MENDOCINO COUNTY

AGRICULTURAL PRESERVE CONTRACT

THIS CONTRACT is made and entered into this _____ day of ____________, 20____, by and between ____________

______________________________, being individually and collectively referred
to hereinafter as “OWNER” and the COUNTY OF MENDOCINO, a political subdivision of the State of California, herein after referred to as “COUNTY”, who hereby contract and agree as follows:

1. **Ownership.** OWNER represents that they are the owner of certain real property located in the County of Mendocino, which property is devoted to agricultural use and is located within an area designated by Resolution No. ____________ of the Board of Supervisors of Mendocino County, hereinafter referred to as "BOARD" as an agricultural preserve, said resolution being incorporated herein by reference.

2. **Property Description.** Said property which is the land and the property constituting the subject of this contract, is described by legal description and parcel number in Exhibit “A”, which is attached hereto and incorporated herein by reference. A map showing the location of the above described property is filed in the Recorder's Office by Drawer No. __________ Book __________ Page __________ on this _____ day of ____________, 20____.

3. **Purpose of Contract.** Both OWNER and COUNTY enter into this contract for their mutual benefit and for the purpose of limiting the use of agricultural land so as to preserve such land pursuant and subject to the conditions set forth in this contract and the California Land Conservation Act of 1965, as amended, commencing with Section 51200 of the Government Code. Both OWNER and COUNTY agree with the findings made by the state legislature in Section 51220 of the Government Code and by the BOARD in Section 22.08.010 of the Mendocino County Code. Both OWNER and COUNTY desire to limit the use of OWNER's above-described property to agricultural and compatible uses in order to discourage the premature and unnecessary conversion of said property from agricultural land to urban uses, recognizing that said property has substantial public value as open space and that the preservation in agricultural production of said property constitutes an important physical, social esthetic, and economic asset to the COUNTY and to urban developments.

4. **Highest and Best Use.** Both OWNER and COUNTY intend and hereby determine that the highest and best use of OWNER's above-described property during the stated term of this contract and any renewal thereof is agricultural use.
5. **Enforceable Restriction.** Both OWNER and COUNTY intend and hereby determine that this contract shall be an enforceable restriction within the meaning and for the purposes of Section 8 of Article XIII of the State Constitution and Sections 422, et seq., as amended to date, of the Revenue and Taxation Code.

6. **California Land Conservation Act.** This contract is made and entered into pursuant to the California Land Conservation Act of 1965, also known as the Williamson Act (Chapter 7 of Part 1 of Division 1 of Title 5 of the California Government Code, commencing with Section 51200, as amended to date) and is subject to all the provisions thereof and such other provisions as are specifically made applicable to this contract.

7. **Recording of Contract.** No later than twenty (20) days after execution, COUNTY shall, pursuant to Section 51248 of the Government Code, record with the Recorder of the County of Mendocino a copy of this contract together with a reference to the map showing the location of the agricultural preserve in which the above-described property lies.

8. **Restriction on Use.** For the duration of this contract and any renewals thereof, the above described property shall not be used for any purpose other than the agricultural uses and compatible uses listed in Chapter 22.08 of the Mendocino County Code, which is incorporated herein by reference. No structures shall be erected upon the above described property except as follows: Such structures as may be directly related to and compatible with authorized agricultural uses of the land and residence buildings for such individuals as may be engaged in the management of said land and their families.

9. **Designation of Additional Compatible Uses.** The BOARD may, from time to time, during the term of this contract or any renewals thereof, by ordinance, after public hearing, add further compatible uses to those uses set forth as compatible uses in Chapter 22.08 of the Mendocino County Code; provided, however, that the BOARD shall not eliminate, without the written consent of OWNER, a compatible use during the term of this contract or any renewals thereof.

10. **Required Land Use.** For the duration of this contract and any renewals thereof, the owner shall carry out and maintain those uses of the above-described property as were necessary to meet the minimum eligibility qualifications for agricultural preserve status applicable at the time of the execution of this contract for the type of land involved. If such uses are not carried out and maintained, the owner shall be deemed to be in material breach of this contract.

11. **Term of Contract.** This contract shall be effective on the date first above written and shall remain in effect for a period of nine (9) years from the first day of the ensuing January and during all renewals and extensions of this contact. The first day of January shall be deemed the anniversary date of this contract. This contract shall be automatically renewed for an additional period of one (1) year on the first day of January of each succeeding year during the term hereof unless notice of nonrenewal is given as provided by Section 51245 of the California Government Code and Chapter 22.08 of the Mendocino County Code. Upon request by OWNER, the BOARD may authorize OWNER to serve a written notice of nonrenewal, referred to herein as a notice of partial nonrenewal, on a portion of the above described property, in which case the contract shall automatically be renewed as herein set forth as to the balance of said property. Each one-year extension shall be added to the term of this contract so as to commence immediately following the above stated termination date for this contract or the termination date of the most recently added one-year extension, whichever is later in time, to the end that at all times during the continuation of this contract as renewed there shall be the minimum of a nine (9) year term of restriction unless notice of nonrenewal has been given. Under no circumstances shall a notice of renewal be required of either party to **effectuate** the automatic renewal provision of this paragraph.

12. **Notice of Nonrenewal.** If either the OWNER or COUNTY desires in any year not to renew this contract, that party shall serve written notice of nonrenewal of the contract upon the other party in advance of the annual renewal date of this contract which is the first day of January. The OWNER may make a written protest of the notice of nonrenewal pursuant to Mendocino County Code Section 22.08.11O(F). Unless such written notice is served by the OWNER at least ninety (90) days prior to said renewal date, or by the COUNTY at least sixty (60) days prior to said renewal date, this contract shall be considered renewed as set forth above.

13. **Term Following Notice of Nonrenewal.** If COUNTY or OWNER serves notice of intent in any year not to renew this contract, this contract shall remain in effect for the balance of the period remaining since the original execution or the last renewal of this contract, as the case may be.
14. Removal of Land Equivalent to Notice of Nonrenewal. The effect of removal of any real property under this contract from an agricultural preserve shall be the equivalent of a notice of nonrenewal by the COUNTY, and the COUNTY shall, at least sixty (60) days prior to the next renewal date following the removal, serve a notice of nonrenewal as provided in California Government Code, Section 51245, and record with the Recorder of Mendocino County the notice or nonrenewal.

15. Consideration. OWNER shall not receive any payment from COUNTY in consideration of the obligations imposed hereunder, it being recognized and agreed that the consideration for the execution of this contract is the substantial public benefit to be derived there from and the advantage which will accrue to OWNER as a result of the effect on the method of determining the assessed value of the real property described herein and due to the imposition of the limitations on its use contained herein.

16. Contract Runs With the Land. This contract shall run with the land described above and shall be binding upon, and inure to the benefit of, all successors in interest to the OWNER.

17. Division of Land:

(a) No land subject to an agricultural preserve contract shall be subdivided unless the COUNTY committee, commission, or board, having the authority to grant final approval of the type of subdivision involved has made the express finding that each of the parcels resulting from such subdivision meets the minimum eligibility qualifications for agricultural preserve status as were applicable at the time the agricultural preserve was established. If any of the parcels resulting from such subdivision does not meet the minimum eligibility qualifications for agricultural preserve status in effect at the time of the filing of the tentative map for such subdivision, the County shall, deny the subdivision.

(b) No land subject to an agricultural preserve contract shall be issued certificates of compliance unless the County committee, commission, or board, having the authority to grant certificates of compliance has made the express finding that each of the parcels resulting from the issuance of certificates of compliance meets the minimum eligibility qualifications for agricultural preserve status as were applicable at the time the agricultural preserve was established. If any of the parcels resulting from the granting of such certificates of compliance does not meet the minimum eligibility qualifications for agricultural preserve status in effect at the time the agricultural preserve was established, the County committee, commission, or board shall impose as a condition of granting the requested certificate of compliance, that the subject parcel or parcels not be used for anything other than agricultural use or a compatible use as set forth in the California Land Conservation Act of 1965, also known as the Williamson Act, and the subject agricultural preserve contract.

(c) The owner of any parcel may exercise, independent of any other owner of a portion of the subdivided land, any of the rights of the owner in the original contract, including the right to give notice of nonrenewal and to petition for cancellation; the effect of any such action by the owner of a parcel created by the subdivision of land under contract shall not be imputed to the owners of the remaining parcels and shall have no effect on the contract as it applies to the remaining parcels of subdivided land.

18. Eminent Domain. When any action in eminent domain for the condemnation of the fee title of the entire parcel of land subject to this contract is filed, or when such land is acquired in lieu of eminent domain for a public improvement by a public agency or person, or whenever there is any such action or acquisition by the federal government or any person instrumentality or agency acting under authority or power of the federal government, this contract shall be deemed null and void as to the land actually being condemned or so acquired as of the date the action is filed, and for the purposes of establishing the value of such land, this contract shall be deemed never to have existed.

(a) Upon the termination of such a proceeding, this contract shall be null and void for all land actually taken or acquired.

(b) When such an action to condemn or acquire less than all of a parcel of land subject to this contract is commenced, this contract shall be deemed null and void as to the land actually condemned or acquired and shall disregarded in the valuation process only as to the land actually being taken unless the remaining land subject to contract will be adversely affected by the condemnation in which case the value of that damage shall be computed without regard to the contract.
(c) When such an action to condemn or acquire an interest which is less than the fee title of an entire parcel or any portion thereof of land subject to this contract is commenced, this contract shall be deemed null and void as to such interest and, for the purposes of establishing the value of such interest only, shall be deemed never to have existed, unless the remaining interests in any of the land subject to this contract will be adversely affected, in which case the value of that damage shall be computed without regard to the contract.

(d) The land actually taken shall be removed from this contract. Under no circumstances shall land be removed that is not actually taken except that, when only a portion of the land or less than a fee interest in the land is taken or acquired, this contract may be cancelled with respect to the remaining portion or interest upon petition of either party and pursuant to the provisions of Sections 51280, et seq., of the California Government Code.

19. **City Annexation.** On the annexation by a city of any land under this contract, said city shall succeed to all rights, duties, and powers of COUNTY under this contract unless the land being annexed was within one (1) mile of such city at the time that this contract was initially executed; said city has filed, and the Mendocino County Local Agency Formation Commission has approved, a protest to this contract pursuant to Section 51243.5 of the Government Code; and said city states its intent not to succeed in its resolution of intention to annex. If said city does exercise the foregoing option not to succeed, this contract becomes null and void as to the land actually being annexed on the date of annexation; in the event that only part of the land under this contract is within one (1) mile of the city, said option of the city shall extend only to such part.

20. **Cancellation.** This contract may not be cancelled except by mutual agreement between OWNER and COUNTY and only if all the following conditions are met:

   (a) The owner requests cancellation in the form and manner approved by the Mendocino County Assessor.

   (b) A public hearing is held before the BOARD (or, in the case of a city succeeding to the rights, duties, and powers of COUNTY under this contract, then the hearing shall be held before its council).

   (c) Notice of hearing is published pursuant to Section 6061 of the Government Code and is given by mail to each and every owner of land under this contract and any portion of which is situated within one (1) mile of the exterior boundary of the land upon which this contract is proposed to be cancelled.

   (d) The BOARD makes the following findings:

      (1) That the cancellation is consistent with the purposes of the California Land Conservation Act of 1965 also known as the Williamson Act; or

      (2) That cancellation is in the public interest.

      For purposes of paragraph (1) of subdivision (d), cancellation of a contract shall be consistent with the purposes of the California Land Conservation Act of 1965 also known as the Williamson Act, only if the Board makes all of the following findings:

      (1) That the cancellation is for land on which a notice of nonrenewal has been served pursuant to Government Code Section 51245;

      (2) That cancellation is not likely to result in the removal of adjacent lands from agricultural use.

      (3) That cancellation is for an alternative use which is consistent with the applicable provisions of the County General Plan.

      (4) That cancellation will not result in discontiguous patterns of urban development.

      (5) That there is no proximate non-contracted land which is both available and suitable for the use to which it is proposed the contracted land be put, or, that development of the contracted land would provide more contiguous patterns of urban development than development of proximate non-contracted land.
21. **Cancellation Fee.** Prior to any action by the BOARD giving tentative approval to the cancellation of this contract, the Mendocino County Assessor shall determine the full cash value of the land as though it were free of the contractual restriction. The Assessor shall multiply such value by the most recent County ratio announced pursuant to Section 401 of the Revenue and Taxation Code and shall certify the product to the BOARD as the cancellation valuation of the land for the purpose of determining the cancellation fee. Prior to giving tentative approval to the cancellation of this contract, the BOARD shall determine and certify to the Mendocino County Auditor the amount of the cancellation fee, which the owner must pay the Mendocino County Treasurer as deferred taxes upon cancellation. That fee shall be an amount equal to at least twelve and one-half percent (12.5%) of the cancellation valuation of the property.

22. **Liquidated Damages.** In case of OWNER's breach of this contract, OWNER shall pay to COUNTY a sum equivalent to twenty-five percent (25%) of the full cash value as defined by Revenue and Taxation Code Section 110 of the land when relieved of the restriction as found by the assessor, which sum shall be deemed to be liquidated damages and which sum shall be presumed to be the amount of damage sustained by COUNTY by OWNER's breach. OWNER and COUNTY agree that it is necessary to fix the foregoing sum as liquidated damages by virtue of the fact that it would be impractical and extremely difficult to fix the actual damage sustained by COUNTY and the parties agree said liquidated damages are reasonable under the existing circumstances. This remedy shall in no way impair the enforcement of this contract by injunction or specific performance.

23. **Enforcement.** COUNTY may bring any action in court necessary to enforce this contract including, but not limited to, an action to enforce the contract by specific performance and injunction. Any conveyance, contract, or authorization, whether oral or written, by OWNER or his successors in interest which would permit use of the above-described property contrary to the terms of this contract, or contrary to the provisions of Chapter 22.08 of the Mendocino County Code, may be declared void by the BOARD; such declaration, as well as the terms and provisions of this contract, may be enforced by COUNTY by an action filed in the Superior Court for the purpose of compelling compliance or restraining breach thereof. It is understood that the enforcement proceedings provided in this contract are not exclusive, and both the OWNER and COUNTY may pursue their legal and equitable remedies.

24. **Costs of Litigation.** In the event COUNTY shall, without any fault on its part, be made a party to any litigation commenced by or against OWNER, OWNER shall pay all cost together with reasonable attorney's fees incurred by or imposed upon COUNTY by or in connection with such litigation. OWNER shall further pay all costs and reasonable attorney's fees which may be incurred or paid by COUNTY in enforcing the covenants and agreements of this contract.

25. **Exculpatory Clause.** OWNER shall hold COUNTY harmless from any demand, claim, cause of action, or
action for damages involving OWNER's interest or rights in and to the above-described property. The person or persons signing this contract represent that they are the owners of the above-described property and are entitled to and possess the authority to enter into this contract and to bind said property in accordance with this contract.

26. Disclosure of Facts. OWNER shall provide COUNTY, all the information concerning OWNER's agricultural activities upon the above-described property, together with any other information required by COUNTY in order to enable it to determine the continuing eligibility of such land. Such information shall include, but not be limited to, a Reporting Statement, pursuant to Mendocino County Code Section 22.08.090, to be filed with the Mendocino County Agricultural Commissioner in the form and manner prescribed by him.

(a) The landowner shall file a reporting statement for any land included within an agricultural preserve whether Type I, Type II, or Type III. Such reporting statement shall be on a form approved by the County of Mendocino and maintained in the office of the Agricultural Commissioner. The information contained in the reporting statement shall be confidential to the extent provided by law. The landowner shall file said reporting statement on the earlier of the following events:

(1) Every two (2) years as prescribed by the Mendocino County Agricultural Commissioner, and every two (2) years thereafter;

(2) Upon a change of ownership, use or possession;

(3) Upon the issuance of certificates of compliance pursuant to Government Code Section 66499.35 or any successor statute.

The landowner shall immediately inform the County upon change of use, possession, or ownership and it shall be the duty of the new landowner to simultaneously complete a new reporting statement. The reporting statement shall be in a form approved by resolution of the Board of Supervisors and such reporting statement executed under penalty of perjury. The reporting period for such statement shall be the previous two (2) contract years or whatever portion of such period is included from the period of the last reporting statement until the change of use, possession, ownership, or the issuance of certificates of compliance.

27. Severability. It is understood and agreed by the OWNER and COUNTY that, if any of the provisions of this contract shall be invalid under any law, such invalidity shall not invalidate the whole contract, but, rather, this contract shall be construed as if not containing the particular provision held to be invalid, and the rights and obligations of OWNER and COUNTY hereto shall be construed and enforced accordingly.

28. Notice. Any notice given pursuant to this contract may, in addition to any other method authorized by law, be given by United States mail, postage prepaid.

Notice to COUNTY shall be addressed as follows:

Clerk of the Board of Supervisors
County of Mendocino
501 Low Gap Road, Room 1010
Ukiah, California 95482

Notice to OWNER shall be addressed as follows:

_____________________________________
_____________________________________
_____________________________________
Phone: (____) ____________

29. Warranty of Title and Description. OWNER hereby warrants and represents as follows:

(a) That paragraph 1, supra, sets forth the names of all persons and parties holding any record title interest in the land described in Exhibit "A";
(b) That Exhibit "A" describes only property located within the area designated by the BOARD as an agricultural preserve by the resolution referred to in paragraph 1, supra; and

(c) That all persons and parties holding any encumbrance in any portion of the property described in Exhibit "A", including beneficial interests under trust deeds, are set forth below (excluding liens for taxes and special assessments, easements, and rights of way which cannot ripen into a fee, and mineral rights which do not include a right of entry on the surface of the land):

<table>
<thead>
<tr>
<th>Name</th>
<th>Nature of Encumbrance</th>
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30. Punitive Damages for Collusion. OWNER hereby promises not to allow payments secured by any trust deed or other encumbrance on the aforesaid land to become delinquent for the purpose of avoiding the restrictions of this contract. OWNER further agrees not to engage in any other fraudulent or collusive attempt to avoid such restrictions. Violation of this paragraph shall be deemed fraud and shall subject OWNER to punitive and exemplary damages awarded against him.

31. Incorporation of Mendocino County Code. This contract hereby incorporates by reference as if fully set forth verbatim herein each and every provision of Chapter 22.08 of the Mendocino County Code, as said chapter has been or may hereafter be amended, to the extent such provisions are not inconsistent with any fully-set-forth provision of this contract. By executing this contract, OWNER acknowledges that he has read and understands each provision of Chapter 22.08 of the Mendocino County Code.

IN WITNESS WHEREOF, OWNER and COUNTY have executed this contract on the day first above written:

__________________________________________  ____________________________________________
SIGNATURE(S) OF OWNER(S)                  PRINTED NAME(S) OF OWNER(S)
COUNTY OF MENDOCINO

BY: ___________________________ Chair
   Mendocino County Board of Supervisors

ATTEST:       CARMEL J. ANGELO
              Clerk of the Board

______________________________
          Deputy

On ___________________________, before me, ___________________________, Clerk of the Mendocino
County Board of Supervisors, personally appeared ___________________________, person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the
entity upon behalf of which the person(s) acted, executed this instrument.

I certify under PENALTY OF PERJURY under the laws for the State of California that the foregoing paragraph is true
and correct.

WITNESS my hand and official seal.

______________________________
Carmel J. Angelo, Clerk of the Board
Mendocino County Board of Supervisors