

FAQs

As a private landholder, why would I want to participate in the Urban Agriculture Incentive Zones Ordinance?

Land that is under a contract will be assessed on the lowest of three values: average per-acre value of irrigated cropland in California, current fair market value, or factored base year value (Proposition 13 value). Since the land is not assessed at the residential or commercial value this can result in a significant reduction in property taxes to the property owner.

When will I see the reduction in my property tax bill?

The Property's assessed value will be entered on the assessment roll on January 1 (lien date) of the year immediately following the recordation of the Contract. A reduction in property taxes, if applicable, will occur for the fiscal tax year beginning on July 1 immediately following the January 1 lien date.

Can there be a house on the property?

No. Properties with dwellings (houses), according to the State and local law are ineligible for the program. Backyards do not qualify for this incentive.

What is a Community Garden?

Community Gardens are premises that are used for crop cultivation by individuals or collectively, and may be divided into multiple plots. SDMC § 141.0203
(<http://docs.sandiego.gov/municode/MuniCodeChapter14/Ch14Art01Division02.pdf>)

Can I sell my agricultural products?

On-site sales are permitted only in commercial and industrial zones, except that on-site sales may be permitted in residential zones one day a week. Sellers will also need to obtain a City of San Diego Business Tax Certificate (<https://www.sandiego.gov/treasurer/taxesfees/btax/btaxhow>) from the Office of the City Treasurer (<https://www.sandiego.gov/treasurer>) and register with the County of San Diego Department of Agriculture, Weights and Measures.
(<https://www.sandiegocounty.gov/content/sdc/awm.html>)

What happens if I want to sell my property after I have a UAIZ contract?

The Contract is recorded against the property. Subsequent owners are bound by the terms and conditions of the Contract, and obligated to comply with the terms identified in the Contract unless the new owner terminates the Contract and pays the cancellation fee. The property owner should notify the City and County Assessor of any transfer of ownership.

Are there potential penalties for property owners with a UAIZ contract?

Yes. If a property is not maintained under the terms of the contract, is improperly altered, or if agricultural work is not performed, the owner could be found in breach of contract. If the breach of contract cannot be resolved to satisfy the contract, it may be terminated and the owner is assessed a termination fee that is equal to the cumulative value of the tax benefit received during the duration of the contract. This fee shall include the cumulative tax owed, including interest.

If I apply for a UAIZ contract, is the City obligated to enter into the contract?

No. The City will evaluate each individual contract application alongside a set of priority criteria and determine which applications qualify.

How often will a property under Urban Agriculture Incentive Zone contract be assessed?

The property will be assessed annually per County of San Diego protocol.

Is there a fee to have my UAIZ property contract recorded with the Office of the Assessor-Recorder?

Yes. While recording fees are eligible to change, the current cost estimation would be less than \$40.

Is there a fee to apply for an Urban Agriculture Incentive Zone Contract?

Yes. The UAIZ program includes the following fee adopted by the City Council: \$175, to recover the costs of staff time devoted to the tasks specifically related to all components of the UAIZ program.

Does my signature have to be notarized?

Yes. The property owner's signature on the contract must be notarized.

For additional questions:

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