



February 21, 2012

City of Morgan Hill  
Attn: Rebecca Tolentino  
Morgan Hill City Hall  
17555 Peak Avenue  
Morgan Hill, CA 95037

Dear Rebecca,

Building a community that includes viable and sustainable agriculture takes time and resources, and the development of an agriculture mitigation policy and program is a vital step in this process. We commend the City of Morgan Hill for releasing a draft agriculture plan and policy and for placing value on agriculture as a vital part of your economy, landscapes and community. And we thank you for allowing Greenbelt Alliance to participate in the conversation and provide comments on the draft plan.

We commend Morgan Hill for the many points in the plan that will strengthen and support the working landscapes around your City. Your policy provision requiring developers to find the mitigation property, negotiate the purchase of an easement from a willing seller, and pay all acquisition costs is important for successful market transactions that value agriculture. Additionally, the requirement that developers fund deposits for easement monitoring and defense is essential to long-term mitigation and monitoring efforts, and ultimately, the success of the policy. We commend you for avoiding in-lieu fees, which can allow developers to avoid mitigation efforts, and for explicitly stating that agricultural easements are perpetual, thereby eliminating the possibility of “term easements.” As well, your goal to expand your transfer of development program to include agricultural conservation credits may potentially provide an additional mechanism to help the city balance development and preservation goals.

Many opportunities exist to improve this policy and program so that small-scale agriculture and agri-tourism not only exist in Morgan Hill’s Sphere of Influence (SOI) but also become an integral part of Morgan Hill’s community and economy. First and foremost, a more holistic and integrated approach is required in order to have a successful agriculture policy. There are many efforts being undertaken to address the sustainability and viability of agriculture both regionally and across the state. The City needs to review the struggles and successes of other cities’ policies and plans, for example: Yolo, Davis and South Livermore Valley, that have ensured the long-term viability of agriculture in their areas to avoid policies that have led to pitfalls and failures.

Additionally, the focus on agriculture viability and efforts to enhance agriculture preservation should be significantly expanded to include steps to achieve viability and the funding mechanisms

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supporting it. Specifically, Morgan Hill should address what types of farming practices should be encouraged, what relationships need to be forged, and what opportunities exist to improve infrastructure and marketing programs. For example, House Consultants noted in 2010 that nursery gardens, flowers, community garden allotments, community farms, education centers and farms emphasizing local sales have the potential for viable practices in Morgan Hill. These farming practices should be incentivized and made a first priority in mitigation efforts and programs. Another example is the necessary relationship with the Santa Clara County Food System Alliance, whom is working to make agriculture viable in Morgan Hill, and is a tremendous resource. A third example to include in the policy is efforts to link farm to school programs, a tremendous bridge between securing local markets and expanding food awareness.

Another recommendation is for the City to identify a land conservation entity to monitor and manage conservation easements before the final draft. Conservation organizations have the technical expertise and capacity to perform and manage annual site monitoring. If the City plans cannot identify an independent easement acquisition agency, there should be a detailed articulation of how it will function as an interim agency until a “partner” is identified.

As well, we urge Morgan Hill to increase the minimum ratio to 1:1, a standard throughout the State and the ratio of your neighboring jurisdictions. A 1:1 ratio is necessary to meet LAFCO requirements, and cooperation with this entity is imperative to your successful mitigation program. Additionally, most if not all jurisdictions assume that a 1:1 ratio is the minimum ratio necessary to achieve actual sufficient mitigation for agriculture conversion. While one can appreciate the “incentivizing” reasoning behind the 0.5:1 ratio within the city’s SOI, it may not materialize, as it may be even cheaper or equal in cost to preserve farmland outside the SOI. To consider another perspective, without more land set aside for the priority area, the small area designated in the SOI may not be successful. If there is truly a preference to put the Southeast Quadrant (SEQ) as a priority agriculture preservation area, then the priority area should be large enough to mitigate the development of the SEQ, and the process to mitigate should be detailed. Potential solutions include a “stay ahead provision” that would require a certain minimum amount of land be preserved within the SEQ before granting building permits or a higher ratio both inside and outside the SOI.

Morgan Hill’s financial analysis is unclear and inadequate within the policy and could be improved significantly to enable clarity and provide validity to the Policy’s purpose and analysis. Specifically, an economic analysis of several data points within the policy needs to be completed. For example, the price per acre and housing pricing within the draft document need to be substantiated, as well as the comparison for using housing and not commercial or industrial prices. Also, an analysis of the parcels within the SEQ and agriculture priority area is needed, such as the percentage of the parcels in the SEQ and SOI that are 5-20 acres, the parcel sizes, and the costs of 2-20 acre parcels in the County.

Additionally, the Planned Development and Development Agreement section within the policy needs further clarification. More details are required on this potential mitigation measure, such as the idea of “clustering”, “no mitigation for active farming”, and “actively farming” to eliminate the possibility of a loop-hole policy.

Last but not least, we recommend the City integrate with LAFCO's farmland definition so that working landscapes are preserved. Santa Clara County LAFCO'S farmland definition should be used because it is more inclusive of agricultural uses and does not limit irrigation to the prior four years. The definition of the agricultural land (pages 3 and 18) excludes rangeland and stipulates that the land must have been irrigated in the previous four-year period. This definition puts land at risk, and could allow a landowner to avoid mitigation fees by letting the land go fallow or use only as grazing land prior to starting the development process.

It is often stated that farming is no longer viable in South Santa Clara County and that it is a foregone conclusion that housing subdivisions, shopping malls and pavement will replace all of the orchards and row crops that once defined the Valley of Heart's Delight. But Silicon Valley has thrived on innovation and this includes the value we place on fresh food and local, agriculture practices. The fastest growing sector in agriculture is small scale, urban edge agriculture. This Agricultural Mitigation Policy and Program has the potential to enable economically, viable agriculture practices on the best remaining farm and ranch lands in Morgan Hill's Sphere of Influence. This ultimately enables Morgan Hill to utilize agriculture preservation to protect its greenbelt, secure local food production, increase economic revenue and place Morgan Hill on the map for its agri-tourism, recreational opportunities and rural charm.

Sincerely,

A handwritten signature in black ink that reads "Erin Munning". The signature is written in a cursive, flowing style.

Erin Munning  
South Santa Clara County Campaign Manager  
Greenbelt Alliance