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**GOVERNMENT CODE - GOV**

**TITLE 5. LOCAL AGENCIES [50001 - 57607]** ( Title 5 added by Stats. 1949, Ch. 81. )

**DIVISION 1. CITIES AND COUNTIES [50001 - 52203]** ( Division 1 added by Stats. 1949, Ch. 81. )

**PART 1. POWERS AND DUTIES COMMON TO CITIES AND COUNTIES [50001 - 51298.5]** ( Part 1 added by Stats. 1949, Ch. 81. )

**CHAPTER 7. Agricultural Land [51200 - 51297.4]** ( Chapter 7 added by Stats. 1965, Ch. 1443. )

**ARTICLE 3. Contracts [51240 - 51257.5]** ( Article 3 added by Stats. 1965, Ch. 1443. )

**51240.** Any city or county may by contract limit the use of agricultural land for the purpose of preserving such land pursuant and subject to the conditions set forth in the contract and in this chapter. A contract may provide for restrictions, terms, and conditions, including payments and fees, more restrictive than or in addition to those required by this chapter.

(Amended by Stats. 1969, Ch. 1372.)

**51241.** If such a contract is made with any landowner, the city or county shall offer such a contract under similar terms to every other owner of agricultural land within the agricultural preserve in question.

However, except as required by other provisions of this chapter, the provisions of this section shall not be construed as requiring that all contracts affecting land within a preserve be identical, so long as such differences as exist are related to differences in location and characteristics of the land and are pursuant to uniform rules adopted by the county or city.

(Amended by Stats. 1969, Ch. 1372.)

**51242.** No city or county may contract with respect to any land pursuant to this chapter unless the land:

- (a) Is devoted to agricultural use.
- (b) Is located within an area designated by a city or county as an agricultural preserve.

(Amended by Stats. 1969, Ch. 1372.)

**51243.** Every contract shall do both of the following:

- (a) Provide for the exclusion of uses other than agricultural, and other than those compatible with agricultural uses, for the duration of the contract.
- (b) Be binding upon, and inure to the benefit of, all successors in interest of the owner. Whenever land under a contract is divided, the owner of any parcel may exercise, independent of any other owner of a portion of the divided 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 division 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 the divided land. Except as provided in Section 51243.5, on and after the effective date of the annexation by a city of any land under contract with a county, the city shall succeed to all rights, duties, and powers of the county under the contract.

(Amended by Stats. 1998, Ch. 690, Sec. 1.5. Effective January 1, 1999.)

**51243.5.** (a) This section shall apply only to land that was within one mile of a city boundary when a contract was executed pursuant to this article and for which the contract was executed prior to January 1, 1991.

(b) For any proposal that would result in the annexation to a city of any land that is subject to a contract under this chapter, the local agency formation commission shall determine whether the city may exercise its option to not succeed to the rights, duties, and powers of the county under the contract.

(c) In making the determination required by subdivision (b), pursuant to Section 51206, the local agency formation commission may request, and the Department of Conservation shall provide, advice and assistance in interpreting the requirements of this section. If the department has concerns about an action proposed to be taken by a local agency formation commission pursuant to this section or Section 51243.6, the department shall advise the commission of its concerns, whether or not the commission has requested it to do so. The commission shall address the department's concerns in any hearing to consider the proposed annexation or a city's determination whether to exercise its option not to succeed to a contract, and shall specifically find that substantial evidence exists to show that the city has the present option under this section to decline to succeed to the contract.

(d) A city may exercise its option to not succeed to the rights, duties, and powers of the county under the contract if both of the following had occurred prior to December 8, 1971:

(1) The land being annexed was within one mile of the city's boundary when the contract was executed.

(2) The city had filed with the county board of supervisors a resolution protesting the execution of the contract.

(e) A city may exercise its option to not succeed to the rights, duties, and powers of the county under the contract if each of the following had occurred prior to January 1, 1991:

(1) The land being annexed was within one mile of the city's boundary when the contract was executed.

(2) The city had filed with the local agency formation commission a resolution protesting the execution of the contract.

(3) The local agency formation commission had held a hearing to consider the city's protest to the contract.

(4) The local agency formation commission had found that the contract would be inconsistent with the publicly desirable future use and control of the land.

(5) The local agency formation commission had approved the city's protest.

(f) It shall be conclusively presumed that no protest was filed by the city unless there is a record of the filing of the protest and the protest identifies the affected contract and the subject parcel. It shall be conclusively presumed that required notice was given before the execution of the contract.

(g) The option of a city to not succeed to a contract shall extend only to that part of the land that was within one mile of the city's boundary when the contract was executed.

(h) If the city exercises its option to not succeed to a contract, then the city shall record a certificate of contract termination with the county recorder at the same time as the executive officer of the local agency formation commission files the certificate of completion pursuant to Section 57203. The certificate of contract termination shall include a legal description of the land for which the city terminates the contract.

*(Amended by Stats. 2002, Ch. 188, Sec. 1. Effective January 1, 2003.)*

**51243.6.** The Legislature finds and declares the following:

(a) The enforceability of contracts entered into pursuant to this article is necessary to permit the preferential taxation provided to the owners of land under contract, pursuant to Section 8 of Article XIII of the California Constitution.

(b) The option granted to a city pursuant to Section 51243.5 to elect not to succeed to a contract may be held only by the city.

(c) No contracting landowner has a reasonable expectation that a contract can be terminated immediately pursuant to this article without penalty.

*(Added by Stats. 2002, Ch. 188, Sec. 2. Effective January 1, 2003.)*

**51244.** (a) Each contract shall be for an initial term of no less than 10 years. Each contract shall provide that on the anniversary date of the contract or such other annual date as specified by the contract a year shall be added automatically to the initial term unless notice of nonrenewal is given as provided in Section 51245.

(b) (1) If the county makes a determination pursuant to subdivision (e) of Section 16142 or subdivision (d) of Section 16142.1, contracts shall be for a term of no less than 9 years for contracts currently 10 years in length or 18 years for contracts currently 20 years in length, as the case may be. For new contracts entered into during a year in which this subdivision is in effect, the initial contract length shall be either 9 or 18 years. Each contract shall provide, except in the initial year of the determination, that on the anniversary date of the contract or such other annual date as specified by the contract, a year shall be added automatically to the initial term unless notice of nonrenewal is given as provided in Section 51245.

In any subsequent year during the reduced term of contract in which increased revenue is not realized by the county pursuant to Section 51244.3, 2 or 3 additional years shall be added to the contract on the next anniversary date, as necessary, to restore the contract to its full 10-year or 20-year contract length.

(2) In any year in which this subdivision is implemented, the county shall record a notice that states the affected parcel number or numbers and current owner's names, or, alternatively, the same information for those parcels that are not affected.

(3) An addition to the assessed value shall be conveyed to the auditor, consistent with the 10-percent reduction in the length of the restriction, equal to 10 percent of the difference between the valuation pursuant to Section 423, 423.3, 423.4, or 423.5 of the Revenue and Taxation Code, as applicable, and the valuation under subdivision (b) of Section 51 or Section 110.1 of the Revenue and Taxation Code, whichever is lower. If the valuation under subdivision (b) of Section 51 or Section 110.1 of the Revenue and Taxation Code is lower, the addition to the assessed value shall be zero. The increased amount of tax revenue that results from the decrease in restriction shall be separately displayed on the taxpayer's annual bill.

(4) A landowner may elect to serve notice of nonrenewal instead of accepting a 9-year or 18-year contract, as the case may be. In that case, the additional assessed value shall not be added to the property as provided for in paragraph (3).

For purposes of this subdivision, a landowner may serve notice of nonrenewal at any time. However, a landowner who withdraws that notice prior to the effective date shall be subject to term modification and additional assessed value. Once served and effective, a landowner nonrenewal notice may not be withdrawn except for cause and with the consent of the county. A county may adopt amendments to its uniform rules to facilitate implementation of this subdivision during the 2011–12 fiscal year, and thereafter as necessary.

(5) In addition to any other notice requirements, a county shall provide a landowner under contract with timely written notice of all of the following:

(A) Any initial hearing by the county on a proposal to adopt or rescind the implementation of this subdivision.

(B) Any final decision regarding the adoption or rescission of implementation of this subdivision.

(C) The landowner's right to prevent the reduction in the term of his or her contract pursuant to this subdivision by serving notice of nonrenewal as specified by Section 51245. This notice may be combined with the county's notice in subparagraph (B).

(6) A county shall not modify or revalue a landowner's contract pursuant to this subdivision unless the landowner is given at least 90 days' notice of the opportunity to prevent the modification and revaluation by serving notice of nonrenewal and the landowner fails to serve notice of nonrenewal. The county may use the primary owner of record from the assessment roll to identify landowners entitled to receive notice under this subdivision. A landowner shall be advised of the landowner's right to avoid continued imposition of this subdivision in any future year and thereafter by serving a notice of nonrenewal for that contract year. Failure of the landowner to serve timely notice of nonrenewal in any year shall be considered implied consent to the implementation of this subdivision for that year.

The 90-day notice requirement may be reduced to 60 days if the county adopts a procedure to allow landowners to serve a notice of nonrenewal until February 1, 2012.

(7) This subdivision shall not apply to any of the following:

(A) Contracts that have been nonrenewed.

(B) Contracts with cities.

(C) Open-space or agricultural easements.

(D) Scenic restrictions.

(E) Wildlife habitat contracts.

(F) Atypical term contracts, including, but not limited to, 20-year initial term contracts declining to 10 years, or reencumbrances pursuant to Section 51295, if the county's board of supervisors determines the application of this subdivision to them would be inequitable or administratively infeasible.

*(Amended (as amended by Stats. 2011, Ch. 90, Sec. 5) by Stats. 2014, Ch. 322, Sec. 5. (SB 1353) Effective January 1, 2015.)*

**51244.3.** (a) This section shall apply to properties under a 9-year or 18-year contract, as the case may be, pursuant to subdivision (b) of Section 51244. Notwithstanding any other provision to the contrary, increased revenues generated by those properties shall be allocated exclusively to the respective counties in which those properties are located.

(b) This section shall only apply if the county makes a determination pursuant to either Section 16142 or 16142.1.

*(Amended by Stats. 2014, Ch. 322, Sec. 7. (SB 1353) Effective January 1, 2015.)*

**51244.5.** Notwithstanding the provisions of Section 51244, if the initial term of the contract is for more than 10 years, the contract may provide that on the anniversary date of the contract or such other annual date as specified by the contract beginning with the anniversary date on which the contract will have an unexpired term of nine years, a year shall be added automatically to the initial term unless notice of nonrenewal is given as provided in Section 51245.

*(Amended by Stats. 1978, Ch. 1120.)*

**51245.** If either the landowner or the city or county desires in any year not to renew the contract, that party shall serve written notice of nonrenewal of the contract upon the other party in advance of the annual renewal date of the contract. Unless such written notice is served by the landowner at least 90 days prior to the renewal date or by the city or county at least 60 days prior to the renewal date, the contract shall be considered renewed as provided in Section 51244 or Section 51244.5.

Upon receipt by the owner of a notice from the county or city of nonrenewal, the owner may make a written protest of the notice of nonrenewal. The county or city may, at any time prior to the renewal date, withdraw the notice of nonrenewal. Upon request by the owner, the board or council may authorize the owner to serve a notice of nonrenewal on a portion of the land under a contract.

No later than 20 days after a city or county receives a notice of nonrenewal from a landowner, serves a notice of nonrenewal upon a landowner, or withdraws a notice of nonrenewal, the clerk of the board or council, as the case may be, shall record with the county recorder a copy of the notice of nonrenewal or notice of withdrawal of nonrenewal.

*(Amended by Stats. 2021, Ch. 644, Sec. 4. (SB 574) Effective January 1, 2022.)*

**51246.** (a) If the county or city or the landowner serves notice of intent in any year not to renew the contract, the existing contract shall remain in effect for the balance of the period remaining since the original execution or the last renewal of the contract, as the case may be.

(b) No city or county shall enter into a new contract or shall renew an existing contract on or after February 28, 1977, with respect to timberland zoned as timberland production. The city or county shall serve notice of its intent not to renew the contract as provided in this section.

(c) In order to meet the minimum acreage requirement of an agricultural preserve pursuant to Section 51230, land formerly within the agricultural preserve which is zoned as timberland production pursuant to Chapter 6.7 (commencing with Section 51100) may be taken into account.

(d) Notwithstanding any other provision of law, commencing with the lien date for the 1977–78 fiscal year all timberland within an existing contract which has been nonrenewed as mandated by this section shall be valued according to Section 423.5 of the Revenue and Taxation Code, succeeding to and including the lien date for the 1981–82 fiscal year. Commencing with the lien date for the 1982–83 fiscal year and on each lien date thereafter, such timberland shall be valued according to Section 434.5 of the Revenue and Taxation Code.

*(Amended by Stats. 2021, Ch. 644, Sec. 5. (SB 574) Effective January 1, 2022.)*

**51247.** The landowner shall furnish the city or county with such information as the city or county shall require in order to enable it to determine the eligibility of the land involved.

*(Added by renumbering Section 51249 by Stats. 1969, Ch. 1372.)*

**51248.** No later than 20 days after a city or county enters into a contract with a landowner pursuant to this chapter, the clerk of the board or council, as the case may be, shall record with the county recorder a copy of the contract, which shall describe the land subject thereto, together with a reference to the map showing the location of the agricultural preserve in which the property lies. From and after the time of such recordation such contract shall impart such notice thereof to all persons as is afforded by the recording laws of this state.

*(Added by renumbering Section 51250 by Stats. 1969, Ch. 1372.)*

**51248.5.** Whenever any city or county is required to record any contract by this chapter, it may file a fictitious contract. Thereafter, any of the provisions of such fictitious contract may be included by reference in any contract required to be filed by this chapter. The provisions of Section 2952 of the Civil Code relating to the filing, indexing, and force and effect of fictitious mortgages shall be applicable to such fictitious contracts.

*(Added by Stats. 1978, Ch. 1120.)*

**51250.** (a) The purpose of this section is to identify certain structures that constitute material breaches of contract under this chapter and to provide an alternate remedy to a contract cancellation petition by the landowner. Accordingly, this remedy is in addition to any other available remedies for breach of contract. Except as expressly provided in this section, this section is not intended to change

the existing land use decisionmaking and enforcement authority of cities and counties including the authority conferred upon them by this chapter to administer agricultural preserves and contracts.

(b) For purposes of this section, a breach is material if, on a parcel under contract, both of the following conditions are met:

(1) A commercial, industrial, or residential building is constructed that is not allowed by this chapter or the contract, local uniform rules or ordinances consistent with the provisions of this chapter, and that is not related to an agricultural use or compatible use.

(2) The total area of all of the building or buildings likely causing the breach exceeds 2,500 square feet for either of the following:

(A) All property subject to any contract or all contiguous property subject to a contract or contracts owned by the same landowner or landowners on January 1, 2004.

(B) All property subject to a contract entered into after January 1, 2004, covering property not subject to a contract on January 1, 2004.

For purposes of this subdivision any additional parcels not specified in the legal description that accompanied the contract, as it existed prior to January 1, 2003, including any parcel created or recognized within an existing contract by subdivision, deed, partition, or, pursuant to Section 66499.35, by certificate of compliance, shall not increase the limitation of this subdivision.

(c) The department shall notify the city or county if the department discovers a possible breach.

(d) The city or county shall, upon notification by the department or upon discovery by the city or county of a possible material breach, determine if there is a valid contract and if it is likely that the breach is material. In its investigation, the city or county shall endeavor to contact the landowner or his or her representative to learn the landowner's explanation of the facts and circumstances related to the possible material breach.

(e) Within 10 days of determining whether it is likely that a material breach exists, the city or county shall notify the landowner and the department by certified mail, return receipt requested. This notice shall include the reasons for the determination and a copy of the contract. If either the landowner or the department objects to the preliminary determination of the city or county, the board or council shall schedule a public hearing as provided in subdivision (g).

(f) Within 60 days of receiving notice that it is likely a material breach, the landowner or his or her representative may notify the city or the county that the landowner intends to eliminate the conditions that resulted in the material breach within 60 days. If the landowner eliminates the conditions that resulted in the material breach within 60 days, the city or county shall take no further action under this section with respect to the building at issue. If the landowner notifies the city or county of the intention to eliminate the conditions but fails to do so, the city or county shall proceed with the hearing required in subdivision (g).

(g) The city or county shall schedule a hearing no more than 120 days after the notice is provided to the landowner and the department, as required in subdivision (e). The city or county shall give notice of the public hearing by certified mail, return receipt requested to the landowner and the department at least 30 days prior to the hearing. The city or county shall give notice of the public hearing by first-class mail to every owner of land under contract, any portion of which is situated within one mile of the exterior boundary of the contracted parcel on which the likely material breach exists. The city or county shall also give published notice pursuant to Section 6061. The notice shall include the date, time, and place of the public hearing. Not less than five days before the hearing, the department may request that the city or county provide the department, at the department's expense, a recorded transcript of the hearing not more than 30 days after the hearing.

(h) At the public hearing, the city or county shall consider any oral or written testimony and then determine whether a material breach exists. The city or county shall support its determination with findings, made on the record and based on substantial evidence, that the property does or does not meet the conditions specified in subdivision (b).

(i) If the city or county determines that a material breach exists, the city or county shall do one of the following:

(1) Order the landowner to eliminate the conditions that resulted in the material breach within 60 days.

(2) Assess the monetary penalty pursuant to subdivision (j) and terminate the contract on that portion of the contracted parcel that has been made incompatible by the material breach.

If the landowner disagrees with the determination, he or she may pursue any other legal remedy that is available.

(j) The monetary penalty shall be 25 percent of the unrestricted fair market value of the land rendered incompatible by the breach, plus 25 percent of the value of the incompatible building and any related improvements on the contracted land. The basis for the valuation of the penalty shall be an independent appraisal of the current unrestricted fair market value of the property that is subject to the contract and affected by the incompatible use or uses, and a valuation of any buildings and any related improvements within the area affected by the incompatible use or uses. If the city or county determines that equity would permit a lesser penalty, the city or county, the landowner, and the department may negotiate a reduction in the penalty based on the factors specified in subdivision (k), but a reduction in the penalty may not exceed one-half of the penalty. If negotiations are to be held, the city or county shall

provide the department 15 days' notice before the first negotiation. If the department chooses not to be a negotiator or fails to send a negotiator, the city or county and the landowner may negotiate the penalty.

(k) In determining the amount of a lesser penalty, the negotiators shall consider:

- (1) The nature, circumstances, extent, and gravity of the material breach.
- (2) Whether the landowner's actions were willful, knowing, or negligent with respect to the material breach.
- (3) The landowner's culpability in contributing to the material breach and whether the actions of prior landowners subject to the contract contributed to the material breach.
- (4) Whether the actions of the city or county contributed to the material breach.
- (5) Whether the landowner notified the city or county that the landowner would eliminate the conditions that resulted in the material breach within 30 days, but failed to do so.
- (6) The willingness of the landowner to rapidly resolve the issue of the material breach.
- (7) Any other mitigating or aggravating factors that justice may require.

(l) If the landowner is ordered to eliminate the conditions that resulted in the material breach pursuant to paragraph (1) of subdivision (i) but the landowner fails to do so within the time specified by the city or county, the city or county may abate the material breach as a public nuisance pursuant to any applicable provisions of law.

(m) If the city or county terminates the contract pursuant to paragraph (2) of subdivision (i), the city or county shall record a notice of termination following the procedures of Section 51283.4.

(n) The assessment of a monetary penalty pursuant to subdivision (i) shall be secured by a lien payable to the county treasurer of the county within which the property is located, in the amount assessed pursuant to subdivision (j) or (k). Once properly recorded and indexed, the lien shall have the force, effect, and priority of a judgment lien. The lien document shall provide both of the following:

- (1) The name of the real property owner of record and shall contain either the legal description or the assessor's parcel number of the real property to which the lien attaches.
- (2) A direct telephone number and address that interested parties may contact to determine the final amount of any applicable assessments and penalties owing on the lien pursuant to this section.

(o) If the lien is not paid within 60 days of recording, simple interest shall accrue on the unpaid penalty at the rate of 10 percent per year, and shall continue to accrue until the penalty is paid, prior to all other claims except those with superior status under federal or state law.

(p) Upon payment of the lien, the city or county shall record a release of lien and a certificate of contract termination by breach with the county recorder for the land rendered incompatible by the breach.

(q) The city or county may deduct from any funds received pursuant to this chapter the amount of the actual costs of administering this section and shall transmit the balance of the funds by the county treasurer to the Controller for deposit in the Soil Conservation Fund.

(r) (1) The department may carry out the responsibilities of a city or county under this section if any of the following occurs:

- (A) The city or county fails to determine whether there is a material breach within 210 days of the discovery of the breach.
- (B) The city or county fails to complete the requirements of this section within 180 days of the determination that a material breach exists.

(2) The city or county may request in writing to the department, the department's approval for an extension of time for the city or county to act and the reasons for the extension. Approval may not be unreasonably withheld by the department.

(3) The department shall notify the city or county 30 days prior to its exercise of any responsibility under this subdivision.

(4) This section shall not be construed to limit the authority of the Secretary of the Resources Agency under Section 16146 or 16147.

(s) (1) This section does not apply to any of the following:

- (A) A building constructed prior to January 1, 2004, or a building for which a permit was issued by a city or county prior to January 1, 2004.

(B) A building that was not a material breach at the time of construction but became a material breach because of a change in law or ordinance.

(C) A building owned by the state.

(2) Subject to paragraphs (4) and (5), this section does not apply when a board or council cancels a contract pursuant to Article 5 (commencing with Section 51280), or a city terminates a contract pursuant to Section 51243.5, or when a public agency, as defined by subdivision (a) of Section 51291, acquires land subject to contract by, or in lieu of, eminent domain pursuant to Article 6 (commencing with Section 51290) unless either of the following occurs:

(A) The action terminating the contract is rescinded.

(B) A court determines that the cancellation or termination was not properly executed pursuant to this chapter, or that the land continues to be subject to the contract.

(3) On the motion of any party with standing to bring an action for breach, any court hearing an action challenging the termination of a contract entered into under this chapter shall consolidate any action for breach, including the remedies for material breach available pursuant to this section.

(4) Paragraph (2) shall not be applicable for a cancellation or termination occurring after January 1, 2004, unless the affected landowner provides to the administering board or council and to the department, within 30 days after the cancellation or termination, a notarized statement, in a form acceptable to the department, signed under penalty of perjury and filed with the county recorder, acknowledging that the breach provisions of this section may apply if any of the following conditions are met:

(A) The action by the local government is rescinded.

(B) A court permanently enjoins, voids, or rescinds the cancellation or termination.

(C) For any other reason, the land continues to be subject to the contract.

(5) Paragraph (2) does not apply for a cancellation or termination occurring before January 1, 2004, unless the landowner provides the statement required in paragraph (4) prior to the approval of a building permit necessary for the construction of a commercial, industrial, or residential building.

(t) It is the intent of the Legislature to encourage cities and counties, in consultation with contracting landowners and the department, to review existing Williamson Act enforcement programs and consider any additions or improvements that would make local enforcement more effective, equitable, or widely acceptable to the affected landowners. Cities and counties are also encouraged to include enforcement provisions within the terms of the contracts, with the consent of contracting landowners.

(u) The department and the city or county may agree to extend any deadline to act under this section, upon the request of the city and county, and the written approval of the director of the department.

(v) In order to promote the reasonable and equitable resolution of a potential material breach, if a potential material breach involves extenuating circumstances, the city or county and the landowner may agree to request that the department meet and confer with them for the purpose of developing a resolution of the potential material breach. If the department agrees to meet and confer with the landowner and city or county, the time requirements specified in this section shall be tolled. The resolution may include remedies authorized by law or not prohibited by law that are agreed to by the landowner, city or county, and department. If the resolution resolves all outstanding issues under this section, the city or county shall terminate all proceedings pursuant to this section upon execution by the landowner, city or county, and department. The agreement executing the resolution shall be recorded in the county in which the affected parcel is located.

(w) A city or county shall not cancel a contract pursuant to Article 5 (commencing with Section 51280) to resolve a material breach except pursuant to this section.

*(Amended by Stats. 2008, Ch. 503, Sec. 3. Effective January 1, 2009.)*

**51251.** The county, city, or landowner may bring any action in court necessary to enforce any contract, including, but not limited to, an action to enforce the contract by specific performance or injunction. An owner of land may bring any action in court to enforce a contract on land whose exterior boundary is within one mile of his land. An owner of land under contract may bring any action in court to enforce a contract on land located within the same county or city.

*(Amended by Stats. 1978, Ch. 1120.)*

**51252.** Open-space land under a contract entered into pursuant to this chapter shall be enforceably restricted within the meaning and for the purposes of Section 8 of Article XIII of the State Constitution and shall be enforced and administered by the city or county in such a manner as to accomplish the purposes of that article and of this chapter.



(Amended by Stats. 1974, Ch. 311.)

**51253.** Any contract or agreement entered into pursuant to this chapter prior to the 61st day following final adjournment of the 1969 Regular Session of the Legislature may be amended to conform with the provisions of this act as amended at that session upon the mutual agreement of all parties. Approval of these amendments to a contract by the Director of Conservation shall not be required.

(Amended by Stats. 1984, Ch. 851, Sec. 3.)

**51254.** Notwithstanding any other provision of this chapter, the parties may upon their mutual agreement rescind a contract in order simultaneously to enter into a new contract pursuant to this chapter, which new contract would enforceably restrict the same property for an initial term at least as long as the unexpired term of the contract being so rescinded but not less than 10 years. Such action may be taken notwithstanding the prior serving of a notice of nonrenewal relative to the former contract.

(Added by Stats. 1977, Ch. 495.)

**51255.** (a) Notwithstanding any other provision of this chapter, the parties may upon their mutual agreement rescind a contract in order simultaneously to enter into an open-space easement agreement pursuant to the Open-Space Easement Act of 1974 (Chapter 6.6 (commencing with Section 51070)), provided that the easement is consistent with the Williamson Act (this chapter) for the duration of the original Williamson Act contract. The easement would enforceably restrict the same property for an initial term of not less than 10 years and would not be subject to the provisions of Article 4 (commencing with Section 51090) of Chapter 6.6. This action may be taken notwithstanding the prior serving of a notice of nonrenewal, and the land subject to the contract shall be assessed pursuant to Section 423 of the Revenue and Taxation Code.

(b) This section shall not apply to any agreement entered into on or before August 12, 1998.

(Amended by Stats. 1998, Ch. 690, Sec. 3. Effective January 1, 1999.)

**51255.1.** (a) Notwithstanding any other provision of this chapter, the parties may, upon their mutual agreement, rescind a contract for a parcel or parcels of land that, upon review and approval, are determined by the Department of Conservation to be eligible to be placed into a solar-use easement pursuant to Section 51191 in order to simultaneously enter into a solar-use easement pursuant to Chapter 6.9 (commencing with Section 51190). This action may be taken notwithstanding the prior serving of a notice of nonrenewal.

(b) Nothing in this section limits the ability of the parties to a contract to seek nonrenewal or to petition for cancellation or termination of a contract pursuant to this chapter. This section is provided in addition to, not in replacement of, other methods for contract termination, Williamson Act compliance, or a county finding that a solar facility is a compatible use pursuant to this chapter.

(c) (1) Prior to the board or council agreeing to mutually rescind a contract pursuant to this section, the county assessor of the county in which the land is located shall determine the current fair market value of the land as though it were free of the contractual restriction. The assessor shall certify to the board or council the fair market valuation of the land for the purpose of determining the rescission fee. At the same time, the assessor shall send a notice to the landowner and the Department of Conservation indicating the current fair market value of the land as though it were free of the contractual restriction and advise the parties that, upon their request, the assessor shall provide all information relevant to the valuation, excluding third-party information. If any information is confidential or otherwise protected from release, the department and the landowner shall hold it as confidential and return or destroy any protected information upon termination of all actions relating to valuation or rescission of the contract on the property. The notice shall also advise the landowner and the department of the opportunity to request formal review from the assessor.

(2) Prior to agreeing to mutually rescind a contract pursuant to this section, the board or council shall determine and certify to the county auditor the amount of the rescission fee that the landowner shall pay the county treasurer upon rescission. That fee shall be an amount equal to  $6\frac{1}{4}$  percent of the fair market valuation of the property if the land was held under a contract pursuant to Section 51240, and  $12\frac{1}{2}$  percent if the land was held in a contract designating the property as a farmland security zone.

(3) When rescission fees required by this subdivision are collected, they shall be transmitted by the county treasurer to the Controller and deposited in the General Fund, except as provided in subdivision (d) of Section 51283. The funds collected by the county treasurer with respect to each rescission of a contract shall be transmitted to the Controller within 30 days of the execution of the mutual rescission of the contract by the parties.

(4) It is the intent of the Legislature that fees paid to rescind a contract do not constitute taxes, but are payments that, when made, provide a private benefit that tends to increase the value of the property.

(Added by Stats. 2022, Ch. 427, Sec. 11. (SB 1489) Effective January 1, 2023.)

**51256.** Notwithstanding any other provision of this chapter, a city or county, upon petition by a landowner, may enter into an agreement with the landowner to rescind a contract in accordance with the contract cancellation provisions of Section 51282 in order



to simultaneously place other land within that city, the county, or the county where the contract is rescinded under an agricultural conservation easement, consistent with the purposes and, except as provided in subdivision (b), the requirements of the California Farmland Conservancy pursuant to Division 10.2 (commencing with Section 10200) of the Public Resources Code, provided that the board or council makes all of the following findings:

(a) The proposed agricultural conservation easement is consistent with the criteria set forth in Section 10251 of the Public Resources Code.

(b) The proposed agricultural conservation easement is evaluated pursuant to the selection criteria in Section 10252 of the Public Resources Code, and particularly subdivisions (a), (c), (e), (f), and (h), and the board or council makes a finding that the proposed easement will make a beneficial contribution to the conservation of agricultural land in its area.

(c) The land proposed to be placed under an agricultural conservation easement is of equal size or larger than the land subject to the contract to be rescinded, and is equally or more suitable for agricultural use than the land subject to the contract to be rescinded. In determining the suitability of the land for agricultural use, the city or county shall consider the soil quality and water availability of the land, adjacent land uses, and any agricultural support infrastructure.

(d) The value of the proposed agricultural conservation easement, as determined pursuant to Section 10260 of the Public Resources Code, is equal to or greater than either of the following:

(1) Twelve and one-half percent of the cancellation valuation of the land subject to the contract to be rescinded, pursuant to subdivision (a) of Section 51283.

(2) Twenty-five percent of the cancellation valuation of the land subject to the contract to be rescinded pursuant to paragraph (3) of subdivision (c) of Section 51297, if the contract was entered into pursuant to Article 7 (commencing with Section 51296).

(e) The easement value and the cancellation valuation shall be determined within 90 days before the approval of the city or county of an agreement pursuant to this section.

*(Amended by Stats. 2008, Ch. 503, Sec. 4. Effective January 1, 2009.)*

**51256.1.** No agreement entered into pursuant to Section 51256 shall take effect until it is approved by the Secretary of Resources. The secretary may approve the agreement if he or she finds that the findings of the board or council, as required by Sections 51256 and 51282, are supported by substantial evidence, and that the proposed agricultural conservation easement is consistent with the eligibility criteria set forth in Section 10251 of the Public Resources Code and will make a beneficial contribution to the conservation of agricultural land in its area. The secretary shall not approve the agreement if an agricultural conservation easement has been purchased with funds from the Agricultural Land Stewardship Program Fund, established pursuant to Section 10230 of the Public Resources Code, on the same land proposed to be placed under an agricultural conservation easement pursuant to this section.

*(Added by Stats. 1999, Ch. 1018, Sec. 6. Effective January 1, 2000.)*

**51256.2.** (a) One or more cities or counties may adopt a plan for implementing the provisions of Section 51256 with respect to multiple transactions within one or more specific areas, and submit the plan to the director for his or her approval. The plan may be approved only upon a determination by the director that it is consistent with the provisions of Section 51256. Thereafter individual transactions shall be approved if they are consistent with the approved plan.

(b) Notwithstanding Section 51256, this section shall apply only to lands under contract located in the Counties of San Bernardino and Riverside, within the area bounded by Interstate 10 on the north, State Route 71 on the west, State Route 91 on the south, and a line two miles east of Interstate 15 on the east, and to easements within that area or within 10 miles of its exterior boundaries and within either Riverside County or San Bernardino County. For the purpose of this section, easements located within the described area may be related to contract rescissions in either county.

(c) The Legislature finds and declares that, because of the unique factors applicable only to the Chino Basin, a statute of general applicability cannot be enacted within the meaning of subdivision (b) of Section 16 of Article IV of the California Constitution. Those unique circumstances are that the Chino agricultural preserve is undergoing transition from agricultural to nonagricultural uses and the affected areas comprise more than a single jurisdiction. Therefore, a multijurisdictional approach is necessary.

*(Amended by Stats. 2000, Ch. 431, Sec. 1. Effective January 1, 2001.)*

**51256.3.** For the purposes of facilitating long-term agricultural land conservation in the Sacramento-San Joaquin Delta, an agricultural conservation easement located within the primary or secondary zone of the delta, as defined in Sections 29728 and 29731 of the Public Resources Code, may be related to contract rescissions in any other portion of the secondary zone without respect to county boundary limitations contained in an agricultural conservation easement agreement pursuant to Section 51256.

*(Added by Stats. 2006, Ch. 547, Sec. 1. Effective January 1, 2007.)*

**51257.** (a) To facilitate a lot line adjustment, pursuant to subdivision (d) of Section 66412, and notwithstanding any other provision of this chapter, the parties may mutually agree to rescind the contract or contracts and simultaneously enter into a new contract or contracts pursuant to this chapter, provided that the board or council finds all of the following:

- (1) The new contract or contracts would enforceably restrict the adjusted boundaries of the parcel for an initial term for at least as long as the unexpired term of the rescinded contract or contracts, but for not less than 10 years.
- (2) There is no net decrease in the amount of the acreage restricted. In cases where two parcels involved in a lot line adjustment are both subject to contracts rescinded pursuant to this section, this finding will be satisfied if the aggregate acreage of the land restricted by the new contracts is at least as great as the aggregate acreage restricted by the rescinded contracts.
- (3) At least 90 percent of the land under the former contract or contracts remains under the new contract or contracts.
- (4) After the lot line adjustment, the parcels of land subject to contract will be large enough to sustain their agricultural use, as defined in Section 51222.
- (5) The lot line adjustment would not compromise the long-term agricultural productivity of the parcel or other agricultural lands subject to a contract or contracts.
- (6) The lot line adjustment is not likely to result in the removal of adjacent land from agricultural use.
- (7) The lot line adjustment does not result in a greater number of developable parcels than existed prior to the adjustment, or an adjusted lot that is inconsistent with the general plan.

(b) Nothing in this section shall limit the authority of the board or council to enact additional conditions or restrictions on lot line adjustments.

(c) Only one new contract may be entered into pursuant to this section with respect to a given parcel, prior to January 1, 2004.

*(Amended by Stats. 2012, Ch. 128, Sec. 1. (AB 2680) Effective January 1, 2013.)*

**51257.5.** (a) If the state fails to make payments to a city or county pursuant to Section 16142 or 16142.1, or if the state provides a reduced subvention, a city or county may accept contributions from a nonprofit land-trust organization, a nonprofit entity, or a public agency for specific land under a contract within the city or county to supplement foregone property tax revenues pursuant to this section.

(b) (1) A nonprofit land-trust organization, nonprofit entity, or public agency may contract with an owner of land currently under a contract pursuant to this chapter, upon approval of the contract by the city or county, for a period of up to 10 years, to keep the landowner's property under contract with the county pursuant to this chapter, in exchange for the contribution by the nonprofit land-trust organization or nonprofit entity's payment for an equivalent period of years of all or a portion of the foregone property tax revenue to the city or county.

(2) A contract entered into pursuant to this subdivision shall be subject to any limitation in power of a nonprofit land-trust organization, nonprofit entity, or public agency.

(3) A contract entered into pursuant to this subdivision shall not authorize or require the conversion of land subject to the contract into a mitigation bank site.

(c) In implementing this section, a city or county shall not request or require additional conditions or restrictions on the land or the landowner for existing or future contracts.

(d) This section shall not be construed as a limitation on the right of a landowner to engage in other lawful contracts or transactions with respect to their land, including, but not limited to, contracts entered into pursuant to this chapter.

(e) As used in this section, "nonprofit land-trust organization" means a nonprofit land-trust organization as defined in subdivision (b) of Section 5011.7 of the Public Resources Code.

(f) No contract shall be entered into on or after January 1, 2016, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

*(Added by Stats. 2011, Ch. 254, Sec. 1. (SB 668) Effective January 1, 2012.)*