Sustainable Agricultural Lands Conservation Program (SALC 2.0)

Community Input Summary #2

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Prepared for:

County of San Diego
5510 Overland Avenue, Suite 310
San Diego, CA 92123

San Diego County Local Agency Formation Commission (LAFCO)
2550 Fifth Avenue, Suite 725, San Diego CA 92103

Prepared by:

RICK Planning + Design
5620 Friars Road, San Diego, CA 92110

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1.0 Project Background

The Sustainable Agricultural Land Conservation Program (SALC) is a program funded through the California Climate Investments Program, a statewide program that provides cap-and-trade funds through agricultural conservation easement acquisitions, planning grants, and capacity grants for programs intended to reduce greenhouse gas emissions. Initiated in 2020, SALC 1.0 assessed the needs of producers in San Diego County and identified how local jurisdictions and non-profits can support local agriculture to address three key concerns: land access, water access and affordability, and workforce development. SALC 1.0 identified a need to build on the findings from the first phase of work through analysis of costs and benefits of small farms.

SALC 2.0 (the Project) is a collaboration between the San Diego County Local Agency Formation Commission (LAFCO) and the County of San Diego Planning & Development Services Department (County). LAFCO, supported by consultant Agricultural Impact Associates, is tasked with analyzing the present and emerging market conditions in the local agriculture industry and identifying the gaps between marginal and economically sustainable farms. The County, supported by consultant RICK, is responsible for outreach and education throughout the Project, gathering best practices for local governments and regional entities to consider, and compiling the final report.

1.1 Project Outreach Schedule

Outreach Phase	Timing	Outreach Events
Project Kickoff/Crop Selection	Fall 2023	Public Workshop #1
Market Analysis	Summer 2024	Public Workshop #2
Gap Analysis	Fall 2024	Public Workshop #3
Strategic Plan	Fall/Winter 2024	Working Group Meetings
	Spring 2025	Public Workshop #4
Final Report	Fall 2025	Public Workshop #5

2.0 SALC 2.0 Public Workshop #2

Workshop #2 (Workshop) for SALC 2.0 was held on July 24th, 2024, from 4:30-7:30pm at the San Diego County Farm Bureau (420 S Broadway, Escondido, CA 92025). The Workshop aimed to collect market data from producers and gather input regarding key costs that affect local producers of the project's four focal crops: avocados, strawberries, tomatoes, and lemons. Additionally, the Workshop sought to inform local producers about the Project, share the preliminary findings of the market analysis, how their input would be used, and how they can stay involved in the Project. Twenty-one stakeholders attended the workshop, along with County and LAFCO staff. Attendees included local producers of avocados, dragon fruit,

strawberries, wine grapes, nursery crops, and olives. Avocado producers made up the majority of producers. Also in attendance were prospective producers, local officials, and representatives from non-profit groups including the San Diego County Farm Bureau.

Figure 1 - Workshop participants engaging in discussion at Station 3

The Workshop objectives were as follows:

1. Share preliminary results of the market analysis with local producers
2. Drive participation in the gap analysis data collection
    - Inform local producers about the project process and upcoming opportunities to get involved
    - Gather input from local producers

2.1 Notification

Producers were notified of the meeting through a variety of methods listed in Table 1 below. The Workshop flyer is featured in Appendix A of this document.

Table 1 - Workshop Notifications

Notification/Task	Responsible Party	Target Date(s) for Post/Distribution
Post on LAFCO/County Website	LAFCO/County	7/15/24
Social Media Post	County/LAFCO	7/15/24
Planning & Development Services GovDelivery Email Notification	County	7/19/24
San Diego Farm Bureau Meeting	County	7/11/24
San Diego Farm Bureau Members Email Notification	County	7/8/24
Stakeholder List Email Notification	County	7/11/24
Regional Partners Email Notification	County	7/17/24
SDFSA Summer Social	County	7/19/24
Agriculture, Weights and Measures GovDelivery Email Notification	County	7/22/24

3.0 Workshop Overview

The Workshop was an open house format, allowing attendees to drop in at their convenience. Upon entry, attendees were greeted by a LAFCO representative at the welcome table. Attendees were able to sign-up to receive email updates for future project activities as well as sign-up for farm visits for in-person data collection. The Workshop featured five stations listed in the section below.

Figure 2 – Workshop attendee in discussion with LAFCO representative

3.1 Station 1: SALC 1.0

Station 1 provided attendees with information about the SALC 1.0 project, which was completed in 2023. As seen in Figure 3 and Figure 4, poster boards at this station provided background information and recommendations from SALC 1.0. Copies of the final report, as well as QR codes for the final report, were available at this station. A representative from LAFCO was present at this station to answer any questions and further discuss SALC 1.0 with attendees.

Figure 3 - Poster board #1 from Station 1

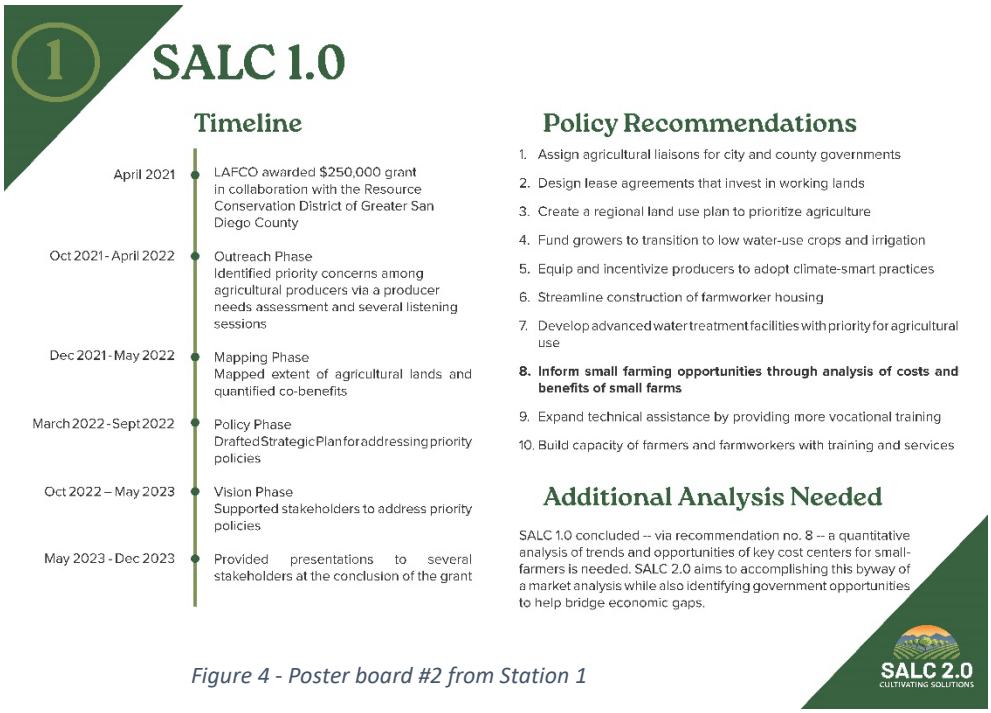

Figure 4 - Poster board #2 from Station 1

3.2 Station 2: SALC 2.0

Station 2 provided background on SALC 2.0. As seen in Figure 4, this station detailed the Project's grant funding, project objectives and the expected deliverables. A representative from the County of was available at this station to answer questions.

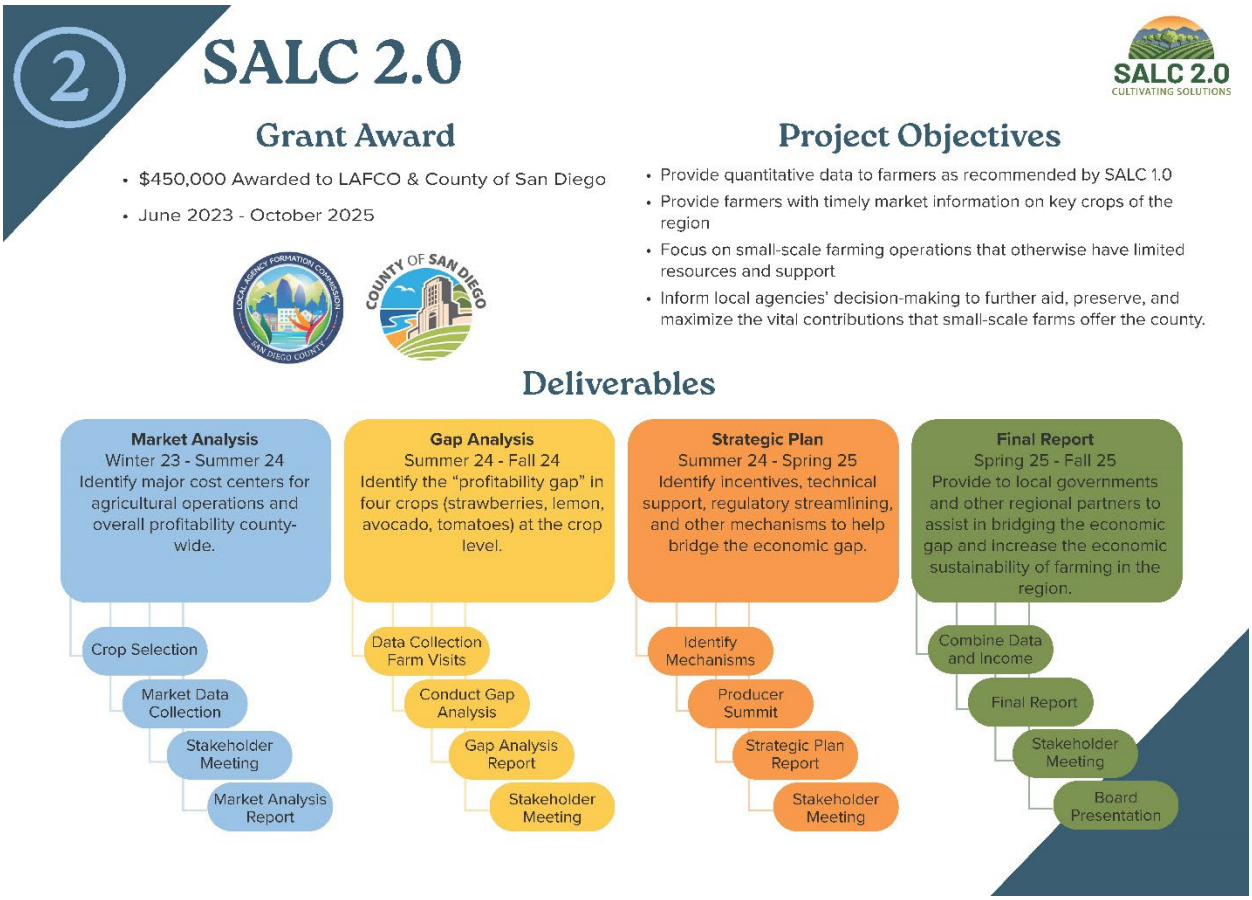

Figure 5 - Poster board from Station 2

3.3 Station 3: Preliminary Findings

Station 3, led by consultants from Agricultural Impact Associates, provided three boards with preliminary findings from the draft market analysis, as seen in Figure 6, Figure 7, and Figure 8. Consultants from Agricultural Impact Associates responded to questions related to the market analysis and the gap analysis.

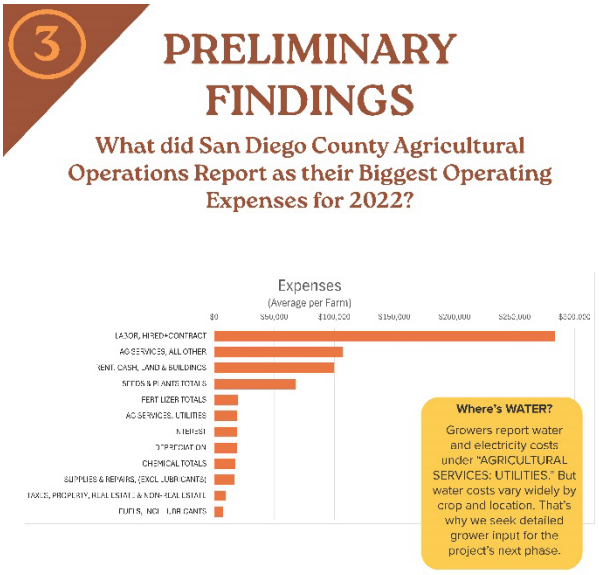

Figure 6 - Poster Board #1 for Station 3

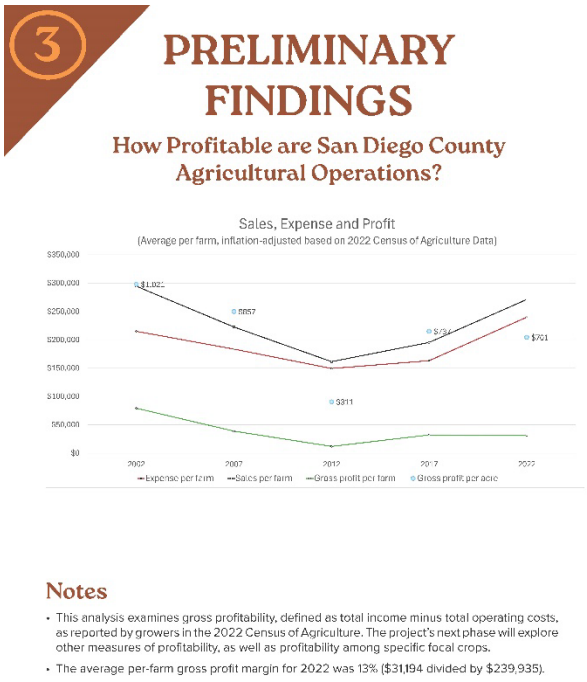

Figure 7 - Poster Board #2 for Station 3

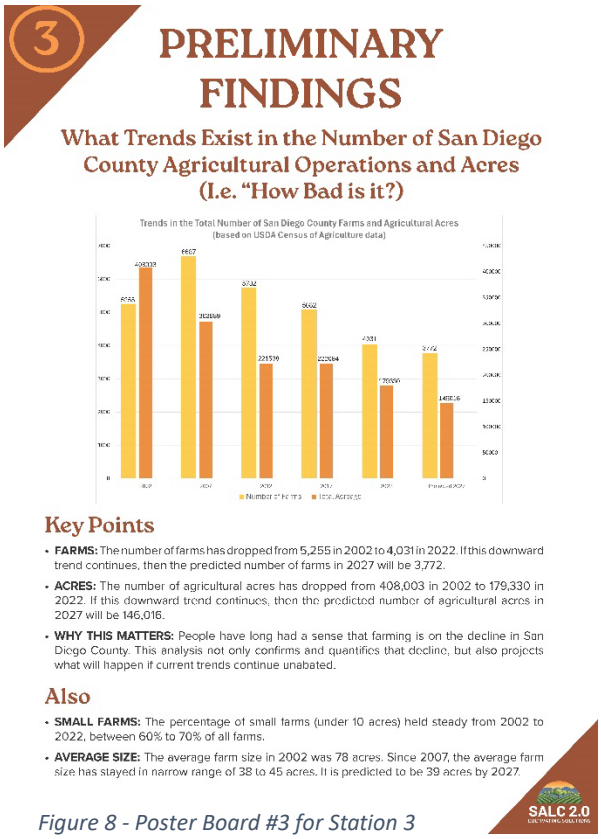

Figure 8 - Poster Board #3 for Station 3

3.4 Station 4: Data Collection

Station 4 facilitated the collection of producer data in the form of a questionnaire. LAFCO staff and Agricultural Impact Associates were available to support the data collection task and respond to questions as needed. If an attendee was unable to complete the questionnaire during the Workshop, they were provided with a return address to finish the questionnaire at home and mail it in or drop it off at the LAFCO office. The questionnaire was also made available online via Google form. Along with the questionnaire, a poster board as seen in Figure 9, described how respondent input was going to be used. Participants who completed the questionnaire at the workshop will be compensated for providing their farm operating expenses.

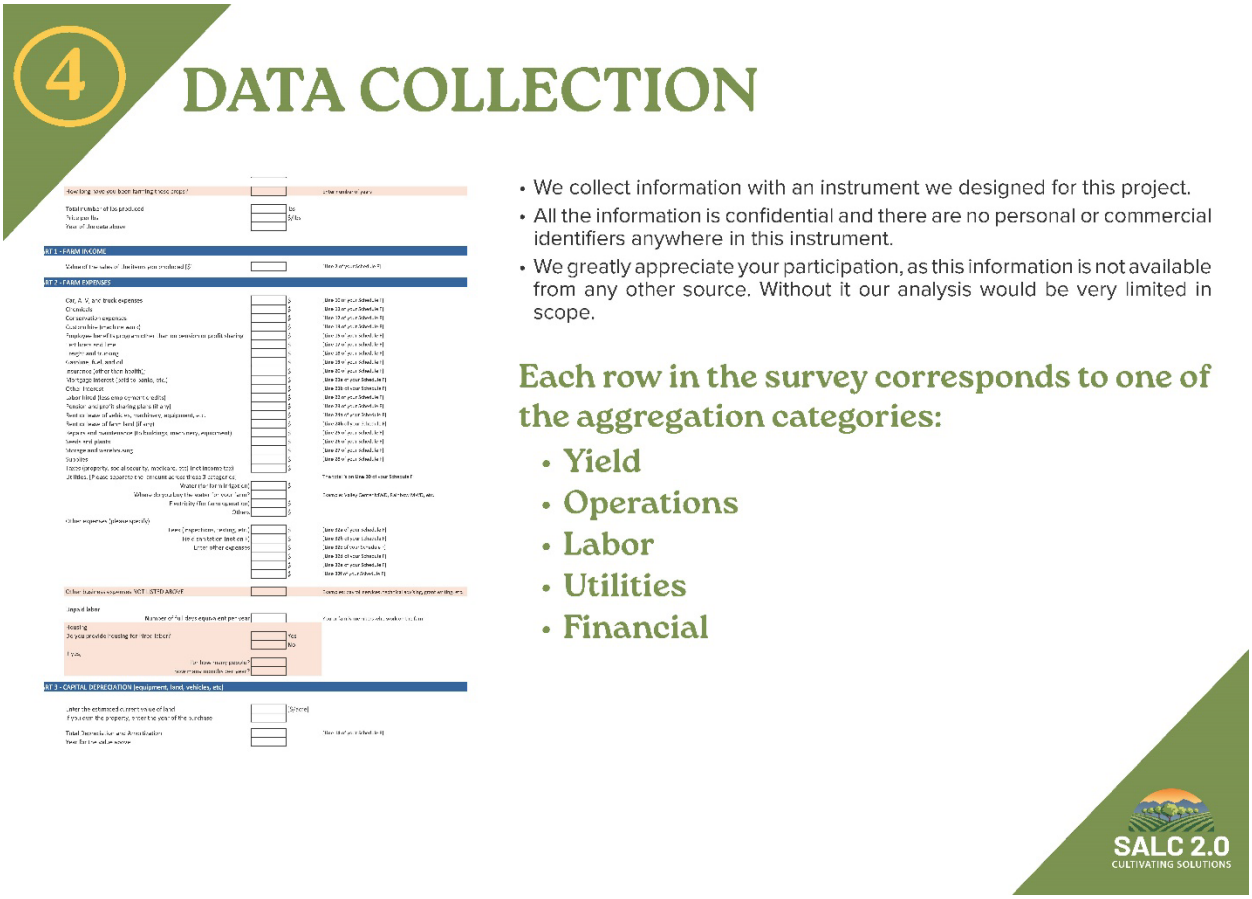

Figure 9 - Poster board for Station 4

3.5 Station 5: Input

At Station 5, attendees were asked to provide input on their highest cost centers. RICK staff provided attendees with sticky-dots that were color-coded based on the crop they produce. Using the sticky-dot corresponding with their crop type, attendees were asked to indicate how much money they spend by cost category using the poster board shown in Figure 10. The results of attendee input and conversations are discussed in the next section.

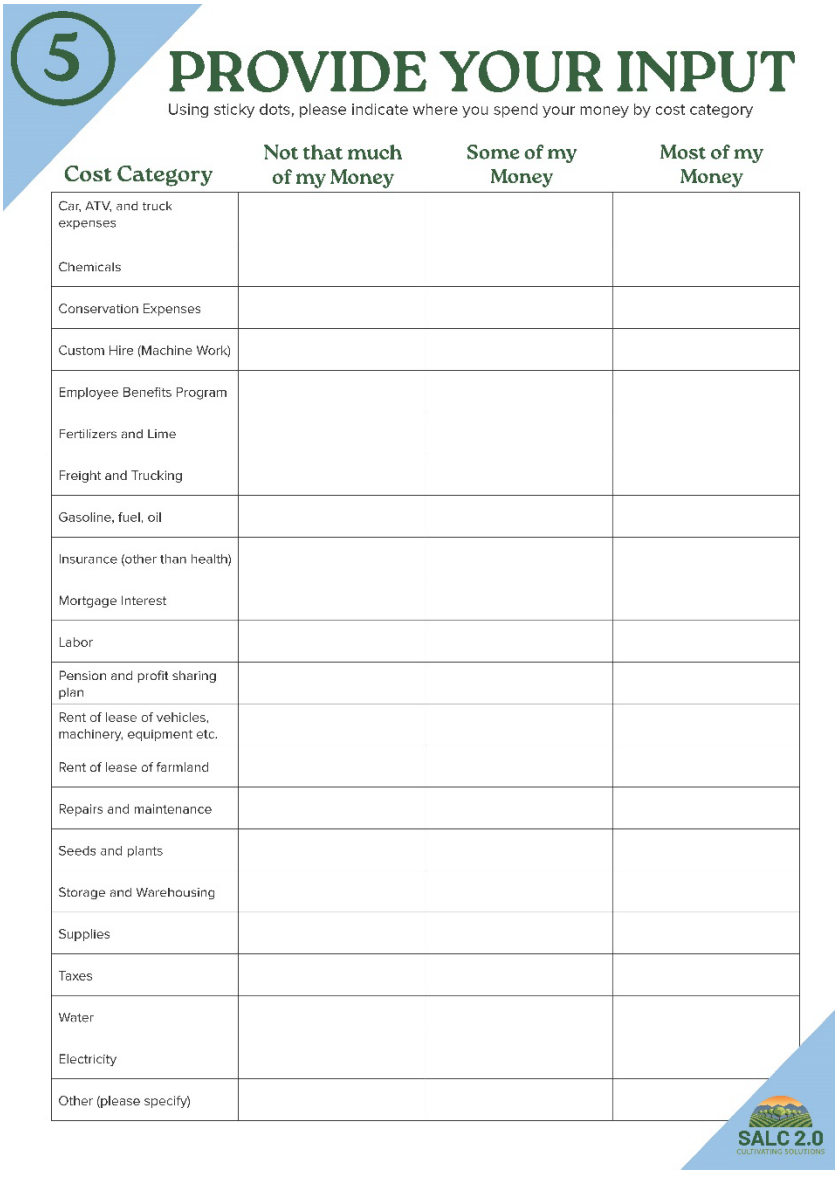

Figure 10 - Poster board from Station 5

4.0 Input Summary

The results of the poster and sticker activity are displayed in the figure below:

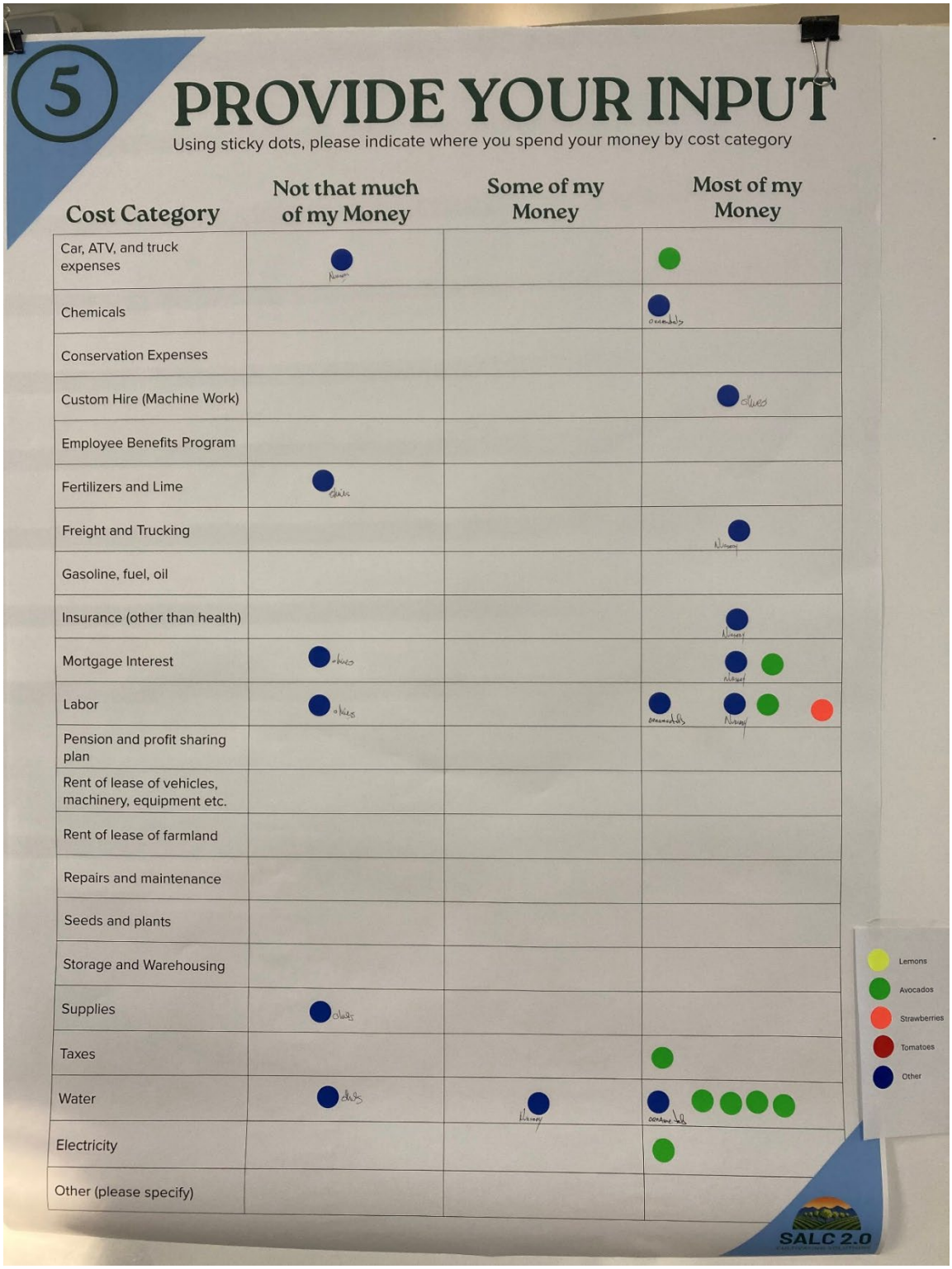

Figure 11 - Results of Attendee Input Activity

According to the poster/sticker dot activity, the largest cost for local producers are **water and labor**. Based on the results of this activity as well as verbal testimonies from attendees, stressors that impact the financial viability of local farms can be summarized into four key issue areas: Water, Foreign Competition, Low Profit Margin, and Communication. Producers input, feedback, and general observations or statements received at the workshop is summarized below:

Key Concern #1: Water

- Water is one of the highest expenses for local producers:
    - Local water districts and regulations have a huge impact on farm operations
    - Producers communicated that the San Diego County Water Authority has higher rates than other local authorities, leading growers to want to farm in other water districts
    - Local producers should be representatives on water district boards to advocate for local producers' need
- The cost of agricultural water needs to be separate from residential water
- The water quality from State Water Project, particularly increased salinity, influences avocado production
    - The increased rates from water authorities disproportionately affects producers in comparison to residential users.
    - There is a lack of groundwater availability in North County for producers outside of the County Water Authority

Key Concern #2: Foreign Competition

    - Observation was noted that Mexico is the largest producer of avocados worldwide, producing 3 billion avocadoes compared to 317 million in all of California
- Grocery stores are not distinguishing Mexican/foreign avocados from California avocados
- Foreign producers are held to the regulations of their own countries and not subject to the same California standards as local producers
    - Similarly, avocado imports and exports are being inspected/tracked by foreign agencies rather than domestic agricultural agencies
- Dependency on imports affects local food security

Key Concern #3: Low Profit Margin

- Expenses in local farming often exceed revenue and many local producers are exploring other native crops that could yield a net profit
    - Increase in water salinity from Lake Skinner/Riverside Reservoir is decreasing avocado yields
- High costs of water and labor coupled with low avocado yields result in extremely low profitability for local avocado producers, causing many avocado producers to cease avocado farming and transition to a native crop

- Many avocado producers have moved toward growing wine grapes to reduce costs for irrigation, but ran into issues surrounding the high labor cost

Key Concern #4: Communication

- Prospective producers expressed a need for an agricultural advocate to inform producers about and assist them in receiving grant opportunities that are available to them.
- An agricultural advocate could help facilitate programs to install solar panels on farm property to reduce energy bills.
- Producers provided feedback on the preliminary market analysis findings. Producers advised the consultants to calculate the projections based on a trendline that starts in 2007 rather than 2002.

5.0 Key Takeaways

Local producers, specifically avocado producers, continually stressed the challenges with the cost of water, water availability, and water quality. Farming within the jurisdiction of the San Diego County Water Authority is getting more expensive, and the use of wells to save on water district costs has been unsuccessful due to the lack of groundwater available in northern San Diego County. The issues surrounding water, coupled with the high cost of labor, contribute to an unsustainable profit margin for local producers.

Foreign competition, especially from Mexico, further impacts local producers. Grocery stores do not separate domestic and foreign avocados, so some sort of signage or a sticker indicating California grown avocados will help market local avocados. Attendees noted that more attention to imports by domestic agencies instead of leaving inspections to foreign agencies could help lessen the dependency on foreign exports and improve domestic profits.

Figure 12 - Attendees discuss with Project Team members

Due to these challenges, many avocado producers were looking at moving away from avocado farming altogether and exploring native crops to save on irrigation expenses. Attendees with smaller farms were interested in what crops were financially viable for small farms and disappointed by the lack of resources for small farms. Producers expressed interest in a sort of agricultural advocate to facilitate communication between producers and regulatory agencies as well as assist producers in receiving any grants/resources available from agencies.

Appendix A – Workshop Flyer