Sustainable Agricultural Lands Conservation Program (SALC 2.0)

Draft Strategic Action Plan

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1.0 Executive Summary

San Diego County's agricultural sector is one of the most diverse and productive in the nation, yet farmers face persistent challenges that threaten their long-term economic viability. Pressures from urban development and rising operational costs have led to the steady loss of productive farmland and the gradual decline of supporting agricultural infrastructure. . Over the past twenty years, San Diego County has lost 228,673 acres of farmland, and an additional 179,330 acres[1] are at risk of being converted to non-agricultural uses or going out of business, threating both our local food supply and the County's economy. Rising costs, water constraints, foreign competition, and limited infrastructure have placed considerable pressure on producers, contributing to the decline of farms and agricultural jobs that are central to the region's economic and cultural vitality. Although these challenges affect farms of all sizes, small farms, those operating on less than ten acres and representing more than two-thirds of all farms in the County[2] are particularly vulnerable due to limited economies of scale and fewer financial and operational buffers. The following Sustainable Agricultural Lands Conservation (SALC) 2.0 Strategic Action Plan responds to these conditions with a locally grounded, actionable framework that supports the economic sustainability of small farms while strengthening the overall resilience of San Diego County's agricultural industry.

This Strategic Plan builds on the foundational work of SALC 1.0, which identified the need for deeper market analysis and policy alignment to support economically sustainable agriculture. Through SALC 2.0, the County of San Diego and San Diego LAFCO have partnered to conduct detailed research on the total number of farms, production acreage and associated costs, and market gaps. The project analyzed the cost of agriculture at the individual farm scale for four key crops—avocados, lemons, strawberries, and tomatoes—and includes engagement with hundreds of stakeholders through a virtual workshop, a forum, and an open house. The result is a Strategic Action Plan designed not as a mandate but crafted to contain elements that could be transferable to jurisdictions, individuals, organizations, and specialty agencies presented as a set of implementable strategies referred to as "Tools" and organized around four long-term goals, or "Seeds." The Seeds, summarized in Figure 1, address the region's most urgent agricultural challenges: infrastructure and systems, market development, policy barriers, and cross-jurisdictional alignment. Each Tool is grounded in stakeholder input and matched with specific implementation steps, timelines, and partner roles.

[1] Agricultural Impact Associates, LAFCO and County of San Diego. 2024. *Trends, Expenses, and Profitability among San Diego County Agricultural Operations: Market Analysis.*

[2] Source 2022 UDSA Census of Agriculture

By equipping local governments, special districts, and regional organizations with practical solutions, the SALC 2.0 Strategic Action Plan offers a pathway to grow a more resilient, competitive, and locally supported agricultural economy in San Diego County. Table 1 below provides an overview of the Strategic Action recommendations. The detailed Strategic Action Plan is provided in section 4.0 of this report.

Figure 1 - Strategic Action Plan Summary

Table 1 - Strategic Action Plan Summary

Number	Strategic Action Recommendations
Seed 1 – Improve Infrastructure and Systems that Support Local Producers	
Tool 1A	Increase access to direct-to-consumer models, such as farmers' markets, food hubs, and co-ops, by addressing barriers, streamlining permitting processes, and strengthening regional coordination.
Tool 1B	Identify opportunities to streamline the establishment of farm worker housing and explore flexible farm worker housing models (temporary, shared facilities).
Tool 1C	Support the expansion and promotion of the CropSWAP Program and similar incentive programs.
Tool 1D	Support the development of regional food system infrastructure (i.e. cold storage, processing, distribution centers, and packaging facilities) to reduce costs for local producers.
Tool 1E	Support local food procurement by local institutions and distributors (e.g., Sysco, public schools, County institutions) by addressing barriers and creating local sourcing initiatives that require truth-in-advertising and clear labeling of origin to ensure transparency for consumers.
Tool 1F	Work with regional partners to create a centralized, user-friendly online platform to help producers navigate local regulations, access resources such as funding opportunities, permitting information, and connect with relevant agency staff.
Seed 2 – Grow Consumer Awareness and Local Market Demand	
Tool 2A	Support and expand existing efforts to develop a regional branding campaign and consumer education campaign that promotes San Diego-grown products, strengthens community connections, and encourages local purchasing to strengthen demand for locally grown agricultural products and support a resilient, sustainable food system.
Tool 2B	Develop a coordinated outreach strategy to increase producer awareness of available programs, funding opportunities, technical assistance, and regulatory resources.

Tool 2C	Strengthen pathways into future agriculture partnerships with high school programs to support heritage farming and cultivate the next generation of producers.
Seed 3 – Cultivate a Supportive Policy Environment	
Tool 3A	Ensure regulations and development standards enable on-farm marketing and direct-to-consumer systems (agritourism, farm stands, Pick-Your-Own)
Tool 3B	Promote the adoption of climate-smart land management practices that enhance soil health, conserve water, improve long-term productivity, soil sustainability, and create diversified revenue streams for producers.
Tool 3C	Support the protection of high-risk agricultural lands by purchasing conservation easements.
Tool 3D	Explore opportunities for expanded leasing opportunities on publicly owned lands, with a focus on underserved and/or emerging producers.
Tool 3E	Develop a formal grants policy to guide future grant applications that prioritizes and benefits farmers directly and includes opportunities for agricultural stakeholder input prior to submittal.
Seed 4 – Foster Regional Alignment and Agricultural Advocacy	
Tool 4A	Coordinate with regional partners to establish an Agricultural Ombudsman position to serve as a centralized point of contact to support producers with navigating government systems, gaining access to capital and land, grant funding, and other incentive programs and to coordinate efforts across cities and agencies.
Tool 4B	Coordinate with regional partners to establish a Regional Agricultural Water Advisory Committee to assess the impacts of state and local water policies on agriculture, advise on regulatory changes, explore targeted subsidy programs, and guide research on irrigation efficiency and crop-specific water use.
Tool 4C	Develop and implement a cross-sector training and coordination program for local agency staff and community leaders to build shared understanding of agricultural issues and improve service delivery to producers.
Tool 4D	Expand agriculture analysis in local government planning documents to recognize the economic contribution of the local agricultural industry.

Tool 4E	Develop an implementation plan/strategy and present an annual report on the progress and status of the Strategic Actions to the LAFCO Commission and stakeholders.

2.0 Project Background and Context

San Diego County has one of the most diverse agricultural industries in the nation, with over 4,000 farms producing high-value crops such as nursery plants, avocados, citrus, and an assortment of vegetables. Small farms are an important part of the agricultural landscape, representing nearly 68% of all operations and spanning just 1 to 9 acres.[3] Often, farmers with farms of all sizes have elected to grow one or more crops to diversify opportunities, expand cost centers, and sustain soil characteristics. Despite limited water availability and high land costs, the region's mild climate and year-round growing season support a thriving agricultural economy valued at approximately $1.6 billion annually.[4]

Recognizing both the economic importance of this sector and the mounting pressures it faces, the State of California established the Sustainable Agricultural Lands Conservation (SALC) Program in 2014 as a component of the California Strategic Growth Council. In May 2023, the San Diego County Local Agency Formation Commission (LAFCO) and Resource Conservation District of Greater San Diego County completed the San Diego Agricultural Planning Program[5] (otherwise referred to as SALC 1.0). The findings of this project draw on the expertise of the public, private, and non-profit organization partners with a collective focus to determine effective methods to strengthen agricultural production and achieve policy reform where needed for the benefit of the agricultural industry specifically and the many co-benefits to the region.[6] One of the 10 policy recommendations, identified in SALC 1.0 was the need to quantitatively analyze trends and opportunities for different commodity markets to summarize the key costs required to operate a small agricultural business in the County.

Building on the work from SALC 1.0, LAFCO has partnered with the County of San Diego (County) Planning & Development Services to complete a second planning grant of the SALC Program known as SALC 2.0. The project aims to analyze the present and emerging market conditions in the local agriculture industry, identify the gaps between marginal and economically sustainable

[3] 2022 US Census of Agriculture

[4] Agricultural Impact Associates, LAFCO and County of San Diego. 2024. *Trends, Expenses, and Profitability among San Diego County Agricultural Operations: Market Analysis.*

[5] https://www.sdlafco.org/home/showpublisheddocument/7504/638441272363270000

[6] Mumpower, P. & Peters, M. (2023). SD LAFCO Commission Agenda Report: Final Report on State Planning Grant – Ag Trends and Related Policy Opportunities.

farms, and gather best practices for local governments and regional entities to consider and in doing so help increase the economic sustainability of farming in the region.

SALC 2.0 focuses on the sustainability and viability of local agriculture, defining sustainability as the integration of healthy environments, economic profitability, and social and economic equity.[7] The objectives of SALC 2.0 are as follows:

- 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 farms offer the county.

While defining viability is more problematic, most agricultural operations depend on a host of cost parameters, which were defined in the Gap Analysis for SALC 2.0. For the purposes of SALC 2.0, local agricultural producers (producers[8]) were engaged as key partners who operate a variety of farms sizes that grow one or more of the selected four focal crops: strawberries, avocados, lemons, and tomatoes. The Market and Gap Analyses conducted for SALC 2.0 reveal rising economic pressures producers face, primarily the costs of water and labor, which limit profitability among local farms and likely contribute to the overall decrease in the number of farms in San Diego County. These economic challenges have significant production costs and fragmented market access further emphasizing the need for structured policies and financial strategies and support.

2.1 Foundational Analyses

The Market and Gap Analyses established the foundation for this Strategic Action Plan by evaluating the economic and structural conditions shaping agriculture in San Diego County, with an emphasis on small farms. The Market Analysis examined production costs, pricing trends, market channels, and revenue potential across different farm sizes. Findings showed that many small farms operate at or near negative margins due to high water and labor costs, inconsistent yields, and limited access to profitable markets. Without intervention through public or private partnerships, market forces alone are unlikely to sustain their long-term viability.

The Gap Analysis identified systemic barriers that restrict small farms' ability to access resources and compete in the regional food economy. Focusing on avocados, lemons, strawberries, and tomatoes, stakeholder engagement and policy review revealed five key challenges: (1) limited

[7] UC Cooperative Extension

[8] Producers are defined as individuals or businesses directly engaged in growing crops, raising livestock, or producing other agricultural goods.

access to affordable inputs and shared infrastructure; (2) lack of coordination among agencies and permitting processes; (3) difficulty navigating complex grant and incentive programs; (4) insufficient cold storage and processing facilities; and (5) fragmented regional branding and consumer education.

Together, these analyses underscore the need for coordinated institutional support, targeted technical assistance, and regional collaboration to strengthen the economic sustainability of small farms and agriculture countywide. Both reports are available on the San Diego LAFCO website

2.2 Stakeholder Engagement

The development of the Strategic Action Plan was guided by the input from local producers, agency staff, industry experts, best practices, and advocacy organizations. Stakeholder engagement played a central role in shaping the actions presented in this document, ensuring they are grounded in lived experiences and reflect the realities of San Diego County's small-scale agricultural landscape. Over the course of the project, stakeholders were engaged through a multi-phase outreach process:

Virtual Project Kickoff Workshop - *Fall 2023*

The project team hosted an online project kickoff to share the purpose and structure of SALC 2.0. Participants learned about the project's focus on the economic sustainability of small farms, were presented with options and provided feedback on the crop selection criteria for the Gap Analyses, and gained insight on opportunities to contribute throughout the project.

Market Analysis Open House - *Summer 2024*

Held at the San Diego County Farm Bureau, this in-person open house gathered input from producers on the economic conditions of four key crops selected based on input during the project kickoff workshop: avocados, lemons, strawberries, and tomatoes. Interactive stations allowed participants to explore preliminary findings from the Market Analysis, share farm operating costs, and identify top financial stressors. Stakeholders highlighted water rates, labor costs, foreign competition, and access to capital as ongoing challenges.

Internal Working Group Meetings - *Winter 2024–2025*

Two internal working group sessions were held with the Food System Initiative[9] Work Group, to

[9] The Live Well San Diego Food System Initiative (Food System Initiative) is an interdepartmental County group developed to work towards a robust and resilient local food system that builds healthy communities, supports the economy, and enhances the environment. The Food System Initiative supports the County's Live Well San Diego vision of a region that is building better health, living safely, and thriving.

present interim findings, discuss agricultural challenges, and consolidate a list of ongoing County agricultural programs.

Forum for Cultivating Solutions - *Spring 2025*

The Forum brought together producers, technical experts, and public agency staff for a collaborative, solutions-oriented working session. Participants rotated through themed breakout sessions on policy, land, profitability, and food systems. Discussions focused on removing regulatory barriers, promoting regional branding, improving market access, and fostering interagency alignment.

Key takeaways from stakeholder engagement are as follows:

- The need for clear, consistent regulations, and better interdepartmental coordination
- Limited access to affordable land, water, labor, and infrastructure
- A desire for transparent local branding, streamlined permitting, and support for direct-to-consumer models
- Strong interest in mentorship, peer learning, and future farmer development
- Broad support for County-led roles in policy alignment, convening, and communications.

Stakeholder input was recorded and translated into the Strategic Actions depicted in this report. This participatory foundation ensures that the Strategic Action Plan is not only technically sound but community-informed, actionable, and relevant across a range of local contexts.

2.3 Key Components

Through the engagement efforts identified in section 2.3 and accompanying research, four key industry components emerged that represent the most pressing barriers to long-term agricultural sustainability in San Diego County. These components provide the foundation for the recommended strategies and tools, ensuring alignment with producer needs, market realities, and regional conditions. Each of these components are described below:

1. Water Access and Affordability

The San Diego County Water Authority (SDCWA) provides support and guidance on water within the region with more than 80% of supply coming from outside the region[10]. This heavy reliance on imported water has resulted in high and rising water rates, particularly for agricultural users within SDCWA's service area. While some public agencies offer agricultural water programs (e.g., Escondido's AgWater program, SDCWA Permanent Special Agricultural Water Rate (PSAWR) Program), rate structures and eligibility requirements vary, and participation often depends on parcel size, crop type, and infrastructure availability.

[10] San Diego County Water Authority. (2025).

Additionally, access to alternative water sources, such as recycled water within the SDCWA service areas, is very limited, and inconsistent across jurisdictions. While recycled water holds promise for agricultural use, proximity of recycled facilities, inconsistent policies, permitting barriers, and infrastructure gaps prevent many local agricultural farmers from accessing it. In inland and eastern areas outside of SDCWA's service boundary, many producers depend on groundwater resources. However, groundwater access comes with its own challenges, including declining aquifer levels, aging or failing well infrastructure, costs of well maintenance, and to address salinity of water. In some cases, producers have been forced to abandon wells, find alternative well locations, or invest in deeper drilling, often at significant costs, permitting requirements, and without assurance of long-term yield or quality.

The complexity of San Diego's water landscape is further shaped by a patchwork of local water agencies, each with its own policies, fee structures, and conservation mandates. While many agencies are striving to balance agricultural, environmental, and urban water needs, producers shared that navigating these systems can be challenging, especially for small farms without staff or resources to dedicate to water planning and compliance. Differences in regulatory interpretation and eligibility across agencies can lead to confusion and lost opportunities for water efficiency or financial relief.

There is an understanding that water is central to land use decisions, crop selection, and long-term farm sustainability. As climate uncertainty increases and regional competition for water intensifies, San Diego County's small farm producers request supportive, coordinated, and forward-looking water solutions.

2. Foreign Competition and Market Disparities

Foreign agricultural imports, particularly from Mexico, are increasing within the worldwide competition setting and pose a growing threat to the financial viability of small-scale farms in San Diego County. Mexican producers benefit from lower labor costs, more lenient regulatory environments, and year-round climate conditions that enable consistent supply, including through greenhouse agriculture. As a result, key crops are being sold in U.S. markets at prices local producers cannot match. For example, while California produced approximately 317 million pounds of avocados in 2022[11], Mexico produced over 5 billion pounds, providing consumers with a low-cost alternative.[12] Despite offering fresher and more sustainably grown products, San Diego farmers face an uneven playing field, which may be caused by limited consumer awareness, and lack of coordinated regional branding.

[11] California Avocado Commission. (2022). *California Avocado Commission Crop Statistics*.
[12] Food And Agriculture Organization of the United Nations. (2022). FAO Avocado Production Statistics.

Stakeholders emphasized that the issue is not just price, but visibility. Without clear labeling or a strong local identity, consumers often cannot distinguish between local and imported products, leaving local farms to compete on cost alone. Producers at the Forum for Cultivating Solutions recommended truth-in-labeling requirements, regional marketing campaigns, and cooperative selling models to improve their competitive edge. Addressing foreign competition will require both local strategies and broader advocacy for fairer trade practices to protect the long-term viability of small farms in the region.

3. Profitability and Rising Costs

Small-scale producers in San Diego County are operating under increasingly unsustainable economic conditions. Stakeholders across workshops and interviews described how high operating costs, especially for water, labor, fuel, and land, often outpace the revenue generated from their crops. Rising water rates and declining yields, particularly for avocado growers, are driving some producers to downsize or fallow land, or exit agriculture altogether. While some producers are exploring alternative crops like wine grapes or dragon fruit to lower input costs, these options come with their own barriers such as labor needs, new infrastructure, or limited market access.

Producers collectively are the most creative and resilient group that have expressed interest in cost-saving innovations, such as shared-use centrally located cold storage facilities, solar energy systems co-existing with crops, and regenerative practices, but noted that financial constraints and lack of capital often prevent them from investing in long-term solutions. While grants and subsidies can offer temporary relief, many producers emphasized their desire not to rely on grant funding as a primary means of survival, and instead sought stable, market-driven pathways to profitability. Programs like Rancho Water's "CropSWAP" has received positive feedback from producers, but is only available to producers in specific water agency boundaries. and stakeholders called for greater access to technical assistance, targeted capital investment, and local procurement strategies that can support lasting economic viability.

4. Communication and Coordination

Stakeholders emphasized that small-scale producers are often left out of the loop when it comes to funding opportunities, regulatory changes, or availability of support programs. Many small-scale producers have consistently noted very limited time during the day, often foregoing events, research, or offering comments for research. Feedback the SALC 2.0 team heard regarding the lack of producer participation stems from a majority of the smaller to medium sized producers have very limited staff and time. One tool raised was to reach out with individual site visits to interact and have one-on-one time to address issues, provide resource contacts, and provide valuable in-site to operational characteristics. These producers reported difficulty understanding

or accessing grants, navigating permitting processes, or even identifying the right agency contacts, particularly those which don't have dedicated staff or administrative support. Another comment expressed scattered agriculture information, contact person(s) or numbers were fragmented across multiple County departments and inconsistent messaging on economic opportunities. Based on the number of potential County departments or outside entities has led to miscommunications, jurisdictions only worsen this challenge, resulting in confusion, delays, and missed opportunities. Collaboration was a common theme expressed during the outreach events.

Participants expressed strong support for the creation of a dedicated agricultural liaison or ombudsman, a centralized role to advocate for producers through permitting systems, elevate concerns, and improve interagency coordination. Others recommend expanding peer-to-peer learning networks and providing educational workshops for elected officials and agency staff to better understand farming realities. Overall, producers called for a more proactive, farmer-centered approach to communication that meets them where they are and reduces the administrative burden of accessing support.

3.0 How to Use This Report

This report is designed as a practical "Toolkit" to support local governments, public agencies, and partner organizations in strengthening the economic sustainability of small farms in San Diego County. It does not prescribe a single implementation path, rather it offers a flexible set of strategies or "Tools" that can be adapted to meet the unique conditions and capacities of each jurisdiction.

The Tools were shaped by direct input from agricultural producers, technical experts, public agency staff, and stakeholders. Each tool is designed to address real-world challenges while promoting scalable, locally led solutions.

4.0 The Strategic Action Plan

4.1 The Seeds

The Seeds represent the foundational goals that anchor the Strategic Action Plan. They are long-term objectives that guide all strategies to support the economic sustainability of small farms in San Diego County.

Seed 1: Improve Infrastructure and Systems that Support Local Producers

Invest in the physical infrastructure and operational tools that support small-farm producers in accessing processing and distribution systems.

Seed 2: Grow Consumer Awareness and Local Market Demand

Build a strong regional identity for San Diego-grown products by enhancing branding, marketing, and consumer education efforts.

Seed 3: Cultivate a Supportive Policy Environment

Advance enabling policies and regulations that reduce barriers, streamline processes, and empower small farm producers to operate sustainably.

Seed 4: Foster Regional Alignment and Agricultural Advocacy

Promote coordinated action across jurisdictions, agencies, and organizations to elevate the voice of small farms and ensure regional investments reflect farm needs.

4.2 The Tools

The Tools are the core strategies of the Strategic Action Plan. Each Tool represents a recommended action that public agencies, local governments, nonprofits, or other stakeholders can use to address key challenges and advance the goals outlined by the Seeds. While the Seeds provide the long-term vision, the Tools offer implementable pathways to achieve that vision. The Tools can be used independently or as part of a larger, coordinated phased approaches. Each Tool is further supported by several Field Actions, which are practical, incremental steps that offer jurisdictions tangible examples of how to operationalize the strategy and move from planning to implementation.

Many of these tools are grounded in specific feedback from producers, agency staff, individuals, and regional partners which shared their on-the-ground experiences through workshops, interviews, and forums. Each Tool responds directly to one or more of the four key concerns raised during stakeholder engagement outlined in section 2.4 above.

Collectively, the Tools form the backbone of the SALC 2.0 Strategic Action Plan, a resource designed not just to inspire action, but to make action achievable. Local governments, departments, or organizations are encouraged to tailor these strategies to their own goals, capacities, and community needs. Whether it's updating a zoning ordinance, launching a branding campaign, or identifying sites for food infrastructure, this section offers a practical starting point for supporting a stronger, more resilient local agriculture economy.

4.3 Best Practices

The best practices summarized in Appendix A: Best Practices Report are organized in a table by corresponding Tool to help users identify proven strategies that align with the actions recommended in this Strategic Plan. By pairing each Tool with relevant best practices, the appendix provides a practical reference for implementation, offering examples of how similar strategies have been carried out in other jurisdictions. These best practices are not prescriptive

but serve as inspiration and guidance, helping local agencies, organizations, and partners adapt the Tools and Field Actions to fit their specific needs, resources, and policy environments.

4.4 Implementation Timeframes

The implementation approaches described below are meant to provide jurisdictions, public agencies, and organizations options that incorporate accessible data, reasonable timeframes, and could be achievable. The method of describing these timeframe activities range from established programs with short term (one year), expansion or implementation for medium term activities (1-2 years) and long term which may require additional funding or policies changes (2+years).

- Short term relies on available data and ag programs that are established, but could be expanded, modified, or partnerships developed to an existing situation or agriculture operation(s). Due to the relation to existing efforts, these actions are estimated to initiate implementation within 1 year.

- Medium term expands on programs or policies (both private and public entities) that could be amended to incorporate specifics agricultural friendly procedures that directly relate to small-scale producers and their desire to be connected to known resources. However, these options would require additional staff and/or funding resources. These actions are estimated to initiate implementation in 1-2 years.

- Long term represents a view that would identify opportunities which may require a series of programmatic strategies that have partnerships, shared facilities, leasing options of underutilized publicly owned parcels, etc. Due to the complexity of these actions, it is estimated that it would be 2+ years before implementation could be initiated.

- Ongoing term is directly related to existing initiatives, policies, and procedures that support, encourage, and agricultural sustainability.

4.5 Tools

The table below provides each of the Tools organized by Seed.

Number	Tool	Field Actions	Implementation Timeframe	Best Practice Example(s) (if applicable)[13]
Seed 1 – Improve Infrastructure and Systems that Support Local Producers				
Tool 1A	Increase access to direct-to-consumer models, such as farmers' markets, food hubs, and co-ops, by addressing barriers, streamlining permitting processes, and strengthening regional coordination.	Conduct an assessment to identify barriers to entry for small producers in existing direct-to-consumer outlets. Develop a regional resource guide or matchmaking platform to connect producers with cooperative selling, food operations, and aggregation opportunities.	Short	Orange County Farm Bureau (Orange County) Ocean Beach People's Food Co-op (San Diego)
Tool 1B	Identify opportunities to streamline the establishment of farm worker housing and explore flexible farm worker housing models (temporary, shared facilities).	Establish an inventory of publicly owned lands suitable for farm worker housing. Identify publicly owned sites for seasonal farm worker housing to be shared and operated collaboratively by multiple small farms. Assess zoning, infrastructure, and permitting requirements for eligible parcels to establish a new shared farm worker housing site.	Short	San Mateo County Farmworker Housing Initiative
Tool 1C	Support the expansion and promotion of the CropSWAP Program and similar water efficiency incentive programs.	Conduct a GIS-based analysis to identify fallow or low-productivity lands with potential for crop conversion. Conduct targeted outreach to eligible landowners to understand how to establish farms, access, water, etc. and further understand barriers to program participation.	Medium	Rancho California Water Program (Riverside) County of San Diego Agricultural Irrigation Efficiency Program (San Diego) North Plains Groundwater Conservation District (Texas)
Tool 1D	Support the development of regional food system infrastructure (i.e. cold storage, processing, distribution centers, and packaging facilities) to reduce cost for local producers.	Create an inventory of available public facilities for lease. Conduct targeted outreach with producers to understand infrastructure needs and timing. Explore cooperative private ownership or nonprofit-led models for shared facilities.	Short	Agricultural Utilization Research Institute (Minnesota)

[13] Refer to Appendix A – Best Practice Report

Tool 1E	Support local food procurement by local institutions and distributors (e.g., Sysco, public schools, County institutions) by addressing barriers and creating local sourcing initiatives.	Review and amend regulatory ordinances and/or policies to align existing food procurement policies with local sourcing goals and identify opportunities to expand participation among regional producers. Facilitate a focused summit with buyers and producers to identify barriers and sourcing opportunities. Develop or adapt procurement guidelines that allow for small or seasonal producers.	Medium	America's Healthy Food Financing Initiative (HFFI) Harvesting the Local Flavor: the County's Sustainable, Equitable and Local Food Sourcing Policy
Tool 1F	Work with regional partners[14] to create a centralized, user-friendly online platform to help producers navigate local regulations, access resources such as funding opportunities, permitting information, and connect with relevant agency staff.	Audit existing public agency webpages, land use policies, and resources related to agriculture to identify gaps and redundancies or lack of information. Explore opportunities to incorporate the centralized online producer resource hub in the San Diego County website redesign project. Equip the online platform with an AI-powered chatbot to serve as a quick guide for website navigation.	Medium	San Diego Food System Alliance
Seed 2 – Grow Consumer Awareness and Local Market Demand				
Tool 2A	Support and expand existing efforts to develop a regional branding campaign and consumer education campaign that promotes San Diego-grown products, strengthens community connections, and encourages local purchasing to strengthen demand for locally grown agricultural products and support a resilient, sustainable food system.	Coordinate with the San Diego County Farm Bureau to solidify a unified regional brand, marketing campaign, and establish a visual identity for San Diego–grown products and make this visual identity a requirement. Partner with local retailers, farm stands, markets, schools, and institutions to promote and require local branding.	Medium	Farm Bureau San Diego County: San Diego Grown 365 San Diego Food System Alliance: *Food Vision 2030*
Tool 2B	Develop a coordinated outreach strategy to increase producer awareness of available programs, funding opportunities, technical assistance, and regulatory resources.	Create a centralized outreach calendar that aligns messaging across departments and partners. Leverage trusted partner networks (e.g., RCD, UCANR, Farm Bureau) to disseminate information.	Medium	Resource Conservation District of Greater San Diego County (RCD-GSDC)

[14] Regional partners include local academic institutions and public agencies within San Diego County.

Tool 2C	Strengthen pathways into future agriculture partnerships with high school programs to support heritage farming and cultivate the next generation of producers.	Coordinate with California Sustainable Lands Management Program partners to assess current mentorship efforts and expand participation among small-scale producers.	Long	Orange County Farm Bureau: Agricultural Scholarships & Literacy Programs
		Support student participation in county fairs, livestock programs, and local agriculture showcases that promote traditional and small-scale farming practices.		
		Collaborate with community colleges and trade schools to create early college credit or dual-enrollment opportunities in agricultural sciences or farm management.		
Seed 3 – Cultivate a Supportive Policy Environment				
Tool 3A	Ensure regulations and development standards enable on-farm marketing and direct-to-consumer systems (agritourism, farm stands, Pick-Your-Own)	Review and amend the regulatory ordinances and/or policies to modernize definitions and regulations for agricultural uses. Reforms should address restrictive processing requirements, CEQA thresholds, and permitting barriers by establishing clear, tiered review pathways, including ministerial approval for low-impact uses and discretionary review for larger-scale operations.	Medium	Santa Barbara County Agricultural Enterprise Ordinance
Tool 3B	Promote the adoption of climate-smart land management practices that enhance soil health, conserve water, improve long-term productivity, soil sustainability, and create diversified revenue streams for producers.	Review existing regulations and policies of local jurisdictions to identify barriers to practices such as compost application and availability, cover cropping, and hedgerow planting	Medium	Resource Conservation District of Greater San Diego County (RCD-GSDC): Healthy Soils Initiative
		Develop streamlined permitting pathways or exemptions for regenerative and conservation practices		
Tool 3C	Support the protection of high-risk agricultural lands by purchasing conservation easements.	Use mapping and development risk data developed through the SALC 1.0 project to identify and prioritize agricultural lands most vulnerable to conversion.	Long	Agricultural Conservation Easement Program (ACEP, USDA NRCS)

		Partner with land trusts, resource conservation districts, and local jurisdictions to coordinate outreach to eligible landowners.		
Tool 3D	Explore opportunities for expanded leasing opportunities on publicly owned lands, with a focus on underserved and/or emerging producers.	Conduct an inventory of publicly owned lands suitable for small-scale agriculture.	Medium	Alameda County Resource Conservation District Long-Term Agricultural Leases on Public Land
Tool 3E	Develop a formal grants policy to guide future grant applications that prioritizes and benefits farmers directly and includes opportunities for agricultural stakeholder input prior to submittal.	Draft and adopt internal grant evaluation criteria that prioritize direct-to-farmer impact.	Medium	Center for Farm Financial Management (University of Minnesota)
Seed 4 – Foster Regional Alignment and Agricultural Advocacy				
Tool 4A	Coordinate with regional partners to establish an Agricultural Ombudsman position to serve as a centralized point of contact to support producers with navigating government systems, gaining access to capital and land, grant funding, and other incentive programs and to coordinate efforts across cities and agencies.	Define the role and responsibilities of the ombudsman. Create referral pathways and internal coordination protocols between the ombudsman and public agencies, LAFCO, and local planning offices.	Short	San Mateo County Agricultural Ombudsman Program
Tool 4B	Coordinate with regional partners to establish a Regional Agricultural Water Advisory Committee to assess the impacts of state and local water policies on agriculture, advise on regulatory changes, explore targeted subsidy programs, and guide research on irrigation efficiency and crop-specific water use.	Identify a lead agency or coordinating body to initiate and manage the formation of the committee. Develop a formal charter or terms of reference outlining the committee's purpose, scope, authority, membership structure, and participation criteria.	Medium	Santa Clara Valley Water: Agricultural Water Advisory Committee (AWAC)
Tool 4C	Develop and implement a cross-sector training and coordination program for local agency staff and community leaders to build	Develop a curriculum or briefing materials on agricultural land use, permitting challenges, and producer needs.	Medium	Center for Land-Based Learning (CLBL) – AgHiRE & Leadership Training

	shared understanding of agricultural issues and improve service delivery to producers.	Encouraging each organization and public agency to have a designated representative.		
		Partner with UCANR, RCDs, or Farm Bureau to provide real-world case studies and facilitate dialogue between agencies and producers.		
		Review and identify opportunities to amend regulatory agricultural water usage to ensure that sustainable agricultural uses within groundwater-dependent areas of the county.		
		Present SALC 2.0 Strategic Plan Findings to LAFCO Cities and Special Districts Advisory Committees, including requesting feedback on potential updates to MSR criteria when evaluating the promotion of agriculture by cities and special districts.		
		Establish a recurring regional roundtable, workshop series, or interagency working group focused on improving coordination and reducing regulatory barriers.		
Tool 4D	Expand agriculture analysis in local government planning documents to recognize the economic contribution of the local agricultural industry.	Integrate agricultural viability assessments into General Plan updates.	Ongoing	Growing Local: A Community Guide to Planning for Agriculture and Food Systems
		Include agricultural metrics and land-use considerations in Municipal Service Reviews (MSRs) and Sphere of Influence (SOI) updates.		
Tool 4E	Develop an implementation plan/strategy and present an annual report on the progress and status of the Strategic Actions to the LAFCO Commission and stakeholders.	Continue to present annual report on SALC 1.0 action items at the Cities and Special Districts Advisory Committees.	Ongoing	

5.0 Implementation and Monitoring

5.1 Launch and Ongoing Outreach

The County of San Diego and San Diego LAFCO staff have collectively worked together for several years on agricultural sustainability by implementation of State mandated plans with cities, special districts, and regional partners. This partnership will continue to include presentations to elected officials, planning staff, and advisory bodies, as well as targeted discussions with agencies already working on agricultural policy, land use planning, and infrastructure development. The purpose of this ongoing engagement with agricultural producers is to:

- Build awareness of the Strategic Action Plan and its use
- Identify early adopters and implementation champions
- Encourage alignment with local and regional policy efforts
- Gather feedback to support future refinements

5.2 Integration into Local and Regional Efforts

The Tools in this report are intended to be flexible, allowing local agencies to select and adapt the strategies that best align with their goals, resources, and timelines. In some cases, implementation may take the form of General Plan updates, zoning code amendments, or pilot programs. In others, it may involve joining or forming cross-jurisdictional partnerships, hosting educational events, or seeking funding to support infrastructure investments.

County and LAFCO staff will continue to act as facilitators and connectors, helping jurisdictions interpret the Tools, coordinate with relevant agencies, and identify funding pathways or technical support to move forward. Where appropriate, the Strategic Action Plan may also inform future LAFCO reviews and policy recommendations, including Municipal Service Reviews, Sphere of Influence updates, and city/district formation or dissolution processes.

5.3 Ongoing Monitoring

As local agencies begin to apply the Strategic Action Plan, County and LAFCO staff will work with agricultural partners to monitor progress, track emerging needs, identify new opportunities, and refine Tools based on feedback and measurable outcomes.

Monitoring efforts will prioritize practical, qualitative feedback over complex metrics. The goal is not rigid compliance, but rather to foster a culture of shared learning, responsive adaptation, and cross-jurisdictional support that ensures San Diego's small-scale agriculture remains economically viable and deeply rooted in the region's future.

5.4 Pilot Project: Regional Branding Campaign (Tool 2A)

The intent of alternative adaptation, education, and flexible methodology is to look beyond the existing issues and concerns to support a regional vision that provides an "opportunity for change" that clearly describes the San Diego agricultural identity. As part of Tool 2A, this pilot project represents an achievable first step toward implementing a coordinated branding and consumer education effort that celebrates local agriculture and builds market demand for San Diego-grown products.

This pilot project provides an achievable first step toward implementation of the Strategic Action Plan by launching a coordinated regional branding and digital engagement initiative that celebrates San Diego agriculture and builds demand for local products. The project would serve as a visible demonstration of how collaborative branding and communication can strengthen the connection between producers, consumers, and institutions supporting both economic sustainability and community identity.

Lead Partners

- County of San Diego (Planning & Development Services; Department of Agriculture, Weights & Measures; Department of Purchasing and Contracting)
- San Diego County Farm Bureau
- Resource Conservation District of Greater San Diego County
- Local producers, distributors, and food system organizations

Key Actions

- Develop a centralized dataset of agricultural producers to support targeted outreach and inclusion in the pilot platform.
- Launch a small-scale pilot branding and consumer education campaign promoting "San Diego-Grown" products through digital, social media, and traditional marketing channels.
- Create a communications hub for ongoing producer engagement via newsletters, e-commerce platforms, and event promotion.
- Collaborate with existing distribution and storage networks to amplify local sourcing opportunities.
- Foster partnerships with institutions and online communities to educate consumers about the value of locally grown produce.
- Conduct an annual marketing audit to evaluate campaign reach, engagement, and opportunities for expansion.

In today's digital economy, this pilot offers an easy, visible win for San Diego County's agricultural community. By combining branding, data, and outreach under a unified platform, partners can showcase the region's agricultural identity and strengthen collaboration between producers, distributors, and institutions. Over an initial 12- to 18-month phase, the project would develop the producer database, launch pilot materials, and establish a digital communications hub. A second 24- to 36-month phase would evaluate outcomes, expand participation, and refine outreach approaches. The initiative is expected to increase visibility and consumer recognition of "San Diego-Grown" products, expand local procurement and direct-to-consumer opportunities, and empower producers with modern marketing tools. As the platform matures, it can serve as a replicable, data-driven model for promoting regional agriculture and building long-term food-system resilience across the County.

6.0 Conclusionary Observations

This Strategic Action Plan presents a blending of SALC 1.0 and SALC 2.0. SALC 1.0 focused on effective methods to strengthen agricultural production and achieve policy reform where needed for the benefit of the agricultural industry. SALC 2.0 provides a picture of the status of agricultural operations and producers over the past ten years by analyzing trends and opportunities for different markets and summarizing the key costs required to operate an agricultural business in the County. The Gap and Market Analyses combined regional data sets, individual farmer input, and multiple outreach sessions to garner local issues and concerns. The Analyses will be incorporated withing the final report next year and offer a reserved opinion of the status of the small-scale farmers, loss of agricultural farmers, economic assessment, hardships of operating a small-scale producers, and interrelationship with food systems.

Appendix A – Best Practice Report

Sustainable Agricultural Lands Conservation Program (SALC 2.0)

Best Practices Research Summary

November 2025

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1.0 Introduction

This Best Practices Report (Report) was developed as part of the Sustainable Agricultural Lands Conservation (SALC) 2.0 Project to identify and evaluate programs, policies, and initiatives that strengthen the long-term economic sustainability of agriculture in San Diego County. The Report highlights examples from across California and beyond that demonstrate effective ways to support agricultural operations through collaboration, policy innovation, and strategic investment.

The purpose of a Best Practices Report is to apply professional judgment and consistent criteria such as relevance, effectiveness, sustainability, ease of replication, stakeholder involvement, and political support to identify approaches that can be adapted to local conditions. The examples presented here include successful programs, incentives, agreements, training, and resources that can inform future actions to sustain a productive and resilient agricultural economy.

In addition to drawing from other regions, the Report also evaluates current practices in San Diego County to assess their effectiveness and opportunities for refinement. By studying a range of financial incentives, policy mechanisms, and collaborative partnerships, this Report provides insights that can guide decision-making and improve program design to strengthen the agricultural sector and enhance the long-term resilience of farming in the region.

The Best Practices approach emphasizes identifying proven techniques and methodologies that consistently achieve desired results. In this context, the team focused on agricultural programs, crop types, processing systems, and regional contexts that offer transferable lessons for local implementation. Equally important are the lessons learned from less successful approaches, understanding what has not worked and why. These insights help refine future strategies, ensuring that best practices evolve with the needs and realities of San Diego County's diverse agricultural community.

The Report is organized into four thematic areas, Land, Policy, Profitability, and Food Systems, which together represent the interconnected components of a sustainable agricultural landscape. Table 1 below provides a summary of each of the best practice examples identified in this report.

Table 1 - Best Practice Example Summary

Name of Program / Initiative	**Location**	**Topic Area**	**Page**
California Water Supply Strategy	State of California	Policy	7

2.0 Key Issue Identification

A key recommendation of the SALC 1.0 report, which provided an outreach-based analysis of agricultural trends in San Diego County, was to address the need for a market analysis of individual commodities to help further assess and understand agricultural opportunities going forward. As a result, three key issues facing the sustainability and viability of local agriculture were identified during a workshop with producers in July 2024 and further confirmed through research. These issues reflect the most pressing challenges within farming in San Diego County and they will serve as the foundation for the best practices outlined in the following sections of this Report. Each best practice is intended to directly respond to one or more of these key issues, ensuring that recommendations are grounded in local context and aligned with community needs and market realities.

Key Issue #1: Water

Access to reliable and affordable water resources is one of the most significant factors affecting the financial viability and long-term sustainability of small farms in San Diego County. San Diego County's water issue is two-fold, whether you are west or east of the California Water Authority service area boundary (CWA). The westerly agricultural operations are served by imported/local reservoir water and subject to annual service fee increase. Easterly agricultural operations are predominately served by groundwater resources and subject to aquifer fluctuation (depth) and even well facilities abandonment.

The region's semi-arid climate, combined with recurring droughts, climate changes, and location of water resources, means many farms rely heavily on either local groundwater resources such as wells (new or drilling existing wells deeper) and/or if properties are within the CWA Service Area rely on imported water (through the CWA), which is both expensive and subject to variable availability. The monitoring, recharge, and overdraft of local aquifers is an ongoing concern for many agricultural operations east of the CWA service area. As such regulations put in place by local water purveyors have a huge impact on small-medium-scale producers. Rising water rates increase operating costs and severely reduce profit margins, making it difficult for small farms to compete with larger operations.

Key Issue #2: Foreign Competition

Foreign competition, particularly from Mexico (or other countries), presents a growing challenge to the financial viability of San Diego County's small farms. Mexican producers have lower labor costs and benefit from less stringent regulations and more favorable trade conditions. This allows them to offer a variety of crops year-round (greenhouses), thereby creating a supply issue. For example: avocados which can be sold at significantly lower prices than local San Diego producers. This price disparity makes it difficult for small-scale farmers in San Diego to compete in wholesale and retail markets, despite an American-grown product of high quality and freshness of their products. Crops such as tomatoes, strawberries and lemons can be grown year-round in foreign countries and increase competition with local U.S. markets. Current trade discussions between Mexico and the U.S. Government could level the agricultural impacts of cross border trade but the outcomes of negotiations are still pending.

Key Concern #3: Communication

A lack of clear and consistent communication between agencies or departments, managers of local support programs, and local producers has emerged as a key barrier to the success or expansion of small farms in San Diego County. Prospective and existing producers expressed a strong need for a San Diego County agricultural advocate – a department or firm who can serve as a trusted liaison and champion to assist producers to navigate available resources, including grant opportunities, technical assistance, marketing, branding, and incentive programs.

3.0 Report Framework

This Report has been organized by four topical strategies (policy, food systems, land & profitability) constructed to be focused on strengthening agricultural sustainability and improving economic viability for small-scale farms in San Diego County[1]. Collectively, the approaches comprehensively address challenges local producers face and provide actionable strategies to strengthen market competition as well as explore other markets. The topical strategies and respective methodologies related to the best practices include:

Policy

Policy plays a crucial role in shaping the agricultural landscape by influencing land use regulations and decisions, zoning restrictions, water access, taxation, and permitting processes. Best practices in this policy driven section focus on reducing barriers for small-sized farms, exploring streamlined regulatory compliance, and crafting a series of economic incentives for sustainable farming practices. This section will highlight effective policy mechanisms, including local and state programs, that SALC 2.0 can build upon and support farm viability and long-term resilience.

Food Systems

Healthy food systems ensure access to safe, equitable, and nutritious food for all, combining sustainable growth practices with food security. This encompasses all activities ranging all the way from cultivation to disposal. A well-functioning food system connects producers with consumers through efficient distribution and collection networks, local markets (farm stands or markets, grocery stores, food banks, etc.), and institutional purchasing programs (schools, agencies, military, jails, etc.).

Land

Access to and affordability of farmland remain significant challenges for small farms. This section explores best practices related to agricultural uses, crop rotations to drought tolerant crops, and long-term preservation of fertile agricultural lands. This may include land tenure models, conservation easements and lease-to-own programs that assist producers secure long-term access to agricultural land.

Profitability

Ensuring the financial viability of small-sized farms will require mutually beneficial strategies that enhance revenue generation, reduce costs, and improve operational efficiency. This section will highlight best practices in business planning, value-added production, direct-to-consumer sales models, cooperative resource sharing, and access to financial support through grants, loans, and

[1] The USDA defines a small farm as an operation with gross cash farm income (GCFI) of less than $250,000. Small-scale farms in San Diego County refer to farms that are between 1-9 acres.

technical assistance. Strategies for mitigating financial risk, such as crop diversification and climate adaptation practices, will also be included.

4.0 Programs, Policies, and Incentives

Using the framework outlined in Section 3.0 - Report Framework, this section will explore opportunities to provide greater detail and examples of programs, policies or incentives that increase the economic sustainability of farming. Primarily looking at California-based initiatives, these examples will be used to inform a Strategic Plan on prospective mechanisms, such as incentives, technical support, programs, and regulatory streamlining to help bridge the economic gap and maximize small farms' contribution to environmental, economic, and public health benefits.

Policy

California Water Supply Strategy (State of California)

The California Water Supply Strategy outlines the state's comprehensive plan to adapt to a climatic challenge of hotter and drier future weather patterns by modernizing water management and building climate resilience. The strategy emphasizes the need to capture, recycle, de-salt, and conserve more water to ensure a reliable supply for communities, agriculture, and the environment.

Key Takeaways

- Groundwater Management: The strategy underscores the importance of sustainable groundwater practices, aligning with the Sustainable Groundwater Management Act (SGMA), which aims to prevent over-extraction and ensure long-term water availability.
- Water Recycling and Efficiency: Small farms are encouraged to adopt water recycling methods and improve irrigation efficiency to maximize limited water resources.
- Integrated Regional Water Management: The strategy promotes collaboration among local agencies through Integrated Regional Water Management Planning, fostering regional solutions to water challenges.
- Delta Conveyance Project: The plan includes infrastructure projects like the Delta Conveyance Project, aiming to secure water deliveries to Central and Southern California, benefiting agricultural users by enhancing supply reliability.

Water Ways Report (County of San Diego)

The Water Ways Report is a regional assessment of drought management and water use best practices conducted by the County of San Diego in response to increasing climate challenges, such as droughts, floods, and extreme weather conditions. The report evaluates strategies for stormwater collection, water recycling, water conservation, water storage, and desalination, integrating considerations for water affordability, accessibility, quality, and reliability across different focus areas, including urban, rural, and agricultural regions.

Key Takeaways

- Water Affordability Challenges: Small farms in San Diego County, especially in areas east of the CWA service boundary and Tribal lands, face water shortages and areas west of the CWA service boundary are subject to increases. Conservation efforts need to incorporate financial mechanisms that ensure affordability for agricultural operations.
- Water Recycling & Stormwater Collection: The report identifies localized water recycling and stormwater collection as underutilized strategies that could increase water availability for farms. However, funding gaps and infrastructure limitations hinder widespread adoption.
- On-Farm Water Conservation Strategies: The study highlights irrigation efficiency improvements, low-water-use crops, composting techniques, and land management practices as critical for ensuring long-term agricultural viability.
- Incentives for Agricultural Water Use Efficiency: The report suggests developing financial incentives, rebates, and cost-sharing programs to help small farms transition to more water-efficient irrigation systems and conservation practices.
- Storage & Infrastructure Improvements: Farmers in rural and unincorporated areas are totally dependent upon groundwater resources through private wells, and there is interest in expanding below-ground water storage solutions (recharge practices) to improve resilience.

San Mateo County Farmworker Housing Initiative

San Mateo County's *Homes for Those Who Harvest* initiative (2024) takes a coordinated, policy-driven approach to addressing farmworker housing shortages. Led by the County in partnership with the Silicon Valley Community Foundation and agricultural stakeholders, the program identifies zoning, funding, and regulatory strategies to make farmworker housing more accessible and adaptable. The initiative emphasizes small-scale and shared housing models, streamlined permitting, and cross-departmental coordination to ensure farms of all sizes can provide safe, affordable housing for agricultural workers.

Key Takeaways

- The program's flexible housing model allows small-scale (1–4 unit) and shared farmworker housing on agricultural land where conventional housing is often restricted.
- Policy streamlining promotes pre-approved modular plans and standardized permitting templates to reduce costs and approval timelines.
- The program aligns Planning, Building, and Housing departments to remove duplicative review processes and clarify permitting pathways.
- Offers forgivable loans and grants to support construction or rehabilitation of farmworker housing.
- Demonstrates how coordinated local policies can improve workforce housing without requiring extensive new infrastructure or land-use changes.

Santa Barbara County Agricultural Enterprise Ordinance

Santa Barbara County's Agricultural Enterprise Ordinance (AEO) allows a broadened set of agricultural-supporting uses on farm and ranch properties (while keeping agriculture as the primary use). The ordinance permits uses such as farm stands, agritourism, on-farm sales, small-scale processing, and rural recreation, under defined standards.

Key Takeaways

- The AEO clarifies and expands permissible on-farm direct marketing uses (e.g., farm stands, U-pick operations) in agricultural zones.
- Enables low-impact agritourism and direct-to-consumer sales without needing full commercial zoning or heavy permitting.
- Maintains agriculture as the primary land use, which addresses conflicts between agritourism commercialization and farmland preservation.
- Demonstrates the value of a "by-right" (or clearly defined) regulatory pathway for smaller farms to engage in direct marketing and agritourism.
- Provides a regulatory model that other counties can adapt to streamline approval, reduce costs, and enable farm diversification.

San Mateo County Agricultural Ombudsman Program

In San Mateo County, the program to create an "Agricultural Ombudsman" was developed by San Mateo County Resource Conservation District (RCD) in partnership with the County's Agriculture/Weights & Measures and Planning departments. The Ombudsman serves as a central, neutral point of contact for producers, especially small- and medium-scale operations, helping them navigate county permitting, regulatory requirements, and agency coordination. Services are provided free and confidentially.

Key Takeaways

- The Ombudsman role is housed within a trusted, agriculture-focused organization (the RCD) which ensures credibility and outreach among producers.
- The position works across multiple agencies (Planning & Building, Environmental Health, Agriculture) to act as a bridge between farms and local government.
- Services include individualized consultation, step-by-step guidance for permitting, and a proactive role in helping county staff better understand agricultural operations.
- The program was developed in response to stakeholder feedback (an agricultural workshop in 2012) which had identified the need for a dedicated "go-to" resource for agriculture.
- The Ombudsman framework supports the goal of reducing friction in permitting and regulatory processes, enabling producers to more easily invest, expand or modify operations.

Santa Clara Valley Water: Agricultural Water Advisory Committee (AWAC)

Santa Clara Valley Water (Valley Water) maintains an Agricultural Water Advisory Committee (AWAC) that advises the Board on policies and issues affecting agricultural water supply and use, including the annual review of groundwater production charges and related programs. The AWAC provides a formal venue for growers and ag organizations to coordinate with a regional water agency on policy, pricing, conservation, and planning—functionally operating as a regional agricultural water advisory body.

Key Takeaways

- Establishes a standing committee where producers, ag groups, and a regional water utility collaborate on agricultural water policy and operations.
- Reviews and recommends items such as groundwater production charge structures and annual work plans, giving agriculture a voice in pricing and investment decisions.

- Connects the water agency's board and staff with agricultural stakeholders to surface impacts of state/local policies and shape adaptive responses (e.g., conservation programs, efficiency efforts).
- Public agendas/minutes and an adopted annual work plan keep priorities (research, programs, policy feedback) transparent and trackable.
- The committee framework (charter, membership by district, clear scope) is readily adaptable for other counties to create a Regional Agricultural Water Advisory Committee.

Center for Land-Based Learning (CLBL) – AgHiRE & Leadership Training

The Center for Land-Based Learning (CLBL) in California launched the *AgHiRE* program, a professional development initiative designed primarily for Spanish-speaking farm supervisors, focusing on leadership, regulatory awareness, and digital literacy. The program's structure demonstrates how a training program can bridge production, regulation, and workforce-development sectors in agriculture. Participants gain awareness of regulatory issues, communication, and leadership in a cross-sector context skills that are also relevant for agency staff and community leaders working in agricultural support roles.

Key Takeaways

- Uses bilingual training modules (Spanish/English) to reach underserved participants and build inclusive capacity.
- Incorporates regulatory awareness and practical skills (leadership, digital literacy, compliance) tailored to agricultural operations, enabling clearer communication between farms and institutions.
- Engages industry input in program design (employers advised on skill gaps) so that training aligns with real-world needs of agriculture and regulatory interaction.
- Builds a community of practice among participants and their organizations, creating networks of personnel with enhanced shared understanding of agricultural challenges, processes, and regulatory interface.
- Although targeted to farm labor supervisors, the model can be expanded or replicated for local agency staff and other stakeholders supporting agriculture, helping create a bridge between regulators, service providers, and producers.

Food Systems

San Diego Food System Alliance (SDFSA)

The San Diego Food System Alliance is a coalition of diverse leaders dedicated to fostering a healthy, sustainable, and equitable food system in San Diego County. They are a non-profit organization committed to building networks and changing policies by bringing together different stakeholders within the food system. Their initiatives are particularly beneficial for small-scale farmers, ranchers, fishermen, and food business owners. The programs and initiatives run by the SDFSA are as follows:

- Local Food Economy Lab: This program focuses on enhancing the viability of small-scale food producers and businesses by offering tailored support services, including business planning, coaching, and cooperative development.
- Pollinator Program: A component of the Local Food Economy Lab, Pollinator is a customized business planning and coaching initiative that annually supports a cohort of six food business owners, including farmers and ranchers, to strengthen their operations and ensure long-term success.
- Workshops and Educational Events: SDFSA organizes workshops such as "Introduction to Worker Cooperatives: Food & Farm Edition," aimed at educating small-scale producers about cooperative business models and fostering a culture of cooperative economies.
- Annual Gathering for Food Vision 2030: An annual event that brings together stakeholders from various sectors of the food system to engage in discussions, networking, and collaborative learning, providing small-scale producers with opportunities to connect and grow within the community.
- Membership Program: SDFSA offers a free membership program open to individuals from businesses, nonprofit organizations, government agencies, and the general public, fostering a network that centers justice, equity, diversity, and inclusion.

<u>Key Takeaways</u>

- Economic Vitality: The SDAFA programs provides support services and individualized programs aimed at educating their members on business operations and strengthening their financial viability.
- Facilitating Communication and Collaboration: The SDFSA encourages communication by offering membership programs, initiating discourse between stakeholders, and providing community workshops.
- Equity and Access: The Alliance prioritizes addressing food insecurity and creating equitable access to healthy, locally grown food. They work to reduce disparities by supporting communities that face the greatest barriers to food access, including low-income neighborhoods and communities of color.

- Local Production: The SDFSA emphasizes building a food system that is locally rooted and less reliant on external supply chains, which improves resilience and reduces the need to outsource from foreign competitors.

Ocean Beach (OB) People's Food Co-Op

The OB Co-Op is a San Diego based, community-owned local, organic grocery store in Ocean Beach. Being the only member-owned grocer in the City, their mission is to nourish the community, provide sustainable, affordable, local, and organic produce, and ensure secure food access to all. The Co-op donates to local organizations and schools, partners with local businesses, hosts community events, supports local producers, and provides their patrons with nutritious, environmentally safe products.

Key Takeaways

- Community Engagement: The Co-op is member-owned strategy, which increases community participation and fosters a sense of pride and ownership within the food system.
- Local Production: By supporting local producers, the OB Food Co-op strengthens the local economy and fosters a more sustainable, resilient food system. It creates opportunities for small-scale farmers to access a larger consumer base and ensures that profits stay within the community without relying on outsourced goods.
- Food Access and Education: The OB Food Co-op promotes education about nutrition through classes, and events aimed at helping the community make more informed choices about their food and lifestyle. This increases safe food access and nutrition.

Orange County Farm Bureau

The Orange County Farm Bureau (OCFB) is a member-based nonprofit organization that advocates for local farmers, educates the public on the value of agriculture, and fosters community connections around food systems. OCFB places a strong emphasis on direct-to-consumer connections and offers membership benefits such as insurance programs, industry discounts, event access, and scholarships for students pursuing agricultural careers.

Key Takeaways

- OCFB operates eight certified farmers' markets throughout the county, which provide consumers with access to fresh, local produce and create valuable sales opportunities for small-scale farmers. This allows them to directly support the food distribution system in a meaningful way.

- OCFB places a strong emphasis on community visibility and hands-on engagement, fostering consumer-producer connections and building pride in local agriculture.
- OCFB administers scholarships for students pursuing agricultural studies and supports agricultural literacy programs in schools. These efforts help cultivate the next generation of farmers and promote a broader understanding of the importance of agriculture in Orange County.

County of San Diego Harvesting the Local Flavor: the County's Sustainable, Equitable and Local Food Sourcing Policy

The County of San Diego's Purchasing & Contracting Department administers the "Harvesting the Local Flavor" / Sustainable, Equitable, and Local Food Sourcing Policy (Board Policy B-75) which directs institutional food purchases toward locally-sourced products and supports local food producers and suppliers. Through this policy, the County partners with major food service distributors (e.g., Sysco) and fosters opportunities for local farmers and food businesses to participate in large institutional procurement programs.

Key Takeaways

- The policy explicitly emphasizes local sourcing of food and beverages by county institutions, thereby creating a procurement pathway for regional producers.
- There is a low-barrier interest form for local farmers, food suppliers and food service operators to register and express interest in supplying the County under the local sourcing policy.
- The program aligns procurement practices with broader goals of sustainability, equity and local economic development, embedding those values directly within institutional contracts.
- A supplier registration procedure (via the "Doing Business with the County" portal) is in place to help local and small businesses understand how to engage with County contracts.
- The policy establishes a model for linking institutional demand with local food supply, thus helping build scale and stability for regional producers wishing to enter or expand into institutional food markets.

San Diego Grown 365

San Diego Grown 365 is a free, county-wide branding initiative launched in 2004 by the San Diego County Farm Bureau that allows any grower in San Diego County to use a quality-seal label

identifying produce as grown locally. The program helps regional growers differentiate their products in the marketplace, promote the "San Diego-grown" identity, and connect with consumers, restaurants, retailers and institutional buyers interested in local sourcing.

Key Takeaways

- Growers may sign a simple agreement at no cost to use the "San Diego Grown 365" mark, lowering the barrier to participation.
- The label strengthens producer marketing by aligning with consumer demand for local / regionally-grown food, helping elevate smaller farms' visibility.
- The program includes tools like the "San Diego Grown Exchange" to connect growers, retailers, restaurants and institutions, fostering direct sourcing relationships.
- By promoting a unified regional brand, the initiative helps build a shared "local food identity" that benefits multiple producers and supports regional food system resilience.
- The program is scalable and adaptable, with the brand being used by growers, wineries and value-added producers, demonstrating versatility beyond direct produce.

Growing Local: A Community Guide to Planning for Agriculture and Food Systems

"Growing Local" is a practical guide intended for local government planners, public agencies, community stakeholders and a broader food-systems audience. It helps communities remove public-policy and planning barriers, and advance policy solutions to support local farms, protect agricultural land, improve food-system infrastructure, and enhance food access. The guide provides a history of food systems planning, a set of principles and practices, and a comprehensive "implementation toolbox" of policy options and programs.

Key Takeaways

- Provides a common language among planners, producers, and community members is essential to align understanding and streamline implementation.
- Integrating agriculture and food-system considerations into comprehensive, general, or master plans helps link land use, economic development, health, and food access.
- Public policy tools such as zoning, permit simplification, incentives (fee waivers, grants), and infrastructure investment are all important levers for supporting local agriculture and resilient food systems.

- The toolbox approach offers model ordinance language, checklists and planning prompts that local governments can adapt to their context, helping reduce regulatory barriers and support farm viability.

- Planning for agriculture and food systems requires cross-sector coordination: linking agriculture, land use, transportation, health, economic development, and environment to build more resilient, equitable local food systems.

Land

Resource Conservation District of Greater San Diego County (RCD-GSDC)

The Resource Conservation District (RCD) of Greater San Diego County is an independent special district committed to the protection, conservation, and restoration of natural resources through education, information dissemination, and technical assistance programs. Established in 1941, the RCD collaborates with landowners, public and private institutions, and citizens to address diverse environmental concerns unique to San Diego County.

Programs and Initiatives:

- Farming & Ranching: The RCD promotes climate-smart agricultural practices, including healthy soils initiatives, carbon farming, irrigation efficiency, prescribed grazing, and support in developing farm or ranch plans.

- Habitat Restoration: Focused on restoring riparian corridors and other critical habitats, the RCD engages in projects like the Otay Connections to enhance biodiversity and ecosystem health.

- Pollinator Health: As a founding member of the San Diego Pollinator Alliance, the RCD works to create and revitalize pollinator habitats through initiatives such as the San Diego Native Milkweed Project.

- Community Gardens: Managing the Tijuana River Valley and Sweetwater Community Gardens, the RCD provides spaces for local residents to engage in sustainable gardening practices, fostering community involvement and access to fresh produce.

- Wild Willow Farm & Education Center: This educational farm inspires connections to food, land, and community, offering hands-on learning experiences in sustainable agriculture.

- Wildfire Resilience and Forest Health: The RCD implements programs aimed at wildfire hazard reduction, community education, and forest health initiatives to enhance regional resilience against wildfires

- Educational Outreach: Offering watershed and pollinator education, school garden support, and scholarships for high school students pursuing studies in conservation-related fields, the RCD invests in cultivating the next generation of environmental stewards.

- Land Access: The RCD partners with California FarmLink to help producers find land opportunities by connecting land seekers and landholders to facilitate access to land and provide a gateway for getting assistance with land leases and other agreements.

Key Takeaways

- Sustainable Land Management: The RCD supports landowners, farmers, and ranchers in implementing sustainable land management practices that promote soil health, water conservation, and habitat restoration. These practices help maintain agricultural productivity while reducing environmental impact.

- Water Conservation: The District helps landowners implement water-efficient irrigation systems, manage runoff, and protect water quality to ensure that water resources are used sustainably.

- Community Education and Engagement: The organization provides educational outreach for local youth and producers. These programs focus on sustainable farming, conservation practices, and environmental stewardship, helping individuals and organizations make informed decisions about land use and resource management.

- Climate Resiliency: Through wildfire resiliency, water conservation, and restoration programs, the organization helps the community adapt to climate change and mitigate future risks.

Agricultural Conservation Easement Program (ACEP) (USDA-NRCS)

The Agricultural Conservation Easement Program (ACEP), administered by the Natural Resources Conservation Service (NRCS), is a federal initiative designed to help landowners, land trusts, and other entities protect, restore, and enhance wetlands, as well as conserve working farms and ranches through conservation easements. ACEP programs include:

1. Agricultural Land Easements (ALE): To protect the agricultural use and conservation values of eligible land by limiting non-agricultural uses. NRCS provides financial assistance to eligible partners—such as Indian tribes, state and local governments, and non-governmental organizations—to purchase agricultural land easements. For working farms, NRCS may contribute up to 50% of the fair market value of the easement.

2. Wetlands Reserve Easements (WRE): To restore, protect, and enhance wetlands on eligible lands. NRCS provides technical and financial assistance directly to private landowners and Indian tribes to restore, protect, and enhance wetlands through the purchase of a wetlands reserve easement.

Key Takeaways

- Preservation of Agricultural Land: ACEP helps landowners voluntarily place easements on their properties to prevent conversion to non-agricultural uses, such as urban development or industrialization. This ensures that agricultural land remains available for farming and ranching.
- Financial Support: The program provides financial incentives to landowners, including compensation for land development rights, allowing them to continue farming while receiving funding for land preservation.
- Increased Communication and Collaboration: ACEP works with state and local agencies, nonprofits, and conservation organizations to manage the land for long-term agricultural viability. This helps increase the collaboration and communication between parties and ensures that local conservation goals and agricultural priorities are met.

Alameda County Resource Conservation District (ACRCD) & partners: Long-Term Agricultural Leases on Public Land

In Alameda County, the ACRCD is working with public-land agencies to pilot long-term agricultural lease agreements (5-10 years) on publicly owned parcels including municipal land and land held by park districts to provide stability for urban or peri-urban farmers and emerging producers. This initiative explicitly targets underserved and beginning farmers, offering them more secure tenure and the ability to invest in infrastructure and soil health.

Key Takeaways

- Provides long-term leases (5-10 years or more) on publicly owned land, giving emerging farmers tenure stability to invest and grow.
- Uses public land assets (municipal, park district, county-owned) to expand access rather than private land markets where costs are prohibitive.
- Focuses on underserved producers, including urban/peri-urban farms, thereby addressing equity in farmland access.
- Encourages investment by lessees in soil, infrastructure and community-oriented agriculture due to longer lease terms.

- Demonstrates a collaborative model between resource conservation district, cities or park districts, and farmers, enabling land-use innovation outside typical private-farm leasing frameworks.

Profitability

Center for Farm Financial Management (University of Minnesota)

The Center for Farm Financial Management (CFFM) at the University of Minnesota specializes in developing software tools, web applications, and educational programs to enhance the financial management and marketing skills of farmers, ranchers, educators, lenders, and agricultural professionals. CFFM's programs and tools include:

- FINPACK: A comprehensive credit management software offering financial planning and analysis tools for agricultural and commercial credit analysis. It assists users in making informed financial decisions.

- AgPlan: A free online platform designed to help rural businesses develop business plans. It provides customized templates, tips, sample plans, and resources tailored to various business types, including commodity agriculture, value-added agriculture, organic transition, personal plans, and small businesses.

- FINBIN: One of the largest and most accessible sources of farm financial and production benchmark information globally. It summarizes actual farm data from thousands of agricultural producers, aiding in benchmarking financial performance.

- Benchmarking Initiatives: CFFM leads national efforts in benchmarking by collaborating with farm business management education programs across over 20 states. This initiative helps farms compare their financial performance with similar operations to identify strengths, weaknesses, and opportunities for improvement.

Key Takeaways

- Financial Support: The Center provides financial support through educational programs, financial software/tools, risk management, and business planning. These initiatives help farmers become financially literate and viable long term.

- Increased Market Reach: CFFM provides tools and resources to improve the marketing success of a producer, increasing their market reach and their economic returns.

America's Healthy Food Financing Initiative (HFFI)

America's Healthy Food Financing Initiative is a program administered by the Reinvestment Fund in collaboration with the U.S. Department of Agriculture (USDA). Established in 2010, HFFI aims

to improve access to healthy food in underserved areas, create and preserve quality jobs, and revitalize low-income communities.

- Financial Assistance: HFFI provides grants and loans to eligible healthy food retailers and food enterprises to overcome the higher costs and initial barriers to entry in areas with inequitable access.
- Technical Assistance: The initiative offers technical assistance to support the capacity of local and regional Healthy Food Financing Partnerships, aiding in the planning and development of food retail outlets or food supply chain business models that improve access to staple and perishable foods in underserved areas.

Key Takeaways

- Improved Food Access: HFFI aims to address food security by increasing food access in areas where fresh, healthy food is limited. The initiative works to support the establishment or expansion of grocery stores, farmers' markets, and other food-related businesses in these communities.
- Economic Development: The program provides financing to encourage the development or expansion of food retailers, such as grocery stores, supermarkets, and other sources of fresh food. This can include grants, loans, and tax credits to help these businesses succeed.
- Collaboration: The initiative collaborates with government agencies, nonprofit organizations, community groups, and private entities to create sustainable solutions to food access challenges.

Rancho Water: Water-Efficiency Rebates & Agricultural Water-Use Programs

Rancho Water offers a comprehensive suite of water-efficiency rebates and programs aimed at residential, commercial/HOA, and agricultural customers. For agricultural users in particular, the District provides targeted programs such as the *Regional CropSWAP Program* and *Agricultural Water Use Evaluation*, designed to offer technical and financial assistance for improving irrigation efficiency and reducing water consumption. These programs support agricultural operations in adapting to limited water availability and enhancing overall sustainability.

Key Takeaways

- Offers financial incentives (rebates) for high-efficiency irrigation controllers, sprinkler nozzles, rain barrels/cisterns, and turf replacement, helping reduce water input costs.

- Provides dedicated agricultural programs (e.g., Regional CropSWAP, Agricultural Water Use Evaluation) tailored to farm operations rather than just residential or commercial uses.
- Emphasizes technical assistance alongside financial support, enabling farms to identify water-use inefficiencies and implement improvements.
- Aligns conservation efforts across customer classes by recognizing that water savings in one segment benefit district-wide supply reliability demonstrating a systems perspective that links farm-level improvements to regional resilience.
- Uses accessible online information to guide applicants through rebates and program steps (e.g., step-by-step guides for turf replacement) to reduce confusion and increase uptake.

San Diego County Agricultural Irrigation Efficiency Program (AIEP)

The Agricultural Irrigation Efficiency Program (AIEP) offers agricultural growers in unincorporated San Diego County a free irrigation-system evaluation through the Mission Resource Conservation District, followed by cost-sharing rebates for implementing recommended efficiency upgrades. Eligible operations can receive rebates starting at $550 per acre or $5,000 per project, depending on savings achieved. The program supports producers in reducing over-watering, improving uniformity of application, and integrating irrigation scheduling and sensor technologies.

Key Takeaways

- Provides free expert evaluation of irrigation systems, including pressure, uniformity, soil type, and crop water use, to identify inefficiencies.
- Offers rebates to offset upgrade costs, starting at $550 per acre or $5,000 per project, helping reduce the financial barrier to efficiency improvements.
- Helps farms reduce operating costs by lowering water usage and avoiding over-watering, which adds up significantly for larger acreages.
- Encourages adoption of modern irrigation practices and technologies, such as scheduling tools, sensors, and improved distribution uniformity.
- By improving resource efficiency, the program contributes to long-term resilience of agricultural operations under water constraints and changing climate conditions.

5.0 Case Studies: Implementation of Best Practices

Implementation challenges facing the sustainability and viability of local agriculture producers identified in this report include water access, foreign competition, and lack of communication. These issue areas provide guidance in determining where our recommendations will focus while reviewing policies and programs that have been successful in their implementation to mitigate these key challenges.

There are examples of programs that are centered around supporting the economic sustainability of small farms. These case studies highlight real-world applications of best practices in policy, food systems, land management, and profitability, demonstrating how targeted interventions can enhance financial viability, strengthen local food networks, and promote long-term sustainability. By examining these examples, we can identify key lessons and replicable strategies that may inform future initiatives in San Diego County. The following case studies showcase successful implementation efforts and their impact on small farms.

North Plains Groundwater Conservation District (TX) - Water Conservation Center

The Water Conservation Center (WCC) serves as a dedicated facility for advancing water conservation practices in the Texas Panhandle. Located in Dumas, Texas, the WCC focuses on research, demonstration, and education to promote sustainable water use, particularly concerning the Ogallala Aquifer. The WCC conducts projects to showcase efficient irrigation techniques and crop management strategies. Notably, the "3-4-5 Gallon Production Maximization (GPM) Corn Demonstration Project" evaluates water-use efficiency by simulating various irrigation conditions to optimize water use in corn production. Additionally, the Irrigation Conservation Initiative offers cost-share assistance for soil moisture probes, pivot monitoring systems, and other water-saving technologies and the Master Irrigator Program aims to teach producers advanced irrigation management and conservation practices that save water, conserve energy, build soil health, and enhance farm profitability. These efforts aim to extend the lifespan of the Ogallala Aquifer by improving water conservation practices while maintaining agricultural productivity in one of the nation’s most water-scarce farming regions.

Challenges Addressed: Small-scale producers in the region struggle with declining groundwater levels, high irrigation costs, and limited access to advanced water-saving technologies. The WCC helps mitigate these issues by providing research-based irrigation strategies, cost-sharing opportunities for conservation equipment, and education on maximizing water efficiency. The WCC equips small producers with the knowledge and tools to maintain productivity while reducing water use, ensuring the long-term viability of their operations in an increasingly arid climate.

Results:

- As of 2018, 45 participants had completed the Master Irrigator Program, collectively managing approximately 127,000 acres of irrigated cropland within the district. These graduates secured contracts totaling $795,000 through the Environmental Quality Incentives Program (EQIP) to implement conservation practices on their farms.

- The Demonstration Project achieved total water savings of approximately 275.73 acre-feet, averaging 1.77 inches of irrigation water saved per acre annually over a three-year period.

Agricultural Utilization Research Institute (AURI) (MN) - Agriculture Innovation Center (AIC)

AURI's Agriculture Innovation Center (AIC) in Minnesota provides technical and business development assistance to value-added agriculture producers. Funded through the United States Department of Agriculture Rural Business-Cooperative Service, this program is designed to aid in the development and marketing of value-added products. The Agricultural Utilization Research Institute (AURI)'s Center provides producers with business, market, and process development services, value-chain coordination, and product development. Coupled with the USDA's Value Added Producer Grant (VAPG) program, which helps small agricultural producers enter value-added activities to generate new products, create and expand marketing opportunities, and increase producer income through funding, this program played a crucial role in helping small farms and food entrepreneurs in Minnesota bring new products to market, explore alternative crops, and improve processing efficiencies.

Small-scale producers in the region struggle with financial instability, access to resources, market uncertainty, and limiting agricultural regulations. The AURI AIC helps address these issues by helping producers develop and market value-added products with technical assistance, feasibility studies, and business support. The center also aids in overcoming processing and supply chain limitations while promoting sustainable practices to meet evolving consumer demands. By offering resources for product development, funding guidance, and marketing support, AURI AIC helps small farms become more competitive and economically viable within Minnesota's agricultural sector.

Results:

Since its establishment in 2000, AURI AIC has:

- Helped over 1,000 businesses in the agriculture sector, including farmers, food processors, and entrepreneurs, by providing technical assistance, business support, and access to new market opportunities.

- Assisted in the development of more than 500 new products across various agricultural sectors, including food, bio-based products, and renewable energy solutions. These products have helped expand the range of locally produced goods and create new revenue streams for farmers and entrepreneurs.
- Helped businesses secure millions of dollars in private and public funding to support the commercialization of new products and technologies. This funding has facilitated growth and expansion in the agricultural sector.
- Contributed to millions of dollars in increased sales for small businesses in Minnesota, through improved marketing, branding, and product development efforts. This increase in sales helps support the long-term sustainability and profitability of these businesses.

Farm Service Agency – Dairy Management Coverage (DMC) Program

The DMC program is a voluntary USDA Farm Service Agency (FSA) program that provides dairy operations with risk management coverage that will pay producers when the difference between the national price of milk and the average cost of feed falls below a certain level selected by the program participants. It was created under the 2018 Farm Bill to help dairy producers protect themselves against financial losses due to the gap (or "margin") between the cost of production and the retail price. Producers pay a premium to enroll, and when the margin (milk price minus feed cost) falls below a set threshold, they receive payments to offset the loss.

Dairy markets are highly unstable and global. U.S. milk prices can swing widely because of factors like international competition (especially from Canada, Europe, and New Zealand), trade policy shifts, and global supply and demand. Changes in trade agreements (like United States-Mexico-Canada Agreement or USMCA) aim to help, but foreign competition still affects U.S. pricing. The DMC Program helps mitigate the risk of going into an agricultural business with threats from foreign markets. Additionally, DMC is particularly helpful for small-scale dairy farms, which are more vulnerable to dramatic profit losses during unpredictable market shifts due to anything ranging from foreign competitions to extreme weather events.

Results:

- In 2021, about 13,000 dairy operations enrolled in DMC, covering roughly 60% of all U.S. licensed dairy farms.
- Over $1.1 billion in DMC payments were distributed to enrolled farmers due to low milk margins in 2021. For 2022, total payments were lower (around $100 million) because margins improved somewhat compared to 2021. In 2023, payouts increased again because feed prices stayed high and milk prices softened.
- Smaller dairies (under 5 million pounds of annual production) benefited most because they qualify for subsidized premium rates at the highest coverage levels. Farms covering the maximum allowed production (5 million pounds or less) received the bulk of total program payments.
- Analysis shows that DMC-enrolled farms were about 30% less likely to go out of business compared to non-enrolled farms during severe margin squeezes like the one experienced in 2021.

6.0 Conclusion

The documentation of Best Practices analysis is to provide real opportunities about what works and how to improve and adapt strategies and activities to the San Diego County agricultural landscape. The best practices identified in this report confirm that sustaining and expanding small-scale agriculture in San Diego County requires a multifaceted approach. Targeted policy reforms, strategic water management, improved communication channels, enhanced financial support, and robust local food systems are all critical to enhancing the resilience and profitability of small farms. Key takeaways from this report are:

1. Water Access and Affordability Remain Critical Challenges: Sustainable water management practices, incentive-based conservation programs, water fee restructuring, and infrastructure investments are essential to ensuring the long-term viability of small farms in San Diego County.

2. Economic Competition Requires Strategic Market Support: Local producers face significant pressure from foreign competition, emphasizing the need for programs that support value-added production, direct-to-consumer models, and regional food systems to enhance local market resilience.

3. Effective Communication and Advocacy are Needed: Establishing/strengthen a centralized agricultural liaison or advocacy office would improve coordination between local agencies, resource providers, and producers, helping farmers access vital grants, programs, and technical assistance.

4. Policy Interventions Can Strengthen Agricultural Viability: Best practices demonstrate that streamlined regulations, conservation easements, and incentive programs can reduce barriers and promote sustainable agricultural land use.

5. Collaborative, Locally Focused Food Systems Build Resilience: Initiatives that connect producers directly with consumers, promote cooperative business models, and invest in local food infrastructure can mitigate external competition and improve food security.

6. Land Access and Conservation are Vital: Long-term access to affordable farmland, supported through conservation programs and innovative land tenure models, is necessary for protecting San Diego's agricultural future.

7. Accessible, Targeted Education and Support is Essential for Small-Scale Profitability: Financial education, benchmarking, grant access, and diversification strategies empower small farms to adapt to economic challenges and ensure sustainable business operations.

By learning from successful case studies and adapting proven strategies, San Diego County has a clear pathway to support its agricultural producers. Future success will depend on fostering partnerships across government agencies, non-profits, and the private sector, and ensuring that programs are flexible, inclusive, and responsive to the evolving needs of the agricultural community.

The insights from SALC 2.0 lay a strong foundation for future strategic planning efforts aimed at protecting agricultural lands, improving economic sustainability, and reinforcing San Diego's role as a leader in local food production and environmental stewardship.