



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

**7d**

**AGENDA REPORT**  
 Business | Information

February 3, 2025

**TO:** Commissioners

**FROM:** Michaela Peters, Analyst II  
 Meghan Traynor, Analyst I

**SUBJECT: Update on Current Grant Activities + Related Opportunities | Sustainable Agricultural Lands Conservation Planning Grant 2.0**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will receive an update on its ongoing SALC planning grant – referred to as “SALC 2.0” – being performed in partnership with the County of San Diego’s Planning and Development Services (PDS). This update ties to the Commission’s earlier request to receive regular updates on SALC 2.0 progress and its focus on the economics of sustaining current and future small farming in San Diego County. Since the last update provided in May 2024, LAFCO’s consultant – Agricultural Impact Associates – have completed the first two grant deliverables involving draft reports for Task No. 2 (Market Analysis) and Task No. 3 (Gap Analysis). Staff are currently focused on completing Task No. 4 (Outreach) and Task No. 5 (Strategic Planning) with the assistance of a second consultant, RICK Engineering. A final report is expected to be presented to be completed by September 2025 consistent with the original timeline. Staff is separately beginning to explore the merits of submitting a third grant applicant to advance a recommendation made in the SALC 1.0 report to fund an agricultural liaison position to provide farmers with technical assistance for grant writing and regulatory compliance. This item is being presented for information with an invitation to provide feedback on ongoing SALC 2.0 activities as well as the merits of pursuing a third grant as described.

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## 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 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.

### SALC 2.0 | San Diego LAFCO and County of San Diego PDS

In September 2022, San Diego LAFCO and PDS collaborated in submitting a planning grant application under SALC to perform a market analysis for existing and emerging crops – with a focus on small farms – while also identifying government opportunities to help bridge economic gaps. The Commission – notably – authorized the grant proposal as lead applicant. LAFCO was subsequently awarded a two-year grant in the full amount of \$500,000 with work commencing in June 2023 and through September 2025.<sup>1</sup>

San Diego LAFCO has since formally partnered with two consultants – Agricultural Impact Associates and Rick Engineering – 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
- (6) final report – “Cultivating Solutions”.

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<sup>1</sup> San Diego LAFCO and PDS signed a Memorandum of Understanding (MOU) in August 2023 following the Commission’s approval of a draft MOU at its August 7, 2023 meeting. The MOU formalized roles and responsibilities in proceeding with SALC 2.0 and highlighted by bisecting and designating specific tasks to San Diego LAFCO and PDS.

## DISCUSSION

San Diego LAFCO will receive an update on the progress of the SALC 2.0 grant and its focus on the economics of sustaining current and future small farming in San Diego County. The update ties to an earlier commitment to regularly inform the Commission on key developments and get feedback in real-time. This item also provides an opportunity for staff to discuss interests to pursue an additional grant – SALC 3.0 – to fund an agricultural liaison position. Additional discussion on both topics follows.

### SALC 2.0 Activities

Concurrent work continues on SALC 2.0 and is headlined by expanding resources into Task No. 2 (Market Analysis) and Task No. 3 (Gap Analysis) with respect to more fully assessing the four targeted crops approved by the State as part of the grant award: avocados; lemons; strawberries; and tomatoes. While LAFCO oversees this portion of the grant, PDS and RICK Engineering have begun shifting towards other grant work; specifically, Task No. 4 (Outreach) and Task No. 5 (Strategic Planning). The final task – No. 6 – involves the preparation of a final report and recommendations and is expected to be complete by September 2025. Additional status details are footnoted.<sup>2</sup>

### Potential SALC 3.0 Grant

Staff is currently reviewing options to apply for another SALC grant specific to funding an agricultural liaison position and in doing so align with a key recommendation from SALC 1.0: the need for a dedicated staff position to assist producers in searching and applying for grants, as well as assist with other technical functions. This grant opportunity – notably – aligns with interest from Commissioner Willis for LAFCO to directly fund this type of position. The application deadline for the next round of SALC grants is July 5, 2025.<sup>3</sup>

## ANALYSIS

San Diego LAFCO, in partnership with PDS, is making steady progress on SALC 2.0 activities as described in the preceding section and highlighted by staying on pace to complete all work by the original September 2025 deadline. The current phase of the grant (Task 4) is increasingly public-facing and involves stakeholder outreach and education and will directly inform the strategic planning component (Task 5) which will delve deeper into potential policy changes aimed at addressing profitability shortfalls identified in the gap analysis. Additionally, the potential SALC 3.0 grant opportunity to fund an agricultural liaison would

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<sup>2</sup> The reports associated with Task 2 (Market Analysis) & Task 3 (Gap Analysis) have been prepared by Agricultural Impact Associates, LLC and currently under administrative review. These reports provide market insights and best practice data for San Diego County, including metrics on return on Investment (ROI) for avocados, lemons, tomatoes, and strawberries, the average ROI required to sustain a small farm, and key cost centers for small farms in the region. The Task 3 report draws from the Market Analysis, identifying the “gap” in costs & ROI of marginal farms and economically sustainable farms. It also identifies key cost centers contributing to the “gap”.

<sup>3</sup> The Capacity Grants under the SALC program offer funding to non-profit and governmental entities to strengthen their organizational and financial capabilities for implementing agricultural conservation acquisition projects. This grant presents an opportunity for San Diego LAFCO to fund a position that would support conservation acquisition efforts while also fulfilling the need for technical assistance to farmers in the region.

further provide the necessary resources requested by the agricultural community and supported by members of the Commission.

**RECOMMENDATION**

Information and feedback only.

**ALTERNATIVES FOR ACTION**

None.

**PROCEDURES**

This item has been placed on San Diego LAFCO’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.

On behalf of staff,



Michaela Peters  
Analyst II