OVERVIEW
In 2019, the direct economic output from agricultural production in San Diego county totaled $1.79 billion. According to the American Farmland Trust, more than one-third of the country’s vegetables and two-thirds of its fruits and nuts are grown in California, yet there is an average loss of nearly 50,000 acres of California farmland and ranchland each year. Since 2009, over 60,000 acres of agricultural land within the San Diego region has been converted to another use - representing a loss of approximately 20% of all agriculturally productive lands within the county. The County of San Diego’s (County) Purchase of Agricultural Conservation Easement (PACE) Program promotes the long-term preservation of agricultural land in the unincorporated area. Willing property owners are compensated for placing perpetual easements on their agricultural property, limiting future uses to agricultural operations, and extinguishing future development potential. The PACE Program is a key component of the County’s sustainability efforts. Since the inception of the PACE Program in 2011, the County has preserved 2,405 acres of agricultural land. As directed by the Board of Supervisors (Board) on April 13, 2011 (1), the current PACE Program eligibility is limited to properties that received a reduction in the amount of potential development through changes in land use designations as part of the 2011 General Plan Update; the current eligibility encompasses 101,742 acres. The number of applications received for participation in the program has decreased from 60 applications during the pilot program in 2012 to 12 applications in the 2020 application cycle. Staff continues to receive inquiries from property owners interested in participating in the PACE Program, but many are not eligible because their property did not experience a density reduction in 2011.

The County of San Diego’s 2018 Climate Action Plan (2018 CAP) Greenhouse Gas Reduction Measure T-1.2 (Acquire Agricultural Easements) provided direction to update the PACE Program by expanding the eligibility criteria and increasing the annual easement acquisition goal from 230 acres to 443 acres to help achieve a greenhouse gas (GHG) emissions reduction of 2,330 metric tons of carbon dioxide equivalent by 2030. Although the Superior Court ordered the County to set aside and vacate the February 14, 2018 (1) approvals and the certification of the Final Supplemental Environmental Impact Report, pending adoption of a new Climate Action Plan, the County will continue to independently implement the 26 GHG emissions reduction measures and sustainability initiatives and programs identified in the 2018 Climate Action Plan to reduce GHG emissions to meet the State’s 2030 reduction target. To meet the County’s objectives to promote long-term preservation of agriculture in the unincorporated area and reduce GHG emissions, staff recommends updates to the PACE Program Guidelines to expand the pool of eligible property owners. The proposed eligibility expansion would encompass a total of 628,922 acres within the unincorporated area.

Additionally, staff has prepared options to update the ranking criteria used to select applicants best suited to meet the PACE Program's goals, the Conservation and Open Space Element of the General Plan, and support the County’s climate action planning and sustainability efforts. This is a request for
the Board to adopt new ranking criteria and update the PACE Program Guidelines, which will expand opportunities for preservation by increasing the number of properties eligible in the unincorporated area to participate.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find in accordance with Sections 15061(b)(3), 15317, and 15325(b) that the Purchase of Agricultural Conservation Easement (PACE) Program Update is exempt from the provisions of the California Environmental Quality Act (CEQA) Guidelines because the program consists of the establishment of agricultural preserves, CEQA does not apply to transfers of ownership in land to preserve natural conditions, such as agriculture, and because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

2. Adopt the updated Purchase of Agricultural Conservation Easement (PACE) Program Guidelines (Attachment A-1, on file with the Clerk of the Board).

3. Direct staff to implement the updated PACE application ranking criteria based on direction on the options presented.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2020-21 Operational Plan in the Department of Planning & Development Services. There will be no change in net General Fund cost and no additional staff years. To date, a total of $11.2 million has been allocated from the General Fund, of which $4.0 million is currently available to be used for Purchase of Agricultural Conservation Easement Program acquisitions through Fiscal Year 2022-23 with no additional funds needed. Annual appropriations will be requested in Fiscal Year 2023-24, estimated to be $1,910,000, and will be included in future Operational Plans after the $4.0M has been spent.

BUSINESS IMPACT STATEMENT

By permanently preserving agricultural land and resources, and providing property owners compensation for conservation easements, the Purchase of Agricultural Conservation Easement (PACE) Program makes the sustainability of agriculture more viable in the long term. The PACE Program supports continued agricultural uses in the unincorporated area by creating more affordable properties for farmers through direct compensation from the County of San Diego for establishing the easement and potential reduced property tax values. The PACE Program also results in greenhouse gas emissions reductions through decreased transportation, energy use, waste, and water consumption based on the reduced development potential associated with preserving agricultural lands.

ACTION:

ON MOTION of Supervisor Vargas, seconded by Supervisor Fletcher, the Board of Supervisors took the following actions:

1. Found in accordance with Sections 15061(b)(3), 15317, and 15325(b) that the Purchase of Agricultural Conservation Easement (PACE) Program Update is exempt from the provisions of the California Environmental Quality Act (CEQA) Guidelines because the program consists of the establishment of agricultural preserves, CEQA does not apply to transfers of ownership in land to preserve natural conditions, such as agriculture, and because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
2. Adopted the updated Purchase of Agricultural Conservation Easement (PACE) Program Guidelines.

3. Directed staff to implement the updated PACE application ranking criteria, adopting Option 2 presented by staff of the PACE Program Ranking Options – Agricultural Importance Emphasis, with Ranking Factors as follows:
   - Agricultural importance = 3
   - Contribution as a wildlife buffer = 2
   - GHG emissions reduction = 1
   - Compatibility with land uses = 1
   - Voluntary wildlife best-management practices = 1

AYES: Vargas, Anderson, Lawson-Remer, Fletcher, Desmond

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors

Signed by Andrew Potter