Urban Agriculture Incentive Zone (UAIZ) Program

Background and Frequently Asked Questions

Revised: August 2018



Background

The Urban Agriculture Incentive Zone (UAIZ) is a state program (<u>Assembly Bill No. 551</u>) that was adopted by the California State Legislature in 2013.

On June 14, 2017, the Los Angeles City Council adopted the <u>Urban Agriculture Incentive Zone (UAIZ) Ordinance</u> to implement a local program Citywide in accordance with AB 551. The ordinance allows landowners to enter into a voluntary contract with the City of Los Angeles to use vacant properties for active agricultural purposes in exchange for a potential property tax reduction.

Eligibility Criteria

A property may be eligible to enter into a UAIZ contract with the City of Los Angeles if it meets all of the following criteria:

- The property is in an urban area, which is a Census-defined area containing at least 250,000 people, as defined in Section 51040.3(a) of the California Government Code.
- The property is not located, wholly or partially, within a Significant Ecological Area, Sensitive Environmental Resource Area, or a National Recreation Area.
- The property is not located, wholly or partially, on a site or facility listed on the Department of Toxic Substance Control's Envirostor Database.
- The property is vacant, unimproved, or contains only non-habitable structures that are or will be accessory to agricultural uses.
- The property has an area between 0.10 acre (4,356 sq-ft) and three acres (130,680 sq-ft) in size.
- The property shall be limited to agricultural land uses as defined in Section 51040.3(c) of the California Government Code, and also be limited to the uses permitted or conditionally permitted by the zone in Chapter 1 Article 2 of the Los Angeles Municipal Code.
- The property in its entirety shall be available for, and devoted or dedicated to, agricultural use immediately and for the duration of the initial agreement, which shall be for a term of five (5) years.
- Secured property tax obligations shall be current and paid according to installments determined by State law.
- Any necessary land use approvals shall be obtained prior to applying for a contract.

Frequently Asked Questions

What can I use my property for under a UAIZ contract?

Any use of your property must still comply with existing zoning regulations. Under a UAIZ contract, your property must be fully dedicated to agricultural use. In the City of Los Angeles, agricultural uses include farming, truck gardening, and apiaries. If your property does not allow agricultural uses by-right, you must obtain any necessary land use approvals or permits before filing a UAIZ application.

Structures that are accessory to urban agricultural uses are permitted if they comply with Section 12.21 C.5 of the Los Angeles Municipal Code. Habitable structures are not permitted under the contract.

How do I apply for a UAIZ contract?

<u>Applications</u> must be submitted in person to the Department of City Planning at any of the City of Los Angeles <u>Development Services Centers</u>. **The application deadline is October 15, 2018.**

Once the Department of City Planning has confirmed that your property meets the eligibility criteria, the application is approved and the contract process is initiated. After the contract is signed by both parties (you and the City), you must record the executed contract with the LA County Registrar-Recorder's Office. A copy of the recorded contract must then be submitted to the Department of City Planning so that a copy can be filed with the LA County Office of the Assessor. Tax benefits will not be applied until the aforementioned steps have been completed.

How much will it cost to apply?

The application fee is \$293, payable to the Los Angeles Department of City Planning. An additional recordation fee is charged by the LA County Registrar-Recorder's Office.

How much tax savings can I expect to get with a UAIZ contract?

Once a contract has been recorded, the LA County Office of the Assessor will reduce the property tax to the prevailing agricultural rate based on the per-acre land value of irrigated cropland for California, as published by the National Agricultural Statistics Service of the United States Department of Agriculture.

In Los Angeles County, the total tax savings must not exceed \$15,000 per year per property. For property-specific questions, please contact the <u>LA County Office of the Assessor</u>.

Is my property subject to inspection?

Within the first year of the contract, the Agricultural Commissioner will conduct a site inspection to confirm that the property is in compliance with the terms of the UAIZ contract. Your property must be accessible for annual inspections by the Agricultural Commissioner during the entire contract term and as needed by the Los Angeles Department of Building and Safety to check for compliance with the City's zoning regulations.

How long will the contract be in effect?

According to AB 551, the contract must be in effect for an initial period of five years.

What happens if I need to cancel the contract?

At any point during the term of the contract, you may request cancellation by submitting written notice to the Department of City Planning. The City also reserves the right to cancel the contract if any of its terms, including zoning regulations, are violated. In both circumstances, your property will be reassessed to the previous tax rate and you (owner) will be liable for a fee equal to the amount of the tax benefit during the contract.

In the event a property under an active UAIZ contract is sold, the subsequent owner(s) is/are bound to the terms of the contract. New owners are subject to the same cancellation process and fees as outlined in the previous paragraph.