



What is SALC?

SALC stands for the **Sustainable Agricultural Lands Conservation Grant Program** which was created in 2014 as a component of the California Strategic Growth Council and administered by the California Department of Conservation (DOC).

The Program invests in agricultural land conservation with revenue from cap-and-trade auction proceeds (emissions trading) via the California Climate Investments (CCI) Fund, made available for projects that help reduce greenhouse gas (GHG) emissions.



CALIFORNIA
STRATEGIC
GROWTH
COUNCIL



Cap and Trade
Dollars at Work



California
Department of Conservation

Collaboration

The SALC 1.0 project was performed in collaboration with the Resource Conservation District of Greater San Diego County as well as several local producers and stakeholders.

Goals

- 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 purposes of Assembly bill 32 by avoiding increases in greenhouse gas emissions associated with the conversion of agricultural land to more GHG-intensive nonagricultural uses

Objectives

1. Mapping of historical, current, & potential agricultural lands in San Diego County
2. Facilitate producer needs assessments and working group discussions to understand local concerns
3. Take inventory of existing policies at local, regional, and state level

Results

- Feedback from producer needs assessment identified 3 main issues: land access, water availability and efficiency, and workforce development
- Identified 10 policy recommendations spanning across multiple crop types, demographics, and regions of producers across San Diego County



Timeline

April 2021	●	LAFCO awarded \$250,000 grant in collaboration with the Resource Conservation District of Greater San Diego County
Oct 2021-April 2022	●	Outreach Phase Identified priority concerns among agricultural producers via a producer needs assessment and several listening sessions
Dec 2021-May 2022	●	Mapping Phase Mapped extent of agricultural lands and quantified co-benefits
March 2022-Sept 2022	●	Policy Phase Drafted Strategic Plan for addressing priority policies
Oct 2022 – May 2023	●	Vision Phase Supported stakeholders to address priority policies
May 2023 - Dec 2023	●	Provided presentations to several stakeholders at the conclusion of the grant

Policy Recommendations

1. Assign agricultural liaisons for city and county governments
2. Design lease agreements that invest in working lands
3. Create a regional land use plan to prioritize agriculture
4. Fund growers to transition to low water-use crops and irrigation
5. Equip and incentivize producers to adopt climate-smart practices
6. Streamline construction of farmworker housing
7. Develop advanced water treatment facilities with priority for agricultural use
- 8. Inform small farming opportunities through analysis of costs and benefits of small farms**
9. Expand technical assistance by providing more vocational training
10. Build capacity of farmers and farmworkers with training and services

Additional Analysis Needed

SALC 1.0 concluded -- via recommendation no. 8 -- a quantitative analysis of trends and opportunities of key cost centers for small-farmers is needed. SALC 2.0 aims to accomplishing this by way of a market analysis while also identifying government opportunities to help bridge economic gaps.

Grant Award

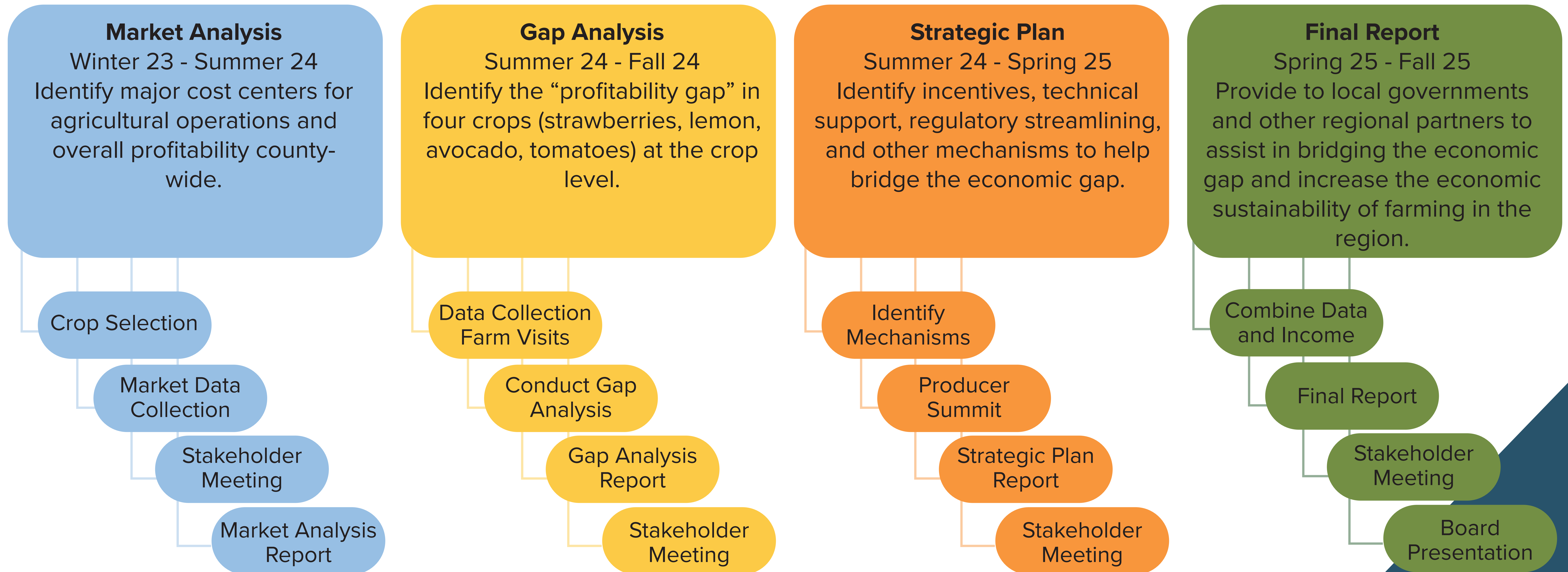
- \$450,000 Awarded to LAFCO & County of San Diego
- June 2023 - October 2025



Project Objectives

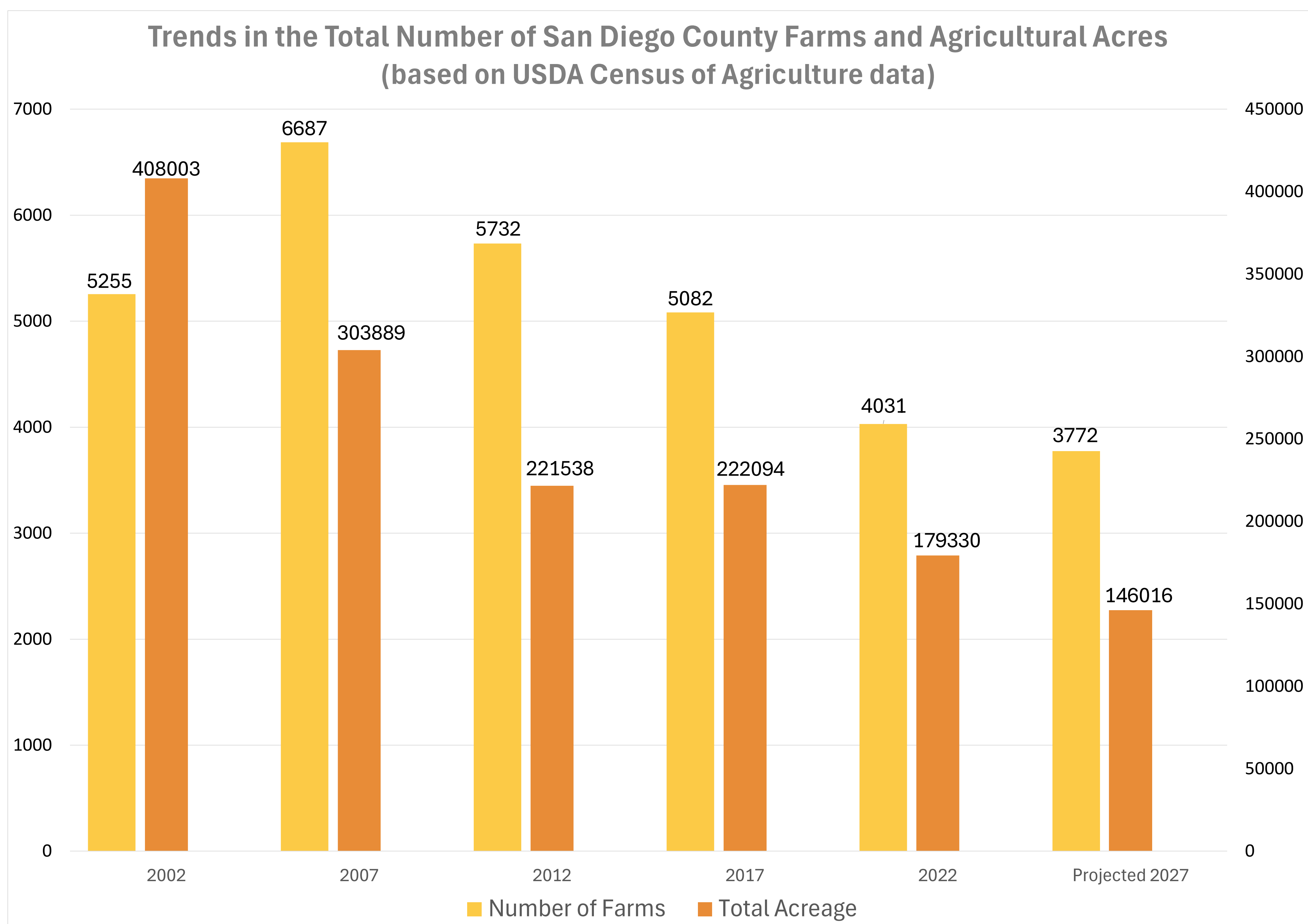
- Provide quantitative data to farmers as recommended by SALC 1.0
- Provide farmers with timely market information on key crops of the region
- Focus on small-scale farming operations that otherwise have limited resources and support
- Inform local agencies' decision-making to further aid, preserve, and maximize the vital contributions that small-scale farms offer the county.

Deliverables



PRELIMINARY FINDINGS

What Trends Exist in the Number of San Diego County Agricultural Operations and Acres (I.e. “How Bad is it?”)



Key Points

- **FARMS:** The number of farms has dropped from 5,255 in 2002 to 4,031 in 2022. If this downward trend continues, then the predicted number of farms in 2027 will be 3,772.
- **ACRES:** The number of agricultural acres has dropped from 408,003 in 2002 to 179,330 in 2022. If this downward trend continues, then the predicted number of agricultural acres in 2027 will be 146,016.
- **WHY THIS MATTERS:** People have long had a sense that farming is on the decline in San Diego County. This analysis not only confirms and quantifies that decline, but also projects what will happen if current trends continue unabated.

Also

- **SMALL FARMS:** The percentage of small farms (under 10 acres) held steady from 2002 to 2022, between 60% to 70% of all farms.
- **AVERAGE SIZE:** The average farm size in 2002 was 78 acres. Since 2007, the average farm size has stayed in narrow range of 38 to 45 acres. It is predicted to be 39 acres by 2027.

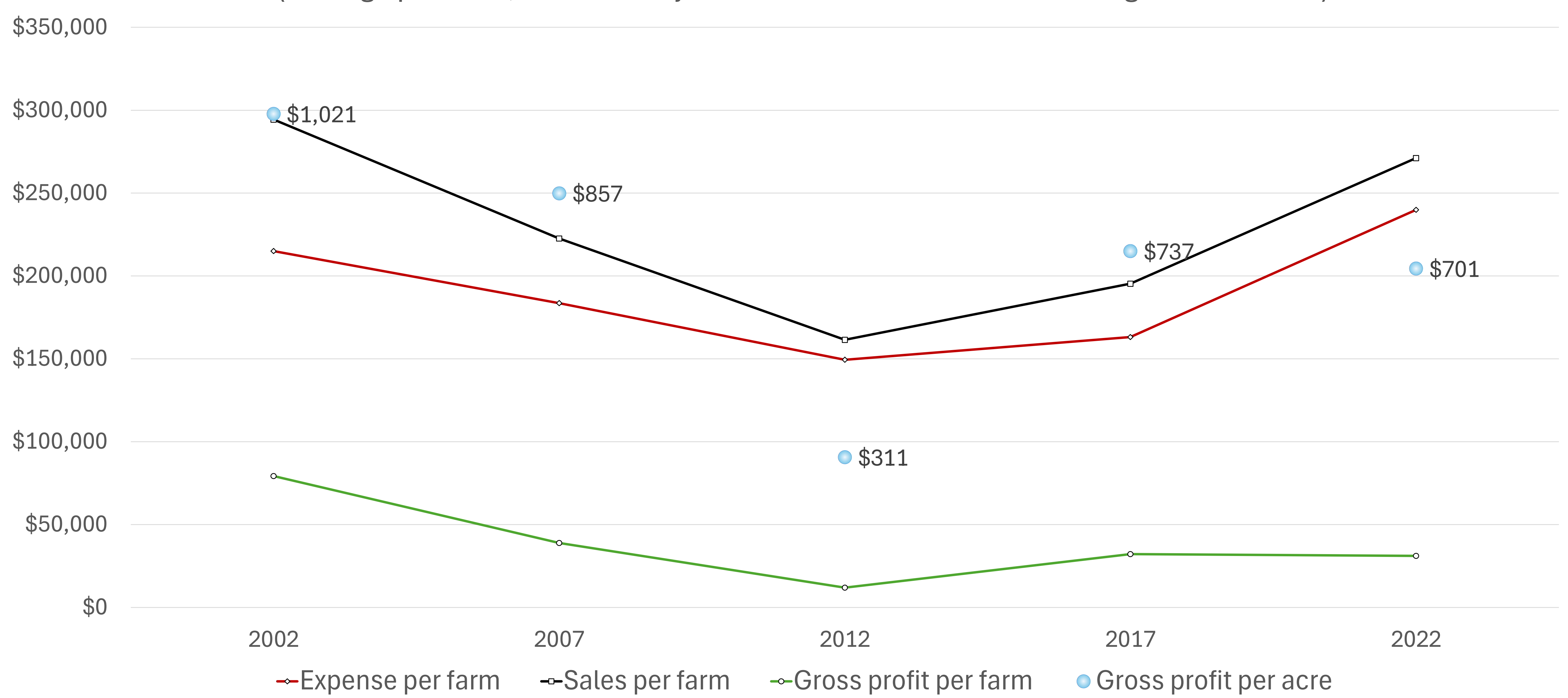


PRELIMINARY FINDINGS

How Profitable are San Diego County Agricultural Operations?

Sales, Expense and Profit

(Average per farm, inflation-adjusted based on 2022 Census of Agriculture Data)



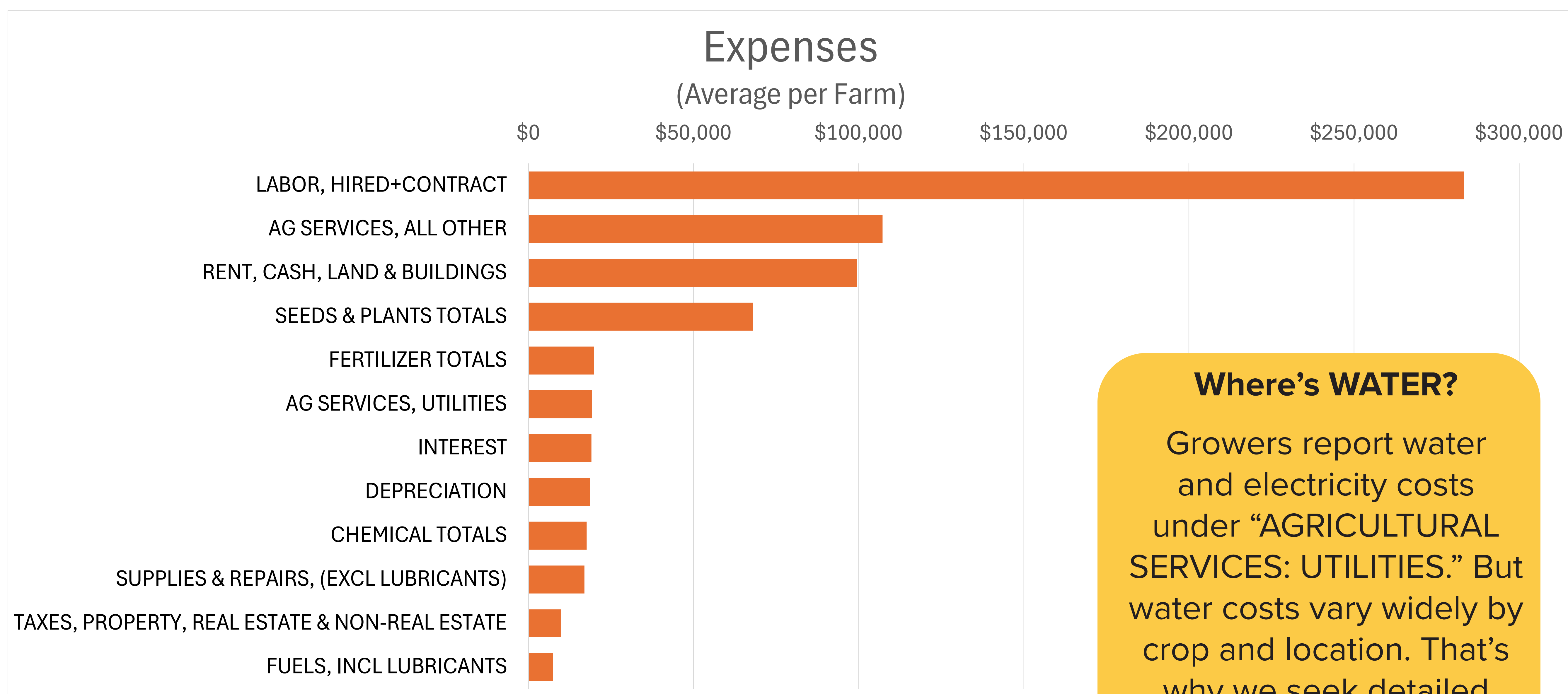
Notes

- This analysis examines gross profitability, defined as total income minus total operating costs, as reported by growers in the 2022 Census of Agriculture. The project's next phase will explore other measures of profitability, as well as profitability among specific focal crops.
- The average per-farm gross profit margin for 2022 was 13% (\$31,194 divided by \$239,935).



PRELIMINARY FINDINGS

What did San Diego County Agricultural Operations Report as their Biggest Operating Expenses for 2022?



Where's WATER?

Growers report water and electricity costs under "AGRICULTURAL SERVICES: UTILITIES." But water costs vary widely by crop and location. That's why we seek detailed grower input for the project's next phase.

Notes

- Source: 2022 USDA Census of Agriculture, San Diego County.
- This analysis does not reflect livestock-related expenses such as animals, feed, and veterinary services.



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DATA COLLECTION

- We collect information with an instrument we designed for this project.
- All the information is confidential and there are no personal or commercial identifiers anywhere in this instrument.
- We greatly appreciate your participation, as this information is not available from any other source. Without it our analysis would be very limited in scope.

Each row in the survey corresponds to one of the aggregation categories:

- Yield
- Operations
- Labor
- Utilities
- Financial

How long have you been farming these crops? Enter number of years

Total number of lbs produced lbs

Price per lbs \$/lbs

Year of the data above

RT 1 - FARM INCOME

Value of the sales of the items you produced [\$] [Line 2 of your Schedule F]

RT 2 - FARM EXPENSES

Car, ATV, and truck expenses	<input type="text"/>	\$	[Line 10 of your Schedule F]
Chemicals	<input type="text"/>	\$	[Line 11 of your Schedule F]
Conservation expenses	<input type="text"/>	\$	[Line 12 of your Schedule F]
Custom hire (machine work)	<input type="text"/>	\$	[Line 13 of your Schedule F]
Employee benefits program other than on pension or profit sharing	<input type="text"/>	\$	[Line 15 of your Schedule F]
Fertilizers and lime	<input type="text"/>	\$	[Line 17 of your Schedule F]
Freight and trucking	<input type="text"/>	\$	[Line 18 of your Schedule F]
Gasoline, fuel, and oil	<input type="text"/>	\$	[Line 19 of your Schedule F]
Insurance (other than health);	<input type="text"/>	\$	[Line 20 of your Schedule F]
Mortgage Interest (paid to banks, etc.)	<input type="text"/>	\$	[Line 21a of your Schedule F]
Other Interest	<input type="text"/>	\$	[Line 21b of your Schedule F]
Labor hired (less employment credits)	<input type="text"/>	\$	[Line 22 of your Schedule F]
Pension and profit-sharing plans (if any)	<input type="text"/>	\$	[Line 23 of your Schedule F]
Rent or lease of vehicles, machinery, equipment, etc.	<input type="text"/>	\$	[Line 24a of your Schedule F]
Rent or lease of farm land (if any)	<input type="text"/>	\$	[Line 24b of your Schedule F]
Repairs and maintenance (to buildings, machinery, equipment)	<input type="text"/>	\$	[Line 25 of your Schedule F]
Seeds and plants	<input type="text"/>	\$	[Line 26 of your Schedule F]
Storage and warehousing	<input type="text"/>	\$	[Line 27 of your Schedule F]
Supplies	<input type="text"/>	\$	[Line 28 of your Schedule F]
Taxes (property, social security, medicare, etc) (not income tax)	<input type="text"/>	\$	
Utilities. [Please separate the amount across these 3 categories]	<input type="text"/>	\$	The total is on Line 30 of your Schedule F
Water (for farm irrigation)	<input type="text"/>	\$	
Where do you buy the water for your farm?	<input type="text"/>	\$	Example: Valley Center MWD, Rainbow MWD, etc.
Electricity (for farm operation)	<input type="text"/>	\$	
Others	<input type="text"/>	\$	
Other expenses (please specify)	<input type="text"/>	\$	
Fees (inspections, testing, etc.)	<input type="text"/>	\$	[Line 32a of your Schedule F]
Field sanitation (not on F)	<input type="text"/>	\$	[Line 32b of your Schedule F]
Enter other expenses	<input type="text"/>	\$	[Line 32c of your Schedule F]
	<input type="text"/>	\$	[Line 32d of your Schedule F]
	<input type="text"/>	\$	[Line 32e of your Schedule F]
	<input type="text"/>	\$	[Line 32f of your Schedule F]

Other business expenses NOT LISTED ABOVE Examples: payroll services, technical advising, grant writing, etc.

Unpaid labor

Number of full days equivalent per year You or family members who work on the farm

Housing

Do you provide housing for hired labor? Yes

No

If yes,

for how many people?

how many months per year?

RT 3 - CAPITAL DEPRECIATION (equipment, land, vehicles, etc)

Enter the estimated current value of land [\$/acre]

If you own the property, enter the year of the purchase

Total Depreciation and Amortization [Line 14 of your Schedule F]

Year for the value above



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PROVIDE YOUR INPUT

Using sticky dots, please indicate where you spend your money by cost category

Cost Category	Not that much of my Money	Some of my Money	Most of my Money
Car, ATV, and truck expenses			
Chemicals			
Conservation Expenses			
Custom Hire (Machine Work)			
Employee Benefits Program			
Fertilizers and Lime			
Freight and Trucking			
Gasoline, fuel, oil			
Insurance (other than health)			
Mortgage Interest			
Labor			
Pension and profit sharing plan			
Rent of lease of vehicles, machinery, equipment etc.			
Rent of lease of farmland			
Repairs and maintenance			
Seeds and plants			
Storage and Warehousing			
Supplies			
Taxes			
Water			
Electricity			
Other (please specify)			