assigned

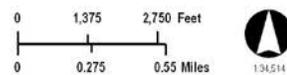
GENERAL PLAN DESIGNATIONS

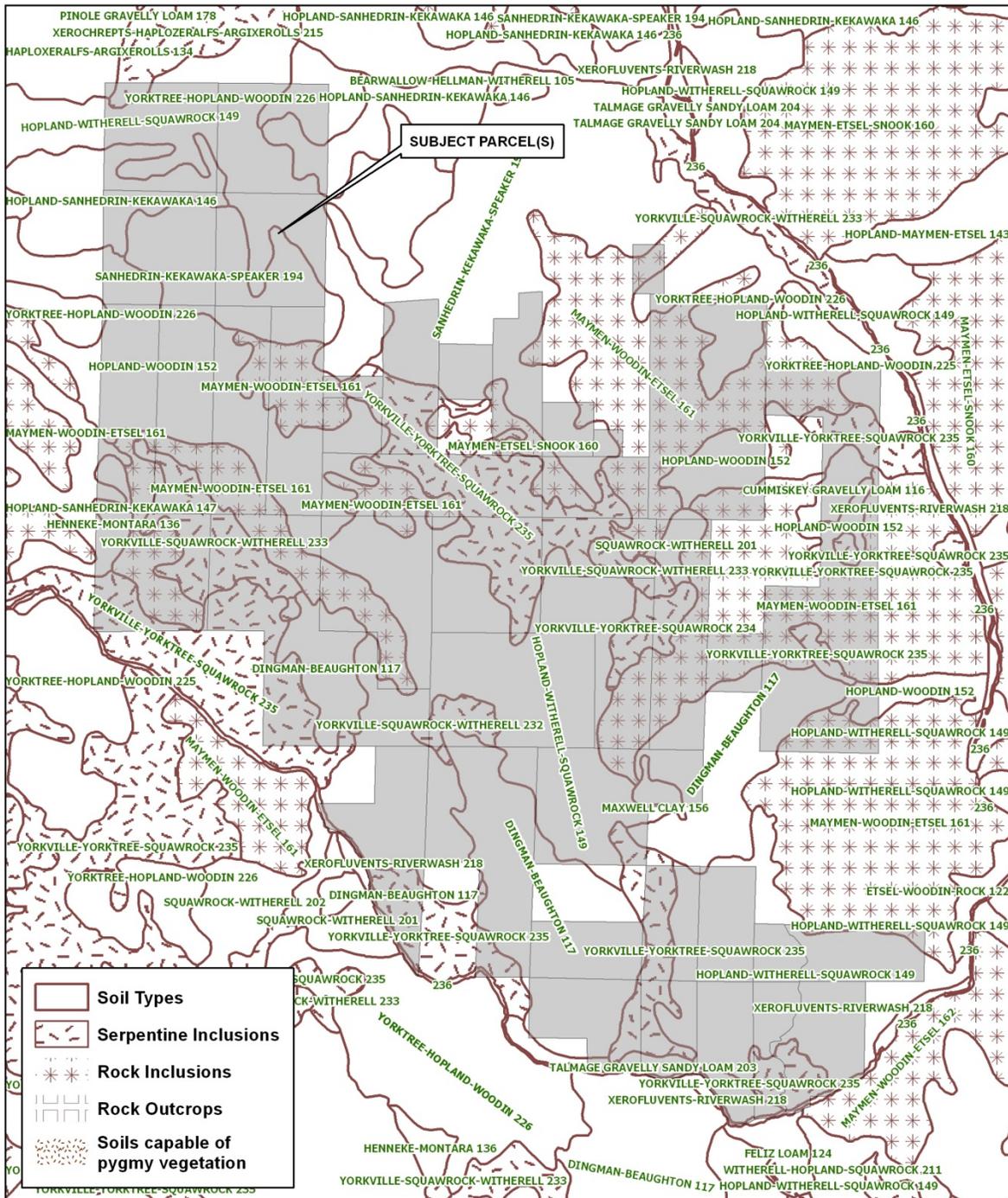




CASE: A 4-2013
OWNER: SCHNEIDER, David
APN: 034-141-02, et. al. (43 parcels)
AGENT: 71891 Judge Webber Lane, Covelo
ADDRESS: None Assigned

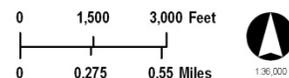
ESTIMATED SLOPE

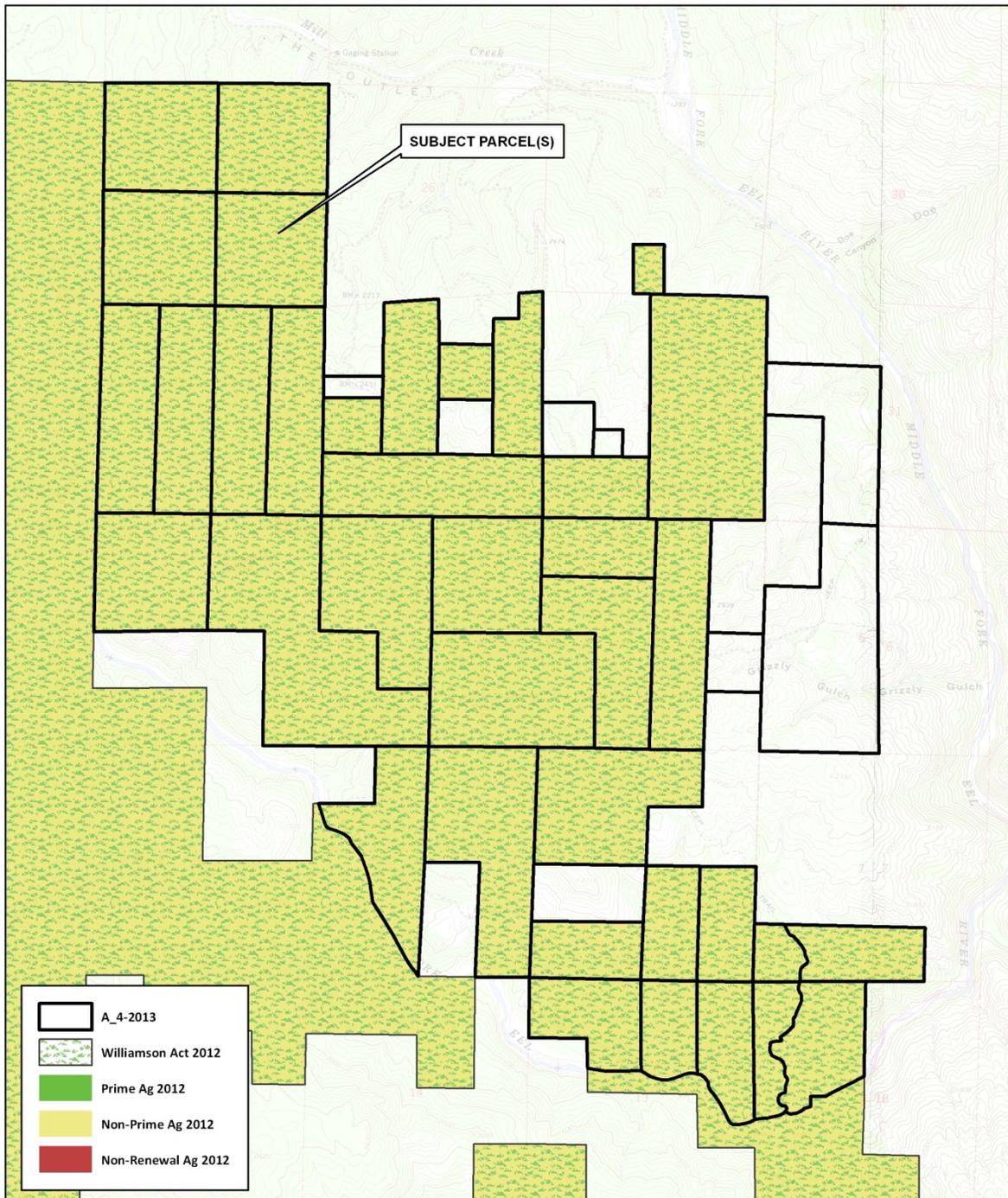




CASE: A 4-2013
OWNER: SCHNEIDER, David
APN: 034-141-02, et. al. (43 parcels)
AGENT:
ADDRESS: None Assigned

SOILS & SERPENTINE





CASE: A 4-2013
OWNER: SCHNEIDER, David
APN: 034-141-02, et. al. (43 parcels)
AGENT:
ADDRESS: None Assigned

WILLIAMSON ACT

