



**San Diego County**  
**Local Agency Formation Commission**  
 Regional Service Planning | Subdivision of the State of California

**7b**

**AGENDA REPORT**  
 Business | Action

August 1, 2022

**TO:** Commissioners

**FROM:** Keene Simonds, Executive Officer  
 Priscilla Mumpower, Analyst II

**SUBJECT: Authorization to Serve as Co-Applicant for a Proposed Planning Grant with the California Department of Conservation and Related Actions**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will consider authorization to serve as co-applicant with the County of San Diego on a proposed planning grant with the Department of Conservation and its Sustainable Agricultural Lands Conservation Program. The proposed planning grant is for \$500,000 with Planning & Development Services as the co-applicant. The proposed grant would expand on LAFCO’s existing grant activities in assessing local agricultural trends and proceed to collect and analyze market data to establish baseline costs/revenues for existing and emerging crops while also identifying government opportunities to help bridge economic gaps. Staff recommends the Commission authorize the proposed planning grant and related commitment of up to 10% in matching funds in the form of staff time. It is also recommended the Commission authorize the Executive Officer to enter an agreement with the County to define implementing duties and responsibilities should the grant proposal receive approval.

<p><b>Administration</b>          Keene Simonds, Executive Officer          2550 Fifth Avenue, Suite 725          San Diego, California 92103-6624          T 619.321.3380 F 619.404.6508  <a href="http://www.sdlafco.org">www.sdlafco.org</a>  <a href="mailto:lafco@sdcounty.ca.gov">lafco@sdcounty.ca.gov</a></p>	<p><b>Chair Jim Desmond</b>          County of San Diego</p> <p><b>Joel Anderson</b>          County of San Diego</p> <p><b>Nora Vargas, Alt.</b>          County of San Diego</p>	<p><b>Vice Chair Paul McNamara</b>          City of Escondido</p> <p><b>Mary Casillas Salas</b>          City of Chula Vista</p> <p><b>Kristi Becker, Alt.</b>          City of Solana Beach</p>	<p><b>Chris Cate</b>          City of San Diego</p> <p><b>Marni von Wilpert, Alt.</b>          City of San Diego</p>	<p><b>Jo MacKenzie</b>          Vista Irrigation</p> <p><b>Barry Willis</b>          Alpine Fire Protection</p> <p><b>David A. Drake, Alt.</b>          Rincon del Diablo</p>	<p><b>Andy Vanderlaan</b>          General Public</p> <p><b>Harry Mathis, Alt.</b>          General Public</p>
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## **BACKGROUND**

### **Sustainable Agricultural Lands Conservation Program**

The Sustainable Agricultural Lands Conservation Program (SALC) was created in 2014 and presently completing its seventh round of grant funding. It is a component of the California Strategic Growth Council's Affordable Housing and Sustainable Communities Program and administered by the Department of Conservation. SALC is primarily funded through California Climate Investments, which is a statewide program that provides cap-and-trade monies through agricultural conservation and related planning grants to eligible applicants for the underlying purpose of reducing – directly or indirectly – greenhouse gas emissions.

The principal goals of SALC are stated as:

- Protect agricultural lands to support infill and compact development.
- Further the purposes of Assembly Bill 32 by avoiding increases in greenhouse gas emissions associated with the conversion of agricultural land to non-agricultural uses.

Eligible grant applicants include counties, cities, LAFCOs, councils of government, municipal planning organizations, regional transportation planning agencies, groundwater sustainability agencies, special districts with land use or transportation planning authority, federally recognized tribes, and certain non-federally recognized tribes.

SALC grants are awarded annually in December and provide funding over a two-year period. The next round of SALC grants will be awarded in December 2022.

### **Existing Grant Award to LAFCO**

In August 2020, San Diego LAFCO and Resource Conservation District of Greater San Diego County collaborated in submitting a planning grant application under SALC to identify and track agricultural trends in San Diego County. The Commission – notably – authorized the grant proposal as lead applicant. LAFCO was subsequently awarded a two-year grant in the full amount of \$250,000 with work commencing in June 2021.

## **DISCUSSION**

This item is for San Diego LAFCO to consider authorizing the Commission to serve as co-applicant for a new SALC planning grant in the amount of \$500,000 in partnership with the County of San Diego's Planning & Development Services (PDS). The proposed planning grant is for the specific purpose of generating good and timely market information and best practice data to support and sustain agriculture in San Diego County, with focus on aiding small-scale farming operations. Market information will directly draw on current grant work exploring local agricultural trends and identify incentives, technical support, regulatory streamlining and other mechanisms that may be employed by local government or other partners to assist

in bridging the economic gap and increase the economic sustainability of farming. San Diego LAFCO and PDS would serve as joint project managers and coordinate implementation.

A pre-proposal outlining the proposed planning grant is attached and was submitted to the Department of Conservation by its July 1, 2022 deadline. Staff anticipates receiving comments on the pre-proposal filing by early August 2022 and will incorporate as appropriate into a formal submittal should the Commission authorize proceeding with an application. Supervisor Desmond is sponsoring the Board of Supervisors own consideration of the item and role as co-applicant later at its August 2022 meeting. The deadline to submit a complete proposal to the Department of Conservation is September 9<sup>th</sup>.

## **ANALYSIS**

The proposed planning grant before San Diego LAFCO has been jointly developed with the County of San Diego and PDS with assistance from Supervisor Desmond's Office and the shared interest in supporting agriculture. The grant is premised on generating good and timely market information to help smaller farmers (current and prospective) and local government better understand current and developing trends and make timely course corrections. Specifically, and as detailed in the pre-proposal, LAFCO can draw on the market information to make wise decisions to implement its planning and regulatory powers with respect to balancing smart growth and agriculture preservation. The matching contribution requirement for LAFCO as co-applicant would involve allocating approximately 200 staff hours over the course of the two-year grant period and can be accommodated.

## **RECOMMENDATION**

It is recommended San Diego LAFCO authorize the Commission to serve as co-applicant with the County of San Diego in submitting a new planning grant with the Department of Conservation consistent with the attached pre-proposal along with related actions. This recommendation is consistent with Alternative One outlined in the proceeding section.

## **ALTERNATIVES FOR ACTION**

The following alternative actions are available to San Diego LAFCO and can be accomplished with a single-motion:

### Alternative One (recommended):

- (a) Authorize the Commission to serve as co-applicant with the County of San Diego on a new planning grant with the Department of Conservation and its SALC program in the amount of \$500,000 as provided in the pre-proposal as Attachment One.
- (b) Authorize the related allocation of up to \$25,000 in matching funds through staff time in implementing the planning grant.

- (c) Authorize the Executive Officer to sign the grant award should it be approved and in conjunction with executing a memorandum of understanding with the County of San Diego's PDS Department subject to the review and approval of Commission Counsel.

Alternative Two:

Continue consideration to a special meeting ahead of the September 9, 2022 deadline to file a planning grant application with the Department of Conservation.

Alternative Three:

Deny the requested authorization.

**PROCEDURES FOR CONSIDERATION**

This item has been placed on San Diego LAFCO's agenda for action as part of the business calendar. The following procedures are recommended in the consideration of this item:

- 1) Receive verbal presentation from staff unless waived.
- 2) Commission discussion.
- 3) Consideration of the staff recommendation.

On behalf of the Executive Officer,



Priscilla Mumpower  
Analyst II

Attachment:

- 1) Planning Grant Pre-Proposal



**San Diego County**  
**Local Agency Formation Commission**  
 Regional Service Planning | Subdivision of the State of California

July 1, 2022

**Delivered Electronically:**

Melinda Kelley, Grant Manager  
 Division of Land Resource Protection  
 California Department of Conservation  
[melinda.kelley@conservation.ca.gov](mailto:melinda.kelley@conservation.ca.gov)

**SUBJECT: Planning Grant Pre-Proposal | Greening Agriculture: Market Analysis to Inform + Support Sustainable Small Farming in San Diego County**

Dear Melinda Kelley:

The San Diego County Local Agency Formation Commission is pleased to submit the attached pre-proposal for a planning grant to the California Department of Conservation as part of the next funding round under the Sustainable Agricultural Lands Conservation program. The County of San Diego and its Planning & Development Services serves as a co-applicant.

Sustainable agriculture relies on good planning based on timely information to effectively account for present and emerging market conditions. The proposed planning grant intends to generate good and timely market information and best practice data to support and sustain agriculture in San Diego County, with focus on aiding small-scale farming operations. Market information will directly draw on current grant work exploring local agricultural trends and challenges (#3020-907) and help identify incentives, technical support, regulatory streamlining and other mechanisms that may be employed by local government or other partners to assist in bridging the economic gap and increase the economic sustainability of farming. Mechanisms such as carbon sequestration credits, support in identifying viable crop types, incentives or opportunities to increase the environmental sustainability of agriculture with a net financial benefit will be considered. Pertinently, market and best practices information will aid both farmers – current and prospective – and local government make wise decisions in the shared interest in sustainable and prosperous agriculture.

<p><b>Administration</b>                  Keene Simonds, Executive Officer                  2550 Fifth Avenue, Suite 725                  San Diego, California 92103-6624                  T 619.321.3380 F 619.404.6508  <a href="http://www.sdlafo.org">www.sdlafo.org</a>  <a href="mailto:lafo@sdcounty.ca.gov">lafo@sdcounty.ca.gov</a></p>	<p><b>Chair Jim Desmond</b>                  County of San Diego</p> <p><b>Joel Anderson</b>                  County of San Diego</p> <p><b>Nora Vargas, Alt.</b>                  County of San Diego</p>	<p><b>Vice Chair Paul McNamara</b>                  City of Escondido</p> <p><b>Mary Casillas Salas</b>                  City of Chula Vista</p> <p><b>Kristi Becker, Alt.</b>                  City of Solana Beach</p>	<p><b>Chris Cate</b>                  City of San Diego</p> <p><b>Marni von Wilpert, Alt.</b>                  City of San Diego</p>	<p><b>Jo MacKenzie</b>                  Vista Irrigation</p> <p><b>Barry Willis</b>                  Alpine Fire Protection</p> <p><b>David A. Drake, Alt.</b>                  Rincon del Diablo</p>	<p><b>Andy Vanderlaan</b>                  General Public</p> <p><b>Harry Mathis, Alt.</b>                  General Public</p>
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Should there be any questions please contact me by telephone at 858-276-9414 or e-mail at [priscilla.mumpower@sdcounty.ca.gov](mailto:priscilla.mumpower@sdcounty.ca.gov).

Respectfully,

A handwritten signature in black ink that reads "Priscilla Mumpower". The signature is written in a cursive style with a large initial "P" and "M".

Priscilla Mumpower  
Local Government Analyst II

cc: Dahvia Lynch, Director, County of San Diego Planning & Development Services  
Keene Simonds, Executive Officer, San Diego LAFCO

## Planning Grant Pre-Proposal

All applicants are encouraged to provide the Department with a structured summary of their proposed project prior to the full application deadline. By providing basic information about the potential project's scope and goals, Department staff can provide preliminary technical assistance to the applicant in advance of completion of full project application.

Project Title	Greening Agriculture: Market Analysis to Inform + Support Sustainable Small Farming in San Diego County
Applicant Name	San Diego LAFCO & County of San Diego
Department/Office	n/a
Federal Employer ID	95-6000934 (LAFCO)
Mailing Address	2550 Fifth Avenue, Suite 725, San Diego CA 92023
Location (County and/or City)	San Diego County
Claiming Priority Population Benefits	No
Grant Request Amount	\$450,000
Matching Funds Pending	\$0
Matching Funds Committed	\$50,000 (staff time)
Total Estimated Project Cost	\$500,000
Contact Person	Priscilla Mumpower
Title	LAFCO Analyst II
Phone Number	619-321-3380
Email Address	<a href="mailto:priscilla.mumpower@sdcounty.ca.gov">priscilla.mumpower@sdcounty.ca.gov</a>

## Executive Summary and Proposed Planning Project

Please provide a brief overview of the project (**1-page** maximum). This overview should describe the following:

- Provide a brief description of the proposed planning project.
- Why the proposed project is appropriate for protecting agricultural lands in the jurisdiction.
- Participating stakeholders.
- Any critical deadlines.

## Preproposal Questions

1. Are you a county, city, local area formation commission, council of government, municipal planning organization, regional transportation planning agency, groundwater sustainability agency, or special district with land use or transportation planning authority, and federally recognized California Native American tribe or a nonfederally recognized California Native American tribe that is on the contact list maintained by the Native American Heritage Commission?

Are you a Resource Conservation District, special districts with a mission related to agricultural preservation, academic institutions, land trusts and other agricultural non-profit organizations? Have you partnered with one or more of the organizations listed above? Will you be able to provide evidence by the time of the application that one or more of the organizations listed above will enter into a memorandum of understanding for the project demonstrating support for the project and SALC's purposes, detailing the partners roles and that the partners will consider adopting the plan resulting from the project.

- The proposed planning grant involves a joint partnership between two eligible applicants: San Diego County LAFCO and the County of San Diego via its Planning & Development Services Department.
- LAFCO will serve as lead applicant and will take formal action at its August 1, 2022 meeting in support of the proposal and recitals therein – including commitment to the matching funds and entering into a memorandum of understanding with the County of San Diego to assign

tasks/duties. The County of San Diego will also require formal authorization from the County of San Diego Board of Supervisors to be requested at a hearing in August of 2022.

2. Describe the proposed planning project. Include details such as the anticipated outcome and deliverables are expected; agricultural land base, economy, and regional food systems and infrastructure within the project area; amount and quality of agricultural land that can be expected to receive protection through the proposed project. Include maps of important farmland, jurisdictional boundaries, and other pertinent data that would portray the project scope (as attachments to the application).
  - Sustainable agriculture relies on good planning based on timely information to effectively account for present and emerging market conditions. The proposed planning grant intends to generate good and timely market information and best practice data to support and sustain agriculture in San Diego County, with focus on aiding small-scale farming operations that otherwise have limited resources to perform this type of analysis or access resources.
  - The proposed planning grant will employ market data collection and aggregation, as well as a gap analysis, to identify:
    - Average ROIs for key crops in the region
    - Average ROI needed to sustain small farms over time (looking at the industry potentially beyond the region)
    - Gap in ROI between marginal farms and economically sustainable farms
    - Key cost centers contributing to the “gap” between the sustainable ROI and actual ROI for the average small farm in the region (i.e., costs of water, labor and entry into farming)
  - The market information will directly draw on current grant work exploring local agricultural trends and challenges (#3020-907) while further transitioning from qualitative to quantitative data through the market data collection, aggregation and gap analysis.

- The best practices information will help to identify incentives, technical support, regulatory streamlining and other mechanisms that may be employed by local government or other partners to help bridge the economic gap and increase the economic sustainability of small farms in the region. Mechanisms to be considered will be driven by best practice research and stakeholder input. These will include but are not limited to: carbon sequestration credits, technical or other support identifying viable crop types for the future, incentives or opportunities to increase the environmental sustainability of agriculture with a net financial benefit.
- The market information and best practices recommendations generated from the proposed planning grant will help farmers (current and prospective) and local government make timely course corrections and/or new investments in the shared interest in sustainable and prosperous agriculture.
- Some of the market information generated from the proposed planning grant is not readily available at this time. The closest known comparable involves the Ag Commission and their annual tracking/reporting of crop values on an acre basis. The Ag Commission – however – does not account for associated costs whereas the proposed planning grant will and in doing so address net values.
- A stakeholder outreach plan is also part of the proposed planning grant to circulate the market information, gather input regarding key cost centers [identified in part in LAFCO's current grant effort (#3020-907)] and best practices for government and other partners to assist in bridging the economic gap and increase the economic sustainability of farming in the region. The grant will include efforts to publicize related resources to assist current and prospective farmers. The outreach plan will include concerted focus on connecting with under-represented groups in San Diego County's agricultural community to better reflect overall county demographics.

3. Why and to what extent agricultural land is being converted to other uses within project area? To what extent those conversion risks are expected to continue? How will the proposed project address those conversion risks?

- The California Department of Conservation has been actively inventorying changes in land uses in all 58 counties since 1992. The most recent report shows the amount of important farmland in San Diego County totals 212,928 acres and reflects an overall conversion loss of (13,647) or (6.8%) over the preceding 14-year period, which further translates to an annual acre loss of (569) and (0.3%). Relatedly, and to the merits of focusing the planning grant's benefits to smaller operations, the County's Department of Weights and Measures separately estimates 70% of all remaining farms in San Diego County are small and operate on less than 10 acres.
- The risk of continued conversions is expected so long as farmers conclude their operations are structurally unbalanced with costs exceeding revenues and monetary relief is otherwise limited to selling their lands to developers. The proposed planning grant aims to address these existing conversion risks by providing timely market information to assist existing farmers' plan appropriate course corrections in remaining or becoming sustainable as well as prospective farmers proceed with informed and sustainable start-up operations.
- The proposed planning grant's market information will aid local government to revisit tools, programs and resources to support farmers in the shared interest in sustainable agriculture. Contemplated examples follow starting with the uses by the co-applicants.
  - LAFCO can draw on the market information to make wise decisions to implement its planning and regulatory powers with respect to balancing smart growth and agriculture preservation. Currently, LAFCO's decision-making is limited to otherwise sterile maps to show "ag" lands paired with judging the word of proponent/opponents of jurisdictional changes on whether a given area is suitable/unsuitable for sustainable agriculture production. Having a market tool to independently assess the viability of agriculture production and its thresholds

would be a good and welcomed addition to LAFCO's toolbox. LAFCO may also partner on tools, incentives and best practices to support agriculture based on the information obtained.

- The County can similarly draw on the market information and best practices data to identify opportunities to create or employ incentives or other tools, programs or resources to help increase the economic and potentially environmental sustainability of farming in the region, particularly for small farms and historically underserved farmers.

#### 4. How will the project avoid or reduce greenhouse gas emissions?

- Reducing GHG emissions are increasingly part of the regulatory scheme underlying agriculture in California and headlined by stricter equipment and vehicle emissions standards that affect farming production and related delivery systems. The proposed planning grant's aim to produce good and timely market information in identifying baseline thresholds for current and prospective farmers to achieve economic sustainability will intrinsically incorporate these regulatory schemes and objectives. In addition, as part of the exploration of governmental mechanisms and incentives to increase the financial viability of farming, carbon sequestration programs will be explored.
- The related promotion of new farmers and their agricultural activities through timely market information coupled with opportunities for local government to enact supportive policies further aids in the overall goal of reducing GHG emissions given the protection against more vehicle-miles traveled demands associated with fringe urban development.

#### 5. How will the proposed project implement an adopted or draft Sustainable Communities Strategy or, if a Sustainable Communities Strategy is not required for a region by law, a regional plan that includes policies and programs to reduce greenhouse gas emissions? Provide references to the specific goals, objectives, or policies that the project supports.

- The proposed planning grant aligns directly with the current Sustainable Communities Strategy (SCS) included within the 2050 Regional

Transportation Plan adopted by the San Diego Association of Governments (SANDAG) in October 2011. In terms of context, the SCS seeks to guide the region toward a more sustainable future by integrating land use, housing, and transportation planning to create communities that are more sustainable, walkable, transit-oriented, and compact. The proposed planning grant and its focus on informing and supporting smart and sustainable agriculture is integral to the SCS vision and ties to maintaining commercially viable greenbelts. These greenbelts help to curb sprawl and redirect growth towards infill, provide local food supplies, and give urban dwellers important visual connectivity to agriculture and its role in their region's smart(er) growth.

- The proposed planning grant similarly supports the SCS by providing a conduit to conduit for SANDAG to further inform its separate – but related – implementation of Affordable Housing and Sustainable Communities (AHSC) Program grant monies. This could and/or ideally includes SANDAG using the market information generated by the proposed planning grant in strategically investing AHSC monies into farm-worker housing.

6. How is the proposed plan consistent with [California's Planning Priorities](#)?

- The proposed planning grant readily syncs with California's Planning Priorities. Generating good and timely market information and identifying best practices to aid current and prospective famers in sustainable agriculture serves to enhance and protect the greenbelts that zoning currently provides around our urban centers and in doing so further direct development inwards to existing footprints with appropriate access to transportation and other essential utilities and services. Generating good and timely market information similarly serves as a self-fulfilling exercise in protecting, expanding, and otherwise enhancing agricultural resources.

7. What economic, environmental, public health, cultural or other co-benefits that would arise from the project? How will those co-benefits be measured?

- The proposed planning grant represents a complementary extension of the current grant work being performed in partnership by LAFCO and RCD of

Greater San Diego. Markedly, the current two-year grant focuses on agricultural trends paired with qualified analysis to make sense of the observed outcomes. The proposed planning grant takes the next linear step with respect to quantifying the challenges relative to market conditions in establishing viable ROI levels. Furthermore, it creates a scalable tool that sizes up core costs for dominant and emerging crops in San Diego County and leads to pragmatic thresholds on what it means to be “sustainable.” The information on best practices will act as a platform for developing potential incentive, streamlining or other creative programs to support sustainable agriculture in the region.

The proposed planning grant’s associated marketing activities will aid current and prospective farmers in making wise decisions going forward. This includes planning needed course corrections to remain and/or become sustainable. This will further benefit sustainability and agricultural preservation goals throughout the county given the realities of market conditions.

8. How will the project benefit priority populations; beginning or Veteran farmers and ranchers; residents of disadvantaged or low-income communities; or federally recognized California Native American tribe or a nonfederally recognized California Native American tribe that is on the contact list maintained by the Native American Heritage Commission and/or a priority population?
  - Small farms comprise 70% of all farms within San Diego County. These small farms lack necessary resources to aid in the assessment of their current farming practices. The cost-benefit analysis would provide an accessible resource that is otherwise unavailable and highlight best practices and a means for farmers to make any necessary course corrections as they seek to sustain their farms. The work being completed through the current grant has illuminated several challenges experienced throughout the agricultural community and – pertinently – one of which is access to land and resources. Part of the proposed planning grant is to circulate the market information and publicize related resources to assist current and prospective farmers with the latter focusing on under-represented groups.
9. How will the proposal complement other efforts in the region, including comprehensive planning efforts (e.g., Greenprints, general or special plan

objectives or goals), and agricultural land use policies (e.g., Williamson Act)? How would the project leverage other permanently protected lands to promote location and resource-efficient development?

- The development of market data and best practices information and further market information will complement current efforts in San Diego County through the SALC grant and in better understanding agricultural trends in the region. This includes providing new tools for LAFCO, County, and potentially SANDAG in discharging our separate regulatory duties tied to orderly growth and clear and healthy urban-ag interfaces. This includes better understanding the thresholds on what it means to be sustainable in San Diego County. Furthermore, the gap analysis will provide a useful tool for existing farmers in assessing potential course corrections or aid prospective farmers in creating a sustainable business plan which can lead to sustainable farming practices and have an overall reduction in GHG emissions.

10. What is the applicant's experience in developing and implementing similar projects? What are the internal resources and capacity to complete the proposed work or will consultants or contractors be required? Are there professional staff qualified to develop and successfully implement the proposal? If not, please describe how will the applicant acquire this expertise.

- The proposed planning grant intends to serve as an extension of the grant work already underway (#3020-907) by LAFCO. LAFCO and the County have the staff and/or consultant resources to expertly carry out the grant.

11. Which stakeholders will participate in the proposed project? How will these stakeholders participate?

SD County LAFCO – Lead Applicant  
The County of San Diego – Co-Applicant

### **Map(s) of the Project area**

Please provide a map or image depicting the area to be covered by the proposed project. The map should generally depict the area, including the extent of its agricultural resources, urban and/or rural land uses, and any ancillary map data to support the need for the proposal. Examples of maps include [Important Farmland Maps](#), Spheres of Influence, priority planning areas, and other

protected lands. Protected lands databases can be found at the following locations:

[National Conservation Easement Database](#)

[California Protected Area Database](#)

[California Conservation Easement Database](#)

Maps or images must print into an 8 ½" x 11" sheet of paper.

Geographic information system (GIS) data may be submitted along with digital map products.