

**MINUTES
AMADOR COUNTY AGRICULTURAL ADVISORY COMMITTEE
MEETING OF WEDNESDAY, JUNE 9, 2021**

The meeting of the Amador County Agricultural Advisory Committee was called to order at 5:32 p.m. in the Board of Supervisor's Chambers at the County Administration Center, 810 Court Street, Jackson, California, by Chair John Allen.

The following members were present:

David Bassett, District 1
Dan Port, District 2 (Vice Chair)
John Allen, Jr., District 4 (Chair)
Eric Mayberry, Agricultural Commissioner
Zachary Kendrick, Planning Commissioner
Patty Bautista, Assessor's Office
Scott Oneto, Farm Advisor

The following members were absent:

Gary Gladen, District 3
Dan Dentone, District 5

Staff in attendance:

Chuck Beatty, Planning Department
Mary Ann Manges, Recording Secretary
Ruslan Bratan, Planner

Others present:

Jeffery Himmelmann, Assessor's Office
Fred Ott
Dominick Chirichillo
Robin Peters

- A. Correspondence:** None
- B. Public matters and persons wishing to address the Committee rearding non-agenda items:** None
- C. Approval of minutes:** Minutes of the January 27, 2021 meeting were unanimously approved following a motion by Eric Mayberry, seconded by Dave Bassett.

AGENDA ITEMS

- Item 1. Review and recommendation to the Board of Supervisors regarding Parcel Map #2891, which proposes to divide 246 acres into 6 parcels between 40 and 45 acres in size. 234 acres are included in Williamson Act contract #305; an additional 12 acres of non-contracted land from and adjacent parcel will be**

included, in conjunction with a request to rezone said acreage from the A, Agricultural district to the AG, Exclusive Agricultural district. (APNs: 011-090-021 and 011-100-031 (12- acre portion)).

Applicant: Vineyard Village Ione, LLC (Fred Ott, Manager)

Supervisorial District: 2

Location: 6601 Sutter Ione Road, Ione, CA 95640

Chair Allen introduced the item.

Mr. Bratan shared the Staff Report which is hereby incorporated by reference into these minutes as though set forth in full.

Robin Peters, Delta Engineering and representing the applicant, explained the project pointing out the ponds, neighboring parcels and roads on the map included in the packet. He shared that one of the partners in this development is the Chirichillo family who is carrying out the original vision of the Vintage Estates project on a parcel to the east where it is the same situation and same goals and added that Mr. Chirichillo is currently leasing that property with yields of about 4 to 5 tons of grapes per acre.

Mr. Mayberry stated that he would like to see vineyards first with this project and asked if 600 vines per acre is the standard layout.

Mr. Oneto responded that 500 to 600 vines per acre is pretty normal and added that the Hwy 124 corridor is composed of mostly Auburn soils which tend to be oak woodland, crop land for livestock production, and on the shallow side. He shared that about 3-5 feet of soil is needed to grow grapes. He added that there is a small pocket of supan on the property where soils are deeper which is probably identified as a suitable site for the vineyards.

Mr. Peters referred to the aerial photo, sharing that soils tend to be more shallow in the area and that Mr. Chirichillo is very familiar with them. He shared that the vineyards could be leased or contained within an easement and that there is a successful example of vineyard easement use in Calaveras County.

Chair Allen asked how water is managed for the ponds and the water system and if it will be through shares or easements.

Mr. Peters said that it will be jointly managed. He added that ponds are a lot of work and that a contractor would be engaged periodically.

Chair Allen stated that they are also heavily regulated. He asked what the County gets out of this and asked if vines get assessed. Discussion ensued between the Chair and Ms. Bautista that the vines are assessed, but not as an appellation and that the County would receive revenue from fencing, vines, irrigation system, trellis, posts, and homesites.

Chair Allen added that there currently is open space out there and after this is done a lot of homes will be seen which is really not what the Williamson Act is for.

Mr. Peters said that the properties will be covered as much as possible with vineyards to maximize production and that homesites themselves could vary.

Chair Allen shared that one of his concerns is reflected in the state statute where it says that the use does not include a residential subdivision. He stated that if we do this project and it stays in Williamson Act, that the County would need to get agricultural production and jobs from it and require some minimal acreage of grapes so that it is not just a hobby vineyard. He added that 10 acres would be on the small side.

Mr. Peters responded that the owners would agree with that.

Chair Allen suggested that there be 15 acres minimum per parcel so that it is an actual agricultural business since the applicant can do this without it being in the Williamson Act. He shared that the proposed parcels are all currently in the same contract and that a strip is going to be added to it. He stated that they need to have 6 contracts and had concerns about what will happen if people do not do their part. He added that we need to think about what happens when people sell and then who will maintain the water system. He advised that there be a water company with shares of stock rather than an easement situation which he believes could be an invitation to the courthouse.

Mr. Peters stated that all the properties are going to be managed by the same entity and that it is in the interest of the vineyard manager to maintain water resources or he has no irrigation water or production.

Chair Allen asked if it is going to be required that they all be under one contract.

Mr. Peters responded no, but it is the model that he has constructed.

Chair Allen said that it ties the owners hands though.

Mr. Peters commented that the goal is common management of the vineyards. He shared that properties can be sold and that it is important to the owner to establish vineyards which will allow him to perpetuate his operation.

Mr. Mayberry asked if it is the plan to plant vineyards before parcels are sold off.

Mr. Peters responded that the vineyards come first.

Chair Allen and Mr. Bassett asked why there is a need to break it off into parcels and sell them if in they are in the wine business.

Mr. Peters responded to generate revenue.

Chair Allen said that it is a subdivision.

Mr. Peters responded it is a vineyard that requires a lot of revenue to become established.

Mr. Bassett stated that his concern is that he does not see the purpose of the Williamson Act to split it up into 40 acre parcels for high end residents. He added that it does not seem like it is compatible with the Williamson Act.

Chair Allen said that if they do it this way they have to have the vines on the parcels. Without the Williamson Act, they do not need to have the vines.

Mr. Beatty added that, currently, if they non-renew their Williamson Act contract, they have to wait 7 years to subdivide it.

Chair Allen added that they get a jump on it this way. He stated that if provisional contracts are added for 3 years that if they get non-renewed that it would be 10 years before it could be subdivided.

Mr. Peters reminded that Mr. Chirichillo's goal is to establish a project similar to the vision of Village Estates. He said it is the same guy in vineyard management who owns and operates a winery and who is established in the immediate vicinity and that this is an extension of his industry.

Chair Allen asked why is this better and said a question for the County is what does the County have to lose in doing this.

Mr. Peters responded that this is adding value to property, revenue to the County, and a better situation than Vintage Estates.

Chair Allen asked what the source of the water is.

Mr. Peters said runoff and showed the storage plan on the map.

Chair Allen said that the Committee has to be careful or we are going to get more of these. He said to make sure the County gets something out of this for the exchange of lower taxes and said he could not find the provisional term in the code.

Mr. Beatty stated that it is not in the code, but it has been practice to give a 3 year provisional contract.

Chair Allen said he does not think 10 acres is enough and recommended 15 acres because it is not just a homesite and that somebody else is tending it.

Mr. Peters suggested that it is not an issue that they will make it work.

Chair Allen said he would be more comfortable if there is a water company with shares.

Mr. Peters said we are looking at a different scenario and there is every incentive to maintain the water system.

Chair Allen said that he is looking at 20 or 30 years from now.

Mr. Peters said that the vineyard manager is going to be on the hook.

Chair Allen added that more structure is needed when there is one source of water for 6 parcels.

Mr. Port commented that it is not economically feasible to put the vineyards in now. He added that it seems that the 6 parcels will be benefitting from reduced taxes and if they are taken out of the Williamson Act they will be paying higher taxes. He said it sounds like the new owners will not have control of the water. He asked if they can grow whatever crop they want on those parcels and, if so, that it could affect the agricultural value in the long run. He added that he would like to see a way to make this happen, but shared concern that an agricultural project is being financed by a residential subdivision and being subsidized by the Williamson Act.

Chair Allen asked Mr. Beatty about the provisional conditions and asked if the County goes out to look at progress on year one.

Mr. Beatty replied that Planning is in charge of the provisional contract and would have to annually check progress. He added that no action can be taken until the 3rd year if the provisional terms have not been met.

Mr. Mayberry said that it could easily take 3 years to do what needs to be done.

Chair Allen said all the infrastructure and the vines would have to be in within 3 years.

Mr. Peters said in some cases it takes longer and asked about the parcel map.

Mr. Allen said they all get approved by the Board at the same time.

Discussion ensued among the Committee about recommending prohibiting sale of the parcels until the grapes are planted.

Mr. Oneto said they already put in a permit for an additional pond and to figure at least 3 acre feet per acre on a vineyard per year.

Mr. Mayberry said that he sees it as a problem that they are relying on water from a small watershed.

Mr. Mayberry and Mr. Oneto said that at some point the reality is that they will be putting in a well and that there are people that do dryland farming.

Mr. Peters said that the owner actually has a well.

Chair Allen stated that it seems like we need a motion and that a provisional contract is needed and to get everything completed. He said he would like to see infrastructure and a water company with shares of stock, and that each parcel would be part of that and that it would not need to be farmed until that time. He added that accomplishing that in in 3 years would be good.

Mr. Mayberry said they is nothing preventing them from putting the vines in today.

Chair Allen commented that they want to make more money off of it. He stated that they found a way to do it through the County code but that the County needs to get something out of it and that is why he is asking for 15 acres on each parcel.

Mr Peters said the consultant can fine tune it.

Chair Allen said that he needs a motion to recommend approval with a minimum of 15 acres of grapes on each parcel, have all vines and infrastructure associated with them installed within 3 years from date of the Board of Supervisor's approval, and that they form a water company with stocks for each parcel that would maintain the water system indefinitely.

Mr. Oneto asked for clarification that owners can punch a well.

Chair Allen said they could but they still need a water system.

Mr. Bassett said it looks like a lot of problems.

Mr. Oneto added each one is going to be punched with a well for home use.

Chair Allen said that the water company is just for the system that serves all 6 parcels' vineyards and does not serve the houses.

Mr. Beatty said that since this is a Committee and not a Commission that the chair can make the motion.

MOTION: Chair Allen motioned to recommend approval with a minimum of 15 acres of grapes on each parcel, have all vines and infrastructure associated with them installed within 3 years from date of the Board of Supervisor's approval, and that they form a water company with stocks for each parcel that would maintain the water system indefinitely.

Mr. Bratan said that the Committee recommendation goes to the Board of Supervisors, but project will first be reviewed by the Technical Advisory Committee with the Parcel Map being approved by the Planning Commission.

Mr. Beatty said that the Board will also have to approve the zone change for the 12 acres on the far east of the project and all of the Williamson Act contracts.

Chair Allen amended the motion to recommend approval to add the 12 acres to the Williamson Act and have a separate contract for each parcel.

Mr. Port stated that he votes no at this time because it is too complicated.

The motion failed for lack of a second.

Mr. Port said that he cannot see a way forward and that he has to get a pretty detailed description of how this is going to play out over the next 20 years and a better idea of the rights and obligations of the property owners of those 6 parcels. He added that he is willing to talk about it and suggested that maybe staff can come forward with a proposal.

Fred Ott clarified that most of the revenue for the County now comes from the single home on his parcel. He stated that if there is no subdivision there is no way forward. He commented that he is fortunate to have met Dominick Chirichillo several years ago and that Mr. Chirichillo is an experienced vintner, winemaker, has a wine school and a restaurant, and has great plans for the entire area. He stressed that this is 6 parcels of grapes and a joint venture for 6 individuals. He added that if the County is looking for tax revenue, they are not going to get it if nothing is approved. He added that this is also a community. He shared that this was designed for 10 acres of grapes per parcel but can be changed to 15 acres. He said that it will be owned continually by Mr. Chirichillo and/or himself and that they will control the water. He added that the owners of parcel 4 and parcel 6 always manage water. He stressed that the alternative that the County only will get the revenue off the one house because the land in the Williamson Act. He shared that there already are two successful vineyards there owned by Mr. Chirichillo and reminded that there will be no income from this property if it is not subdivided.

Mr. Mayberry asked if the Williamson Act should be used to facilitate this project, whether it economically makes sense or not, and if they should recommend it to the Board as presented. He commented that the Chair made an effort to find ways to get this passed and asked if there is a compromise between Mr. Ott's interests and the interests of the County.

Mr. Ott said that the only reason he is subdividing into 40 acre parcels is to keep it in the Williamson Act. He said that to go through the period of time to get out of Williamson Act is not economical in order to subdivide. He requested reconsideration and a revote. He stated that if it does not go through that he will sell, with the County receiving income on real estate from only a farm house and land.

Mr. Bassett asked what happens if a recommendation is not made to the Board of Supervisors.

Mr. Mayberry stated that it would be irresponsible to not take a position and said that someone else should make different motion.

Commissioner Kendrick stated that his concern is the precedent that it sets.

Mr. Ott commented that in order to be viable that there has to be a return on investment.

Commissioner Kendrick stated that this is a subdivision and the Williamson Act is to preserve large parcels. He said that progress and change will come and this is just part of the snowball. He shared that on its face there is no problem how it is drawn and that he appreciates its story. He added that it does set a precedent and is going to start a ball rolling.

Mr. Mayberry shared that from the past that people tend to want to go with the lowest requirements.

Mr. Ott commented that he wants to clarify that it is the right of an owner to seek approval for a subdivision and that the County is not getting any ag land in grazing. He shared that he is frustrated and thought that he did everything right. He added that if he needs to resubmit that he needs to know what the objections are. He asked for delineation on specific concerns, what is in violation of the Williamson Act, and what the purpose is of maintaining ag land.

Commissioner Kendrick stated that he seconds the earlier motion.

Chair Allen asked if there are any other questions.

Mr. Port commented that there are too many questions at this point to be answered. He said that this is the first time this Committee has seen this. He said that ag water is controlled by two of the parcels and shared that 40 acres parcels in this type of ground is not going to be enough of an ag venture. He stressed that control of water is key and shared that he does not know what the capacity of any wells might be. He suggested to make sure that if parcels in the Williamson Act are allowed to be subdivided into 40 acres that they are ag parcels.

Ms. Bautista informed that the County does not get subsidies from the State of California for contracted land anymore.

Mr. Port suggested that the applicant talk to Planning again and to some of the people on the Committee.

Mr. Beatty said sending it back to Planning is not going to be any help. He explained that they advised the applicant to propose 10 acres of vineyard per parcel based on the Committee's recommendations of 10 acres in the past, and added that the project otherwise meets all the requirements of the County code.

Mr. Ott asked for exactly what the objections are in order for them to come back with revisions.

Chair Allen said the water is an issue but it can be taken care of by the water company.

Mr. Port said that if the rest of the Committee is satisfied, that he is fine with it.

The Committee took a vote on Chair Allen's motion.

Ayes: Bautista, Kendrick, Allen

Noes: Mayberry, Port, Bassett

Abstain: None

Absent: Gladen, Dentone

Chair Allen said he has an idea on how to move this along. He stated that the Committee is choking on this being a subdivision, but that the flip side is a more intense use of the land. He said that maybe the Committee needs more information about how this is going to work.

Mr. Mayberry asked what will happen if Mr. Ott and Mr. Chirichillo are not here in the future and said that something is needed to ensure the continuity of the operation. Discussion ensued amongst the Committee about the ability to non-renew, but that it does not often happen. Mr. Mayberry shared that it seems to meet the minimum acres and added that it clearly is a subdivision first, and agricultural project second.

Mr. Ott and Mr. Peters said that everything was proposed based on knowledge at the time and that they do not have the werewithall to put in vineyards on 234 acres to offset the expense of putting it all in.

Chair Allen asked if the partner has the money to put the vineyards in, and if they can put vineyards in within 3 years until the parcels are sold.

Mr. Ott responded that loans are going to get the vineyards in and then they will turn around sell the parcels with Mr. Chirichillo recouping his investment. He added that without recouping there will be no money to put into the vineyards.

Chair Allen said that this helps explain, and if the County wants this project to be aware that it is being subsidized by selling the parcels.

Mr. Ott responded absolutely and that it is actually a very common sense thing.

Chair Allen stated there is open space out there now and if the Committee wants to see grapes put in, this is a way to get it done.

Mr. Port said that the 10 acres is not an issue and that the issue is how the water can be guaranteed for each of those 6 parcels. He stated that it involves the rights to the water and also if there is a company to be set up how that is to be legally organized. He shared that it is the water that makes those parcels qualify. He commented to look around in California, to look at ARSA, and reminded that there is a golf course in Ione that does not have any water.

Chair Allen responded that he is going to have 40 acre feet of storage and that they just need to construct a dam and that they have the engineering and a grading permit. He added that they have not figured out how to distribute that water legally amongst those parcels and said that is why he added terms to have a water company with shares owned by each parcel owner so that a structure for that can be carried forward indefinitely. He commented that is the biggest flaw that he sees.

Mr. Port said that another issue is that 40 acre feet of water is not enough to irrigate 40 acres of vineyard.

Chair Allen shared that that has been brought up, but that it is up to them to figure out those calculations, not the Committee. He asked if they can get those vines in in 3 years and that if they can that it works and if they cannot they get non-renewed and go forward without the Williamson Act and maybe have some delay. He added that by having that condition that they have to plant that many acres within that time it is up to them to make it work.

Mr. Ott said that Mr. Chirichillo just sent him an email and said that the water company can be owned by the 6 lot owners. Mr. Ott commented that he assumes in the deed restrictions there can be a stipulation that the root stock is a cab plant water resistant root stock which after 5 years can be dry farmed and that there is a lot of dry farm vineyards already in Amador County. He added that each of the parcels can have their own well and that there already are 3 wells and that they just need 3 more wells for individual household use. He said that if the vines are in within the 3 years, and within 5 years they can dry farm, it will solve a lot of that problem.

Mr. Mayberry asked Mr. Oneto if it makes sense.

Mr. Oneto stated that it is a challenging area and that it sounds like they have a very experienced grape grower in that area that feels they can do it. He said that he cannot argue that it cannot be done, but that it would be extremely challenging.

Chair Allen asked what the County has to lose because it is up to them to make it work. If they cannot make it work they get non-renewed and go forward with it without the Williamson Act or drop it and the County is no worse off.

Commissioner Kendrick said getting established is the challenge.

Chair Allen shared that if they can make it work the County has 90 acres of vines and work resulting from that.

Mr. Oneto said that his biggest concern is giving access to the water for those 6 individual parcels, but the Chair has made a recommendation that potentially could solve that concern.

Mr. Mayberry asked Mr. Beatty if there is one motion that has failed if a second motion is needed that is a little bit different.

Mr. Beatty shared that someone can make the same or totally different motion now. The worst thing to do would be giving no recommendation at all.

Chair Allen said that the Board relies on this Committee so we need to give them a recommendation and asked how it can it be tweaked to get more votes and what other concerns need to be addressed.

Mr. Mayberry asked if it is going to be viable for those parcels without the water 5 years from now or under a different ownership. He added that they are going to want to lease those back, but what if they do not want to lease them.

Chair Allen said that a lot of growers around here have lost contracts and asked if a 30 year lease would take care of that problem so that someone is responsible to take care of those grapes and buy them.

Mr. Mayberry said that it might help.

Commissioner Kendrick stated that it falls on the buyer.

Chair Allen shared that people who buy these parcels may not know anything about grapes.

Chair Allen proposed maybe a long term lease or maybe an easement.

Mr. Ott said if long term leases are needed that they will do them.

Chair Allen said things will change in 20 or 30 years and asked what kind of a term would be appropriate on a lease for that.

Mr. Peters said only the applicants can say that.

Mr. Bassett said he thinks 20 years will be sufficient and that he still has concerns about enough water.

Mr. Oneto commented that this is setting a new precedent.

Chair Allen stated that we do not want hobby farms.

Mr. Peters said that they worked with staff quite a while and that it is not a new concept.

Mr. Mayberry responded that it is new for this area.

Mr. Peters suggested easements and Chair Allen commented that easements are permanent and lead to litigation later on.

Chair Allen suggested bringing it back at the next meeting,

Mr. Peters said that his preference is to amend the motion.

Chair Allen suggested to add to the earlier motion that there be a long term lease with the vineyard operator to maintain the vines and take the grapes so that the owners would not be left holding grapes they do not know how to sell, and that after it is subdivided that there be individual Williamson Act contracts.

Mr. Mayberry said he is willing to make a second on that.

Upon a motion by John Allen, seconded by Eric Mayberry, and carried, the Committee recommended approval with a minimum of 15 acres of grapes on each parcel, a separate Williamson Act contract for each parcel, have all vines and associated infrastructure in within 3 years from date of Board of Supervisor's approval, that they have formation of a water company with stocks for each parcel that would maintain the water system indefinitely, and a long term lease with the vineyard operator to maintain the vines and buy the grapes.

Ayes: Bassett, Bautista, Kendrick, Allen, Mayberry

Noes: None

Abstain: Port

Absent: Gladen, Dentone

There being no further business, Chair Allen adjourned the meeting at 7:35 p.m.



John Allen, Jr., Chair



Chuck Beatty, Planning Director