



# San Diego County Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

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## AMENDED SPECIAL MEETING AGENDA SPECIAL DISTRICTS ADVISORY COMMITTEE

Friday, March 15, 2024  
1:45 P.M. to 3:15 P.M.

County of San Diego Administration Center  
1600 Pacific Highway, Room 302  
San Diego, California 92101

Chair Kimberly Thorner  
Vice Chair Jack Bebee

Ann Baldrige  
RCD of Greater SDC

James Gordon  
Deer Springs FPD

Dave McQuead  
Rancho Santa Fe FPD

Mike Sims  
Bonita-Sunnyside FPD

Jack Bebee  
Fallbrook PUD

Diane Hansen  
Palomar Health HCD

Marty Miller  
Vista ID

Oliver Smith  
Valley Center MWD

Paul Bushee  
Leucadia WWD

Albert Lau  
Santa Fe ID

Mark Robak  
Otay WD

Kimberly Thorner  
Olivenhain MWD

Jeff Egkan  
North County FPD

Hector Martinez  
South Bay ID

Joel Scalzitti  
Helix WD

**The Special Districts Advisory Committee is responsible for helping to inform the Commission on all germane items relating to San Diego LAFCO's regulatory and planning responsibilities affecting special districts.**

The Committee will hold the March 15, 2024 meeting in person at the County of San Diego Administration Center (1600 Pacific Highway, Room 302, in San Diego). Three-hour visitor parking is available using the Ash Street entrance. In person attendance by the public is welcomed. The public may also watch, listen, and otherwise participate in the meeting remotely by any of the following options.

1. The public may watch and listen to the meeting live on YouTube using the link provided on our website homepage ([www.sdlafco.org](http://www.sdlafco.org)).
2. The public may watch, listen, and participate in the meeting by Zoom (<https://zoom.us>) or by telephone at (669) 900-9128 using Meeting/Webinar ID: 895 6767 7168 and Passcode 508649. Please use the "raise your hand" function in Zoom or push \*9 by telephone if/when you wish to speak. Then wait until your name is called before speaking.
  - a) The public may provide eComments on any item by emailing to [michaela.peters@sdcounty.ca.gov](mailto:michaela.peters@sdcounty.ca.gov)
    - eComments received before 9:00 A.M. on Friday, March 15, 2024, will be forwarded to the Committee and posted online before the meeting. They will also be referenced during the meeting.
    - eComments received during the meeting and before the subject item is concluded will be referenced in good-faith by LAFCO staff and later posted online.

**1. 1:45 P.M. – CALL TO ORDER BY CHAIR**

- a) Roll Call
- b) Pledge Of Allegiance

**2. AGENDA REVIEW**

**3. OPEN EXPRESSION**

This time is reserved for any member of the public to address the Committee on germane topics that are not directly part of the agenda. This includes requests for future Committee topics. Individuals are limited to three minutes.

**4. CONSENT ITEMS**

**a) Approval of Meeting Minutes for December 15, 2023 (action)**

The Committee will consider draft summary minutes prepared for the last meeting held on December 15, 2023. Staff recommends approval as presented. (Pages 5-10)

**5. BUSINESS ITEMS**

**a) Informational Report |**

**Property Tax Allocations and Exchanges in San Diego County (information)**

The Committee will receive an informational report in the form of a brochure on property tax allocations and exchanges in San Diego County. The item has been prepared as an administrative holdover from the prior fiscal year workplan with a focus on the decision-making process with respect to whether property taxes will be reapportioned among local agencies in conjunction with LAFCO approving jurisdictional changes. The item is being presented for information. (Pages 11-20)

Contact: Michaela Peters, Analyst I

**b) Current Workplan Update on High Priorities (information)**

The Committee will receive an update on the current adopted workplan and specific to San Diego LAFCO's highest placed priorities involving separate municipal service reviews on wholesale water service providers and healthcare districts. The update is provided for information with the opportunity for Committee members to provide feedback to staff in helping to address interests and/or priorities on behalf of special districts in San Diego County. (Pages 21-24)

Contacts: Chris Cate, LAFCO Consultant  
Adam Wilson, LAFCO Consultant

**c) Review Proposed Workplan and Budget for 2024-2025 (discussion + possible advisory action)**

The Committee will receive a presentation on San Diego LAFCO's proposed workplan and budget for 2024-2025. The draft workplan outlines 30 activities in priority order and headlined by continuing municipal service reviews on wholesale water service providers and healthcare districts as well as grant work evaluating economic conditions for certain agricultural crops. Several new projects round out the draft workplan and headlined by initiating a municipal service review on the San Diego Association of Local Governments. The draft workplan informs the draft budget, which totals \$2.887 million in matching expenses and revenues. More than four-fifths of total expenses –\$2.403 million– covers operating costs and represents an

increase of 6.3% and largely ties to inflationary adjustments plus targeted enhancements in certain non-labor accounts as detailed. The item is for discussion and feedback with the option for the Committee to make any formal requests and/or recommendations to the Commission ahead of their anticipated consideration of both items in final form at its May 2024 meeting. (Pages 25-32)

Contact: Priscilla Mumpower, Assistant Executive Officer

**d) Grant Work Update |**

**Sustainable Agricultural Lands Conservation Planning Grant 2.0 (information)**

The Committee will receive an update on the Commission's ongoing SALC planning grant – i.e., “SALC 2.0” – in partnership with the County of San Diego's Planning and Development Services. SALC 2.0 entails conducting a comprehensive market analysis for both existing and emerging crops, alongside a gap analysis aimed at pinpointing areas where governmental intervention can help bridge economic gaps with a focus on aiding small-scale farming. The update is for information. (Pages 33-38)

Contact: Michaela Peters, Analyst I

**e) Selection of Chair and Vice Chair (action)**

The Committee will consider appointing officers – Chair and Vice Chair – for 2024 per policy. There is no written report for this item.

**6. COMMITTEE MEMBER REPORTS**

**7. EXECUTIVE OFFICER REPORT**

**8. ADJOURNMENT**

Attest to Posting:



Michaela Peters  
Interim Committee Secretary

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

**4a**

**AGENDA REPORT**  
 Consent | Action

March 15, 2024

**TO:** Special Districts Advisory Committee  
**FROM:** Michaela Peters, Interim Commission Clerk  
**SUBJECT:** Approval of Meeting Minutes for December 15, 2023

**SUMMARY**

The Special Districts Advisory Committee (“Committee”) will receive action minutes prepared for the last meeting held on Friday, December 15, 2023. The minutes are in draft-form and being presented for formal approval with any corrections identified by the Committee.

**BACKGROUND**

The Ralph M. Brown Act was enacted in 1953 and establishes standards for the public to attend and participate in meetings of local government bodies. The “Brown Act” requires – and among other items – public agencies to maintain written minutes for qualifying meetings.

**DISCUSSION**

This item is for the Committee to consider approving action minutes prepared by the Committee Secretary for the December 15, 2023 meeting consistent with the Brown Act.

**ANALYSIS**

The attached action minutes for the December 15, 2023 meeting accurately reflect the Committee’s deliberations as recorded by the Committee Secretary. A video recording of the meeting has also been posted online at [www.sdlafco.org/meetings](http://www.sdlafco.org/meetings).

<p><b>Administration</b>          Keene Simonds, Executive Officer          2550 Fifth Avenue, Suite 725          San Diego, California 92103          T 619.321.3380  <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>Joel Anderson</b>          County of San Diego</p> <p><b>Jim Desmond</b>          County of San Diego</p> <p><b>Nora Vargas, Alt.</b>          County of San Diego</p>	<p><b>Kristi Becker</b>          City of Solana Beach</p> <p><b>Dane White</b>          City of Escondido</p> <p><b>John McCann, Alt.</b>          City of Chula Vista</p>	<p><b>Chair Stephen Whitburn</b>          City of San Diego</p> <p><b>Marni von Wilpert, Alt.</b>          City of San Diego</p>	<p><b>Vice Chair Barry Willis</b>          Alpine Fire Protection</p> <p><b>Jo MacKenzie</b>          Vista Irrigation</p> <p><b>David A. Drake, Alt.</b>          Rincon del Diablo</p>	<p><b>Harry Mathis</b>          General Public</p> <p><b>Vacant, Alt.</b>          General Public</p>
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## RECOMMENDATION

It is recommended the Committee approve the draft action minutes prepared for the December 15, 2023 special meeting as presented and consistent with Alternative One in the proceeding section.

## ALTERNATIVES FOR ACTION

The following alternatives are available to the Committee through a single motion:

Alternative One (recommended):

Approve the draft action minutes prepared for the December 15, 2023 meeting with any desired corrections or clarifications.

Alternative Two:

Continue to the next regular meeting and provide direction to staff as needed.

## PROCEDURES

This item has been placed on the Committee's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Committee.

Respectfully,



Michaela Peters  
Interim Commission Clerk

Attachment: as stated

**DRAFT**  
**SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION**  
**SPECIAL DISTRICTS ADVISORY COMMITTEE**  
**SPECIAL MEETING**  
**December 15, 2023**

San Diego County Administration Center  
1600 Pacific Highway, Room 302  
San Diego, California 92101

**1. 10:00 A.M. – CALL TO ORDER BY CHAIR**

Vice Chair Jack Bebee called the meeting to order at 10:00 a.m.

**Item 1a**  
**ROLL CALL**

Vice Chair Jack Bebee requested a roll call from the Committee Secretary.

Committee Members Present:

Vice Chair Jack Bebee (Fallbrook PUD)  
Paul Bushee (Leucadia WWD)  
James Gordon (Deer Springs FPD)  
Albert Lau (Santa Fe ID)  
Hector Martinez (South Bay ID)  
Dave McQuead (Rancho Santa Fe FPD)  
Mike Sims (Bonita-Sunnyside FPD)  
Oliver Smith (Valley Center MWD)

Committee Members Absent:

Chair Kimberly Thorner (Olivenhain MWD)  
Ann Baldridge (RCD of Greater San Diego County)  
Jeff Egkan (North County FPD)  
Diane Hansen (Palomar Health HCD)  
Marty Miller (Vista ID)  
Mark Robak (Otay WD)  
Joel Scalzitti (Helix WD)

The Committee Secretary confirmed a quorum with eight members present. The following members of San Diego LAFCO staff were present at roll call: Executive Officer Keene Simonds; Legal Counsel Aleks Giragosian; Local Government Analyst II Carolanne Ieromnimon; Local Government Analyst I Michaela Peters; GIS Analyst Dieu Ngu; Consultant Adam Wilson; and Commission Clerk Erica Sellen serving as Committee Secretary.

**Item 1b**  
**PLEDGE OF ALLEGIANCE**

Albert Lau (Santa Fe ID) led the Pledge of Allegiance.

## 2. AGENDA REVIEW

Vice Chair Jack Bebee asked the Executive Officer if there were requests to remove or rearrange items on the agenda. The Executive Officer stated no changes were needed to the agenda.

## 3. OPEN EXPRESSION

Vice Chair Jack Bebee asked if there were any members of the public who wished to address the Committee on a germane topic that is not directly part of the agenda.

The Committee Secretary confirmed there were no pre-registered speakers and no live email comments.

## 4. CONSENT ITEMS

### a) Approval of Meeting Minutes for September 15, 2023 (action)

The Committee considered draft summary minutes prepared for the last meeting held on September 15, 2023. Staff recommends approval as presented.

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On motion by Dave McQuead and seconded by Mike Sims, the Committee unanimously approved the minutes for the September 15, 2023 meeting.

### b) Update on Adopted Workplan (information)

The Committee received an update on LAFCO's adopted workplan for 2023-2024 and status of the 30 calendared projects. Information only.

### c) Report on Active Proposals and Related Activities (information)

The Committee received an update on LAFCO's adopted workplan for 2023-2024 and status of the 30 calendared projects. Information only.

Mike Sims requested to pull Item 4c for discussion. Mr. Sims referenced #4 of the item's attachment, "Crestlake Estates Reorganization" (RO08-15) and noted County Service Area (CSA) No. 69 is no longer active. He said it is now called Santee-Lakeside Emergency Medical Services Authority (SLEMSA).

\*\*

On motion by Paul Bushee and seconded by James Gordon, the Committee unanimously approved Item 4c with changing CSA No. 69 to SLEMSA.

## 5. BUSINESS ITEMS

### a) Draft Policy on Out-of-Agency Services (discussion)

The Committee reviewed the newest version of a draft policy to govern out-of-agency service activities in San Diego County. The newest version is the fourth overall and builds on feedback provided by the Committee in September 2023 (second version) and Commission in October 2023 (third version), respectively. The preparation of the draft policy itself ties to the adopted workplan and premised on providing clear rules of engagement between local agencies and LAFCO with respect to the former complying...

## **BUSINESS ITEMS CONTINUED...**

### **Item 5a Continued...**

with Government Code Section 56133 and receiving LAFCO approval before providing contract out-of-agency services. Staff anticipates drawing on the Committee feedback in presenting a final draft version to the Commission for action in February 2024. Discussion and feedback.

The Committee Secretary confirmed there was one registered speaker. Vice Chair Jack Bebee invited comments from the following speaker:

- Brian Onley, Helix Water District

Staff presentation provided by Local Government Analyst II Carolanne Ieromnimon.

Committee discussion followed.

The Committee Secretary confirmed there were no other registered speakers and no live email comments.

\*\*

On motion by Hector Martinez and seconded by James Gordon, the Committee unanimously approved to make a formal recommendation to offer its qualified support for the proposed draft policy with Paul Bushee adding an amendment to change from 6 months to 12 months.

### **b) Establishing a Fee Waiver and/or Fee Reduction for Funding Agencies (discussion)**

The Committee reviewed LAFCO's existing policies involving applicant fee waivers and reductions and potential merits therein to establish a new provision specific to funding agencies. The topic was recently discussed by LAFCO and done so at the request by Commissioner Willis to explore options to establish dedicated fee relief for funding agencies in filing applications with LAFCO. The Committee's discussion and feedback – which will include screening preliminary options identified by staff – will help inform potential recommendations to the Commission for future consideration. Discussion and feedback.

Staff presentation provided by Local Government Analyst II Carolanne Ieromnimon.

Committee discussion followed.

The Committee Secretary confirmed there were no pre-registered speakers and no live email comments.

### **c) Pending Determination |**

#### **Commission's Oversight Duties and the San Diego Unified Port District (information)**

The Committee received an update on a pending determination regarding LAFCO's oversight duties as they relate to the Port of San Diego – formally the San Diego Unified Port District. This includes reviewing a preliminary assessment performed by staff that tentatively concludes – and based on available information – the Port is a special district...

## **BUSINESS ITEMS CONTINUED...**

### **Item 5c Continued...**

subject to LAFCO oversight. It similarly concludes the Port qualifies as an “independent” special district, and accordingly eligible to seat members on the Commission and responsible for proportionally paying part of the special districts’ share of the LAFCO budget. Staff’s preliminary assessment is qualified pending additional discussion with the Port. The preliminary assessment is being shared with the Committee for information with an invitation to provide feedback as staff proceeds with finalizing a determination for future presentation to the Commission.

Staff presentation provided by Local Government Analyst I Michaela Peters.

Committee discussion followed.

The Committee Secretary confirmed there were no pre-registered speakers and no live email comments.

## **6. COMMITTEE MEMBER REPORTS**

Al Lau wished the Committee Happy Holidays.

## **7. LAFCO EXECUTIVE OFFICER REPORT**

Executive Officer Keene Simonds noted the following items:

- Discussed Expired Committee Terms and would like to update bylaws in March 2024
- Commission Clerk Tamaron Luckett retired as of December 2023
- Executive Assistant Erica Sellen has been promoted to Commission Clerk
- Assistant Executive Officer Priscilla Mumpower will be returning from maternity leave in February 2024
- Nine budgeted positions at LAFCO, but due to various vacancies and leaves, there are five staff members
- LAFCO Holiday Party will be held on December 18<sup>th</sup>

## **8. ADJOURNMENT**

With no further business, the Special Districts Advisory Committee meeting was adjourned at 11:13 a.m.

Attest:

Erica Sellen  
Committee Secretary



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

**5a**

**AGENDA REPORT**  
 Business | Information

March 15, 2024

**TO:** Special Districts Advisory Committee

**FROM:** Keene Simonds, Executive Officer  
 Michaela Peters, Analyst I

**SUBJECT: Informational Report |  
 Property Tax Allocation and Exchanges in San Diego County**

**SUMMARY**

The Special Districts Advisory Committee (“Committee”) will receive an informational report in the form of a brochure on property tax allocations and exchanges in San Diego County. The item has been prepared as an administrative holdover from the prior fiscal year workplan with focus on the decision-making process with respect to whether property taxes will be reapportioned among local agencies in conjunction with LAFCO approving jurisdictional changes. The item is being presented for information with the opportunity for the Committee to provide feedback.

**BACKGROUND**

**LAFCOs and Property Tax**

The 1% property tax serves as a primary funding source for the majority of municipal services provided by the local agencies (cities and special districts) subject to San Diego LAFCO’s regulatory and planning powers. As detailed, whenever LAFCO approves jurisdictional changes, State law requires a determination – either directly by the Commission or through negotiated agreements by the agencies – on whether exchanges should be made in the apportionments of the 1% property tax. The date of any reapportionments filed with the State Board of Equalization by December 1<sup>st</sup> will become effective on the following July 1<sup>st</sup>.

<p><b>Administration</b>          Keene Simonds, Executive Officer          2550 Fifth Avenue, Suite 725          San Diego, California 92103          T 619.321.3380  <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>Joel Anderson</b>          County of San Diego</p> <p><b>Jim Desmond</b>          County of San Diego</p> <p><b>Nora Vargas, Alt.</b>          County of San Diego</p>	<p><b>Kristi Becker</b>          City of Solana Beach</p> <p><b>Dane White</b>          City of Escondido</p> <p><b>John McCann, Alt.</b>          City of Chula Vista</p>	<p><b>Chair Stephen Whitburn</b>          City of San Diego</p> <p><b>Marni von Wilpert, Alt.</b>          City of San Diego</p>	<p><b>Vice Chair Barry Willis</b>          Alpine Fire Protection</p> <p><b>Jo MacKenzie</b>          Vista Irrigation</p> <p><b>David A. Drake, Alt.</b>          Rincon del Diablo</p>	<p><b>Harry Mathis</b>          General Public</p> <p><b>Vacant, Alt.</b>          General Public</p>
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# Covering The Basics

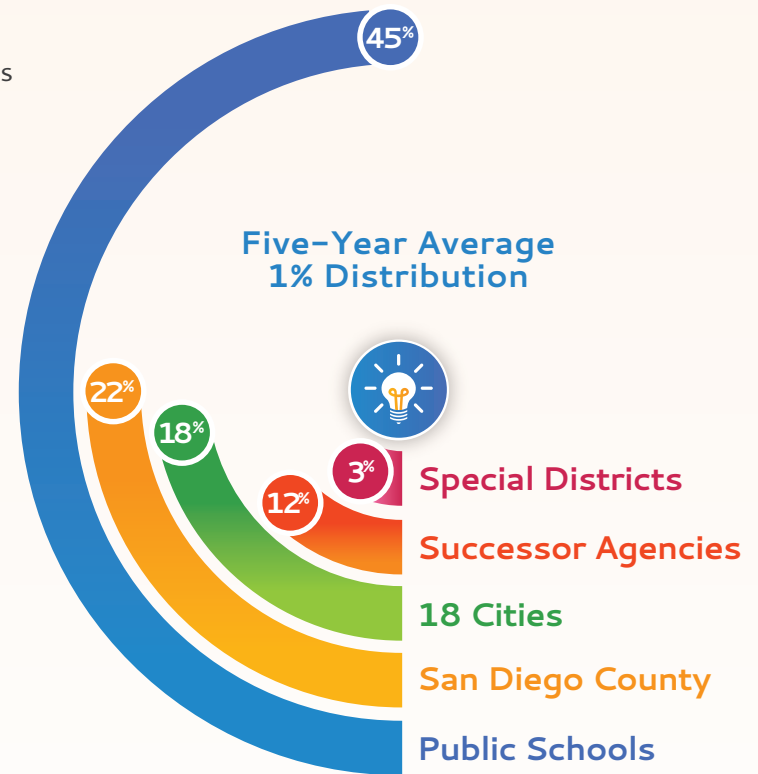
## Property Taxes in California

With limited exceptions, all property (land and improvements) in California are taxed at 1% of their assessed value. The 1% rate was set by Proposition 13, which was approved by voters in June 1978 by nearly two-thirds of the electorate. It also reset all properties' market value to 1975 levels while limiting increases going forward to no more than 2% annually. All monies generated from the 1% property tax goes to local government – and specifically counties, cities, special districts, and school districts – and can be used for any general public purpose.

## Property Taxes in San Diego County

The average annual amount of the 1% of property tax collected and allocated in San Diego County has been \$5.862 billion over a five-year period ending in 2022–2023.

Almost one-half – specifically 45% – of all property tax collected during this 60-month period has gone to 47 local public-school districts (elementary, high school, unified, and community college). Another 22% of the overall total has gone to the County of San Diego with a majority therein funding public safety and general administrative services. The remaining collection is divided between the 18 cities at 18%, redevelopment successor agencies at 12%, and special districts at 3%. Overall, the total amount of the 1% property tax revenue collected in San Diego County has increased by 20% over the five-year period and results in an average year adjustment of 4%.



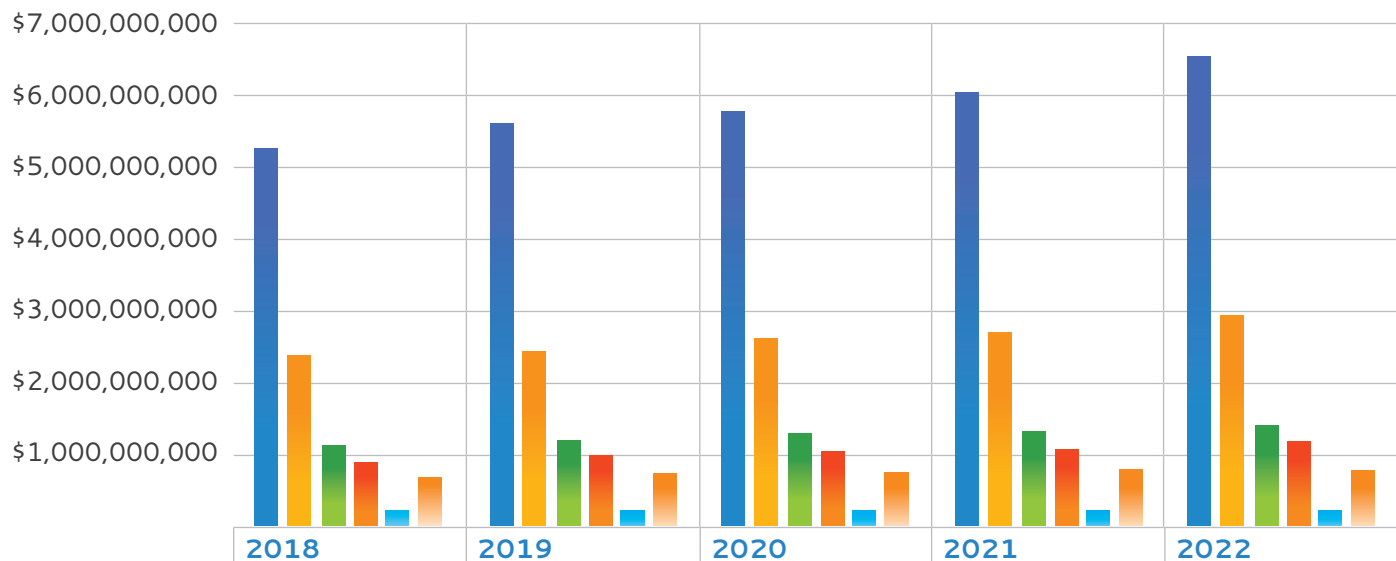
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**Almost half of all property tax – \$0.47 cents out of every \$1.00 – collected in San Diego County goes to local school districts.**

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## San Diego County 1% Property Tax Allocations



	2018	2019	2020	2021	2022
● Total 1% Property Taxes	\$5,260,273,094	\$5,526,032,550	\$5,856,551,713	\$6,061,700,823	\$6,569,133,623
● 45% Allocated to Public School Districts	\$2,367,122,892	\$2,502,914,648	\$2,635,448,271	\$2,727,765,370	\$2,956,110,130
● 22% Allocated to County of San Diego	\$1,157,260,081	\$1,223,647,161	\$1,228,441,377	\$1,333,574,181	\$1,445,209,397
● 18% Allocated to the Other 18 Cities	\$946,849,157	\$1,001,165,859	\$1,054,197,308	\$1,091,106,148	\$1,182,444,052
● 3% Allocated to Special Districts	\$157,808,193	\$166,860,997	\$175,696,551	\$181,851,025	\$197,074,009
● 12% Redevelopment Successor Agencies	\$630,180,717	\$666,331,499	\$701,614,894	\$726,191,759	\$786,982,208

LAFCO extends its appreciation to the County of San Diego Assessor's Office for the tax allocation information.























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# 2024-2025 Workplan Guide

The proposed draft workplan list 30 targeted projects for 2024–2025 comprising both new and continued activities. The targeted projects complement LAFCO’s baseline commitment to process jurisdictional proposals and related service requests in a timely manner and are divided between three priority categories – high, medium, and low. An outline of all 30 projects with additional details on the “Top 10” follows.



## No. 1

**Municipal Service Review on Wholesale Water Service Providers**  
San Diego County Water Authority + Metropolitan Water District



## No. 3

**Transition External Accounting System**  
Implement Cloud Conversion for Quickbooks and Add Public-Facing Features



## No. 5

**State Planning Grant Award (SALC 2.0): “Greening Agriculture”**  
Return-on-Investment and GAP Analyses in Support of Small Farming Operations



## No. 7

**Municipal Service Review on Greater San Marcos/Vista Region: Part I**  
Cities of San Marcos and Vista



## No. 9

**Policy Review on Accounting + Auditing Procedures**  
Modernize and Harmonize Accounting + Auditing Policies to LAFCO’s Needs



## No. 2

**Municipal Service Review on Healthcare Districts**  
Fallbrook, Grossmont, Palomar, + Tri-City Healthcare Districts



## No. 4

**Municipal Service Review on the Greater Carlsbad Region**  
City of Carlsbad, Carlsbad Municipal Water District, + Leucadia Wastewater District



## No. 6

**RCD Ad Hoc Committee, Year Two: Transitioning OSAs to Boundary Changes**  
Greater San Diego, Mission, + Upper San Luis Rey Resource Conservation Districts



## No. 8

**Municipal Service Review on Greater San Marcos/Vista Region: Part II**  
San Marcos and Vista Fire Protection Districts, Vista Irrigation District, Vallecitos Water District, + Buena Sanitation District



## No. 10

**Staffing + Professional Development**  
Fill Budgeted Positions + Establish In-Service Days to Enhance Professional Development

## Medium Priorities

- No. 11** | Policy Review: Job Descriptions
- No. 12** | MSR: SANDAG
- No. 13** | Custom Project Manager Tracker
- No. 14** | Staffing Special Districts Advisory Committee
- No. 15** | Info Report on Homeless Services
- No. 16** | Staffing Cities Advisory Committee
- No. 17** | MSR: Greater Encinitas Region
- No. 18** | Complete FY2023 Audit
- No. 19** | MSR: Greater Del Mar/ Solana Beach Region
- No. 20** | Website Content Expansion + Enhancement

## Lower Priorities

- No. 21** | Annual Local Agency Directory
- No. 12** | Policy Review: Applicant Forms + Requirements
- No. 23** | Authorizing Credit Card Payments
- No. 24** | CALAFCO Legislative Committee
- No. 25** | Legislative Proposal on G.C. 56133
- No. 26** | SDAC Bylaws
- No. 27** | Info Report on Community Choice Aggregations
- No. 28** | Liaison with Local Native American Tribes
- No. 29** | Online Service + Fiscal Indicators
- No. 30** | Policy Review: Public Member Appointments

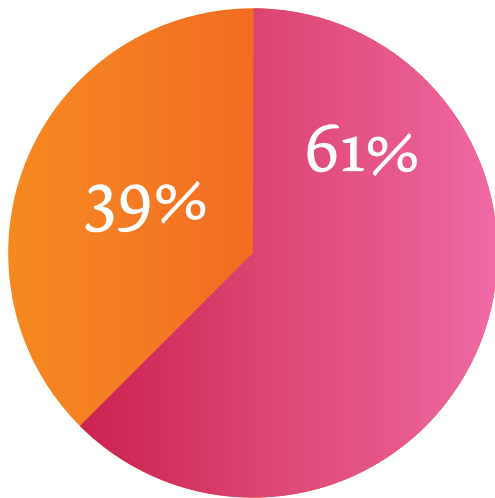
For a complete listing of the draft workplan, please visit: [sdlafco.org](https://sdlafco.org)

# 2024-2025 Draft Budget Guide

San Diego LAFCO’s proposed draft budget for 2024–2025 ties directly to funding the associated workplan and sets total matching expenses and revenues at \$2.888 million. Four-fifths of total expenses tie to operating costs, which tally \$2.403 million and represents a change over the current fiscal year of 6.3% – or \$142,14 and slightly above the 5.8% annual inflation rate for the San Diego area. The remaining portion of the total budget involves non-operating units and largely tie to transacting revenues and expenses involving a State planning grant and debt service.

Key budgeted operating expenses and revenues follow.

## Operating Expenses: \$2.403 Million



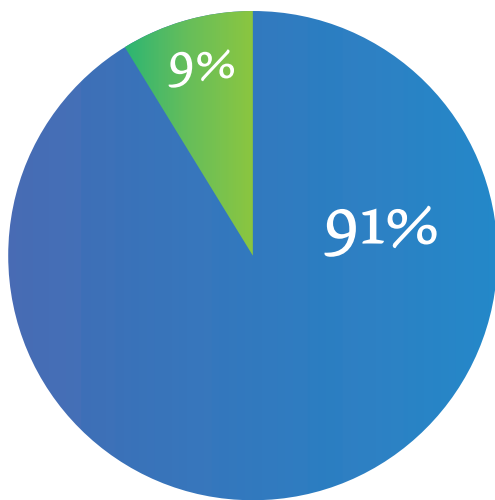
### Salaries and Benefits Cost

- \$1.444 million; an increase of 0.5% over current year
- Amount equals 61% of all operating expenses
- Reduces budgeting staffing from 9.0 to 8.0 FTE
  - Eliminates vacant executive assistant position
- Accommodates previously approved 2.75% COLA
- Also accommodates anticipated merit increases
- Also accommodates CPI increase to meeting per diems to \$291
- All line-item accounts show decreases expect pension

### Services and Supplies Cost

- \$0.959 million; an increase of 16.3% over current year
- Amount equals 39% of all operating expenses
- Two line item accounts underlie increase:
  - Increase in professional services to cover increase need for consultants and their technical expertise in preparing MSRs
  - Increase in memberships to cover new partnership with Assura Group to implement and host online project management tracking

## Operating Revenues: \$2.377 Million



### Application Fees

- \$0.215 million; same as current year
- Amount equals 9% of all operating revenues

### Local Agency Contributions

- \$2.162 million; an increase of 6.3% over current year
- Amount equals 91% of all operating expenses
- Allocation set by State law as follows:
  - 1 County of San Diego covers \$0.618 million
  - 2 Cities less San Diego cover \$0.618 million
  - 3 Special districts cover \$0.618 million
  - 4 City of San Diego covers 0.309 million

Amounts for specific cities and districts further apportioned by Auditor’s Office based on each agency’s percentage of revenues relative to all revenues collected by their city/district peers



UNRESTRICTED FUND BALANCE	
(estimate as of June 1, 2024)	
Committed:	\$750,000
Assigned:	\$62,500
Unassigned:	\$836,154
<b>TOTAL:</b>	<b>\$1,648,654</b>

### TOP CITY ALLOCATION

1. San Diego
2. Chula Vista
3. Carlsbad
4. Oceanside
5. Escondido

(based on FY2023 contributions)

### TOP DISTRICT ALLOCATIONS

1. Otay Water District
2. Helix Water District
3. Padre Dam Municipal Water District
4. Olivenhain Municipal Water District
5. Vallecitos Water District

(based on FY2023 contributions)



Mission Trails  
Regional Park

# San Diego LAFCO's Commission

San Diego LAFCO is governed by a 13-member "Commission" comprising county, city, special district, and public members. All Commissioners are appointed elected officials with the exception of the two public members. Commissioners serve four-year terms and divided between "regulars" and "alternates" and must exercise their independent judgment on behalf of the interests of residents, landowners, and the public as a whole. Commissioners are subject to standard disclosure requirements and must file annual statements of economic interests. The Commission has sole authority in administering its legislative responsibilities and decisions therein are not subject to an outside appeal process.



**Stephen Whitburn**  
Chair  
City of San Diego



**Baron Willis**  
Vice Chair  
Alpine Fire Protection



**Jim Desmond**  
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**AGENDA REPORT**  
 Business | Information

March 15, 2024

**TO:** Special Districts Advisory Committee  
**FROM:** Michaela Peters, Analyst I  
**SUBJECT:** Grant Update | Sustainable Agricultural Lands Conservation Planning Grant 2.0

**SUMMARY**

The Special Districts Advisory Committee (“Committee”) will receive an update on our ongoing SALC planning grant – i.e., “SALC 2.0” – in partnership with the County of San Diego’s Planning and Development Services (PDS). SALC 2.0 entails conducting a comprehensive market analysis for both existing and emerging crops, alongside a gap analysis aimed at pinpointing areas where governmental intervention can help bridge economic gaps, thereby supporting small-scale farming operations throughout the County. Notably, recent progress includes the finalization of the MOU between San Diego LAFCO and PDS, delineating respective roles and responsibilities. Since August 2023, LAFCO has enlisted the expertise of Agricultural Impact Associates to undertake the market analysis, as well as engaged Rick Engineering as an outreach consultant, achieving significant headway in the first two quarters. The update is for information and provides an opportunity for the Committee to ask questions or provide related feedback as grant work extends into late 2025.

**BACKGROUND**

**Sustainable Agricultural Lands Conservation Program**

SALC was created in 2014 as a component of the California Strategic Growth Council and administered by the Department of Conservation. The SALC program is primarily funded

<p><b>Administration</b>          Keene Simonds, Executive Officer          2550 Fifth Avenue, Suite 725          San Diego, California 92103          T 619.321.3380  <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>Joel Anderson</b>          County of San Diego  <b>Jim Desmond</b>          County of San Diego  <b>Nora Vargas, Alt.</b>          County of San Diego</p>	<p><b>Kristi Becker</b>          City of Solana Beach  <b>Dane White</b>          City of Escondido  <b>John McCann, Alt.</b>          City of Chula Vista</p>	<p><b>Chair Stephen Whitburn</b>          City of San Diego  <b>Marni von Wilpert, Alt.</b>          City of San Diego</p>	<p><b>Vice Chair Barry Willis</b>          Alpine Fire Protection  <b>Jo MacKenzie</b>          Vista Irrigation  <b>David A. Drake, Alt.</b>          Rincon del Diablo</p>	<p><b>Harry Mathis</b>          General Public  <b>Vacant, Alt.</b>          General Public</p>
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through the California Climate Investments, a statewide program that provides cap-and-trade funds through agricultural conservation acquisition and planning grants for programs intended to reduce greenhouse gas emissions. The principal goals of SALC are stated as:

- Protect at-risk agricultural lands from sprawl development to promote growth within existing jurisdictions, ensure open space remains available, and support a healthy agricultural economy.
- Further the purpose of Assembly Bill 32 by avoiding increases in greenhouse gas emissions associated with the conversion of agricultural land to more greenhouse gas-intensive nonagricultural uses.

## DISCUSSION

This item is for the Committee to receive an update on the ongoing work from the previous SALC 1.0 planning grant – specifically focusing on its recommendations – with assistance from partner (San Diego County PDS) and in collaboration with Agricultural Impact Associates and Rick Engineering to assess economic, social, and agricultural sustainability in San Diego County. The item is being presented to the Committee for information and feedback only.

## Partnerships

San Diego LAFCO has formally partnered with two consultants in collaboration with PDS on the SALC grant and relative to its six main tasks and deliverables: (1) grant management; (2) market analysis; (3) GAP analysis; (4) outreach & education plan; (5) strategic vision plan; and (6) final report – “Greening Agriculture”. Details on each agency and its agreed responsibilities follow and detailed in Attachment One.

- **San Diego County PDS** is collaborating with LAFCO on the completion of **tasks 4 through 6** involving producer & stakeholder outreach, education, meeting participation, meeting facilitation, and report review.
- **Agricultural Impact Associates** is collaborating with LAFCO on the completion of **tasks 2 and 3** involving market data collection and aggregation, gap analysis of marginal and sustainable small farm operations in San Diego County, preparation of a written report with findings, and participation in meetings.
- **Rick Engineering** is collaborating with LAFCO on the completion of **tasks 4 through 6** involving constituent outreach, meeting facilitation, meeting participation, community education, and report review.

## Grant Budget

The grant is budgeted at \$500,000. Through December 2023 total authorized expenses have totaled \$52,968 – or 10.6% – of the total. The highest recorded expense is attributed to data collection for the Market Analysis under Task 2 and totaled at \$37,599 – or 41.8% – of the allocated total for Task 2.

SALC Grant Budget Task 1 – Task 6							
Cost Category	Task #1	Task #2	Task #3	Task #4	Task #5	Task #6	Total
Cumulative Total	\$7,425	\$37,599	\$0.00	\$7,943	\$0.00	\$0.00	\$52,968
<b>Allocated Total</b>	<b>\$30,000</b>	<b>\$90,000</b>	<b>\$90,000</b>	<b>\$80,000</b>	<b>\$80,000</b>	<b>\$80,000</b>	<b>\$500,000</b>
<b>Percentage of Budget</b>	<b>24.8%</b>	<b>41.8%</b>	<b>0.00%</b>	<b>9.9%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>10.6%</b>

**ANALYSIS**

San Diego LAFCO and consultants are making steady progress on SALC 2.0 – albeit slightly behind the anticipated schedule. With plenty of room left in the planning phase of the project, the delay in data collection to accommodate constituent outreach is justified. Tasks 1, 2, and 4 are concurrently underway with all four crops having been selected: avocados, lemons, strawberries, and tomatoes. Task 2 (market analysis) has been extended by approximately 60-90 days to allow for additional time in acquiring necessary data collected directly from producers through in-person outreach. Task 4 (outreach & education) is underway and highlighted by recently securing Rick Engineering as the tasked consultant. Activities throughout the remainder of the year will be focused on completing both the market and GAP analyses, and continuing outreach and education efforts. Leveraging the data collection phase is expected to culminate in a written report with findings and related recommendations. Grant activities are currently progressing within budget and on schedule.

**RECOMMENDATION**

Information only.

**ALTERNATIVES FOR ACTION**

None.

**PROCEDURES**

This item has been placed on the Committee’s agenda for information as part of the business calendar. The following procedures are suggested.

- 1) Receive verbal presentation from staff unless waived.
- 2) Discuss item and provide feedback as appropriate.

Respectfully,

Michaela Peters  
 Analyst I

Attachment:

- 1) Final SALC 2.0 Work Plan

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### Attachment 2: Work Plan

Task Number	Performance Measure (Deliverables)	Timeline Q1 (Jan – Mar) Q2 (April – June) Q3 (July – Aug) Q4 (Sept – Dec)	Total Requested Grant Funds
<b>Task 1 - Grant Management</b>	<b>Main Deliverables:</b>  Subcontractor grant agreements, progress reports, submission of deliverables, and final report to DOC	06/2023-06/2025	<b>\$30,000.00</b>
<b>Task 2 - Market Analysis</b>  Subtask 2A: Identify and Retain an Ag-Economist Consultant  Subtask 2B: Market Data Collection and Aggregation  Subtask 2C: Prepare Market Analysis Report	<b>Main Deliverables:</b>  Prepare Market Analysis Report with Market Information and Best Practice Data	06/2023-01/2024	<b>\$90,000.00</b>
<b>Task 3 - Perform GAP Analysis</b>  Subtask 3A: Identify and Retain an Ag-Economist Consultant  Subtask 3B: Conduct Gap Analysis  Subtask 3C: Prepare Gap Analysis Report	<b>Main Deliverables:</b>  Gap Analysis on Marginal vs. Sustainable Farm Operations using data generated in Task 2. Defining "sustainable" farming practices.  Prepare Report on the Gap Analysis of Market Information and Best Practice Data	01/2024-09/2024	<b>\$90,000.00</b>
<b>Task 4 - Outreach &amp; Education Plan</b>  Subtask 4A: Identify and Retain Planning Consultant & Create Outreach Team  Subtask 4B: Hold Series of Producer and Stakeholder Meetings  Subtask 4C: Compile Community Input  Subtask 4D: Prepare Agricultural Community Feedback Report	<b>Main Deliverables:</b>  Meetings with Stakeholders Inform/Educate Discuss Receive input  Agricultural Community Feedback Report	01/2024-06/2025	<b>\$80,000.00</b>

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<p><b>Task 5 - Strategic Plan</b></p> <p>Subtask 5A: Identify and Retain Planning Consultant to research and identify key policies, programs, and/or projects</p> <p>Subtask 5B: Strategize implementation</p> <p>Subtask 5C: Prepare Report</p>	<p><b>Main Deliverables:</b></p> <p>Develop Strategic Plan Report outlining key policies, program, and/or projects to aid farmers in closing the economic "gap"</p>	<p>01/2024-03/2025</p>	<p><b>\$80,000.00</b></p>
<p><b>Task 6 - Greening Agriculture   Final Report</b></p> <p>Subtask 5A: Draft Final Report</p> <p>Subtask 5B: Circulate Draft for Review and Comment</p> <p>Subtask 5C: Finalize Final Report</p> <p>Subtask 5D: Present Draft and Final Report to Board of Supervisors for adoption.</p>	<p><b>Main Deliverables:</b></p> <p>Final Greening Agriculture in the San Diego Region Report</p> <p>Presentations to LAFCO Commission and County of San Diego Board of Supervisors with program, policy and/or regulation streamlining recommendations.</p>	<p>01/2025-09/2025</p>	<p><b>\$80,000.00</b></p>