



September 17, 2018

MEETING NOTICE & REQUEST FOR RSVP

TO: AGRICULTURAL WATER ADVISORY COMMITTEE

Jurisdiction

District 1
District 2
District 3
District 5
District 6
District 7
Santa Clara County Farm Bureau
Private Well Owner (Non Retail)

Representative

Russ Bonino, Mitchell Mariani
James Provenzano
William Cilker, David Vanni
Jan F. Garrod, Michael Miller
Robert Long
Sandra Carrico
Sheryl O. Kennedy
Dhruv Khanna

The regular meeting of the Agricultural Water Advisory Committee is scheduled to be held on **Monday, October 1, 2018, at 1:30 p.m.**, in the Headquarters Building Boardroom located at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California. Refreshments will be served.

Enclosed are the meeting agenda and corresponding materials. Please bring this packet with you to the meeting. Additional copies of this meeting packet are available on our new website at <https://www.valleywater.org/how-we-operate/committees/board-advisory-committees>.

A majority of the appointed membership is required to constitute a quorum, which is fifty percent plus one. A quorum for this meeting must be confirmed at least 48 hours prior to the scheduled meeting date or it will be canceled.

Further, a quorum must be present on the day of the scheduled meeting to call the meeting to order and take action on agenda items.

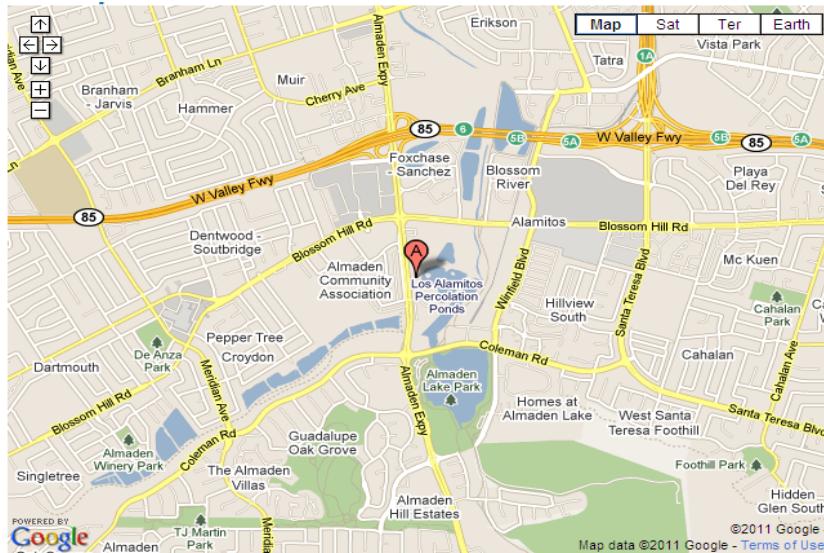
Members with two or more consecutive unexcused absences will be subject to rescinded membership.

Please confirm your attendance no later than **1:00 p.m., Thursday, September 27, 2018**, by contacting Ms. Vicki Elam at 1-408-630-3056, or velam@valleywater.org

Enclosures



**Santa Clara Valley Water District - Headquarters Building,
5700 Almaden Expressway, San Jose, CA 95118**



From Oakland:

- Take 880 South to 85 South
- Take 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Morgan Hill/Gilroy:

- Take 101 North to 85 North
- Take 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- Cross Blossom Hill Road
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Sunnyvale:

- Take Highway 87 South to 85 North
- Take Highway 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From San Francisco:

- Take 280 South to Highway 85 South
- Take Highway 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Downtown San Jose:

- Take Highway 87 - Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (first traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Walnut Creek, Concord and East Bay areas:

- Take 680 South to 280 North
- Exit Highway 87-Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance



Santa Clara Valley Water District Agricultural Water Advisory Committee Meeting

HQ Boardroom
5700 Almaden Expressway
San Jose, CA 95118

REGULAR MEETING AGENDA

**Monday, October 1, 2018
1:30 PM**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

All public records relating to an item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown

**Santa Clara Valley Water District
Agricultural Water Advisory Committee**

**REGULAR MEETING
AGENDA**

Monday, October 1, 2018

1:30 PM

HQ Boardroom

1. CALL TO ORDER:

- 1.1. Roll Call.
2. Time Open for Public Comment on any Item not on the Agenda.

Notice to the public: This item is reserved for persons desiring to address the Committee on any matter not on this agenda. Members of the public who wish to address the Committee on any item not listed on the agenda should complete a Speaker Form and present it to the Committee Clerk. The Committee Chair will call individuals in turn. Speakers comments should be limited to two minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Committee may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

- 3.1. Approval of Minutes. 18-0502

Attachments: [040218 Ag Wtr DRAFT Mins](#)
Est. Staff Time: 5 Minutes

4. ACTION ITEMS:

- 4.1. Update on the Santa Clara Valley Agricultural Plan. 18-0503
Attachments: [Attachment 1: SCVAP FINAL Jan 2018](#)
Est. Staff Time: 10 Minutes
- 4.2. Update on District efforts related to flood risk reduction, agricultural lands, and groundwater recharge in the Coyote Valley area. 18-0504
Attachments: [Attachment 1: PowerPoint](#)
Est. Staff Time: 15 Minutes

4.3. Staff Responses to Agricultural Water Advisory Committee's Recommendations from the Special February 26, 2018, Meeting. [18-0505](#)
Attachments: [Attachment 1: Letter OSA](#)
[Attachment 2: Memo D Khanna](#)
Est. Staff Time: 30 Minutes

4.4. Update on California WaterFix. [18-0666](#)
Attachments: [Attachment 1: PowerPoint](#)
Est. Staff Time: 20 Minutes

4.5. Review Agricultural Water Advisory Committee Work Plan, the Outcomes of Board Action of Committee Requests; and the Committee's Next Meeting Agenda. [18-0506](#)
Attachments: [Attachment 1: 2018 Work Plan](#)
[Attachment 2: January 7 Draft Agenda](#)
Est. Staff Time: 5 Minutes

5. Clerk Review and Clarification of Committee Requests.
This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.

6. REPORTS:

- 6.1. Director's Report
- 6.2. Manager's Report
- 6.3. Committee Member Reports

7. ADJOURN:

- 7.1. Adjourn to Regular Meeting at 1:30 p.m., on Monday, January 7, 2019, in the Santa Clara Valley Water District HQ Boardroom, 5700 Almaden Expressway, San Jose, California.

This Page Intentionally Left Blank

File No.: 18-0502

Agenda Date: 10/1/2018

Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM

Agricultural Water Advisory Committee

SUBJECT:

Approval of Minutes.

RECOMMENDATION:

Approve the April 02, 2018, Meeting Minutes.

SUMMARY:

A summary of Committee discussions, and details of all actions taken by the Committee, during all open and public Committee meetings, is transcribed and submitted for review and approval.

Upon Committee approval, minutes transcripts are finalized and entered into the District's historical records archives and serve as historical records of the Committee's meetings.

ATTACHMENTS:

Attachment 1: 040218 Draft Meeting Minutes.

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711

This Page Intentionally Left Blank



AGRICULTURAL WATER ADVISORY COMMITTEE MEETING

DRAFT MINUTES

**MONDAY, APRIL 2, 2018
1:30 PM**

(Paragraph numbers coincide with agenda item numbers)

A regularly scheduled meeting of the Agricultural Water Advisory Committee was held on April 2, 2018, in the Headquarters Building Boardroom at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California.

1. CALL TO ORDER/ROLL CALL

Chair Mitchell Mariani called the meeting to order at 1:32 p.m.

Members in attendance were:

<u>Jurisdiction</u>	<u>Representative</u>
District 1	Russ Bonino
District 3	Mitchell Mariani
District 5	William Cilker
District 6	David Vanni
Santa Clara County Farm Bureau	Jan Garrod
Private Well Owner (Non Retail)	Michael Miller
	Robert Long
	Sheryl O. Kennedy
	Dhruv Khanna

Members not in attendance were:

<u>Jurisdiction</u>	<u>Representative</u>
District 2	James Provenzano

Board members in attendance were: Director Nai Hsueh, Board Alternate, Director Richard P. Santos, and Director John L. Varela, Board Representatives.

Staff members in attendance were: Jennifer Abadilla, Glenna Brambill, George Cook, Jerry De La Piedra, Vanessa De La Piedra, Emily Gross, Anthony Mendiola, Medi Sinaki, Darin Taylor, Sherilyn Tran and Stan Yamamoto.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON AGENDA

There was no one present who wished to speak.

3. APPROVAL OF MINUTES

3.1 Approval of Minutes

It was moved by Mr. David Vanni, seconded by Mr. Michael Miller and unanimously carried to approve the minutes of the February 26, 2018, Agricultural Advisory Committee special meeting, with the correction of the motion for agenda item 4.1 on page 2. (*that the Board direct staff to provide a more equitable analysis of the impacts of development throughout the county and the ecosystem benefits of agriculture.*)

4. ACTION ITEMS

4.1 REVIEW AND COMMENT TO THE BOARD ON THE FISCAL YEAR 2018 - 2019 PROPOSED GROUNDWATER PRODUCTION CHARGES

Mr. Darin Taylor reviewed the materials as outlined in the agenda item and the PAWS Report was made available to the Committee Members.

Mr. Jan Garrod, Mr. Dhruv Khanna, Mr. Mitchell Mariani, , Director John L. Varela, Ms. Sherrie Kennedy and Mr. Doug Muirhead a resident of Morgan Hill, spoke about their concerns with the groundwater production charges process, dams, farmers' usage, open space credit, increases and property taxes.

Director Nai Hsueh, Mr. Stan Yamamoto and Director Richard P. Santos were available to answer questions.

The Agricultural Water Advisory Committee (Committee) took the following action: It was moved by Mr. Dhruv Khanna, seconded by Mr. Michael Miller and unanimously carried to approve the Committee's recommendation of limiting the increase of the Groundwater Production charge not to exceed 7%.

4.2 CIVIC ENGAGEMENT

Ms. Sherilyn Tran reviewed the materials as outlined in the agenda item.

Mr. Michael Miller and Mr. Robert Long had questions about civic engagement.

No action was taken.

4.3 ZONE OF BENEFIT STUDY

Ms. Vanessa De La Piedra introduced the subject and presenter Mr. George Cook who reviewed the materials as outlined in the agenda item.

Mr. William Cilker left at 3:01 p.m. and did not return.

Mr. Jan Garrod, Mr. Dhruv Khanna had questions about the zone of benefit

Mr. Jerry De La Piedra was available to answer questions.

No action was taken.

4.4 REVIEW AGRICULTURAL WATER ADVISORY COMMITTEE WORK PLAN, THE OUTCOMES OF BOARD ACTION OF COMMITTEE REQUESTS AND THE COMMITTEE'S NEXT MEETING AGENDA

Chair Mitchell Mariani and Ms. Glenna Brambill reviewed the materials as outlined in the agenda item.

The next meeting will be July 9, 2018, instead of July 2, 2018.

No action was taken.

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS TO THE BOARD

Ms. Glenna Brambill reported there was one action item for Board consideration.

The Committee approved the following item under Agenda Item 4.1:
That the Board considers the Committee's recommendation of limiting the Groundwater Production charge not to exceed 7%.

6. REPORTS

6.1 Director's Report

Director John L. Varela reported on the following:

- Board Action
- Water Supply
- Flood Protection
- Community Outreach

Director Richard P. Santos reported on the following:

- Open Space Credit Policy background

6.2 Manager's Report

Mr. Jerry De La Piedra reported on the following:

- There will be a Water Conservation and Demand Management Committee meeting on April 30, 2018.

6.3 Committee Member Reports

None.

7. ADJOURNMENT

Chair Mariani adjourned at 3:30 p.m. to the next regular meeting on Monday, July 9, 2018, at 1:30 p.m., in the Santa Clara Valley Water District Headquarters Building Boardroom.

Glenna Brambill
Board Committee Liaison
Office of the Clerk of the Board

Approved:

File No.: 18-0503

Agenda Date: 10/1/2018

Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM

Agricultural Water Advisory Committee

SUBJECT:

Update on the Santa Clara Valley Agricultural Plan.

RECOMMENDATION:

This is a discussion item and the Committee may provide comments if applicable, however no action is required.

SUMMARY:

The Santa Clara Valley Agricultural Plan (SCVAP) is an effort led by the County of Santa Clara (County) and the Santa Clara Valley Open Space Authority (Authority) to create a comprehensive regional framework for preserving the remaining working lands in Santa Clara County, supporting a vibrant agricultural economy, and reducing the future effects of climate change. Santa Clara Valley Water District (District) staff participated in plan development by serving on the technical advisory committee. The greatest nexus with the District mission would most likely be through easements or incentives related to stormwater recharge or other water resource management activities on agricultural lands. This item provides information on the SCVAP and the District nexus.

BACKGROUND:

The SCVAP, formerly called the Santa Clara Valley Climate and Agricultural Preservation Plan (CAPP), development began in November 2016 and the final plan was approved by the Santa Clara County Board of Supervisors in January 2018. SCVAP is designed to be implemented by 2030 to align with the State's SB 32 Climate Goals (year 2006), and has the following three goals:

- Keep our working agriculture lands at work
- Develop a regional awareness campaign to honor the importance of agriculture to Santa Clara Valley
- Craft a unified regional land use policy framework for the future

The District has the greatest nexus with the first and third goals because the District has identified the role preserving open space has in protecting water resources.

The SCVAP is led by the County and the Authority. SCVAP had a technical panel that advised on the planning process and included members from the farming community and local stakeholder agencies, including Gilroy, Morgan Hill, San Jose, and the District. The SCVAP built upon studies, plans, and policies that have been developed by the County, cities, and private organizations to

address farmland preservation.

To achieve the plan goals by 2030, SCVAP provides four interrelated “Focus Areas,” including 1) land use policy, 2) regional agricultural conservation easement program and other voluntary financial incentives, 3) agricultural economic development strategy, and 4) branding, education, and awareness strategy. The greatest nexus with the District is most likely in Focus Area 2 (regional agricultural conservation easement program and other voluntary financial incentives). Easements and voluntary financial incentives could be used to implement stormwater recharge projects on agricultural land as part of the initial water use efficiency projects that have been identified in the update to the District’s Water Supply Master Plan. These projects, which District staff refers to as the “No Regrets Package”, were approved by the Board for planning on September 19, 2017. In addition, a nexus may also exist with a rangeland management program, if included in the District’s One Water Plan. The rangeland management program would work with other agencies such as Resource Conservation Districts to provide resources to ranchers so that they can increase soil carbon sequestration and reduce stormflow runoff from their lands.

Currently, the County and the Authority have established a SCVAP Implementation Task Force. The task force includes District Board Member John Varela, Supervisors Mike Wasserman and Dave Cortese, Alex Kennett, Laurel Prevetti, Kevin O’Day, Erin Gil, Vito Chiala, Jeffrey Smith, Lawrence Ames, and Jane Howard. The goal of the Task Force is to develop specific recommendations for how to implement the strategies within each SCVAP Focus Area and identify potential funding opportunities. Their first meeting was held April 26, 2018 and the Task Force has scheduled meetings monthly through December 2018.

NEXT STEPS

District staff will continue to work with the County and the Authority throughout the planning and development of the No Regrets Package agricultural land stormwater recharge project and the One Water rangeland management program.

ATTACHMENTS:

Attachment 1: Santa Clara Valley Agricultural Plan

UNCLASSIFIED MANAGER:

Garth Hall, 408-630-2750



Santa Clara Valley

Agricultural Plan:

INVESTING IN OUR WORKING LANDS
FOR REGIONAL RESILIENCE

January 2018
County of Santa Clara
Santa Clara Valley Open Space Authority

FINAL DRAFT: JANUARY 03, 2018



It is our pleasure to present to you the Santa Clara Valley Agricultural Plan.

The Santa Clara Valley Agricultural Plan represents our commitment to recognize and support our working agricultural lands, one of Santa Clara County's most valuable resources.

Although our agricultural working lands have often been overlooked within the shadow of Silicon Valley, the Santa Clara Valley Agricultural Plan acknowledges the vital importance of the Santa Clara Valley agriculture to the region -not only as a critical food source, but also as key to the long-term sustainability and health of our County, food security, greenhouse gas reductions, climate resilience, and various ecosystem co-benefits.

The Santa Clara Valley Agricultural Plan reflects a two-year effort between the County of Santa Clara, the Santa Clara Valley Open Space Authority, and multiple partner agencies and individuals; it assembles some of the most innovative policy and economic development tools to provide a comprehensive framework that ensures the support and growth of our regional agricultural economy.

We invite you to join us in this effort. Together we can develop a vibrant and strong regional agricultural economy in Santa Clara County.



President David Cortese
Supervisorial District 3,
Santa Clara County Board of Supervisors



Supervisor Mike Wasserman
Supervisorial District 1,
Santa Clara County Board of Supervisors



Mike Flaughner
Chair of the Board,
Santa Clara Valley Open Space Authority



Alex Kennett
Vice-Chair of the Board,
Santa Clara Valley Open Space Authority



Santa Clara Valley

Agricultural Plan:

INVESTING IN OUR WORKING LANDS
FOR REGIONAL RESILIENCE

Final Draft - January 03, 2018

A regional effort led by the County of Santa Clara and the Santa Clara Valley Open Space Authority



team

COUNTY OF SANTA CLARA

KIRK GIRARD

Planning Director

ROB EASTWOOD

Planning Manager

MANIRA SANDHIR

Principal Planner

CHARU AHLUWALIA

Associate Planner

STEVE BORGSTROM

GIS Analyst

JOE DEVINEY

Agricultural Commissioner

SANTA CLARA VALLEY OPEN SPACE AUTHORITY (OSA)

ANDREA MACKENZIE

General Manager

MATT FREEMAN

Assistant General Manager

JAKE SMITH

Conservation GIS Coordinator

CONSULTANTS

AMIE MACPHEE

CULTIVATE

Founder

CANDICE MILLER

CULTIVATE

Lead Graphic Designer

SIBELLA KRAUS

*SUSTAINABLE AGRICULTURE
EDUCATION (SAGE)*

President

JOSEPH MCINTYRE

AG INNOVATIONS

President

SHELLEY SMITH

AG INNOVATIONS

Project Associate

ROB KING

AG INNOVATIONS

Project Associate

MATT KOWTA

BAE URBAN ECONOMICS INC

Managing Principal

STEVE SHAFFER

ENVIRONMENTAL CONSULTING

FOR AGRICULTURE

GHG Analyst

MICHAEL MEEHAN

ACRE POLICY

Founder, State and
Regional Policy Director

MARIANNA LEUSCHEL

L STUDIO

Communications Strategist

APARNA GAZULA

UNIVERSITY OF CALIFORNIA

*COOPERATIVE EXTENSION -
COUNTY OF SANTA CLARA*

Small Farm Advisor

technical panels

FARMING AND FOOD SECTOR

APARNA GAZULA

UC Cooperative Extension
Small Farm Advisor

BILL CHIALA

Ag Specialist

ERIN GILL

Grass Farm Business Owner,
President Santa Clara County
Farm Bureau

GREG LEONARD

Santa Clara County Food
Systems Alliance

JANET BURBACK

Owner-Tilton Ranch; President,
Santa Clara County Farm Bureau

JOHN TELFER (MORGAN HILL)

Realtor, South County farmland

JULIE HUTCHESON

Santa Clara County Food
Systems Alliance

PETE AIELLO

Usegi Farms Owner/President

SAM AND NICK THORP

Spade and Plow Farm Owners

SHEILA BARRY

UC Cooperative Extension–Livestock
and Natural Resources Advisor

MUNICIPAL

ANTHONY EULO

Program Administrator,
City of Morgan Hill

BRIAN MENDENHALL

Project Manager, Water Resources
Planning and Policy Unit, Santa
Clara Valley Water District

JARED HART

Supervising Planner, Long Range
Planning, City of San Jose

JOHN BATY

Principal Planner,
City of Morgan Hill

KRISTI ABRAMS

Community Development Director,
City of Gilroy

REBECCA TOLENTINO

Interim Planning Manager,
City of Gilroy

SAMANTHA GREENE

Assistant Water Resources
Specialist, Santa Clara Valley
Water District

STEVE RYMER

City Manager, Morgan Hill

advisors

AGRICULTURAL EASEMENT IMPLEMENTATION

CHRIS KELLY

CA Director,
The Conservation Fund

DARLA GUENZLER

Executive Director,
Wildlife Heritage Foundation

JEFF STUMP

MALT Conservation Director

NANCY SCHAEFER

Bay Area Program Director,
California Rangeland Trust

TOM SCHARFFENBERGER

Private Agricultural Conservation
Easement Consultant

CRAIGE EDGERTON

Former Executive Director,
Land Trust of Santa Clara Valley

KATHRYN LYDDAN

Assistant Director for the Department of
Conservation's Division of Land Resource Protection

FARMING ECONOMICS AND VITALITY

DAVE RUNSTEN

Policy Director, Community Alliance
with Family Farmers (CAFF)

ED THOMPSON

Retired California Director,
American Farmland Trust

SERENA UNGER

Policy Associate,
American Farmland Trust

JIM LEAP

Farmer / Innovator
(Santa Cruz County)

REGGIE KNOX

Executive Director,
FarmLink

MIKA MAEKAWA

Central Coast Regional Program
Coordinator, FarmLink

JUSTIN FIELDS

President, Santa Clara
Cattlemen's Association

STEPHEN HOHENRIEDER

Private equity investor -
integrated food systems and
agricultural enterprises

STEPHANIE MORENO

Executive Director, Guadalupe
Coyote Resource Conservation
District

KEVIN O'DAY

Rancher, Former Santa Clara
County Agricultural Commissioner

DUNCAN MACEWAN

Principal Economist,
ERA Economics

LAND USE PLANNING AND POLICY

BILL KEENE

General Manager, Sonoma
County Agricultural Preservation
and Open Space District

BRIAN SCHMIDT

Program Manager,
Greenbelt Alliance

DAVID MORRISON

Planning Director,
Napa County

DAVID SHABAZIAN

Rural-Urban Connections
Strategy Manager, Sacramento
Council of Governments

DON WEDEN

Former Santa Clara County
Planning Principal Planner

ELI ZIGAS

Food and Agriculture Policy
Director, SPUR

JEANNE MERRILL

Policy Director, CA Climate
and Agriculture Network

NEELIMA PALACHERLA

Executive Officer, Santa Clara
County LAFCO

PETE PARKINSON

Former Planning Director,
Sonoma County

Thank you to all who provided valuable input and advice to help form the Valley Agricultural Plan.

contents

01

VISION	1
1.1 Introduction	1
1.2 A Vision for a Shared Future	4
1.3 Foundational Goals	5
1.4 The Agriculture Plan Framework	6

02

BACKGROUND	9
2.1 Local and Regional Context of the Agricultural Resource Area (ARA)	10
2.2 Existing Agricultural Land Preservation Policies	12
2.3 Other Efforts in the Bay Area	14
2.4 Valley Agriculture Plan Development Process	15

03

KEY FINDINGS	19
3.1 Santa Clara Valley Agriculture and its Benefits to the Region	19
3.2 Trends and Challenges - Santa Clara County Agriculture	24
3.3 Remaining Agricultural Resources and the Risk of Doing Nothing	31
3.4 Supporting the growth of a Vibrant Agricultural Economy	33

04

ORGANIZING FRAMEWORK	35
4.1 An Integrated Vision for growing Santa Clara Valley's Agricultural Economy	35
4.2 Focus Areas and Main Objectives	36
4.3 What Success Looks Like	38

05

FOCUS AREA: LAND USE POLICY	43
------------------------------------	-----------

06

FOCUS AREA: REGIONAL AGRICULTURAL CONSERVATION EASEMENT PROGRAM & OTHER FINANCIAL INCENTIVES	51
---	-----------

07

FOCUS AREA: AGRICULTURAL ECONOMIC DEVELOPMENT STRATEGY	59
---	-----------

08

FOCUS AREA: BRANDING EDUCATION & AWARENESS STRATEGY	67
--	-----------

09

IMPLEMENTATION OF THE AG PLAN:	75
9.1 Recommended Implementation Priority	76
9.2 Initial Organizational Framework	78

MAPS, TABLES + GRAPHS

Map 2-1 The Santa Clara Valley Agricultural Resource Area (ARA)	10
Map 2-2 County of Santa Clara - Rural Zoning Designations	13
Map 2-3 County of Santa Clara - Williamson Act Contract Lands	13
Map 3-1 Food Security	21
Map 3-2 Area Overview of Ag Lands and Conversions 1984-2014	25
Map 3-3 Potential Development of Farmland	25
Map 3-4 Risk of Doing Nothing	31
Map 4-1 What Success Looks Like	39
Map 5-1 Viable Ag Lands within the ARA	44
Map 5-2 ARA Sub-Areas	45
Graph A 1980-2013 Harvested Irrigated Acreage and Production Value Per Acre	20
Graph B Development of Ag Lands 1986-2014	29

APPENDIX (SEPARATE DOC)

- A** Relevant portions of County Santa Clara's General Plan policies that address the preservation of agricultural land in the Santa Clara Valley
- B** List of Advisors and Technical Panel Members
- C** Advisors' Meetings & Advisors' Group Meeting Notes
- D** Technical Panel Meetings and Meeting Notes
- E** List of presentations & updates to County & OSA Boards, City Councils, LAFCO & Farm Bureau
- F** Report - The Economic Contribution of Agriculture to the County of Santa Clara, Agricultural Commissioner's Office (2014)
- G** Report - Comparing Greenhouse Gas Emissions from Southern Santa Clara County Rangeland and Irrigated Cropland & Santa Clara County Urban Lands, Steve Shaffer (2016)
- H** Map of existing agriculture related infrastructure in Santa Clara Valley
- I** ARA Sub-area Characteristics and Maps

“

There is something about the aesthetic of managed working lands -- it's grounding -- coming into Gilroy on the 152 corridor and seeing the whole valley before you, it's the most iconic setting in the area.

-Jim Leap , Agricultural Advisor, Mentor and Educator

01

VISION

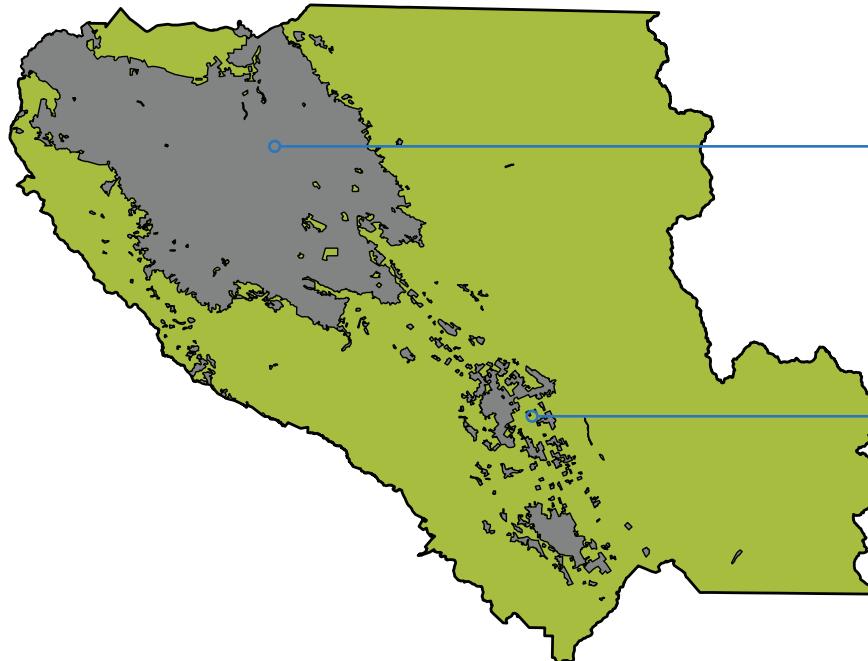
1.1 INTRODUCTION

California is rapidly losing one of the Golden State's most valuable assets – its farmland.

No place is this truer than in Santa Clara Valley. Not long ago, Santa Clara Valley was known as the "The Valley of Heart's Delight". The Valley was among the most productive farming areas in the country, renowned for endless rows of blossoming fruit and nut orchards, along with a fruit packing and canning industry that was the largest in the world. As Silicon Valley to the north grew with development of office parks and housing to support rapid growth of high tech industries, productive farmland and its agricultural infrastructure has been disappearing. **In the past 30 years alone, Santa Clara County has lost 21,171 acres of its farmland and rangeland to development, and an additional 28,391 acres of farmland and rangeland in the County are at risk of conversion going forward** not only diminishing our local food source, but also resulting in a loss of the iconic rural character of Santa Clara Valley and resulting in losses of important jobs and farms central to our Agricultural Economy.¹

IN THE PAST
30 yrs
 SANTA CLARA
 COUNTY HAS LOST
21,171
acres
 OF ITS FARM &
 RANGELAND²





SILICON VALLEY

Every day, companies and universities in Silicon Valley prepare thousands of meals for their employees and students, creating an ever growing demand for local foods.

SANTA CLARA VALLEY

A variety of foods are produced on farms and ranches in the Santa Clara Valley today. A primary goal of this Valley Ag Plan is to link the supply and demand side of our local food system.

THE TALE OF SILICON AND SANTA CLARA VALLEYS

To the north, Silicon Valley is predominantly urban and globally renowned for its tech industry. To the south, Santa Clara Valley is primarily rural and driven by an agricultural economy. Together these two Valleys define the County of Santa Clara. Historically and today, they are linked in a symbiotic relationship, fostering a resilient and prosperous future for the region. Recognizing the co-dependence of these two Valleys and an imminent threat to one of them, now is the time to create a coordinated approach to preserve Santa Clara County's remaining working lands.

- THE MISSION OF THE -

SANTA CLARA VALLEY AGRICULTURAL PLAN: INVESTING IN OUR WORKING LANDS FOR REGIONAL RESILIENCE

is to shift the planning paradigm and create a comprehensive regional framework in order to preserve the remaining working lands and support a vibrant agricultural economy while mitigating climate change.

COMBATING CLIMATE CHANGE BY PRESERVING OUR WORKING LANDS

This Santa Clara Valley Agricultural Plan (Valley Agricultural Plan) is a regional effort led by the County of Santa Clara and the Santa Clara Valley Open Space Authority (OSA) to conserve the Santa Clara Valley's farmland and ranchland as a innovative climate change mitigation and economic development strategy. Funded in part by cap and trade revenues through the state's *Sustainable Agricultural Lands Conservation Program* (SALCP), this Valley Agricultural Plan will help avoid future greenhouse gas emissions by reducing conversion of working lands and focusing development in existing urban areas. By linking State and regional efforts with those of the County, cities, special districts and the agricultural community, this Valley Agricultural Plan helps to reach California's climate goals while providing for a more sustainable agricultural future for the County.



THINK ABOUT IT

Where would we be without working lands?

Farmland and rangeland are the underlying fabric of Santa Clara Valley's rural landscape. These "working lands" cover 447,821 acres, or about 54% percent of Santa Clara County.⁴

Working lands are also the backbone of our rural economy. The agriculture sector in Santa Clara Valley supports 8,100 jobs in the County and contributes over \$830 million dollars annually to the region's economy.⁵

Working lands also provide a variety of environmental benefits or "ecosystem services." This includes lessening the effects of climate change. Woodlands, grasslands, healthy soils, and cover crops capture carbon and efficiently protect water resources, and provide other natural functions which are critical in helping build resilience to a changing climate. Santa Clara Valley falls within the area of the Santa Clara Valley Habitat Conservation Plan, which seeks to protect 18 special status wildlife and plant species.⁶ Protecting these lands, and supporting the people that work the land, builds on our agricultural heritage and enhances the quality of life for us all.



1.2 A VISION FOR A SHARED FUTURE - AN AGRICULTURE PLAN TO GROW A VIBRANT REGIONAL ECONOMY

With the continued threat of farmland loss through incremental conversion to urban development and non-agricultural uses, *fundamental changes to our planning policies along with new investments are needed to protect our rural communities, open spaces and working lands to honor the value these resources provide the County's economy, quality of life, and future.*

THE SANTA CLARA VALLEY AGRICULTURAL PLAN ENVISIONS

a resilient, equitable, thriving agricultural economy that is unique to Santa Clara Valley; one that builds on its heritage, strengths, and proximity to neighboring Silicon Valley while encouraging innovation and supporting the State's climate change goals.



1.3 FOUNDATIONAL GOALS – RETHINKING OUR AGRICULTURAL ECONOMY

This Valley Agricultural Plan is being developed at a pivotal time in the County's history. In addition to State-level leadership on climate change, there is a robust network of partners emerging across the County and region in business, government and community sectors who are re-envisioning outdated patterns of growth, and are committed to protecting working lands and catalyzing the agricultural economy. Designed to be implemented by 2030 to align with the **State's SB 32 Climate Goals**, this Valley Agricultural Plan seeks to implement the following three **key goals**:

01

KEEP OUR WORKING LANDS AT WORK

Make farm and ranch viability a priority in land use policies, preservation and economic development strategies, incentive-based stewardship approaches and climate action planning. Recognize the importance of thriving working lands to a resilient future for the region.

02

HONOR THE IMPORTANCE OF AGRICULTURE TO SANTA CLARA VALLEY

Working lands and a vibrant regional food economy provide an important sense of place and abundant environmental co-benefits. Agriculture has defined Santa Clara Valley and grown its prosperity for over a century. Developing a regional awareness campaign will grow understanding and promote the value of farms and ranches, emphasizing the need to support and diversify the local agricultural economy.

03

CRAFT A UNIFIED REGIONAL LAND USE POLICY FRAMEWORK FOR THE FUTURE

Bring together the agricultural sector and local and regional government agencies to grow the economic, environmental and cultural values of the County's working lands. Creating a resilient agricultural economy will help the region mitigate and adapt to climate change, ensure food security while promoting sustainable growth of local communities.

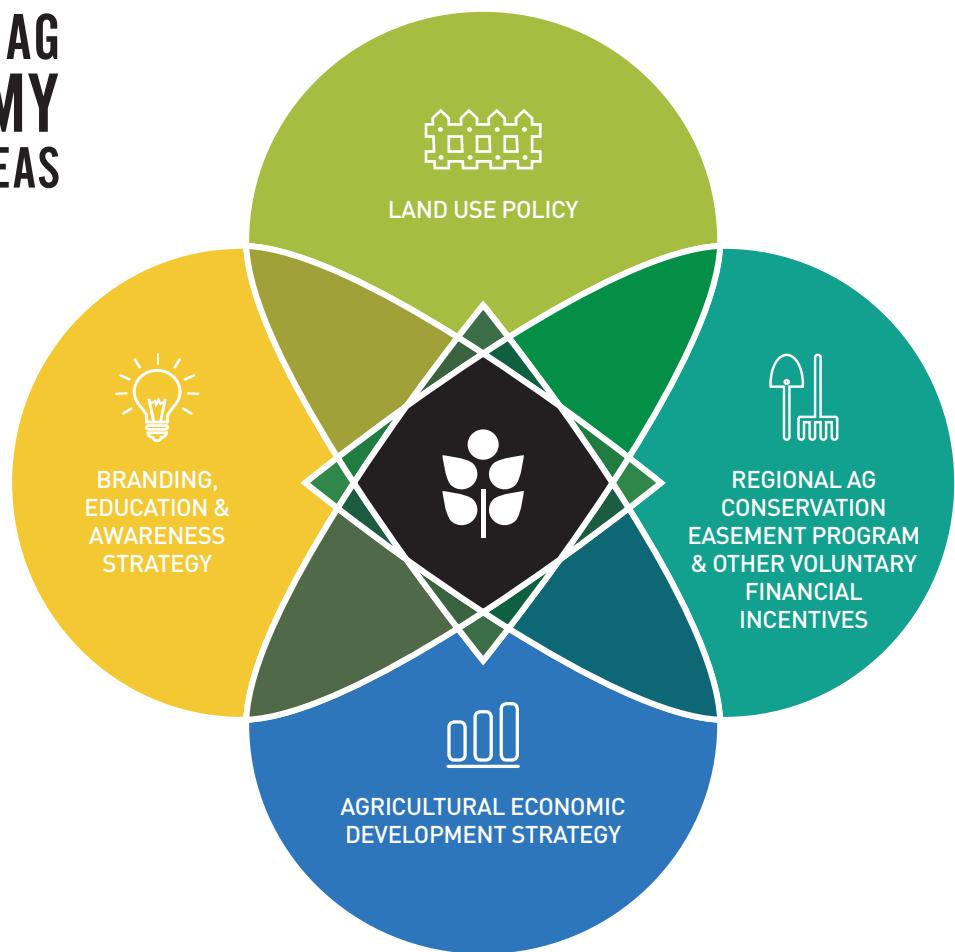
1.4 THE VALLEY AGRICULTURAL PLAN FRAMEWORK – GETTING TO 2030: AN INTEGRATED VISION OF SANTA CLARA VALLEY'S AG ECONOMY

This Valley Agricultural Plan looks at the County's agricultural sector from an integrated systems perspective. The Plan identifies “*Santa Clara Valley Agricultural Resource Area*” or “*ARA*”, as the farmland and ranchland base where efforts are to be focused.

This Valley Agricultural Plan is organized around four key Focus Areas. Each of the Focus Areas is interrelated and critical to building a robust agricultural economy in Santa Clara County:

1. **Land Use Policy**
2. **Regional Agricultural Conservation Easement Program and other Voluntary Financial Incentives**
3. **Agricultural Economic Development Strategy**
4. **Branding, Education and Awareness Strategy**

VIBRANT AG ECONOMY FOCUS AREAS



By integrating these **four interrelated Focus Areas** into one effort, this Valley Agriculture Plan will create a multi-pronged effort to grow and expand a vibrant regional agricultural economy that provides greater resiliency for Santa Clara County. (see *Vibrant Agricultural Economy Focus Areas Diagram*).

INTEGRATED FOCUS AREAS:

📍 FOCUS AREA: LAND USE POLICY

PREVENTING THE CONVERSION OF WORKING LANDS:

In this Focus Area we propose specific land use tools to address and counter the on-going conversion of agricultural land to development. This work builds off the County's existing land use policies to protect economic, environmental and cultural assets associated with farming and ranching. This policy structure focuses on an **Agricultural Resource Area (ARA)** where innovative tools and strategies could prove most effective in stemming farmland conversion.

📍 FOCUS AREA: REGIONAL AGRICULTURAL CONSERVATION EASEMENT PROGRAM AND OTHER VOLUNTARY FINANCIAL INCENTIVES

PROVIDING FINANCIAL SUPPORT FOR RESILIENT AGRICULTURAL PRACTICES, ECOSYSTEM SERVICES AND RURAL COMMUNITY INVESTMENT:

Voluntary financial incentives are important tools that address the economic challenges associated with farming while implementing State policies and reinforcing local land use policies for the protection of farmland and rangeland. This Focus Area proposes creating a **Regional Agricultural Conservation Easement Program** to permanently protect agricultural lands through voluntary conservation easements with willing sellers. It also proposes expanding other voluntary tax incentive programs such as the **Super Williamson Act** (i.e. Farm Security Zones) to encourage landowners to keep their land in agriculture land use in exchange for a reduction in property tax. Additionally, many **grants and payment for ecosystem service incentive programs** are available to landowners to promote sustainable agricultural practices to increase climate stability and other environmental co-benefits. This Valley Agricultural Plan includes recommendations to more effectively deliver these programs to ag producers.

📍 FOCUS AREA: DEVELOP AN AGRICULTURAL ECONOMIC DEVELOPMENT STRATEGY

MAKING THE CASE FOR INVESTMENT IN SANTA CLARA COUNTY'S AGRICULTURAL ECONOMY:

Santa Clara County's beautiful agricultural landscapes also contribute to the County's and region's economy by attracting employers, workers and visitors alike. But it is clear that land protection and easement acquisition alone are inadequate to protect these landscapes and grow a vibrant regional ag economy. This Focus Area sets out specific economic strategies and actions to support the agricultural sector, such as the creation of an agricultural incubator program and farmbudsman position, **with the goal of increasing agri-tourism, food security and building a healthy local food system.**

📍 FOCUS AREA: SANTA CLARA VALLEY BRANDING, EDUCATION & AWARENESS STRATEGY

COMMUNICATING THE VALUE OF WORKING LANDSCAPES IN SANTA CLARA VALLEY AND THEIR CONNECTION TO ECOLOGICAL AND ECONOMIC RESILIENCE:

Demand for local food is growing nine percent a year nationwide⁷, with the San Francisco Bay area as a leader in this shift toward farm-to-fork consumption. This Focus Area lays out specific steps **to build awareness about the region's agriculture and its contribution to a growing local food system** through a branding, awareness and education campaign and to enhance the rural-urban connections between the County's two Valleys.

The **four Focus Areas, include objectives, strategies and actions** that aim to advance and track progress towards implementing this Valley Agricultural Plan.

“

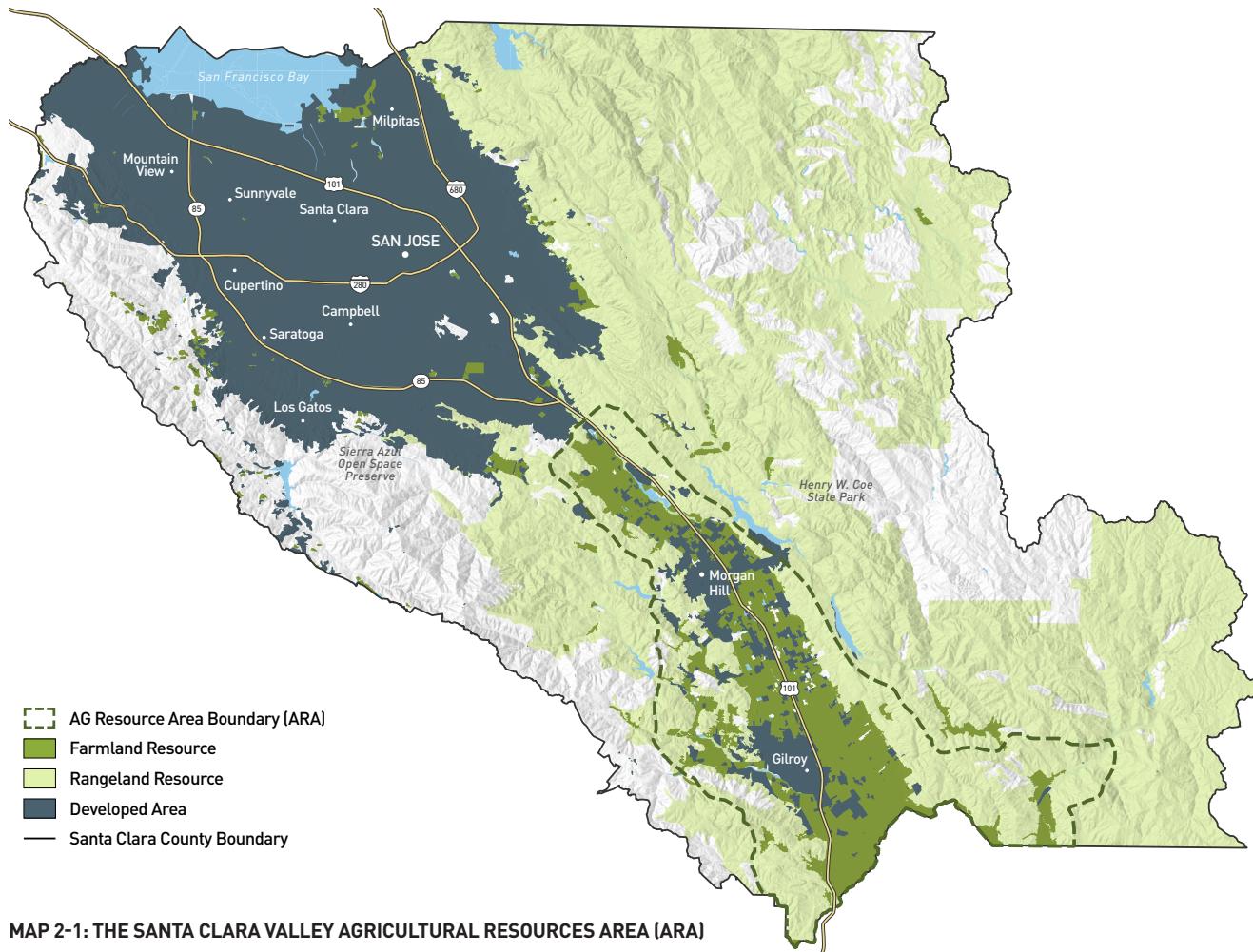
Farming is the deployment we always dreamed of. The work is so diverse, it's physical, I'm out in the field all day. It's a challenge, it's fun and it's meaningful work. I quit school to come do this -- here I learn everyday. And it's helped me to heal.

-Matt Smiley, Farm Manager, Farmer Veteran Coalition



BACKGROUND

While many policies and programs have been adopted by government, non-profit organizations and the private sector in the County that focus on climate change or agricultural land protection, there has been no effort to pro-actively link agricultural preservation to avoid greenhouse gas emissions and climate adaptation planning into a singular “action plan.” This Valley Agricultural Plan demonstrates the critical link between maintaining working agricultural lands and achieving California’s greenhouse gas reduction goals to provide regional resilience for future climate adaptation. In doing so, it provides a stronger foundation to protect, strengthen, and grow the local agricultural economy.



2.1 REGIONAL AND LOCAL CONTEXT OF THE AGRICULTURAL RESOURCE AREA (ARA)

REGIONAL CONTEXT

Santa Clara County is the Bay Area's most populous county, with 15 cities and nearly two million people. The present urban and rural landscape of Santa Clara County is diverse; a complex social and economic setting that overlays a rich historic, multi-cultural and natural environment.

Beyond its cities that constitute the urban typology of the County, the agricultural areas of Santa Clara Valley have retained much of its rural character. Silicon Valley in the north part of the County is predominantly urban and known worldwide for its high-tech industry, while the rural Santa Clara Valley areas outside of the cities to the south are primarily characterized by the agricultural economy.

By 2040, the County's population is expected to increase by nearly 700,000, a 36% increase⁸. While much of this growth will be directed into existing urban areas, there is on-going development pressure on lands within the adjacent rural areas of Santa Clara Valley. Already the County and the Bay Area region as a whole are facing an affordable housing crisis due to growth of jobs and a shortage of affordable housing stock.

Sub-Areas within the ARA

The Santa Clara Valley ARA is comprised of distinct sub-areas each with unique characteristics. These are identified as the following:

1. COYOTE VALLEY

Large lots in middle Coyote Valley; closer to local markets; major crops include hay, asian vegetables, mushrooms, walnuts; challenges - interface with commuter traffic and future city annexation.

2. LIVE OAK

Vineyards, cherry orchards and other stone fruits. Surrounded on three sides by Morgan Hill with smaller parcels mostly under 10 acres; rural-urban interface; higher land values.

3. SAN MARTIN / TENNANT

Mix of crops on smaller parcels, mostly under 10 acres; rural urban interface; higher land values; Vegetable Processing Plant.

4. BUENA VISTA

Larger farming parcels between San Martin & Gilroy; row crops; farmers market, niche farming.

5. LEAVESLEY

Large lots mostly over 20 and 40 acres, lower property values, less land speculation and urban interface, good infrastructure / distribution for vegetables – warehousing, storage, processing plants.

6. WATSONVILLE ROAD WINE REGION

Santa Clara Valley American Viticultural Area; existing wine trails.

7. PACHECO PASS

Farming lands around Highway 152, farm stands.

8. RANGELANDS

Grazing lands in the foothills of the Diablo Range and Santa Cruz mountains.

This creates intensive pressure to develop rural agricultural lands to accommodate the region's housing and urban growth needs, as these lands are often far less expensive and easier to develop than redevelopment of urban areas. Santa Clara County's agricultural lands are considered extremely vulnerable to development over the next 30 years, **with over 14,145 acres deemed at risk.⁹**

GEOGRAPHIC CONTEXT

The *Santa Clara Valley Agricultural Resource Area (ARA)* extends from the southern urban edge of San Jose to the southern Santa Clara County boundary and extends from the valley up the first ridgelines in the Diablo Range and Santa Cruz mountains surrounding the Santa Clara Valley. The **ARA** encompasses 44,462 acres of prime or important farmland soils and 54,894 acres of grazing lands.

The **ARA** is comprised of distinct sub-areas each with unique characteristics. These are identified as: *Coyote Valley, Live Oak, San Martin / Tenant, Buena Vista, Leavesley, Watsonville Road Wine Region, Pacheco Pass and Rangelands* (refer to sidebar).

Of this, 4,413 acres of the **ARA**'s farmland resources and 1,814 acres of rangeland resources lie within the Urban Service Areas of San Jose, Morgan Hill, and Gilroy. These areas within City Urban Service Areas are not within the County's land use authority and are outside of the County land use policies that are considered by this Valley Agricultural Plan.

BY 2040, THE COUNTY'S POPULATION IS EXPECTED TO INCREASE BY NEARLY

700,000 -a-



2.2 EXISTING AGRICULTURAL LAND PRESERVATION POLICIES

Existing land use patterns within Santa Clara Valley have been shaped over decades by a variety of interrelated public land use policies, private landowner actions, and economic forces. The preservation of agricultural land and the maintenance of a strong agricultural industry have been fundamental goals of the County of Santa Clara General Plan since the 1970s. The County's General Plan is based on growth management principles that focus urban development into compact cities and protect open space and agricultural lands in the rural areas. This section briefly summarizes the existing policy framework as a basis for additional agricultural land preservation policies, programs and policy updates as part of *Focus Area: Land Use Policy*.

THE COUNTY OF SANTA CLARA – EXISTING POLICY FRAMEWORK

For lands outside city Urban Service Areas, the County maintains and enforces land use policies that preserve and protect open space and agricultural resources by limiting urban sprawl and maintaining stable rural land use policies. The County has four primary rural land use designations – *Exclusive Agriculture, Agricultural Ranchlands, Hillsides, and Rural Residential*. The County maintains General Plan designations and zoning for Valley agricultural land that limits the type of land uses allowed in agricultural lands and precludes subdivision into lots smaller than 20 or 40 acres.

The County administers the **Williamson Act Program** (*California Land Conservation Act of 1965*) which protects agricultural land by providing tax incentives to property owners who agree to keep their land in commercial agricultural production for a 10-year period. As of October 2017, there are 945 parcels under a Williamson Act Contract in the County, encompassing approximately 134,371 acres.¹⁰ As a part of the program, the County actively monitors the parcels under contract to verify commercial agricultural production; any development or change in use requires a compatible use determination to minimize its impacts on agricultural lands.

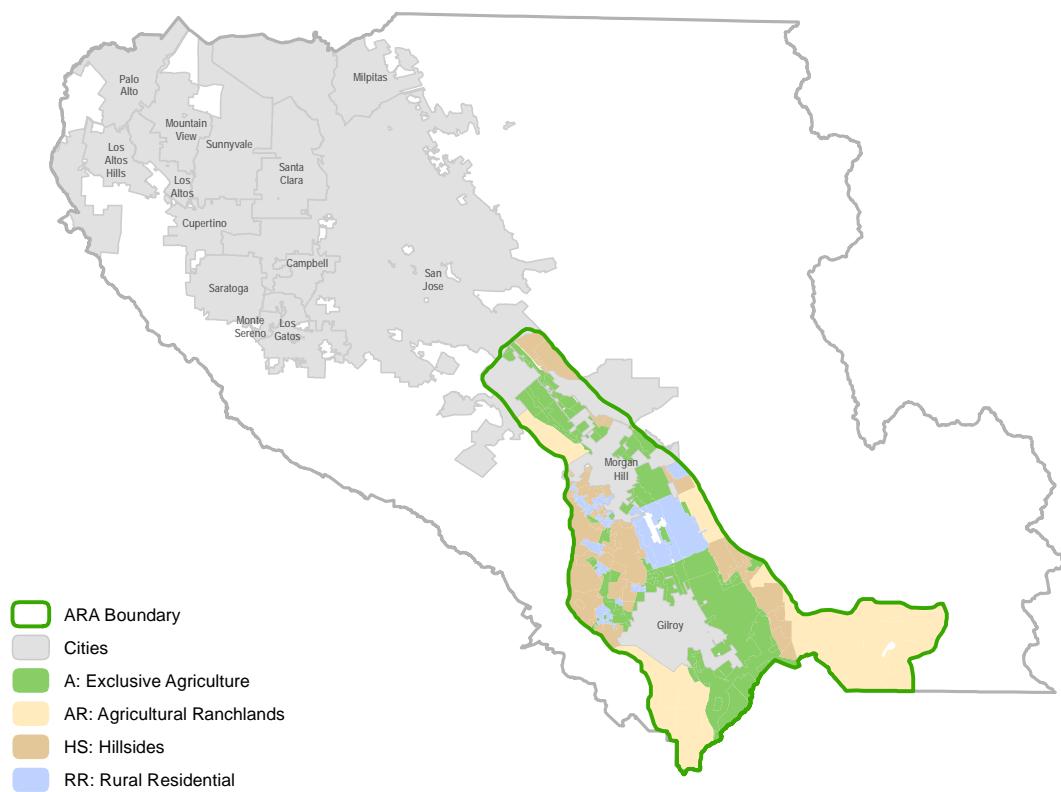
OTHER AGENCIES – EXISTING POLICY FRAMEWORK

The **Santa Clara County Local Agency Formation Commission** (LAFCO) approval is required for any expansion of Urban Service Areas and its policies recommend a 1:1 mitigation for conversion of agricultural lands. LAFCO policies discourage Urban Service Area expansions into agricultural land, unless effective measures have been accomplished for protecting the agricultural status of the land. The cities of Gilroy and Morgan Hill also have agricultural protection policies intended to preserve agricultural land and maintain a viable agricultural industry. The **Morgan Hill Agricultural Lands Preservation Program** promotes continued and viable agricultural activities in and around Morgan Hill through a set of land use policies and implementation activities, including the acquisition of agricultural conservation easements.

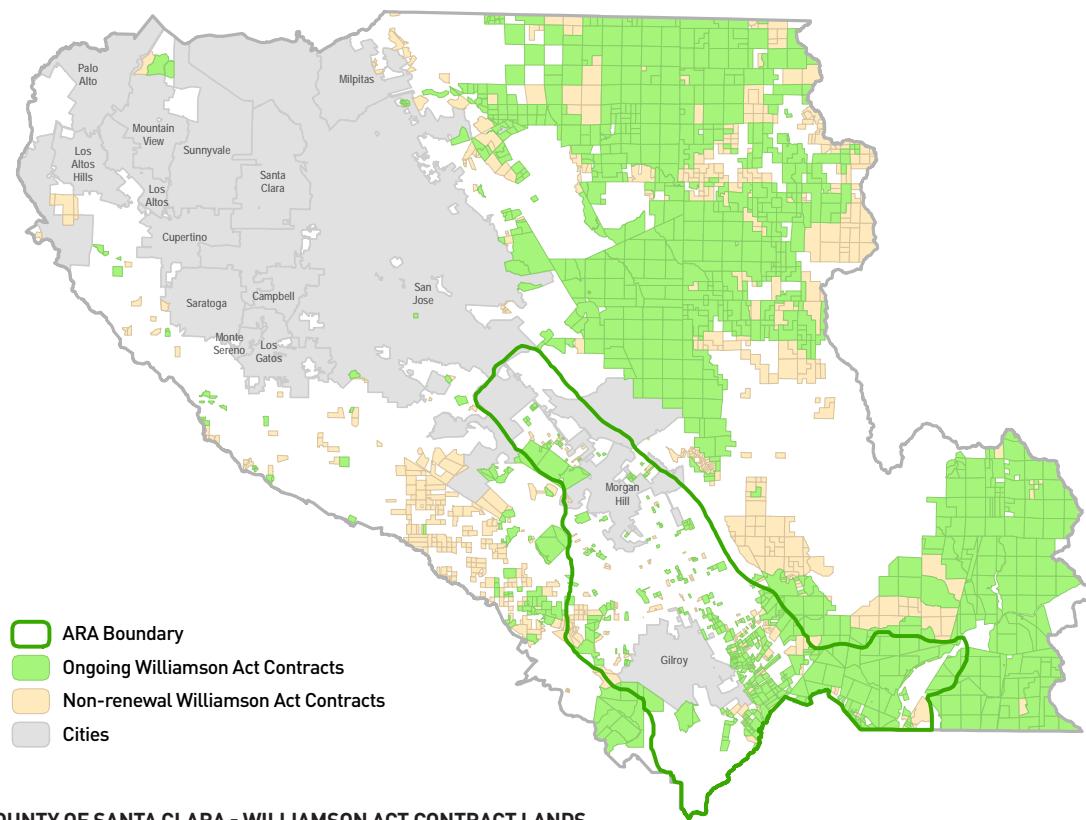
San Jose's Envision 2040 General Plan also focuses on directing growth inward through infill and urban villages, while preserving a greenline, an urban growth boundary created to protect its open space and agricultural resources.¹¹

Relevant portions of the County's General Plan policies, that address the preservation of agricultural land in the Santa Clara Valley, can be found in Appendix A.

Despite these efforts to protect agricultural resources, agricultural land continues to be converted to development within the Santa Clara Valley. ***The existing regional policy framework and agency actions need to be strengthened and coordinated to reverse this loss and to focus conservation efforts and agricultural investment.***



MAP 2-2: COUNTY OF SANTA CLARA - RURAL ZONING DESIGNATIONS



MAP 2-3: COUNTY OF SANTA CLARA - WILLIAMSON ACT CONTRACT LANDS

2.3 OTHER EFFORTS IN THE BAY AREA

Other significant efforts to protect farmland and open space have been undertaken. The Santa Clara Valley Habitat Plan is a 50-year regional plan to protect endangered species and natural resources while allowing for future development in Santa Clara County. *The Santa Clara Valley Greenprint*, a project of the Santa Clara Valley Open Space Authority (OSA) is a science-based, detailed roadmap for conservation efforts, identifies strategies for protection of water, wildlife, working lands, and outdoor recreation spaces that help shape the health and well-being of Santa Clara Valley residents.

On a much smaller scale, *San Jose Food Works*, (SAGE, 2017), provides an economic assessment of San Jose's food supply chain and makes recommendations for making the City's food and agriculture sector a driver in realizing the City's goals for economic development, place-making, innovation, public health and sustainability. In addition, *Locally Nourished-How a Stronger Regional Food System Improves the Bay Area* published by SPUR in 2013, provides goals and recommendations to strengthen the regional food system.

Other Bay Area counties that have significant agricultural economic activity have been engaged in related efforts to identify tools and strategies for assessing, preserving and enhancing their agricultural resources.

Several counties, including Sonoma, Yolo, San Mateo and San Francisco have developed assessments, feasibility studies and action plans covering agriculture and food sectors, or a subset such as distribution and processing. Most of these have been produced as collaborations between agencies and advocacy groups. One example is the San Francisco *Foodshed Assessment* report, which compared the amount and types of food consumed in San Francisco with the amount and types of food produced on agricultural lands within 100 miles of the Golden Gate Bridge.

At the regional level, the *Bay Area Food Economy White Paper* assesses the economic contributions of food and agriculture sectors to the region, as well as the challenges and opportunities faced by these sectors. (Data from the white paper on the Santa Clara County ag and food economy is described in Section 3.1.1.) It also outlines goals, strategies and actions that need to be undertaken by agencies, businesses and community-based organizations, in order to enhance and protect the agriculture and food industry cluster as a pillar of regional resilience.

One of the most prominent regional efforts is *Plan Bay Area*, a state-mandated plan, developed by ABAG that aims to integrate sustainable strategies to reduce transportation-related pollution and external greenhouse gas emission within the nine-counties of the Bay Area. In turn, *Plan Bay Area* has developed and is refining designations and incentives for Planned Conservation Areas (PCAs), Planned Development Areas (PDAs) and Planned Production Areas (PPAs), with production in this instance primarily referring to manufacturing of a range of goods including food. Other related regional planning efforts also under the auspices of ABAG are the above-mentioned CEDS, work on regional resiliency and disaster preparedness and on regional goods movement. The Regional Transportation Plan is a related major planning and budgeting effort work undertaken every five years by ABAG's sister agency, the Metropolitan Transportation Commission (MTC).

2.4 VALLEY AGRICULTURAL PLAN DEVELOPMENT PROCESS

METHODOLOGY USED TO DEVELOP THE VALLEY AGRICULTURAL PLAN

Development of this Valley Agricultural Plan involved mapping of agricultural resources, examining the implications of existing County and City land use policies and agricultural protection policies, evaluating best practices and successful models of agricultural preservation and seeking advice from experts around the State, and engaging local stakeholders. The methodology used to develop this Plan is described below:

1. MAPPING OF AGRICULTURAL RESOURCES AND CONVERSION THREATS IN SANTA CLARA VALLEY

Central to the development of this Valley Agricultural Plan was a comprehensive detailed mapping of existing agricultural resources and characteristics in Santa Clara Valley. This was carried out using Geographic Information System (GIS) tools such as ArcMap and other geospatial processing software.

Mapping products were developed keeping five research questions in focus:

- *What have been the root causes of conversion and underutilization of agricultural resources in the Santa Clara Valley?*
- *Where are the remaining agricultural resources and how are those resources being used?*
- *Are there areas that are relatively more viable for long-term agricultural uses than others?*
- *What areas are at higher risk of conversion to non-agricultural uses?*
- *How would conversion of these agricultural resources increase the County's GHG emissions?*

The team expanded mapping of agricultural resources beyond *California Department of Conservation's Important Farmland Maps* to identify remaining farmland resources as including all currently undeveloped land previously identified as either "*Important Farmland*" or as having **prime farmland soil characteristics** according to soils surveys conducted by the US Department of Agriculture.

Highly viable farmland resources were defined as:

- *Tracts of undeveloped prime or important farmland soils that were greater than 40 acres in size*
- *Adjacent to an operation that has been active in the last four years*
- *Overlay a groundwater basin*

These criteria were designed to be simple and to generally align with criteria that were shared between the **California Department of Conservation's Land Evaluation and Site Assessment (LESA)** model, and Natural Resource Conservation Service's Agricultural Conservation Easement Program Criteria.

Agricultural land conversion threat factors under the Department of Conservation's SALC Program Criteria

RISK OF CONVERSION TO URBAN OR ADDITIONAL RESIDENTIAL DEVELOPMENT WAS CALCULATED FOR THE FOLLOWING AREAS IN THE SANTA CLARA VALLEY:

1. *Ag land within a city's municipal service boundary or, within city's urban growth boundary;*
2. *Ag lands within unincorporated county that could support additional residential units based on the County's existing zoning.*

THINK ABOUT IT

Commonalities of successful agricultural preservation and economic development programs

COMPREHENSIVE AGRICULTURE ECONOMIC DEVELOPMENT PLAN

Every successful program has an economic development strategy at its foundation to make the case for investment in the food system.

BALANCING AGRICULTURE & DEVELOPMENT

Need for a bold land use policy structure that uses a blend of incentives, policies, and land use tools to be a “market maker” for agriculture so that the overall goal is to have a vibrant agricultural economy.

A COMMITMENT TO AG'S ECONOMIC & HISTORICAL IMPORTANCE

Successful programs emphasize the importance of their agricultural heritage both economically and culturally.

RECOGNIZING, ASSESSING & CAPITALIZING ON LOCAL MARKET OPPORTUNITY

Successful programs recognize and assess their market opportunity, and potential strategies to maximize agricultural production.

ENHANCING & PRESERVING THE RURAL NEIGHBORHOOD CHARACTER OF ESTABLISHED COMMUNITIES

Rural communities that develop around a vibrant and committed agriculture preservation and economic plan are important to the overall local economic cluster and long term neighborhood sustainability.

STRATEGIC TRANSPORTATION & INFRASTRUCTURE INVESTMENTS

Studies highlight the importance of analyzing transportation and infrastructure networks to assist in catalyzing the agricultural economy.

EDUCATION, AWARENESS & TRAINING PROGRAMS

All programs include a multi-faceted education and awareness campaign aka “branding” effort.

LOCAL PREFERENCE

Case studies emphasize that promoting and procuring foods and products from the local economy to strengthen the local economy, improve health and connect residents to the farming community.

COOPERATIVE PLANNING AGREEMENTS

Regional or cooperative planning agreements were essential in implementing successful regional approaches to protecting farmland.

Agricultural land conversion threat factors were identified and mapped based upon the State Department of Conservation's SALC Program criteria, using local factors specific to Santa Clara Valley. Mapping tasks focused on conversion of farmland to other uses with the intent of determining “why” and “where” the land was converted and “which” of the existing agricultural preservation tools did not work. Research was conducted to also better understand farming trends over the last 30 years, changes in the agricultural economy, and current challenges and opportunities facing farmers and the agricultural industry. This analysis informed a policy gap assessment to help identify policies that could be expanded, strengthened or refined to preserve agricultural land.

2. IDENTIFICATION OF BEST PRACTICE POLICIES AND PROGRAMS FROM OTHER SUCCESSFUL AGRICULTURAL PRESERVATION EFFORTS

This task evaluated policies from other successful agricultural conservation programs within California and the United States and assessed which of these policies were most relevant to Santa Clara Valley. The consultant team conducted in-depth studies of other agricultural preservation and support programs in California, including the counties of Yolo, Contra Costa, Sonoma, and Napa. Research included interviews with staff and stakeholders associated with these programs, along with an evaluation of the effectiveness of different policies that were implemented.

Based on evaluation of existing policy and planning frameworks, feedback from advisor groups, and detailed case study research, components and commonalities of successful agricultural preservation and economic development programs were identified and integrated into this Valley Agricultural Plan. (See Commonalities of successful agricultural preservation and economic development programs, this page).

Community and Stakeholder Engagement

This Valley Agricultural Plan was spearheaded by a Project Team comprised of staff from the County of Santa Clara Planning Department and Division of Agriculture, and the Santa Clara Valley Open Space Authority (OSA). The Project Team was further assisted by groups of advisors with knowledge and expertise in the field of agriculture, locally and statewide. Stakeholders and experts were divided into two groups, **a) "Advisors"** consisted of statewide experts who served to advise the staff / consultant team during preparation of the Valley Agricultural Plan, and, **b) "Technical Panels"** comprised of local stakeholders in the farming and ranching community and partner governmental agencies who reviewed and provided input and feedback regarding the preparation of the program. A full list of all advisors and technical panel members is included as Appendix B.

Advisors' Groups: The Advisors consisted of three sub-groups, each focusing on specialized areas of farming and agricultural preservation - **a) Agricultural Conservation Easements; b) Farming and Economic Vitality; and c) Land Use Planning and Policy.** The Project Team solicited their input through focused group sessions on these topics, individual one-on-one discussions, and presentations from the Advisors on their experience with such programs. Details of Advisors' meeting and Advisors' Group meeting notes can be found in Appendix C.

A collaborative engagement process between the Project Team and both the Technical Panels, allowed a multi-stakeholder dialogue to effectively inform this Valley Agricultural Plan at key milestones in its development process. The panelists reviewed and provided feedback on work products and reports, in collaboration with the different stakeholder groups, resulting in a better understanding of the many tools necessary for a successful conservation program. The collaboration process was conducted during in-person meetings, over conference calls and webinars. Details of Technical Panel meetings and meeting notes can be found in Appendix D.

Other public outreach was conducted via a dedicated webpage on the The County of Santa Clara website containing detailed information about project and the development process of this Valley Agricultural Plan. This website was regularly updated with presentations and meeting notes. The webpage enabled the public to sign up for updates, which were provided when new information was added to this website.

In addition, County and OSA staff provided regular updates to their Boards and Committees, and also provided the presentations and updates at city council meetings, LACCO Board meetings, and Farm Bureau meetings. A full list of these is provided in Appendix E.

Through the process of stakeholder engagement described above, this Valley Agricultural Plan activated conversations between government agencies and key stakeholders in the region. The process further sought to inform city general plans, in particular the cities of Gilroy, Morgan Hill and San Jose, which include agricultural preservation and mitigation policies.

Technical Panels: Technical Panels consisted of two groups: **a) Municipal Sector Panel** - included staff from the three cities-San Jose, Morgan Hill and Gilroy and Santa Clara Valley Water District **b) Agricultural Sector Panel** - included representatives from the agricultural and food systems community; such as the Farm Bureau and the Santa Clara Food Systems Alliance and representatives of agricultural businesses, real estate, and non-profit interests.

“

The grasses in Santa Clara Valley are ideal for grass-fed beef. The quality of grass is as good as it gets. This is probably due to the minerals in the soil from serpentine rock. And we can graze year round.

-Justin Fields, Rancher and President of Santa Clara County's Cattlemen's Association

03

KEY FINDINGS

Agriculture makes significant direct and indirect contributions to the County's economy, climate resilience, social vitality, and environmental health. In order to understand how to best strengthen the agricultural economy, it is helpful to first understand agriculture's strengths, weaknesses, opportunities and challenges.

3.1 SANTA CLARA VALLEY AGRICULTURE AND ITS BENEFITS TO THE REGION

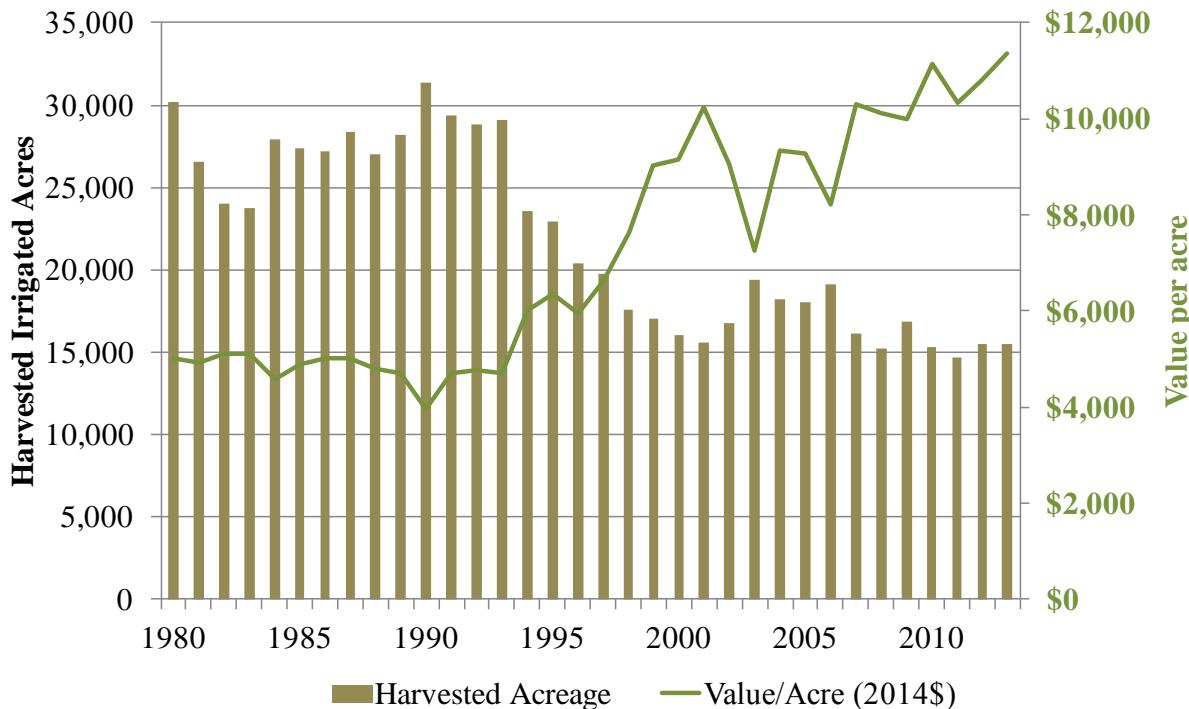
3.1.1 ECONOMIC CONTRIBUTIONS

The County's temperate climate, soils and long growing season supports a wide diversity of agricultural products. Major crops include, vegetables (including seed production), orchard fruit and nut crop, mushrooms, field crops and nursery crops. Farming trends over the past 30 years show the overall crop mix shifting toward higher value crops, including nurseries, mushrooms and vegetables, wine production and ag-tourism. (See page 24, *Southern Santa Clara County Agriculture - Then & Now*)

There are several ways to measure the County's agricultural economy. The basic metric is the direct 'farm-gate' value of products produced on farmland within the County. **For 2016, the gross value of Santa Clara County's agricultural production was \$310,132,000, an increase of around 11% from the 2015 value of \$279,162,600.¹²**

While agriculture's direct economic output is often referenced, the total holistic economic activity associated with Santa Clara Valley agriculture is rarely quantified or mentioned in public policy decisions. According to a 2014 study published by the Agricultural Commissioner's Office, titled *The Economic Contribution of Agriculture to the County of Santa Clara* (Appendix F), Santa Clara Valley agriculture industries created a total of \$1.6 billion in economic output and contributed a total of \$830 million annually to the Santa Clara County economy. Employment on the over 1,000 plus farms (average size of 225 acres) in Santa Clara County, represents 8,100 jobs.¹³ As these farms and jobs are essential to providing a constant food source to society, they provide a constant economic counterweight to other industries that have greater boom and bust cycles.

Beyond the direct economic value of the agricultural production, farming is a critical part of the County's entire regional food system, that includes production as well as processing, distribution, and consumption. Holistically, Santa Clara County's 7,490 agriculture and food sector establishments generate \$6.8 billion in annual revenue and support 92,162 jobs, accounting for six percent of the total Bay Area food sector revenue and 19 percent of Bay Area food sector jobs.¹⁴



GRAPH A: 1980 - 2013 HARVESTED IRRIGATED ACREAGE AND PRODUCTION VALUE PER ACRE

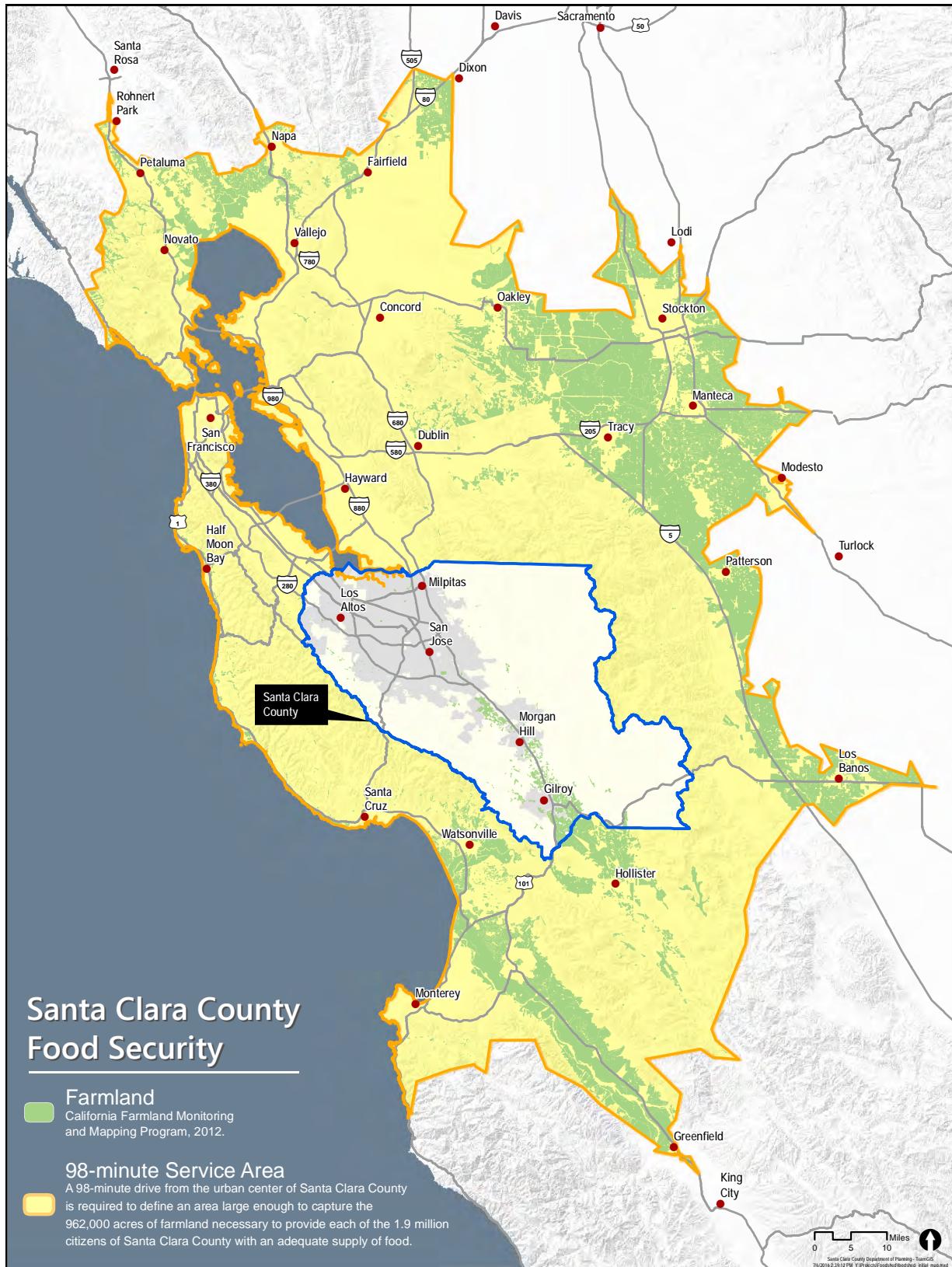
(Source: The Economic Contribution of Agriculture to the County of Santa Clara 2014 - Page 6, report by Department of Agriculture, County of Santa Clara)

3.1.2 FOOD SECURITY

Today, Santa Clara County, like other developed metro-regions throughout the world, sources its food from a supply chain that seamlessly integrates products from local, regional, national and global sources. In order to strengthen resiliency to climate change and peak oil with potential future disruptions to international food supply, more regions are making investments in their local and regional food production base. Santa Clara County is fortunate to have rich soils and a temperate climate that can support a wide array of agricultural crops, including fruits and vegetables as well as livestock products. Currently, Santa Clara County grown agriculture – part of California’s extensive and diversified production - is consumed locally and internationally. **Protecting the County’s farmland supports a current agricultural economy based on wide-spread markets while ensuring food security for the region in the future.**

3.1.3 ECOSYSTEM SERVICES

Agriculture is considered “self-financing” open space, and provides important ecosystem services to County residents that are normally unrecognized, such as clean air and water, flood risk reduction, groundwater recharge, erosion control and climate protection and resiliency. Sustaining and growing our agricultural lands in the County over time will retain and enhance these important and valuable regional ecosystem services. Recognizing and placing an economic value on these essential services enhances the importance of farming to the region, beyond food production. A 2014 study by the OSA established that in addition to the economic contributions of agricultural lands, the total value of Santa Clara County’s natural capital is \$45-107 billion.¹⁵



Professor Louise Jackson's Yolo County Case Study Found a 70 -Fold Difference in the Annual Rate of GHG Emissions Between Urbanized Land and Irrigated Cropland:

In 2012, Professor Louise Jackson with her team from UC Davis led a place-based case study to research adaptation strategies for agricultural sustainability in Yolo County. Using a local inventory of agricultural GHG emissions for Yolo County, Jackson found that emissions from cropland and rangeland were several orders of magnitude lower than urbanized land per unit area. Calculated on an area-wide basis the Yolo County's urban areas emitted approximately **152 tons of CO₂ emissions per hectare per year** and by contrast, in 1990 Yolo County's irrigated cropland averaged **2.16 tons of CO₂ emissions per hectare per year**.

The 70-fold difference in the annual rate of emissions between urbanized land and irrigated cropland underscored the importance of land use policies, which protect existing farmland from urban development, as likely tools to help stabilize and or reduce future emissions, particularly if they are coupled with "smart growth" policies that prioritize urban infill over expansion. The research also established that since emissions from cropland and rangeland were several orders of magnitude lower than urbanized land (per unit area), **local measures to protect farmland may themselves be viewed as mitigation strategies, or at the very least a means of stabilizing emissions.**

Louise Jackson is a professor and extension specialist in the Department of Land, Air and Water Resources at UC Davis

Source: <http://www.energy.ca.gov/2012publications/CEC-500-2012-032/CEC-500-2012-032.pdf>

Climate Change and Working Lands

There is growing support among policymakers in California for achieving California's greenhouse gas reduction goals by minimizing future conversion and urbanization of natural and working lands.

Studies by Professor Louise Jackson at UC Davis found that irrigated croplands emit 70 times less greenhouse gases (GHG) than urban land of the same size.¹⁶ Based on the average differential (68.3 MTCO₂e/acre/year) between emissions from crop production and urban land uses in Santa Clara County, for each 1,000 acres of county farmland not converted to urban use, the annual greenhouse gas savings would be equivalent to taking 13,400 cars off the road and reducing vehicle miles traveled ("VMT") by more than 160 million miles. (See Appendix G –*Comparing Greenhouse Gas Emissions from Southern Santa Clara County Rangeland and Irrigated Cropland and Santa Clara County Urban Lands*, by Steve Shaffer).

If farmland conversions to urban uses in California were to be halved, a total of about 110 million MTCO₂e of greenhouse gas emissions over the next decade could be avoided. This climate benefit would be equivalent to reducing VMT by approximately 258 billion miles.¹⁷

Watershed Protection

Local food production has a complex but co-beneficial relationship with water use. California's aquifers are shrinking as growers pump groundwater to support crop production when surface water is not available. However farmland can replenish aquifers by keeping lands open, and allowing groundwater infiltration, as opposed to urban development which creates impervious surfaces. Preliminary research at UC Davis indicates that in some circumstances deliberately flooding farmland in winter with excess winter stormwater runoff can replenish aquifers without harming crops or affecting drinking water.¹⁸

Santa Clara County's groundwater system, managed by the Santa Clara Valley Water District (SCVWD) has the potential to be managed in a strategic manner where local agriculture is recognized as a resource steward of groundwater and watershed protection.

Open Space and Ecosystem Protection

Agricultural lands constitute 54% of the land within Santa Clara County.¹⁹ Farmland and rangeland provide open space and regional ecosystem benefits including wildlife connectivity, and important foraging habitat for certain types of birds and mammals. Farmland and rangeland protection can also provide important water supply, groundwater recharge and flood risk reduction services; increase the real estate value of nearby properties; and decrease long-term infrastructure costs through the natural provision of ecosystem services.

California Department of Food and Agriculture's Environmental Farming Act Science Advisory Panel defined ecosystem services in agriculture as:

“The multiple benefits we gain from farming and ranching including crop and livestock production. In addition to valuable open space and wildlife habitat, the management decisions and conservation practices of farmers and ranchers also enhance environmental quality, provide recreational opportunities and offer social benefits”

(Source: CDFA, 2014)

66

I love the freedom of working out here. I am really proud of our quality. People will always want flowers.

-Mario Silva, Owner, Coyote Valley Nursery

3.1.4 RURAL COMMUNITY CHARACTER AND AGRICULTURAL HERITAGE

The County's agricultural lands are an important part the rural character and heritage of Santa Clara Valley which support the region's economy and quality of life. The community character of Santa Clara Valley is defined by the region's agricultural lands, and its history as the Valley of the Heart's Delight. Protecting Santa Clara Valley's unique agricultural landscapes and vital agricultural economies can attract and retain employers and tourism dollars into the region as people look for unique experiences that connect them to working lands and natural surroundings.

3.2 TRENDS AND CHALLENGES - SANTA CLARA COUNTY AGRICULTURE

Like other industries in the County, agriculture has been subject to constant change over the last 30 years. There are two dominant forces driving this change. On the one hand, there has been a significant reduction in the resource base of agricultural lands due to urban and rural development. Countering this effect is a growing interest by new farmers to locate in Santa Clara County with a shift toward higher-value commodity specialty crops and a significant increase in productivity which has substantially grown the value of agriculture per acre and per worker.

SOUTHERN SANTA CLARA COUNTY AGRICULTURE – THEN & NOW

1984
agriculture

- 40,000 acres in Farmland Production
- Gross Production Value of \$139,451,505
- Top Value Crops:
 - Cut Flowers \$26m
 - Nursery \$17m
 - Mushrooms \$15m
- 11,600 acres in vegetable crops
- 7,000 acres in fruit & nuts
- 26,888 acres field crops



2016
agriculture

- 24,000 Acres in Farmland Production
- Gross Production Value of \$310,132,000
- Top Value Crops:
 - Nursery \$81m
 - Mushrooms \$79m
 - Bell Peppers \$20m
- 15,193 acres in veg. crops
- 2,560 acres in fruits and nuts
- 4,459 acres in field crops

Based on data from the Agricultural Commissioner's Office, County of Santa Clara



3.2.1 AGRICULTURAL LAND CONVERSION – PAST HISTORY AND FUTURE THREATS

Between 1984 and 2014, Santa Clara County lost 14,807 acres of farmland and 6,364 acres of rangeland resources.²⁰

Mapping conducted by the Project Team found that of the 14,807 acres of agricultural land converted to other uses, 42% of the agricultural conversions were attributed to city annexations, while 58% was due to rural development. In rural unincorporated lands of Santa Clara County, the majority of agricultural land conversions have occurred in the Agricultural areas around the communities of San Martin and Morgan Hill.

The majority of agricultural conversions from urban development are associated with city annexations by the cities of Gilroy and Morgan Hill. This urban greenfield development trend peaked in the year 2000. (Refer to Graph B)

Within the rural areas, over 83% of land conversions from rural development occurred on existing properties sized 10 acres or less. The majority of these conversions entailed the development of single-family homes on existing lots in the Morgan Hill and San Martin Area. Although the County has a General Plan that establishes a 20 acre minimum lot size for subdivision within the agricultural zoning areas, much of the rural ranchette development has occurred on pre-existing lots that were created prior to existing zoning regulations.

Additional mapping and modeling was conducted by the Project Team, incorporating agricultural conversion threats identified by the State. Through this modeling, it is estimated that **over 28,391 acres of farmland are at risk of conversion in the future**. Farmlands near southern San Jose, south and east of Morgan Hill, and around Gilroy are at the greatest risk of development, and are considered high priorities for conservation.

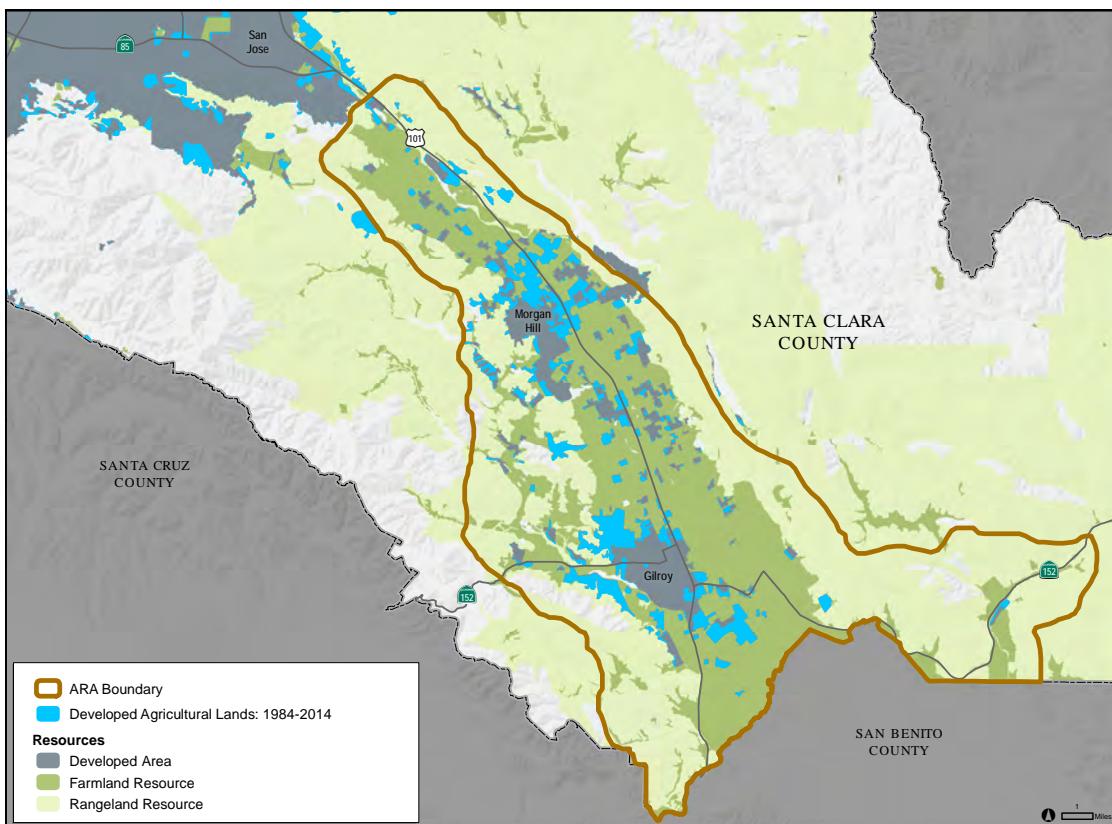
3.2.2 CHALLENGES FOR VIABLE AG IN SANTA CLARA COUNTY

Large number of small lots

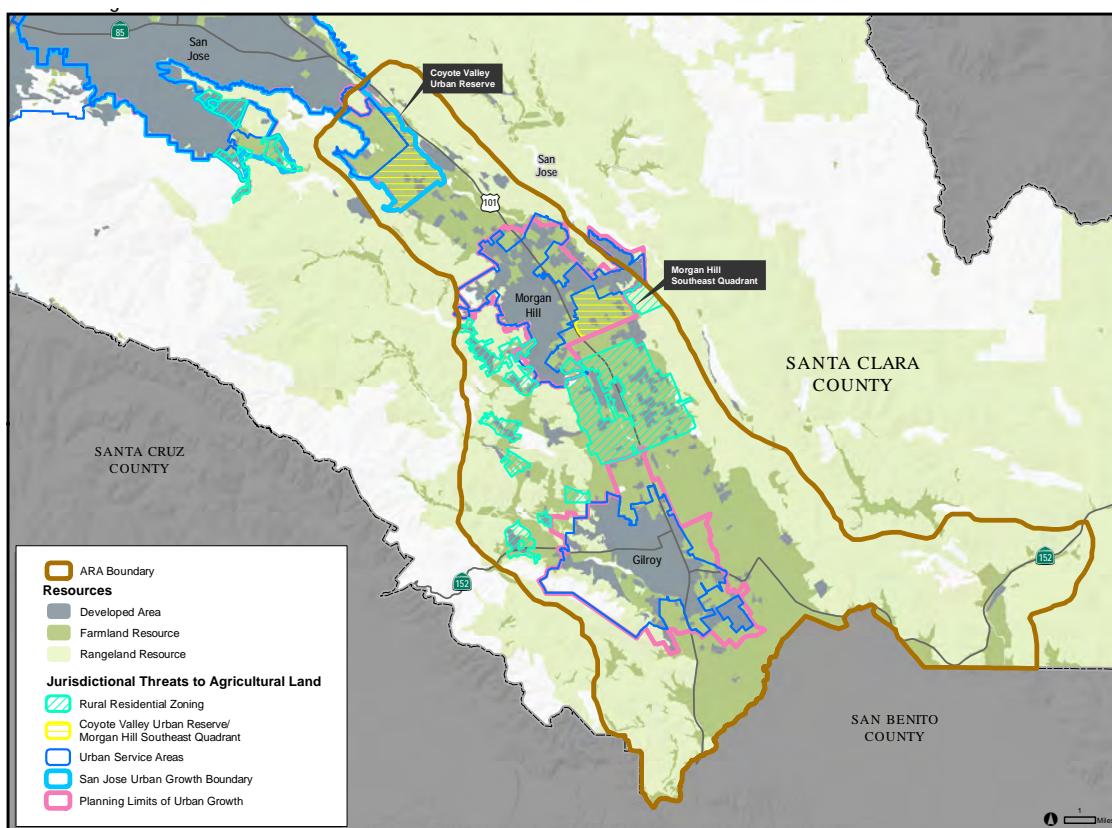
Approximately 51% of agricultural land in Santa Clara Valley is comprised of parcels sized 10 acres or less. Especially in the Morgan Hill and San Martin area, there are few larger lots available for farming (293 lots of size 20 acres or more). The median parcel size of all actively productive farmland is approximately 10 acres.²¹ A majority of the small parcels are located in Morgan Hill and San Martin, with the larger farms located around the Gilroy area.

Farming on smaller parcels can be challenging, especially in an urbanizing area. Based on economies of scale, smaller farms may not have the revenues to support investments in labor-saving machinery, technology and specialized management, resulting in higher production cost per unit. Farmers also find it hard to operate equipment on smaller parcels owing to insufficient area for moving the equipment. Moreover, smaller lots are more expensive compared to larger parcels as they are priced for rural ranchette development.

While it is important to preserve and aggregate larger parcels, an innovative approach is necessary to realize the potential of small and medium-scale farms in supporting a growing demand for local food production. A combination of education, emerging markets for specialty and niche crops, agricultural tourism, and discouraging the use of smaller agricultural parcels as rural ranchettes through stronger land use tools may all contribute to supporting the economic vitality of small parcel farming in the County. In 2016, the **Santa Clara County Food System Alliance** initiated a study to identify the necessary elements to promote viability of small and urban farms in the County. This work will be integrated into the Valley Agricultural Plan implementation elements.



MAP 3-2: AREA OVERVIEW OF AGRICULTURAL LANDS AND CONVERSIONS: 1984-2014



MAP 3-3: POTENTIAL DEVELOPMENT OF FARMLANDS

Proliferation of Rural Ranchettes

An ongoing challenge to sustaining agricultural lands and farming is the proliferation of rural residences on lots between 5-40 acres in agricultural areas. Identified as 'rural ranchettes', this housing may appear agricultural in character, but results in land not being used for commercial crop or livestock production. The proximity to large job sectors in Silicon Valley has induced market demand for rural ranchettes often driven by the desire by some for a rural lifestyle.

Land Held for Speculation

Santa Clara Valley contains approximately 20,099 acres of fallow farmland soils. It is assumed that many of these fallow agricultural parcels are purchased by property owners for future development purposes, driving speculative investments into Santa Clara Valley agricultural lands. The properties are often not made available for farming leases. Around the City of Morgan Hill, small parcel ownership is almost exclusively absentee-owned.

Without a priority on agriculture as a real estate investment, absentee landowners of agricultural resource lands have chosen not to make necessary investments in agricultural infrastructure. When the lands are made available for agriculture, it is often leased for farming that requires little or no long term agricultural investment, such as hay farming.²²

When farming leases are for a short term, often in the range of three to five years, there may be less incentive for a farmer to invest in higher value crops and favoring crops that are more temporary in nature.²³ This impacts the local agricultural economy, and limits diversification of farming practices.

Rural-Urban Interface

Farmers in Santa Clara Valley face challenges due to the rural-urban interface that are not present in other larger agricultural areas in California such as the Central Valley. Undeveloped agricultural lands in Santa Clara Valley are interspersed among uneven city limit lines, rural residential homes, and other incompatible land uses. In this environment, agriculture faces a number of challenges: development pressure, speculative land value, conflicts with residential neighbors, commuter traffic on rural roads, and disinvestment in agricultural infrastructure.

Once non-agricultural development occurs in an agricultural area, the resulting interface challenges create a significant burden for ongoing farming. Although the County has adopted a Right-to-Farm Ordinance, local growers often receive ongoing complaints from adjacent residences regarding dust, noise, spraying activities, and unsightly but necessary infrastructure such as portable toilets and hand washing stations for employee sanitation. Newly proposed State noticing requirements related to the use of pesticides near schools puts additional burdens on farmers. Moving farm equipment is also challenging on rural roads used by commuter traffic. As congestion intensifies on freeways and major roadways, traffic spills over onto rural roads posing a conflict with agricultural equipment movement. In some instances, such as on Highway 25 and Santa Teresa Boulevard, these rural roads have become defacto major thoroughfares.

Ag Infrastructure

Santa Clara Valley agriculture depends on a network of adequate roads and irrigation wells, as well as on the availability and proximity of field labor, processing facilities, transportation services, and other farm-related services.

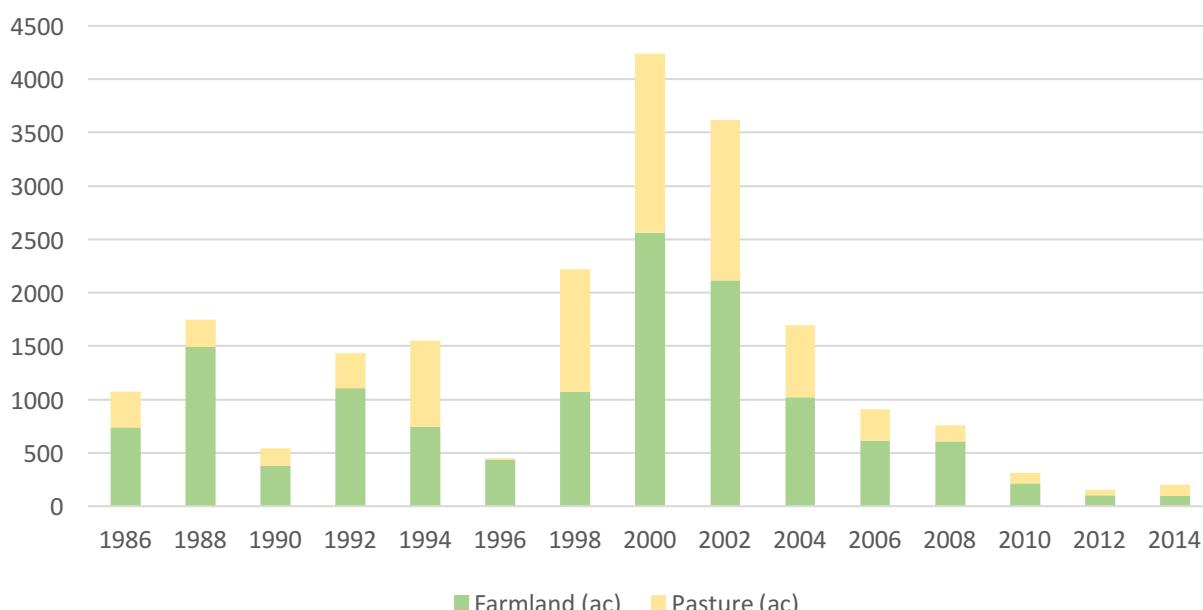
Santa Clara County's nearly 7,256 miles of roads provide a reliable network by which local farmers can move equipment, labor and supplies from field to field and transport their goods to processing plants and markets. However, increased traffic and the rural-urban interface impedes the movement of slower farm equipment, thus affecting productivity, especially in the areas north of Gilroy.

Scarcity of agricultural worker housing in the region, specifically for seasonal labor is a major concern. Agricultural worker housing is needed in locations throughout the County so farmers have a ready and nearby supply of reliable labor at key times in the crop cycle. In addition, farm workers and their families need an array of social support services, including schools, medical services, shopping, etc. that are largely located in the urban areas. Farm workers tend to have the lowest incomes among all workers, so housing needs to be affordable for households earning 50 percent or less of the median income.

Santa Clara County is home to an extensive agricultural packaging and distribution industry. However, this distribution industry is better developed in some sectors, such as vegetables, than others, such as for certain types of stone fruit. Map of existing agriculture related infrastructure in Santa Clara Valley can be found in Appendix H.

Small farms often do not have access to a centralized storage, processing, and distribution network to assist with their operations.

Development of Ag Lands 1986-2014



GRAPH B - DEVELOPMENT OF AG LANDS 1986-2014

Labor Challenges

Labor is one of the top challenges across food supply chain businesses, including farmers, food and beverage manufacturers, and food service. The issues are both cost of labor and a shortage of labor, especially unskilled low wage labor.²⁴

Limited Direct Marketing

The majority of produce from Santa Clara Valley is sold through wholesale facilities and distributed throughout the nation and world and there are limited direct sales between Santa Clara Valley farmers and consumers in Silicon Valley. There are no local procurement policies in place to give preference to local farmers and their produce such as farmer's markets, institutional purchasing or restaurants.

Regulation

Farming is currently regulated at multiple levels by local, state and federal requirements, ranging from food safety regulations, to water quality requirements to pesticide permitting. With respect to local land use controls, several types of agricultural uses such as processing facilities and agricultural worker housing require architecture and site approvals and use permits from the County.

The regulatory process can seem intimidating to farmers who want to comply with requirements but do not understand the regulatory framework.

Climate Change

Climate change is altering both average and extreme temperatures and precipitation patterns, which in turn has an influence on crop yields, pest and weed ranges and length of the growing season. Extreme events, such as heat waves, floods, and droughts, may be among the most challenging impacts of climate change for agriculture, since they can lead to large losses in crop yields and livestock productivity. In one study, researchers found that cherries, the 18th most valuable perennial crop in the state, with 900 acres planted in Santa Clara County, are likely to be the crop most negatively affected by warming in coming decades.²⁵

Water Rates

The Santa Clara Valley Water District offers agricultural water users a lower groundwater rate in accordance with their District Act. The cost of agricultural water is also lower in part because of a reduced cost of service and to encourage open space preservation, which is important for watershed health. There is a need to maintain water rates and water access for farms and ranches. (Refer to www.valleywater.org for more information on the District Act).

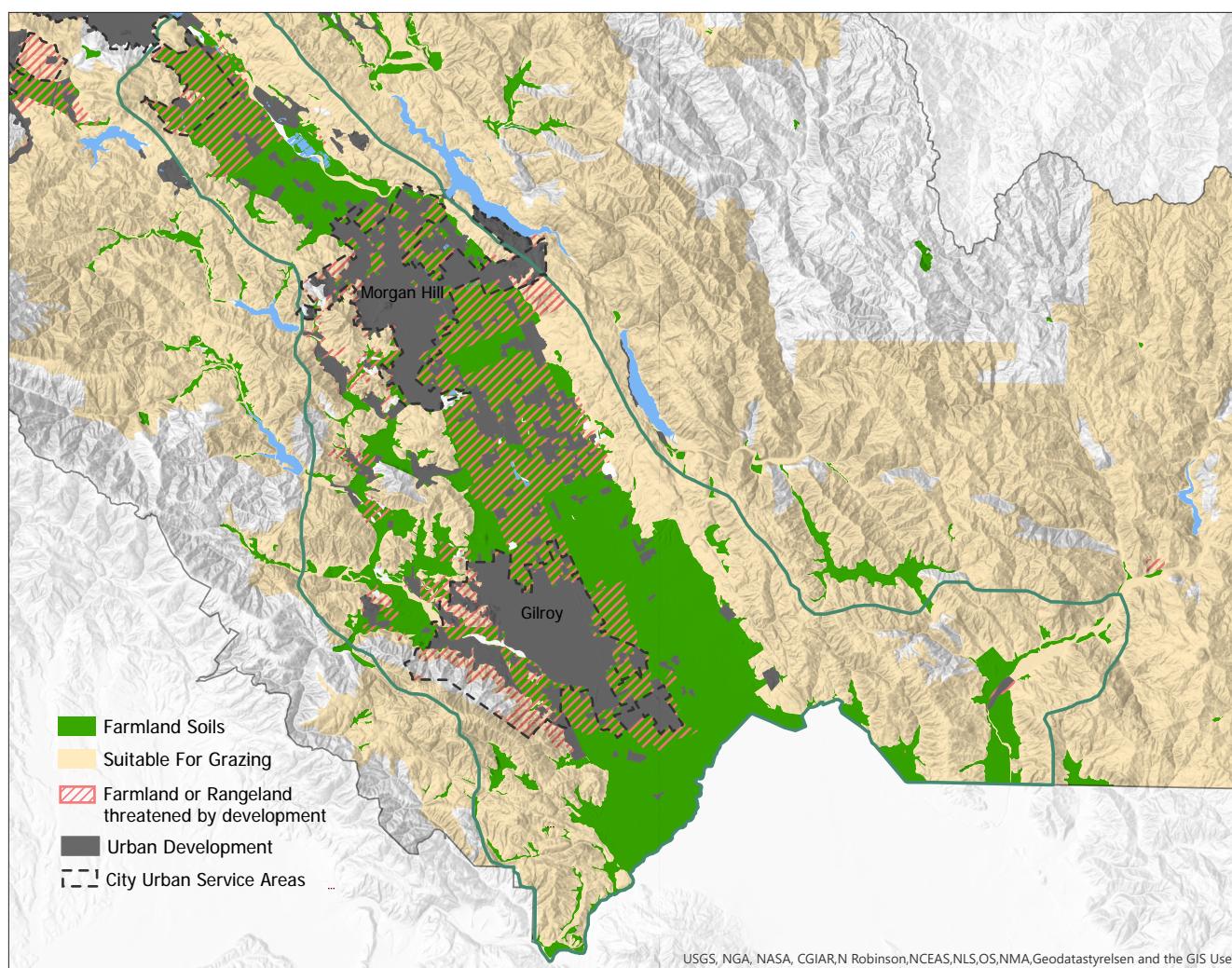
High Speed Rail (HSR) and other Utility/ Infrastructure projects

Development pressures are compounded by the potential displacement of farmland by planned highway widening projects and by the California HSR. The proposed HSR alignment places future urbanization risks and impacts to remaining agricultural lands in Santa Clara Valley.

3.3 AGRICULTURAL RESOURCES AND THE RISK OF DOING NOTHING

Santa Clara Valley contains 44,462 acres of available farmland and 54,894 acres of rangeland. Approximately 14,145 acres of available farmland and 2,641 acres of rangeland within the Santa Clara Valley are within City Urban Growth Boundaries or non-agricultural County zoning districts. Based on these factors, the Valley Agricultural Plan designates these areas at a higher risk for development. **If developed, The Santa Clara Valley would lose approximately 32% of its remaining available farmland and 5% of its rangeland.** This development, also factoring in additional residential development allowed under the County's agricultural zoning, would result in over 1.86 billion additional annual vehicle miles traveled, and over 21 million MT CO₂ emissions. This is the equivalent of burning nearly 2.47 billion gallons of gasoline, or over 50 million barrels of oil.

In addition to these direct impacts, an on-going loss in working lands puts the County at future sustainability risk with less capacity for climate resilience, where retention of local groundwater supplies (an ecosystem benefit provided by working lands) and local food security resources is critical. Other losses include the change and decline in rural community character of Santa Clara Valley, as defined by our working lands that provide self-financed open space.



MAP 3-6: THE RISK OF DOING NOTHING



Doing nothing also means missed opportunities, such as:

- **The food story.** The food system is evolving towards delivering the “story behind the food” and a full accounting about how food is produced, in response to growing consumer demand.
- **Opportunities at all scales.** The region is receptive to food supply chain businesses across all sectors and is notable for having a wide range of businesses at scales that are economically feasible, from owner/operator start-ups to international corporations.
- **Agglomeration of food and beverage processing and distribution firms adds value.** Geographic concentrations of interconnected food and beverage businesses, suppliers, service providers, and associated institutions create added value for the industry.
- **Growing demand for co-locating and co-packing operations.** There are marketing, equipment, labor, and other efficiencies that come with co-locating for food entrepreneurs in operations such as brick and mortar incubator spaces; kitchens; and workforce development programs with physical food production/manufacturing locations. Likewise, co-packing facilities help enterprises to scale production and can enable savings on start-up costs for equipment, rent, labor and certifications.
- **Institutional purchasing policy and infrastructure.** Large purchasers with “economies of scale”, such as schools, corporate campuses, hospitals, and jails have the potential to greatly impact the demand for local food. Better connecting farmers to local markets fosters increased revenue and diversified revenue streams (e.g., through direct marketing, food hubs, institutional procurement of local goods, etc.).
- **A wide range of job opportunities.** Occupations across the food value chain represent an array of fields, levels of training, and earnings potential. In every segment, training and requirements vary from on-the-job training to graduate degrees. In particular, there is a growing demand for people who can bring technological innovation to agricultural and food businesses.

3.4 SUPPORTING THE GROWTH OF A VIBRANT AGRICULTURAL ECONOMY

The Project Team identified several key ingredients and desirable conditions to create a favorable environment for farming and to allow growth of the agricultural economy. Enhancing and supporting these conditions is vital to growing a viable agricultural economy in Santa Clara Valley:

01

LARGE PARCELS:

Protecting contiguous holdings and consolidating smaller parcels where possible for agricultural use

02

LAND PRICED TO SUPPORT FARMING:

Reducing land speculation to provide favorable financial conditions for farming

03

GOOD SOIL:

Prioritizing conservation of parcels with prime Category I, II or III soils

04

AVAILABILITY OF WATER AND LOW WATER RATES:

Working with the SCVWD to maintain water rates that support sustainable agricultural practices

05

ACCESS TO SEASONAL AND YEAR-ROUND LABOR:

Promoting the development of agriculture worker housing

06

URBAN INTERFACE THAT VALUES AND RESPECTS AGRICULTURE:

Maximizing separation between agricultural land and incompatible residential development, directing commuter traffic off of rural roads

07

EASY ACCESS TO MARKETS AND CUSTOMERS:

Marketing, branding, education and instituting local-preferable purchasing policies

08

LESS RED TAPE WITH REGULATORY PERMITTING PROCESS:

Deregulation of permitting where possible in the agricultural sector and providing farmer assistance

09

SUPPORTIVE INFRASTRUCTURE:

Developing packing, warehousing, distribution, equipment and farm supplies

“

I'm a farmer because I understand climate change is directly linked to how we handle natural resources. We can work the land to sequester carbon.

-Matt Smiley, Farm Manager, Farmer Veteran Coalition



04

ORGANIZING FRAMEWORK

4.1 AN INTEGRATED VISION FOR GROWING SANTA CLARA VALLEY'S AGRICULTURAL ECONOMY

We can realize the vision of a thriving agricultural economy as articulated in Section 1. This is a vision that we can enact and commit to fulfilling today through our policy decisions and investments.

This Valley Agricultural Plan looks at Santa Clara County's agricultural economy from an integrated systems perspective. This Plan is organized around four Focus Areas of equal importance: **(a) Land Use Policy** **(b) Regional Agricultural Conservation Easement Program and other Voluntary Financial Incentives** **(c) Agricultural Economic Development Strategy** and **(d) Branding, Education and Awareness Strategy**, which make up the foundational system of advancing this Plan. The organizational framework is based on the idea that innovation is most likely to occur in the areas where the Focus Areas overlap and that the success of this Valley Agricultural Plan relies on businesses, nonprofits, government agencies, educational institutions, and others working together. The underlying concepts and goals of this framework are:

- **Common agenda** – To articulate a shared vision and actions that strengthen the regional ag economy and are implemented by 2030;
- **Collaboration** – To build on a range of opportunities for increased communication and collaboration across a diversity of stakeholders and decision makers; and
- **Mutually reinforcing activities** – To support and build on existing agricultural and food system projects, programs and organizations and advance new ideas in a coordinated and directed fashion.

4.2 FOCUS AREAS AND MAIN OBJECTIVES

Each of the four Focus Areas has a set of objectives, strategies, recommended near-term action steps and responsibilities in the following pages, and summarized below:



LAND USE POLICY



AG LAND CONSERVATION EASEMENTS & OTHER VOLUNTARY FINANCIAL INCENTIVES

OBJECTIVES

1. Recognize viable agricultural lands and sub-areas within the County General Plan and Zoning Ordinance.
2. Prevent the conversion of agricultural lands to non-agricultural uses within the rural areas.
3. Encourage the establishment of infrastructure and support uses that facilitate the growth of the regional agricultural economy.
4. Reduce conflict between incompatible uses and Agriculture within agricultural areas.

OBJECTIVES

5. Establish a Regional Agricultural Conservation Easement purchasing program for Santa Clara Valley.
6. Encourage landowners to take advantage of property tax incentives to keep land in agriculture.
7. Identify opportunities and create programs that provide financial compensation to farmers who provide ecosystem benefits (greenhouse gas reduction, groundwater and floodplain protection) through farming.



AG ECONOMIC DEVELOPMENT STRATEGY

OBJECTIVES

8. Provide support for farmers in regulatory compliance.
9. Improve the climate for the growth of a diverse, vibrant, and innovative agriculture economy.
10. Support the growth of new farms and creation of new farmers to provide diversity and long term resiliency in the local agricultural economy.



BRANDING, EDUCATION & AWARENESS STRATEGY

OBJECTIVES

11. Develop and launch a Santa Clara Valley Agriculture Campaign.
12. Conduct outreach and engage and educate the public and consumers. Build a local constituency that is informed about and supportive of regional agriculture.



“

As many leading authorities have suggested, the Natural and Working Lands pillar of California’s climate strategy should include an aggressive effort to reduce the conversion of agricultural land to urban uses. This effort should be guided by an ambitious but achievable goal of reducing the annual rate of farmland conversion at least 50% by 2030 and at least 75% by 2050.

-American Farmland Trust—*Agricultural Land Conservation: An Important Part of California’s Climate Strategy*

4.3 WHAT SUCCESS LOOKS LIKE

This Valley Agricultural Plan recognizes the need for shared leadership and responsibility across many organizations to accomplish the vision of a vibrant regional agricultural economy. In contrast to the risk of doing nothing, success of the Plan centers around the growth and expansion of a vibrant regional agricultural economy that provides multiple benefits to all members of Santa Clara County.

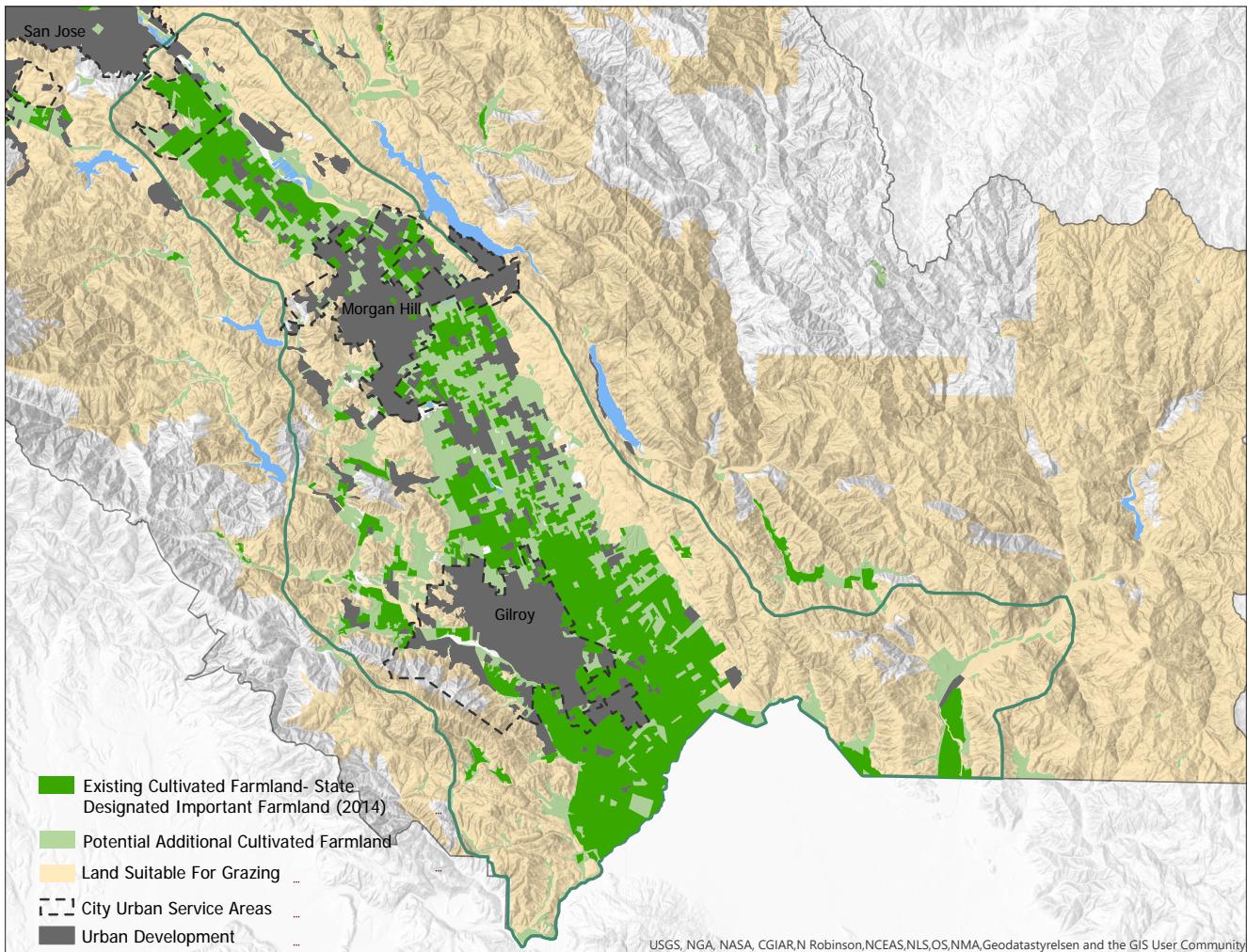
Success is defined not as a decline, but a growth in the amount of available lands that are actively farmed, a growth in the number of farms and farmers active in agriculture, a growth in farming diversity (including a new generation of farmers and a wider diversity of products) and a growth in the overall economic output of our agricultural sector. In addition, long-term success is defined as an evolution and maturity of an integrated regional food system, where food grown in Santa Clara Valley is present and recognized in markets, stores, and households throughout the County and region.

To realize the change in rural agricultural Santa Clara Valley, success of this Plan would result in recognized agricultural character as one travels through southern Santa Clara County, distinguished by a diversity of working farms, ranging from small “niche” farms that provide direct sales to restaurants and CSA’s, to larger operations that provide crops and important distribution facilities that integrate with both the local food economy and worldwide agricultural exports.

Expansion in the awareness of Santa Clara Valley agriculture and agri-tourism would be distinguished by the visual presence of more farm-stands, u-pick operations, farm to table events, areas for corporate picnics, signs and landmarks identifying and recognizing the Santa Clara Valley agricultural region, representing a richer understanding and appreciation of our working farms.

Finally, **success results in a more climate resilient and sustainable Santa Clara County.** Protection of critical food and groundwater resources associated with the maintenance of working lands is critical in the years ahead, in which access to the global food markets and non-local water resources will be challenged by climate change. **The retention of local working lands is a critical part of recognizing the importance of regional economies in which cities and rural areas are integrated in holistically managing resources, wastes, food, and water.**





66

If agriculture is to not only survive but thrive in Santa Clara County, we need a coordinated set of strategies that recognize the contribution of our working lands to a resilient and sustainable region. The Santa Clara Valley Agricultural Plan puts us on that path.

-Andrea Mackenzie, General Manager, Santa Clara Valley Open Space Authority

“

If you’re running a sustainable operation, if you’re doing things right, everything else just falls into place.



JUSTIN & ARLEAH FIELDS

“I’m lucky to be have had four generations of ranchers on this land before me,” reflects Justin Fields, whose family ranch has been in business since 1914. Fields is the President of the local Cattlemen’s Association and a fifth generation rancher who runs roughly 450 cattle in Coyote Valley, on the outskirts of San Jose. In addition to over 8,000 acres of public lands under grazing leases, the Fields have held onto their home ranch of about 700 acres.

Despite prime conditions for grazing, there are less than a dozen ranchers left in this area, virtually all of whom depend upon public lands to some degree, and only a few of whom own any land at all. “Grasses in Santa Clara Valley are ideal for grass fed beef. The quality of grass is as good as it gets. Probably due to the minerals in the soil from serpentine rock. And we can graze year-round.” Justin only raises a handful of his cows to maturity for local consumption, with the majority of his calves shipped out around the country once they reach 600 to 700 pounds. Santa Clara Valley provides a niche environment for raising cattle because calving occurs in the fall instead of the spring, so that newborns can be turned out on pasture to graze the fresh growth that comes with our winter rains.

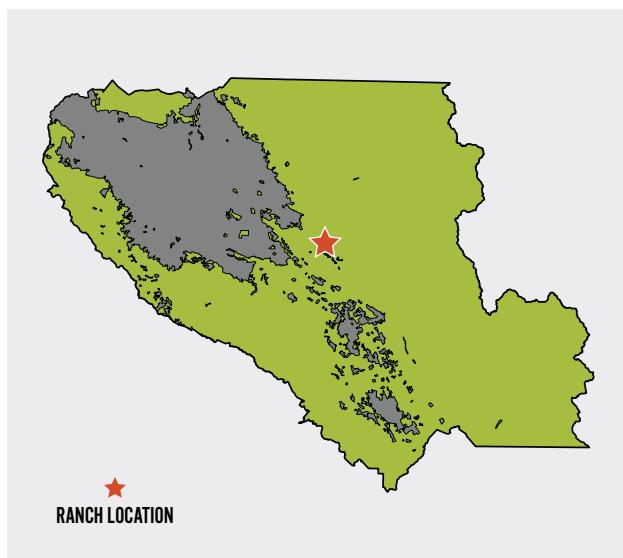
ON STEWARDSHIP: SHARING AGRICULTURE'S ECOSYSTEM SERVICES

Justin relishes the diversity of work that makes up his livelihood. In addition to the variability of daily tasks on a ranch, the seasonality of running cattle, the unpredictability of weather and markets, Justin has the twin responsibilities of being a natural resource manager and public educational liaison for the ranching community. From Justin's perspective, the key to a successful ranching business is sustainability, whether an operation can sustain its activities, its demands upon the land and use of resources, in perpetuity. "If you're running a sustainable operation, if you're doing things right, everything else just falls into place."

When a ranch family manages their herd and their lands well, they intrinsically provide valuable co-benefits known as ecosystem services. These services include wildlife habitat, fire hazard reduction, landslide prevention, noxious weed abatement, carbon and nitrogen sequestration from nearby highways, and groundwater recharge. More often than not, ranchers with good practices do not need to go out of their way to provide these public benefits.

One example of an ecosystem service facilitated by the Fields is that of habitat for the Bay Checkerspot Butterfly. Listed as a threatened species under the Endangered Species Protection Program, the Bay Checkerspot Butterfly relies upon native plants that grow in the serpentine foothills of Santa Clara Valley. Without Justin's cattle grazing down invasive plants, the native species this butterfly depends upon for reproduction would be snuffed out. "It's a symbiotic relationship really," says Justin, speaking not only about the butterflies and the cattle, but also ranchers and the public.

Justin regrets that so few Bay Area residents are exposed to ranching, and is the first to acknowledge that his business relies to some degree upon a public understanding of ranching and willingness to allow families such as his to graze on public lands. "Pretty much any nice view of an open grassy hillside, and somewhere there are cows there. Most people don't realize that." Serving as an agricultural liaison to the broader community, Justin will bring folks up onto the land and bring the story of his working lands down to them.



"Being ranchers that are grazing on public and park land, you have to be able to talk to people. The more we can tell our story the better -- people seeing the cattle, they don't realize that it's another family trying to make a living, they don't have a face to put with it, but when they see there's an actual person there that is trying to make a living, it helps people to understand what we're trying to do, and that it's not just somebody throwing a bunch of cows out there and letting them run around. When I can see that somebody is understanding -- when the lightbulb goes off, I do enjoy doing that."



“

As California’s population continues to grow, communities must expand to accommodate more people. However, urbanizing productive cropland can have real costs, both for the ag economy as well as the fiscal bottom line.

-Rural Urban Connections Strategy, Sacramento Area Council of Governments (SACOG)



FOCUS AREA: LAND USE POLICY

PRESERVING AGRICULTURAL RESOURCES AND SUPPORTING WORKING LANDS

This Valley Agricultural Plan proposes new agricultural land preservation policies, policy updates and programs to support long-term agriculture and a vibrant agricultural industry that in turn protects the County’s economic, environmental and cultural assets. The proposed policy builds on foundational policies in the County’s General Plan that identify agriculture as a key resource and identify areas of important agricultural value to focus conservation efforts.

OBJECTIVE

1. RECOGNIZE VIABLE AGRICULTURAL LANDS AND SUB-AREAS WITHIN THE COUNTY GENERAL PLAN AND ZONING ORDINANCE.

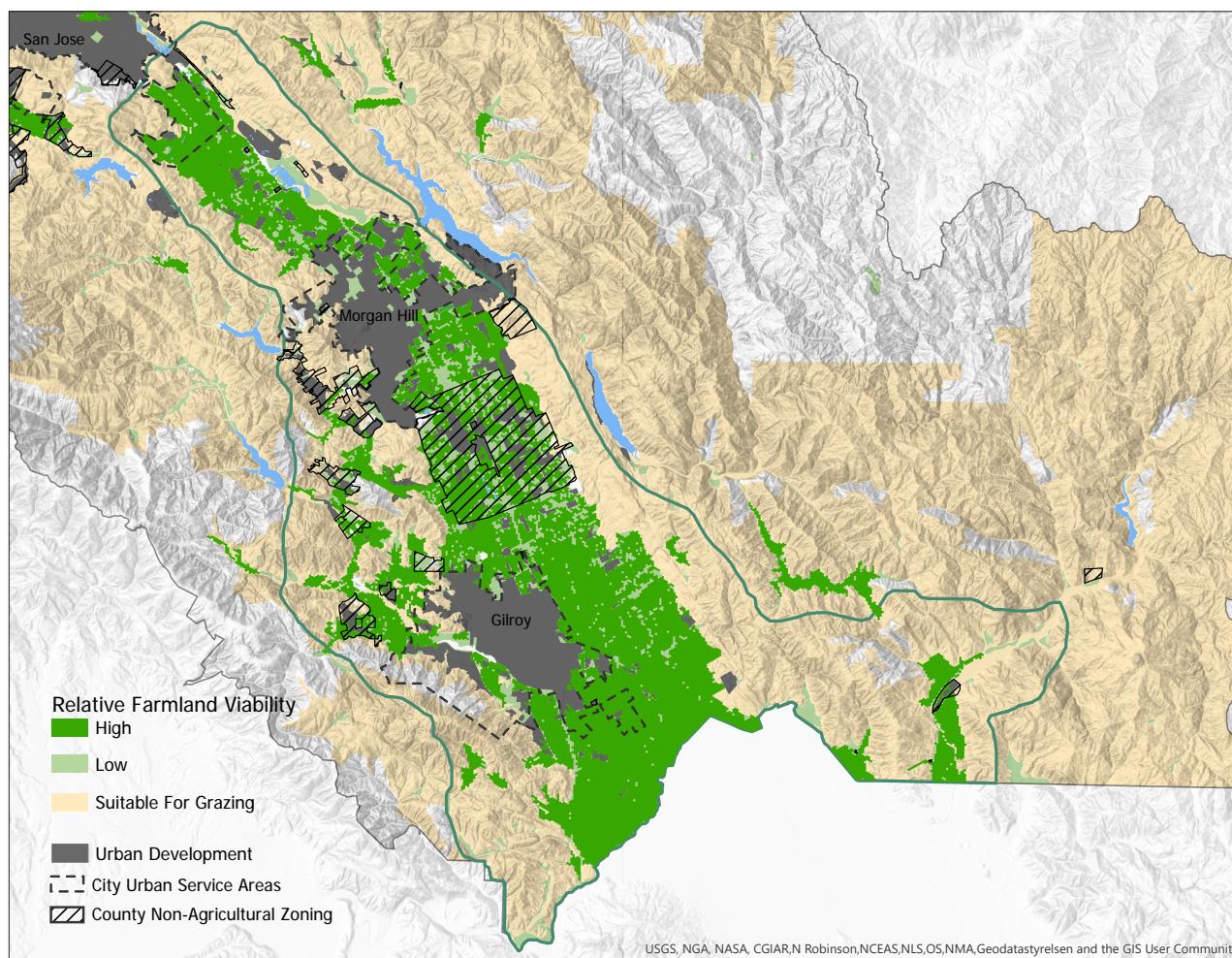
Strategies / Actions



Extend Agricultural zoning to encompass all viable agricultural lands.

ACTIONS AND ACTORS

- Designate all viable agricultural lands within the Agricultural Resource Area (ARA) as Agricultural Zoning. A preliminary map identifying this area is Map 5-1. (County)



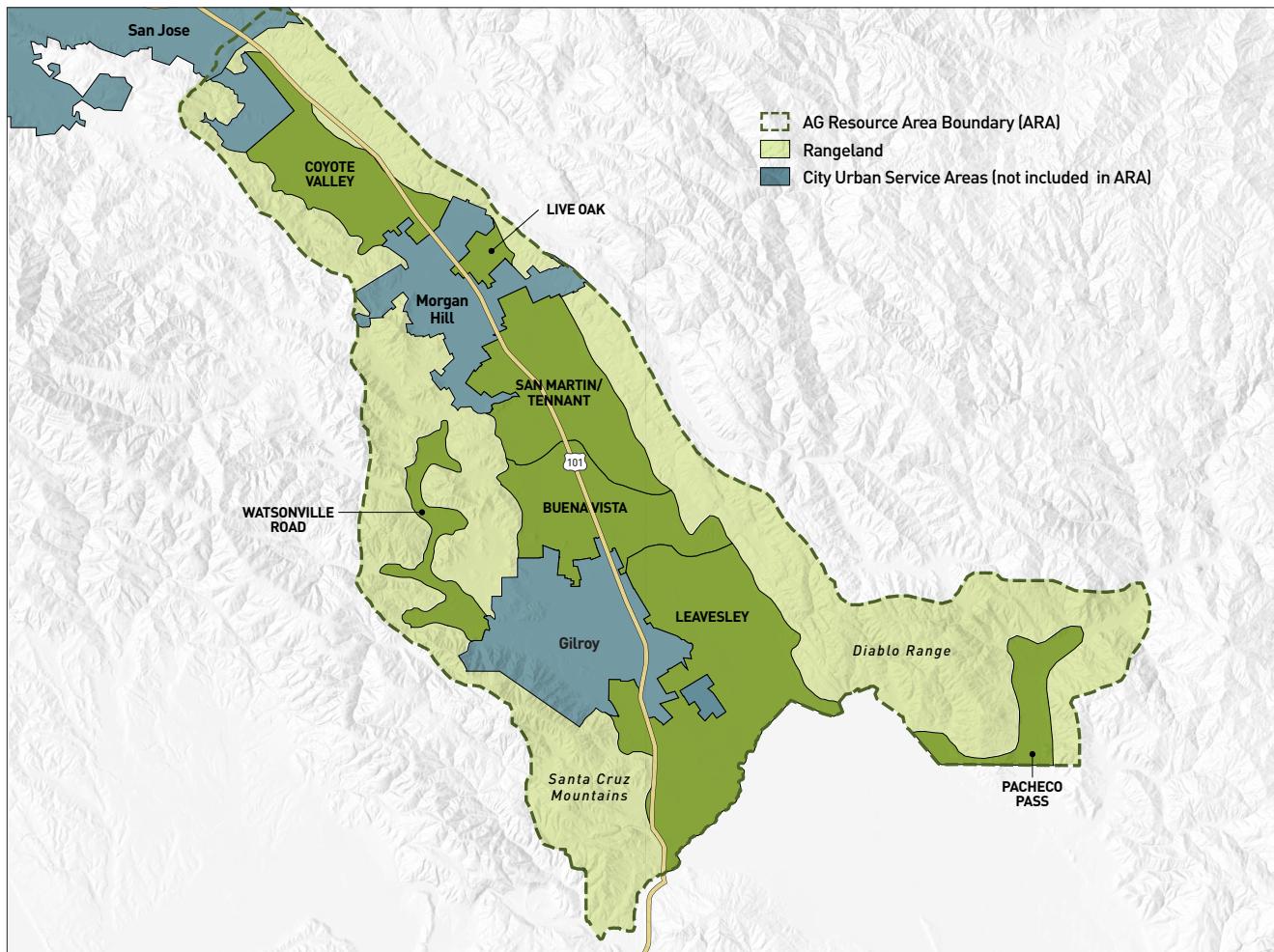
MAP 5-1: VIABLE AG LANDS WITHIN THE ARA



Consider designation of agricultural zoning regions specific to sub-areas in the ARA that share a common identity, for focused application of agricultural protection tools.

ACTIONS AND ACTORS

- In concert with economic development actions (*Section 7 of this Plan*), consider application of specific zoning tools for different sub-areas based on specific characteristics. Potential land use tools include:
 - *Cluster Subdivision Requirements* – clustering of homes in subdivisions with retention of large contiguous lands for farming.
 - *Underlying Lot Standards* - Clustering standards and development footprint size limitations for underlying lots (undeveloped legal lots much smaller than the minimum lot size within the Agricultural areas)
 - *Agricultural Industrial zones* – recognition of areas essential for Agricultural packing, warehousing, processing and distribution of agricultural products.
 - *Agricultural Tourism* – recognition of areas where Agricultural tourism activities are prevalent.
 - *Transfer of Development Rights* – allowing the transfer of development rights on agricultural lands to higher density urban development within partner Cities. (*County*)



MAP 5-2: ARA SUB-AREAS



Coordinate with neighboring Santa Clara Valley cities to create consistency in the designation of agricultural areas between the County and Cities' General Plans.

ACTIONS AND ACTORS

- Create and share template language for agricultural resource definition and protection policies for consideration by Cities. *(County)*
- Integrate and adopt such policy language in general plans to share a common regional vision, goal, and approach for agricultural resource conservation in Santa Clara Valley. *(County -Lead, San Jose, Gilroy, Morgan Hill)*



OBJECTIVE**2.****PREVENT THE CONVERSION OF AGRICULTURAL LANDS TO NON-AGRICULTURAL USES WITHIN RURAL AREAS****Strategies / Actions**

Prevent the establishment of incompatible uses within the ARA which increase land speculation and impair ongoing agricultural production.

ACTIONS AND ACTORS

- Strengthen zoning standards for agricultural areas that restrict the establishment of non-agricultural and non-residential uses in agricultural areas that do not support agriculture. *(County)*



Prevent conversion of agricultural lands into rural ranchettes that increase land speculation and reduce viability of ongoing neighboring farm operations.

ACTIONS AND ACTORS

- Set limits on residential building sizes and footprints within the ARA with residences accessory to the agricultural production use.



Enact a County-wide agricultural mitigation fee that requires a mitigation fee for development that converts viable agricultural land to other uses.

ACTIONS AND ACTORS

Prepare and adopt an agricultural mitigation fee, including the definition of when the fee would apply, the cost / mitigation ratio (in compliance with mitigation fee act requirements), and the mitigation program *(County)*

- Create a regional mitigation fee program that uses a consistent fee among all jurisdictions in the ARA *(County-Lead, Gilroy, Morgan Hill, LAFCO)*



We found common ground among people that participated in this project - we must protect the land that is currently zoned for agriculture for long-term agricultural production.

-Kirk Girard, Planning Director, County of Santa Clara

OBJECTIVE**3. ENCOURAGE THE ESTABLISHMENT OF INFRASTRUCTURE AND SUPPORT USES THAT FACILITATE THE GROWTH OF THE REGIONAL AGRICULTURAL ECONOMY****Strategies / Actions**

Enact regulatory reform that reduces regulatory barriers to allow the establishment of buildings, infrastructure and uses that support a regional agricultural economy.

ACTIONS AND ACTORS

Pursue revisions to County zoning ordinance regulations and development standards to streamline the establishment of agriculture supportive uses within the ARA, such as agricultural processing and agricultural research uses. *(County)*



Facilitate construction of more farm worker housing for seasonal and year around farmworkers.

ACTIONS AND ACTORS

- Pursue revisions to County zoning ordinance regulations and development standards to streamline the establishment of farmworker housing within the ARA.
- Identify opportunities, including siting and funding options, for farmworker housing projects. Develop farmworker housing models and identify densities that could be supported in urban and urban edge areas as well as in unincorporated rural communities. *(County-lead)*



OBJECTIVE**4.****REDUCE CONFLICT BETWEEN INCOMPATIBLE USES AND AGRICULTURE WITHIN AGRICULTURAL AREAS****Strategies / Actions**

Require setbacks / buffers for new non-agricultural development within or adjacent to agricultural lands to reduce interface between incompatible land uses and farming.

ACTIONS AND ACTORS

- Develop and adopt policies and standards relating to agricultural setbacks / buffers for non-agricultural uses that are developed adjacent to agricultural areas, when adjacent or within the ARA. This may include increasing setback requirements for residential uses, and specific setback requirements within the County Zoning Ordinance.
- Work with adjacent cities (San Jose, Gilroy, Morgan Hill) to adopt consistent agricultural setback standards within their zoning ordinances, for any urban edge development adjacent to agricultural areas. *(County – lead; San Jose, Morgan Hill, Gilroy)*



Strengthen right-to-farm requirements.

ACTIONS AND ACTORS

- Draft revisions to the ordinance code to require active disclosure and education for any individuals that buy property within agricultural areas, clarifying expectations regarding agricultural activities and potential nuisances and protections for agriculture under the County's Agriculture and Resource Management ordinance (Division B29, Chapter 1). *(County – lead)*





“

Agriculture easement programs are only successful if they are backed up by strong zoning and GP certainty.

-Kathryn Lyddan, Assistant Director - California State Department of Conservation

06

FOCUS AREA: REGIONAL AGRICULTURAL CONSERVATION EASEMENT PROGRAM AND OTHER FINANCIAL INCENTIVES

Agricultural conservation easements are the prescribed agricultural preservation tool under *California's Sustainable Agricultural Lands Conservation Program* (SALCP). Through strategic conservation easements, the SALC Program seeks ***"to protect the broad agricultural land and soil resource base from sprawl development, and in doing so, avoid increasing GHG emissions associated with increased automobile emissions."***²⁶

An agricultural conservation easement (ACE) can result in significant financial benefits to a landowner or farm family. Payment by a conservation organization or agency to purchase all or a portion of a property's development rights results in payments that can be paid at one time or spread out over a period of time. This can provide capital for a family to make investments to support their operation, pay down debt, or perhaps buy out family members who want to sell the farm or ranch. Donations of easements to qualified conservation organizations are typically considered charitable gifts by the IRS for tax purposes and can significantly reduce income tax burden; a benefit that can be spread over a period of years. Reducing development potential may also result in a lower property tax assessment and reduce a family's annual property tax burden.

OBJECTIVE**5.****ESTABLISH A REGIONAL AGRICULTURAL CONSERVATION EASEMENT PURCHASING PROGRAM FOR THE SANTA CLARA VALLEY****THINK ABOUT IT*****A Legacy of Conservation*****THE SANTA CLARA VALLEY OPEN SPACE AUTHORITY (OSA)**

OSA was founded in 1993 for the purpose of balancing rapid development and ensuring protection of valuable open space lands and productive farm and ranchland. A small, diverse group of citizens together with community, business and government leaders sowed the seeds for the founding of the OSA during the 70's and 80's through advocacy and education about the threats to the environment from development and the urgent need to protect open space lands. This effort culminated with Governor Pete Wilson signing the OSA into being in 1993. The OSA's jurisdiction includes the cities of San Jose, Santa Clara, Milpitas, Campbell, Morgan Hill and parts of the unincorporated Santa Clara County.

The OSA's purpose is to protect the County's quality of life by preserving open space and natural resources. It does so through well-planned land preservation, state of the art resource management, educational programs, and collaborative partnerships. In the last 20 years, the OSA has protected nearly 22,000 acres of the Valley's most beautiful and valuable open space lands through purchase, conservation easements, and partnerships with other conservation agencies and nonprofits.

Strategies/Actions**Establish a Regional ACE Purchasing Program****ACTIONS AND ACTORS**

- Secure grant funding to support **ACE Program** development (*County and OSA – lead*)
- Create a **Regional ACE program**, establishing a sustainable administrative structure and financial model to support ongoing purchase of **Agricultural Conservation Easements** from agricultural landowners. Key factors include:
 - *Building on past efforts and models, including the 2000 County of Santa Clara Agricultural Conservation Easement Task Force, the Morgan Hill Agricultural Lands Preservation Program, and the California Council of Land Trusts' Conserving California's Harvest (2014).*
 - *Engage LAFCO and the Cities of San Jose, Morgan Hill, and Gilroy in this planning process, along with the Land Trust of Santa Clara Valley and other conservation partners.*
 - *Identify and implement a sustainable financial / funding model, including SALCP grant funding, agricultural mitigation fees (Land Use Policy Action 2.d) and / or real estate transaction fees or other fees or assessments.*
 - *Identify and establish the administrative structure for the ACE program, including the feasibility of developing a central ACE Program administrator.*
 - *Develop and adopt a preferred acquisition strategy, using refined mapping to identify strategic properties that maximize carbon and other environmental co-benefits, and which are essential to sustain the local agricultural economy.*
- Develop outreach program and materials to educate landowners about the benefits of conservation easements.
- *Host ACE workshops for landowners incorporating legal and tax professional advice.*

OBJECTIVE

6.

ENCOURAGE LANDOWNERS TO TAKE ADVANTAGE OF PROPERTY TAX INCENTIVES TO KEEP LAND IN AGRICULTURE

Strategies/Actions



Increase participation in the County's Williamson Act Program and Establish a Farmland Security Zone Program

ACTIONS AND ACTORS

- Increase landowner participation in the **Williamson Act Program**, which is estimated to save agricultural landowners 20 to 75 percent in annual property tax liability.
- Develop promotional and outreach materials for landowners that describe the benefits of the **Williamson Act** and the County's role in covering the State's subvention payment.
- Adopt and implement a **Farmland Security Zone** (FSZ), which offers landowners greater property tax reductions, and for a longer period (land restricted by a FSZ contract is valued for property assessment purposes at 65% of its **Williamson Act** valuation, or 65% of its Proposition 13 valuation, whichever is lower; and for a minimum term of 20 years).

THINK ABOUT IT

Preserve Land. Preserve Profit

Yuba County set policies to safeguard their agricultural economic base, while strategically allotting other areas for new jobs and residents.

THESE POLICIES INCLUDED:

- » *Preserve 10,000 acres of farmland from urbanization, thereby...*
- » *Protecting \$31 million per year of agricultural value in current crop mix, with...*
- » *Potential to reach \$150 million per year, as farmers grow higher-value crops*

Source: Rural-Urban Connections Strategy, SACOG

“

In addition to contributing to beef production, cattle grazing in Santa Clara County is now recognized by resource management professionals as essential to conserving open space and maintaining habitat for many native plants and animals. At the landscape level, ranching maintains extensive open spaces that support species-rich wildlife communities.”

-Sheila Barry, Livestock and Natural Resources Advisor for University of California Cooperative Extension, SCC

OBJECTIVE**7.****IDENTIFY OPPORTUNITIES AND CREATE PROGRAMS THAT PROVIDE FINANCIAL COMPENSATION TO FARMERS FOR PROVIDING ECOSYSTEM BENEFITS (GHG REDUCTION, GROUNDWATER AND FLOODPLAIN PROTECTION) THROUGH FARMING****Strategies/Actions**

One of the most important means to protect the local agricultural land base is to help ensure that farmers and ranchers can stay profitable over the long-term, reducing the pressure to sell land for development.

In addition to the financial benefits provided by conservation easements, many voluntary programs, tools and financial incentives are available from Federal, State, and local agencies to help local agricultural families and businesses stay in the black. Many landowners lack the awareness or expertise to effectively pursue and secure these funds, which demonstrates the critical importance of increasing the capacity of local Resource Conservation Districts and related agencies to work with willing landowners to take full advantage of these and other programs. Simultaneously, many financially remunerative programs also incentivize the ecosystem co-benefits of agriculture, including greenhouse gas reduction, groundwater and flood plain protection.

ACTIONS AND ACTORS

- Complete visible pilot projects under existing State and Federal grant and technical support programs that provide support for farmers that provide ecosystem benefits such as:
 - USDA Farm Bill funded grant programs such as the **Agricultural Water Enhancement Program, Agricultural Assistance Program**, and **Environmental Quality Incentives Program** that address areas such as:
 - > *On-farm water conservation, establishing cover crops and tailwater ponds to reduce nitrate pollution in groundwater, and creating hedgerows and farmscaping that provide habitat for beneficial insects, pollinators and wildlife.*
 - > *Programs like the CDFA Healthy Soils Initiative that provides financial incentives to farmers and ranchers for the adoption of new management practices with climate benefits.*
- Evaluate expansion of the **Santa Clara Valley Water District's Open Space Credit Program**, that currently caps the water rate at 1/10th the amount paid by industrial and municipal water users. Coordinate with the SCVWD to pursue opportunities to refine or expand the program to provide additional incentives to agricultural landowners who employ water-saving and climate-smart conservation management practices that promote water conservation and groundwater recharge.
 - Specific actions include pursuit of potential grant funding, conducting an economic cost-benefit analysis, and pursuing a pilot implementation program.

- Establish a Pilot Payment for **Ecosystem Services Program** to provide incentives to local landowners to implement conservation practices that promote climate, water, and related environmental benefits. Specific actions include:
 - Pursue **Conservation Innovation Grant** funding from the *Natural Resources Conservation Service (NRCS)* and related programs offered by public funders and private foundations.
 - Consider grant funding from OSA's **Measure Q** for a pilot implementation program for funding of farming that incorporates conservation practices that provide important ecosystem services —such as cover cropping.
 - Identify long-term funding opportunities for supporting agricultural land preservation and farming that reduces greenhouse gas emissions, thorough California's growing carbon market, including any regional GHG mitigation programs.





“

Farming is the deployment we always dreamed of... It's a challenge, it's fun and it's meaningful work. I quit school to come do this -- here I learn everyday. And it's helped me to heal.

MATT SMILEY & ERIC WILSON

Amidst miles of single-family homes in South San Jose, and only a stone's throw from Highway 85, one can find 287 acres of agricultural oasis in the form of Martial Cottle Park. Left by Walter Cottle Lester as a public space and farm preserve in perpetuity, the Park is home to a variety of educational agricultural enterprises, including the Farmer Veteran Coalition (FVC).

Matt Smiley is FVC's Farm Manager at the Park, and Eric Wilson is the Assistant Manager. Matt and Eric are both former combat medics and have found a lot to be thankful for in their new occupations as fruit and vegetable growers. In Eric's words, "Farming is the deployment we always dreamed of. The work is so diverse, it's physical, I'm out in the field all day. It's a challenge, it's both fun and meaningful work. I quit school to come do this and I learn everyday. It's helped me to heal."

FVC is predicated on the belief that veterans are uniquely well-qualified to strengthen rural communities and create sustainable food systems, and that agriculture is uniquely well-suited to provide purposeful, healing work for veterans in transition. The goal for FVC's incubator site at Martial Cottle Park is to demonstrate diversified small-scale farming practices, while training and transitioning returned veterans into agriculture and food system careers.

ON STEWARDSHIP: START UP FARMERS COMBAT CLIMATE CHANGE

2017 was FVC's first full growing season on the site, and while Matt and Eric were beset by scavenging squirrels and other challenges of farming in an urban setting, they are ever-optimistic about their future as farmers and the role agriculture can play ecologically. Matt made his role in agriculture clear, "I'm a farmer because I understand climate change is directly linked to how we handle our natural resources, and we can work the land to sequester carbon."

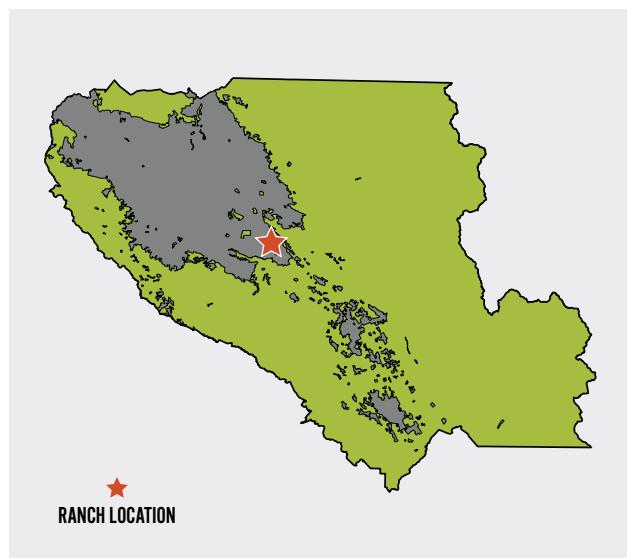
"Properly managing our farmland is actually one of the largest possible carbon sinks out there," Matt continues, and because agriculture provides environmental services that become self-financing, he reckons getting more farmers with good practices onto more acres "is probably one of the cheapest ways" for us to combat climate change.

Protecting and maintaining our remaining farmland from speculation and development "is such a win-win," Matt believes, whether it be actively sequestering carbon or passively reducing sprawl and traffic, that supporting the land access efforts of beginning farmers will yield benefits for us all.

Beginning farmers "are not asking for a handout," notes Matt, "but the way things are right now, if you're not already established or have lots of money, it's pretty stacked against you, especially in this area," referring to the high costs and development pressures of Santa Clara Valley.

So great is the potential public benefit, Matt thinks "creating channels to make it easier for people to start" is a sound investment of public resources. "If you put farmers who are ecologically-minded and collaborative on public land, they will make that land better."

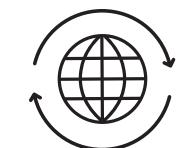
If there were a program supporting new farmers and in turn communicating the ecosystem benefits accrued to the larger urban community, Matt says "it's almost like the farmer becomes a new version of the fireman, it becomes civic duty. I think if you can connect the dots that way and people see it that way, it would shift people even more so to support their local food systems."



"As a farmer we know how intimately everything is connected to nature," but for most urbanites, "there is still a huge disconnect" Matt concludes. "People think that farming should happen somewhere else. Farming should happen right here. People need to understand where their food comes from and what it takes to produce."

BEYOND THE FARM

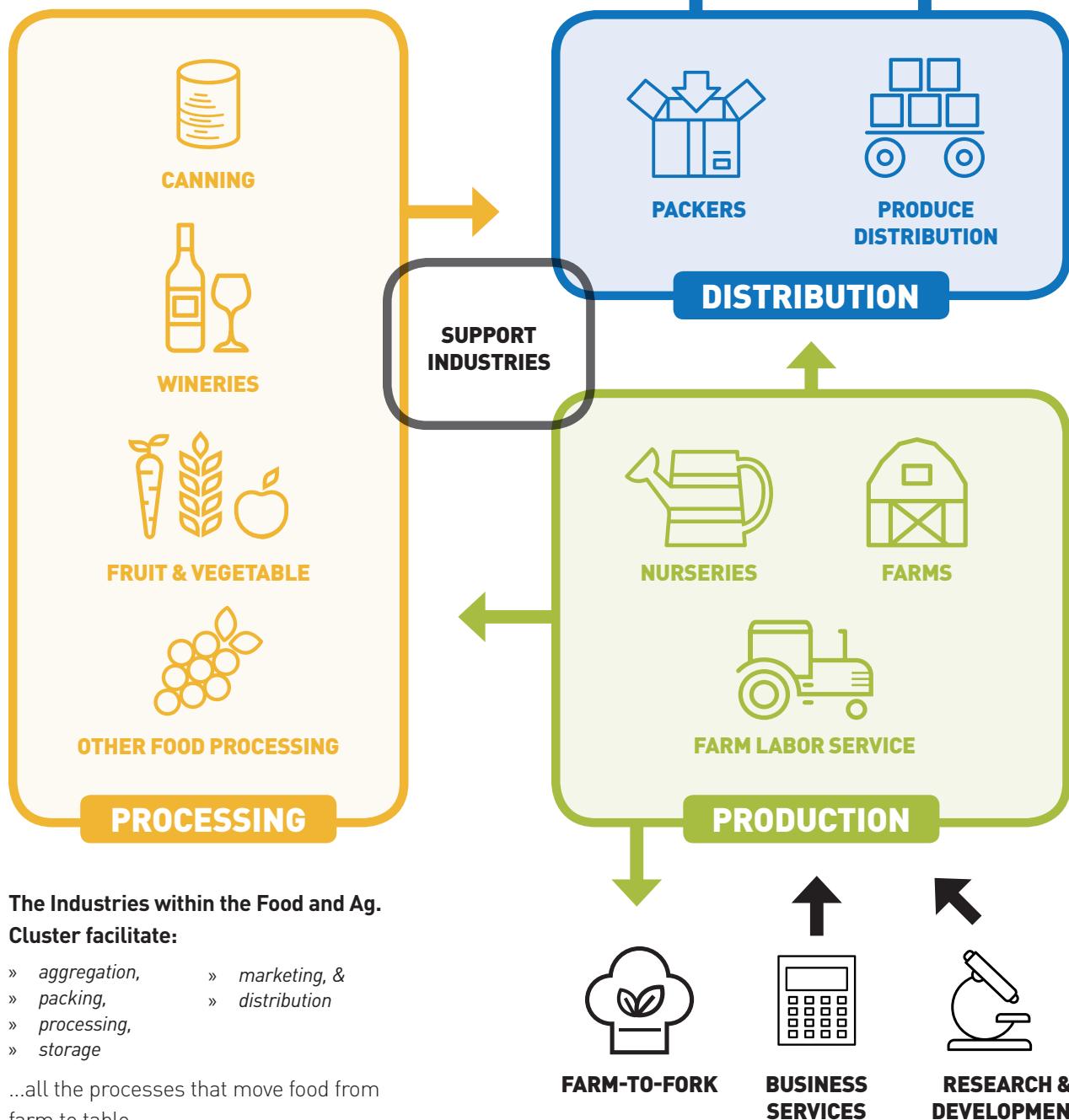
Farms are just one element of a larger food system including processors, distributors and support industries that refine, enhance, and move food products from farms to consumers. Together these industries form the food and agriculture economic cluster.



INTERNATIONAL
TRADE



DOMESTIC
TRADE



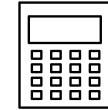
The Industries within the Food and Ag. Cluster facilitate:

- » aggregation, » marketing, &
- » packing, » distribution
- » processing,
- » storage

...all the processes that move food from farm to table.



FARM-TO-FORK



BUSINESS
SERVICES



RESEARCH &
DEVELOPMENT



FOCUS AREA: AGRICULTURAL ECONOMIC DEVELOPMENT STRATEGY

MAKING THE CASE FOR INVESTMENT IN SANTA CLARA COUNTY'S AGRICULTURAL ECONOMY

Economic development is the enhancement of a community's productive capabilities, largely through the retention and expansion of businesses, jobs and revenue as well as through investments in training and critical infrastructure, such as transportation, energy, and water systems. The County of Santa Clara is committed to growing a healthy agricultural economy, in order to help the private sector provide more business development and job opportunities for County residents, which in turn generates more revenue for the County to provide a better array and quality of services. The *Economic Development Strategy* Focus Area lays out a suite of strategies and actions that reinforce and support the other three Focus Areas of this Valley Agricultural Plan.

The following proposed strategies and actions, organized by three main objectives, directly build on the strengths, address the challenges, and capitalize on the opportunities described in the other Focus Areas.

OBJECTIVE**8.****SUPPORT THE VIABILITY OF THE AGRICULTURAL ECONOMY.****THINK ABOUT IT****Farmbudsman**

A "Farmbudsman" acts as a liaison between agricultural businesses and local and county governments with the goal of facilitating projects and helping to add value to agricultural enterprises by reducing obstacles to expanding, enhancing, or maintaining these agricultural businesses. This position typically involves assisting farmers, ranchers, and agriculture-related businesses with permitting processes, including support with meeting agricultural permitting and standards required by regulatory agencies. The position may also be responsible for administering special grants from state and federal sources.

Solano and Yolo counties in California jointly established a farmbudsman program in 2013 to serve the agricultural needs of both counties. The farmbudsman was anticipated to improve the viability of the agricultural industry, enhancing its economic, cultural, and environmental benefits in the respective counties. The position was originally established by an operating agreement with the counties and Solano Community College Small Business Development Center to administer the program. However, Yolo County withdrew from the joint program in July 2016. Today, the farmbudsman program continues in Solano County with administrative support from Humboldt State University's Northern California Small Business Development Center.

Within the first year of the joint farmbudsman program (2013-2014), the position directly facilitated a \$565,000 increase in agriculture sales across the two counties and \$620,000 in direct equity investments and loans. During this same time, the position contributed to an estimated \$1.7 million of economic growth through sales and investment and \$6.5 million in economic growth through jobs added. While the position no longer serves Yolo County, the Solano County Farmbudsman has built on these previous successes by continuing to help hundreds of farmers and ranchers throughout the County with direct assistance in navigating regulatory processes and cultivating new sales outlets for their products.

Strategies / Actions

Support farmers in obtaining permits and regulatory compliance associated with actions and activities that support long term agricultural investment and growth of the agricultural economy.

ACTIONS AND ACTORS

- Create an **Agricultural Ombudsman (Farmbudsman)** position to assist farmers and ranchers with regulatory compliance. **The Farmbudsman** would be a liaison between agricultural businesses and the local government, with the goal of facilitating projects and helping to add value to agricultural endeavors. *(County, UCCE)*
 - *Develop a job description based on assessment of responsibilities, successes and challenges of similar positions in other counties.*
 - *Identify organizational options for creation of a Farmbudsman program.*
 - *Identify existing staff resources, budget resources, and potential funding sources to support the creation of the Farmbudsman program.*
- Evaluate and implement opportunities for permit streamlining for farmers in ARA. *(County-lead)*
 - *In coordination with Objective 3, conduct an analysis and evaluate streamlining opportunities and resources for farmers for a seamless review process for all aspects of their operations. Amend ordinance codes and create collaborative opportunities with other local, state and federal agencies as needed. Create a task force with farmers and local, state and federal agencies to discuss permitting obstacles and opportunities.* *(County-lead)*

OBJECTIVE**9.****IMPROVE THE CLIMATE FOR THE GROWTH OF A DIVERSE, VIBRANT, AND INNOVATIVE AGRICULTURE ECONOMY.****Strategies / Actions****Create an Agricultural Enterprise Program for specific sub-areas of the ARA.****ACTIONS AND ACTORS**

- Develop a plan for this program, including goals, participation terms, management and funding
- In particular, assess current regulations for production of value-added products within farming areas; enact feasible recommendations for changes. (OSA, County)

**Coordinate and support the small farms initiative effort under way by the SCC Food Systems Alliance.****ACTIONS AND ACTORS**

- Analyze the demographics of existing small farms (County)
- Identify those areas that have an agglomeration of small farms now and that could potentially support additional small farms, such as the San Martin area, areas with concentrated greenhouse operations, areas around Morgan Hill and areas with smaller parcels.
- Identify the specific challenges and opportunities for these existing small farms
- Develop a plan to help address these challenges and to enhance opportunities for current and potential new small farms. (County, OSA)

**Support expansion of ag tourism****ACTIONS AND ACTORS**

- Assess current on-farm ag tourism regulations, facilities and programs, including visitor rates, opportunities and challenges
- Assess utilization of non-farm ag tourism adjunct facilities (e.g., hospitality) and programs (e.g., County CrossRoads) including utilization and needs
- Assess potential ag-tourism participants to understand their perceptions of Santa Clara Valley agriculture and their interests
- Identify best practices from other regions, including those that offer a range of interconnected experiences (e.g., art, food, farms, recreation, nature experience, education, etc.)
- Develop a plan to address ag tourism needs and opportunities
- Explore opportunities to develop new farm trails, docent-led walks and related programs to connect visitors to agriculture on public ag lands and with willing private landowners. (OSA, County)

THINK ABOUT IT

Ag Enterprise Areas

Agricultural Enterprise Areas (AEA) are generally defined as areas that a local land use authority has prioritized for farmland preservation and agricultural development. The term has various additional meanings depending on the context, as shown in the following examples:

- » *Wisconsin developed an Agricultural Enterprise Areas program as part of its Working Lands Initiative with a function similar to the Williamson Act Program in California. This tool helps communities preserve farmland and develop their agricultural economies, and also supports broader community planning efforts. In this two step process, communities first apply for state designation for an AEA and then encourage eligible farmers owning land within the area to enter into a farmland preservation agreement with the state. Currently, Wisconsin has 18 AEAs.*
- » *In Brentwood, California, the Agricultural Enterprise program administered by the Economic Development Office, provides funding for a variety of services and policy initiatives including: Partnership on purchase of conservation easements; support for a Brentwood Grown campaign; support for 'enterprise activities' within, and also serving, the agricultural core (e.g, commercial kitchens for producing value-added products); and support for agri-tourism initiatives and ag-related business development.*



Address the need for additional distribution and processing space for agricultural products; include assessment of 'hubs' for co-located businesses.

ACTIONS AND ACTORS

- Conduct an *Agricultural Distribution and Processing Facility Needs Assessment* to get information about locations of, specifications for, and target users of needed facilities
- Research analogs for types of facilities identified as most needed
- Convene City and County departments to discuss assessment and analog research and to consider options and identify potential partners, funding, and incentives for moving forward.
- Develop and implement a plan for developing any additional needed facilities. (OSA, County, Cities)

“

I'm lucky to be have had four generations of ranchers before me.

-Justin Fields, Rancher and President of Santa Clara County's Cattlemen's Association

OBJECTIVE**10.****SUPPORT THE GROWTH OF NEW FARMS AND CREATION OF NEW FARMERS TO PROVIDE DIVERSITY AND LONG-TERM RESILIENCY IN THE LOCAL AGRICULTURAL ECONOMY****Strategies / Actions**

Address the needs of beginning and immigrant farmers, currently in the County or interested in starting farming operations in the County, for land access, technical assistance and financial assistance

ACTIONS AND ACTORS

- Develop list of target farmers and outreach strategies through partners; one focus should be on urban ag farmers wanting to scale up
- Develop and implement assessment tool to determine farmers' needs, interests, capacity, background and resources
- Assess demand in terms of experience, resources, and needs/desires for land, technical assistance and financial assistance.
- Develop and implement a plan for addressing prioritized needs for affordable land, technical assistance and financial assistance. (UCCE - lead, CA FarmLink, UC SC, ALBA, SAGE)



Develop an action plan for implementation of a Farm Incubator or AgPark, with related programs

ACTIONS AND ACTORS

- Research and summarize descriptions of kinds of ag incubators, ag training programs, AgParks, and other collaborative farming opportunities
- Identify both specific farmland sites and general kinds of farmland sites available for farming, which fit the various needs of categories of 'new' farmers. Types of sites could range from large parcels (20 to 100 acres) to smaller parcels (5 acres or less) perhaps even on ranchette properties; farmland could be owned by public or private entities.
- For technical and financial assistance, identify all existing resources, and compare with needs of beginning farmers
- Conduct feasibility study, conceptual plan and business plan, for establishing an AgPark/Farm Incubator
- Beyond the AgPark/Farm Incubator idea, and per demonstrated need, assess best approaches for increasing access to financing, affordable land and technical assistance for emerging farmers and ranchers (OSA/UCCE - co-leads, CA FarmLink, UC SC, ALBA, SAGE)

THINK ABOUT IT

Food Hubs

A food hub is a centrally located facility that helps facilitate the aggregation, storage, processing, distribution and/or marketing of locally or regionally produced food products. Food hubs can give small- and medium-sized farms better access to markets by connecting them to suburban and urban markets and removing barriers to entry into local food markets. In addition to aggregating and distributing food, many food hubs offer additional services to their producers, customers, and communities. For producers, such services may include marketing, branding or labeling, food safety training, and business management or strategic planning. For communities, food hubs play an important role in filling the gaps in a region's food system infrastructure, including transportation, product processing, and product storage. Some food hubs may have relationships with local food banks where unsold or imperfect food is donated to the food bank on a daily or weekly basis. Food banks range in scale from smaller aggregation sites for a few farmers in rural areas to substantial wholesale distribution business in urban areas, such as the Common Market.

The Common Market is a regional food hub whose mission is to connect communities with food from regional family farms, develop fair wholesale markets, improve public health and food access, and promote the viability of small and mid-scale farmers. Started in Philadelphia, Pennsylvania in 2008, the Common Market now operates throughout the Mid-Atlantic and Southeast with plans for expansion into other U.S. regions. The Common Market partners with anchor institutions including hospitals, schools, and universities by connecting them with local farmers to change the quality of the food served at these institutions. Since its founding, the Common Market has aggregated and distributed over \$14 million of local foods from over 100 sustainable family farms and producers. The Common Market also guarantees the safety and quality of farmers' products to its institutions, which can be a barrier to institutions contracting directly with farmers. This approach helps meet the needs of small farmers by providing them with a secure market outlet for their products, while helping anchor institutions invest in the economic health of their local community.

A GROWING INDUSTRY**SANTA CLARA COUNTY'S
TOTAL AGRICULTURAL
- PRODUCTION HAD -**

**11% GROWTH
IN ONE YEAR**

\$280 Million → \$310 Million



2015



2016

TOP 3 CROPS

**MUSHROOMS
\$79 MILLION**



**BELL PEPPERS
\$20 MILLION**

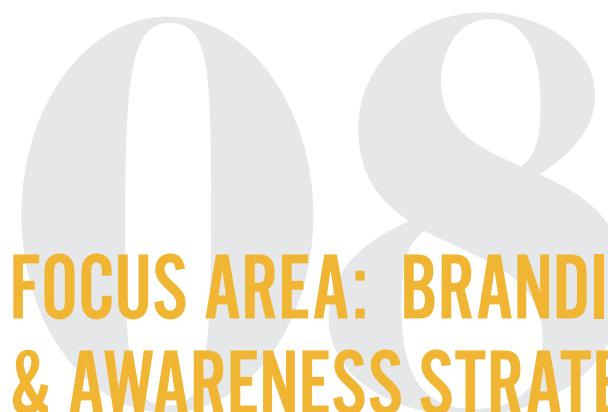


**NURSERY PLANTS
\$81 MILLION**

Source: Crop Report 2016, County of Santa Clara







FOCUS AREA: BRANDING, EDUCATION & AWARENESS STRATEGY

ENSURING THAT THE REGION'S WORKING LANDS ARE NOT ONLY PRESERVED, BUT UNDERSTOOD, IDENTIFIABLE, AND VALUED.

The communications element of this Valley Agricultural Plan is predicated on the belief that in order for this Agricultural Plan to be successful **the story of the landscapes targeted for protection must be proactively communicated and the place itself branded**. Of equal importance is growing public awareness of those farmers and ranchers who steward these working lands, and of their stories and values.

The agricultural history and potential in Santa Clara Valley can easily be lost in the bustle and growth of the region. In order for the remaining acres of undeveloped land to resist development, the value of working landscapes and their connection to climate resilience must be effectively conveyed.

The goal of this Focus Area is to create a **positive feedback loop between the other Focus Areas: Land use policy, conservation easements, and economic development strategies, for a catalytic effect**.

While the goal of this Focus Area is to serve as a catalyst for new associations with Santa Clara Valley, and for attracting new producers and partnerships to the region, there is also an abiding need to champion those farmers and ranchers diligently managing these lands at present. Both well-established operations with consistent markets and new entrants are needed for a resilient regional ag economy. The duality of this approach supports the growth of both supply and demand, providing **increased opportunities to connect Silicon Valley with rural Santa Clara Valley**.

The goal is to develop and launch a **Santa Clara Valley Agriculture Campaign** that ensures a balanced implementation of the strategies delineated in this Valley Agricultural Plan, and build momentum and awareness around the motivations behind it.

OBJECTIVE

11. DEVELOP AND LAUNCH A SANTA CLARA VALLEY AGRICULTURE CAMPAIGN.

Strategies/Actions



Develop a regional brand identity, reclaiming “Santa Clara Valley” with a strong sense of place, associating it with working lands and representing a diversity of people and products.

ACTIONS AND ACTORS

- Finalize initial concepts for a brand identity under the name of Santa Clara Valley across a range of communications.
- Develop communications tools to demonstrate the application of the place-based identity along with strategies to tell the story of Santa Clara Valley.
- Design and produce a Style Guide that will provide direction for use of the regional identity and application of brand elements, for use in creating a consistent identity over time.
- Calibrate campaign to balance branding efforts with concurrent strategies intended to materially support a diversity of farmers and ranchers, and a vibrant regional ag economy overall, including establishment of an Agricultural Incubator / Ag Park.
- Adapt materials to directly solicit committed relationships and funding from local institutions, identifying appropriate areas for targeted investments and partnerships. *(County/OSA/Farm Bureau)*

66

...what it comes down to is if the public values agricultural land.

-David Morrison, Napa County Director of Planning, Building and Environmental Services

Some preliminary examples of branding and education tools are shown in this chapter as well as in the farmer and rancher stories represented throughout this plan document.



Sample of sign campaign to identify and raise awareness for working lands in Santa Clara Valley

OBJECTIVE**12.****BUILD A LOCAL CONSTITUENCY THAT IS INFORMED ABOUT AND SUPPORTIVE OF REGIONAL AGRICULTURE, BY CONDUCTING OUTREACH, ENGAGING AND EDUCATING THE PUBLIC.****Strategies/Actions**

Explore potential partnerships with local institutions, primarily the region's universities, companies, and restaurants.

ACTIONS AND ACTORS

- Identify universities, technology companies and other large employers and local institutions to approach for engagement, procurement agreements, and potential capital investment – schedule informational interviews and presentations with each;
- Discuss and develop appropriate matches between the institutional resources available and regional agricultural needs;
- Identify opportunities, strategies and tools for communicating with institutional constituents (i.e. students and employees);
- Research models and precedent for corporate/institutional engagement on this level and assess effectiveness;
- Estimate various potential levels for engagement in cost and commitment, centered around the establishment of an Ag Incubator, and for other distinct projects. *(County/OSA/Farm Bureau)*



Promote and support local-preference purchasing policies for private companies, public schools and other institutions as a means to foster awareness and build relationships.

ACTIONS AND ACTORS

- Engage with organizations that have developed similar successful programs (e.g. Center for Good Food Purchasing).
- Prepare draft Local Preference policy for future County adoption *(County/OSA/Farm Bureau)*



Continue interviewing and updating agricultural stakeholders to build support for and inform this Valley Agricultural Plan.

ACTIONS AND ACTORS

- Make presentations to local community groups and leaders;
- Update stakeholders already interviewed on our progress and plans;
- Ensure that multi-generational, more established farms and ranches are able to sustain their businesses;
- Enlist more-experienced farmers and ranchers to serve as mentors to new entrants;
- Develop matchmaking programs for linking established farms with institutions, where appropriate;
- Assist legacy operations with succession planning. *(County/OSA/Farm Bureau)*



Preliminary branding concepts to tell the story about Santa Clara Valley agriculture



In partnership with Cities and natural resource agencies, develop programs and initiatives that connect the health, vitality, resilience, and identity of urban and rural areas.

ACTIONS AND ACTORS

- Convene City Economic Development departments, Chambers of Commerce, business associations, and County departments, to discuss potential programs that would be mutually beneficial;
- Create educational materials and programs with the Santa Clara Valley Water District that give examples of farmers as good water conservation and water quality stewards;
- Create educational materials and programs with the NRCS and RCD's, that give examples of farmers as good stewards of soil and biodiversity, and as a cutting edge for climate change mitigation and adaptation (*County/OSA/Farm Bureau*)



Promote agro-ecoliteracy in K-12 education, with focus on local agricultural production and stewardship stories.

ACTIONS AND ACTORS

- Convene interested school districts with exemplary practitioners (e.g. Center for Ecoliteracy, Ag in the Classroom). (*County/OSA/Farm Bureau*)

“

The farm products coming out of our Valley are better than the rest because we have better soil, water and climate than anywhere else. Our walnuts have more white meat. Our cherries are sweeter.



CHRIS & MARY BORELLO

Chris and Mary Borello are the beneficiaries of a family with deep roots in Santa Clara Valley. Chris, who is a third-generation farmer actively growing cherries, peppers, walnuts, hay and recently began running 300 head of Black Angus, is also a licensed real estate broker. He understands that Santa Clara Valley is uniquely well-suited to both growing produce and growing houses, and that there's a need to balance demand for both.

Chris's immigrant grandfather began farming in the area at the turn of the last century, and in order to keep the farming enterprise solvent also bought and sold ag properties. His father continues to farm, but Chris broke out on his own in 2014, the only one out of twelve in his generation disregarding family advice to move on from agriculture. As a real estate broker Chris believes that the best route, maybe the only route, to the sustained resilience of Santa Clara Valley's working lands is through fair prices for the sale of development rights. Financial drivers and incentive-based tools, such as agricultural conservation easements, have to be competitive and based on fair market value in order to preserve the viability of farms. Preservation of farmland alone cannot foster a vibrant ag economy – the investments and livelihoods of farmers and ranchers must also be supported.

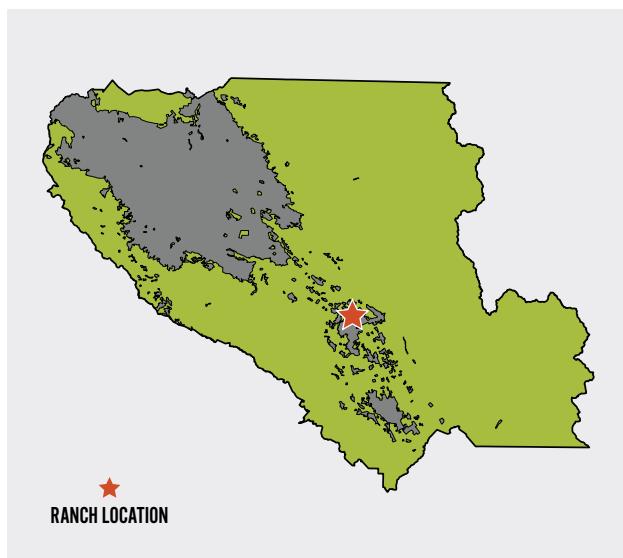
ON STEWARDSHIP: GROWING RELATIONSHIPS IN THE VALLEY

In 2016, Chris purchased a 12-acre cherry orchard where he also lives with his wife Mary. Together, Chris and Mary have begun sending their cherries to regional farmers' markets and bring over 1,500 members of the public to their property for a U-pick operation upickorchards.com during the narrow cherry harvest window. "People want to buy local, but here sometimes it's just hard to find local." Often, their cherry stand at the farmers' market is the only one selling products grown in Santa Clara Valley.

Direct sales to the public, through U-pick and farmers' markets, only make up a fraction of the Borellos' sales, but they are dedicated to and enthusiastic about this branch of their operation. Direct marketing brings added satisfaction to the Borellos' work, but also allows non-farming neighbors and community members to meaningfully engage with local agriculture. Chris and Mary see part of their responsibility as stewards to be reconnecting non-farm families with the joys and realities of working lands.

Chris is on the board of the local Farm Bureau chapter, the mission of which he describes as growing the importance of agriculture in the County. Chris sees that the legacy of agriculture in Santa Clara Valley can only grow if younger people are engaged, but that the deck is often stacked against first-generation farmers. "Without the land and family already in ag, starting out on your own today, it's really hard to make the business work."

Chris also believes in the importance of mentorship in agriculture. Even with a family farming background, it can often be a well-matched mentor who ultimately leads to the success of a new operation. Chris stresses the value of pairing up someone just starting out with "an old-timer who has the land and the knowledge, someone who spent a generation learning how exactly to grow here and wants to see the knowledge continue in some way."



Chris believes it's in the public interest to preserve and hold onto our peri-urban farmland, and that the solution lies in public-private partnerships, specifically through the purchase of easements. If public agencies and land trusts can protect working lands from development, "that allows folks like me to keep it in agriculture, growing food for our community." It's these such relationships, built on mutual respect, that Chris believes will be essential for agriculture to grow and thrive in Santa Clara Valley.

“

People think that farming should happen somewhere else. Farming should happen right here. People need to understand where their food comes from and what it takes to produce. There is still a huge disconnect.

-Matt Smiley, Farm Manager, Farmer Veteran Coalition





IMPLEMENTATION OF THE VALLEY AGRICULTURAL PLAN

As described in the previous Sections, implementation of the four Focus Areas is intended to put into effect a suite of different actions that collectively support the growth and expansion of the Santa Clara Valley agricultural economy.

Implementation of these Focus Areas and specific actions requires different staff and financial resources along with different community and agency partnerships to be successful. Success of the Valley Agricultural Plan in initiating and growing the Santa Clara Valley agricultural economy depends upon the effective use of resources and timing in implementing the action items within the four Focus Areas.

This Section of the Valley Agricultural Plan provides a recommended approach regarding the priority of implementation actions and the identification of existing and new resources and partnerships that will support these efforts.

As a key first step towards implementation success, the Valley Agricultural Plan identifies the creation of a **Program Manager** within the County who will act as a facilitator and coordinator in ensuring Implementation of this Plan.

9.1 RECOMMENDED IMPLEMENTATION PRIORITY

Table C below lists the four Valley Agricultural Plan Focus Areas and their respective actions and identifies priority for implementation.

Priority 1 actions are identified as the highest priority actions - those that are recommended to occur first – within a timeframe of the next one to two years.

Priority 2 actions are identified as the second tier priority implementation actions, to occur in years 3-5.

TABLE C - IMPLEMENTATION PRIORITY TABLE

FOCUS AREAS & ACTIONS	PRIORITY
Land Use Policy	
Expansion of Agricultural Zoning districts with new zoning tools	1
City / County Agriculture Designation Coordination	2
Limitation on non-agricultural uses in agricultural areas	1
Residential Building Size Limits on Agricultural Property	1
Regional Agricultural Mitigation Fee Program	2
Regulatory Reform - loosen regulations on agricultural supportive uses	1
Farmworker Housing Development	1
Setbacks for Non-Agricultural development next to Agriculture	1
Strengthen Right to Farm disclosures	1
Regional Agricultural Conservation Easement Program & Other Financial Incentives	
Creation of Regional ACE Purchasing Program	1
Outreach Program to landowners – Benefits of Conservation Easements	1
Outreach Program to landowners – Williamson Act Program	1
Adopt Farmland Security Zone	2
State and Federal Grant and Technical Support Programs	2
Expansion of Santa Clara Valley Water District Open Space Credit Program	2
Pilot Payment for Ecosystem Services Program	2
Agricultural Economic Development Strategy	
Agricultural Ombudsman	1
Permit Streamlining	1
Agricultural Enterprise Program	2
Small Farms Initiative Program	2
Agricultural Distribution & Processing Expansion	2
Establish a Farm Incubator / AgPark	2
Branding, Education and Awareness	
Development of Regional Brand Identity associated with Santa Clara Valley Agriculture	1
Partnerships with Local Institutions	2
Local Preference Purchasing Policies	2
Expand Stakeholder Support	1
Urban / Rural Partnerships	2
Agro-Eco Literacy in Local K-12 Education	2

PRIORITY 1 ACTIONS WERE CHOSEN AS THE HIGHEST PRIORITY ACTIONS BASED ON SEVERAL FACTORS –

- (a) Technical panel feedback** – Feedback from the panelists regarding which actions are of a higher priority and should be implemented first.
- (b) Existing resources and partnerships** – Actions for which there are current staff resources and skills available within the County or Open Space Authority or partnerships in place with other organizations and entities that can more quickly facilitate implementation of the item.
- (c) Knowledge of implementation specificity** – Actions for which the implementation task, resources needed, and specific procedural steps required are currently known.

SUMMARY OF PRIORITY 1 ITEMS

As shown in Table C– the Priority 1 Valley Agricultural Plan implementation items consist of the following groups of actions:

Land Use Policies

- Expansion of Agricultural Zoning districts with new zoning tools
- Residential Building size limits in agricultural areas
- Limitation on non-agricultural uses in agricultural areas
- Regulatory Reform – loosen regulations on agricultural supportive uses
- Farmworker housing
- Setbacks for non-agricultural development next to agriculture
- Strengthen Right to Farm disclosures

Regional Agricultural Conservation Easement Program & Other Financial Incentives

- Creation of Regional ACE Program
- Outreach Program to landowners – benefits of agricultural conservation easements and Williamson Act

Agricultural Economic Development Strategy

- Agricultural Ombudsman
- Permit Streamlining

Branding, Education and Awareness

- Development of Regional Brand Identity associated with Santa Clara Valley Agriculture
- Expand Stakeholder Support

In several of these areas, work has already begun on the implementation action. This includes an additional SALC grant application by the County to support the creation of a regional ACE purchasing program and an initial partnership between the County, Morgan Hill and the Open Space Authority to purchase an ACE on farming property near Morgan Hill. Several of the pilot regional brand identity materials have been prepared and will soon start to be used.

9.2 INITIAL ORGANIZATIONAL FRAMEWORK

For the initial implementation phase, the Valley Agricultural Plan is proposed to incorporate existing staff resources within the County, Open Space Authority, and other partner agencies, and focus on the work efforts and programs that have already begun.

In addition to capitalizing on these existing resources and work efforts, a Program Manager position is envisioned to be created within the County to act as a central responsible party to orchestrate implementation of the Priority 1 tasks.

This position, envisioned to be located within either the Department of Planning and Development or the County Executive's Office, would be directly responsible for initiating several implementation actions while coordinating with other County departments, the Open Space Authority, and other partner agencies, to ensure implementation of actions that require an inter-coordinated effort.

In addition to this Program Manager position, another position envisioned to be created during the Phase 1 portion of the SCVAP program is the Agricultural Ombudsman. This position, responsible for assisting farmers with regulatory and permit compliance, is envisioned to be a ½ time or full time position and could potentially be positioned within the UC Cooperative Extension Office.

Below are the envisioned staff resources and responsibilities for Phase 1 Implementation.

County - Valley Agricultural Plan Program Manager

- Initiate Regional Agricultural Conservation Easement Purchasing Program
- Farmworker Housing Program
- Outreach / Education of Rural Property Owners – Agricultural Conservation Easements and Williamson Act program
- Strengthen Right to Farm Ordinance
- Development of Regional Brand Identity associated with Santa Clara Valley Agriculture
- Expand Stakeholder Support
- Coordinate with County, OSA, and other partner agencies on Implementation actions

County Department of Planning

- Land Use Policies
 - Expansion of Agricultural Zoning districts with new zoning tools
 - Residential Building Size Limits on Agricultural Property
 - Limitation on non-agricultural uses in agricultural areas
 - Regulatory Reform – loosen regulations on Agricultural supportive uses
 - Setbacks for Non-Agricultural development next to Agriculture
 - County Zoning Changes addressing Farmworker Housing

Open Space Authority

- Initiate Agricultural Conservation Easement Purchasing Program
- Development of Regional Brand Identity associated with Santa Clara Valley Agriculture

ADDITIONAL COUNTY AND AGENCY PARTNERSHIP ROLES – INCLUDING PHASE 2 TASKS

County Agricultural Commissioner's Office

- Coordination on Regional Brand Identity associated with Santa Clara Valley Agriculture & other related Branding action items
- Coordination on Agricultural Ombudsman
- Expand Stakeholder Support

County Office of Supportive Housing

- Farmworker Housing Program

County Office of Economic Development

- Development of Regional Brand Identity associated with Santa Clara Valley Agriculture & other related Branding action items
- Agricultural Economic Development Strategy

UC Cooperative Extension

- Agricultural Ombudsman & Permit streamlining

Farm Bureau

- Development of Regional Brand Identity associated with Santa Clara Valley Agriculture

Food System Alliance

- Small Farms Initiative Program
- Coordination on Local Preference Purchasing Policies
- Coordination on Regional Brand Identify and Agricultural Economic Development Strategy

Local Agency Formation Commission (LAFCO)

- Coordination on Land Use Policies

Santa Clara Valley Water District

- Expansion of Santa Clara Valley Water District Open Space Credit Program
- Pilot Payment for Ecosystem Services Program
- Local Preference Purchasing Policies

How Can I Help?

This Plan describes many actions to be taken by the County of Santa Clara, OSA, and other partner agencies and organizations to support and grow a regional agricultural economy.

In addition to these efforts, here are actions anyone living in Santa Clara County can take to support our local farmers and contribute to the success of the Valley Agricultural Plan:

1. *Buy locally grown farm products – Farms in Santa Clara County grow a wide variety of goods, from fruits and vegetables to wine, meat, dairy and nursery products. Look for these items in local markets and ask your grocer to stock more of them.*
2. *Encourage local preference purchasing programs in your schools, hospitals, businesses and other institutions - Larger scale procurement of locally grown farm products supports the bottom line for farmers and promotes community health and sense of place.*
3. *Visit local farms, ranches and vineyards - Santa Clara Valley is home to dozens of farms, vineyards and ranches that offer a wide range of on-farm experiences for all visitors and audiences. These include u-pick berries, educational events, farm dinners, seasonal celebrations and opportunities to purchase farm-grown and farm-made products.*
4. *Enjoy nearby nature and outdoor recreation - Regional open space lands offer trails and vantage points with views of the Valley's diverse and beautiful working landscapes. Rural backroads and creek-side trails offer opportunities to take in the landscape on bike rides and by horseback.*
5. *Support agricultural literacy in schools - Programs for all grade levels can help young people understand and connect with the many processes of growing our food. Older students can engage in learning about the many technical and hands-on careers related to the agriculture and food sector.*
6. *Avoid, and slow down on, our farm roads – With congestion on our freeways and major thoroughfares, many commuters resort to local farm roads for their commute – making it more difficult for farmers to move equipment and bring products to market. Please try to avoid using our farm roads, and if necessary, please slow down and accommodate tractors and farm equipment.*
7. *Coordination on development of a regional ACE program.*

City of San Jose

- Coordination on Regional Brand Identify
- Local Preference Purchasing Policies
- Coordination on Regional Agricultural Mitigation Fee Program
- City / County Coordination on Land Use Policies
 - Agricultural Designation
 - Setbacks for Non-Agricultural development next to Agriculture

City of Morgan Hill

- Coordination on Regional Brand Identify
- Local Preference Purchasing Policies
- Coordination on Regional Agricultural Mitigation Fee Program
- City / County Coordination on Land Use Policies
 - Agricultural Designation
 - Setbacks for Non-Agricultural development next to Agriculture

City of Gilroy

- Coordination on Regional Brand Identify
- Local Preference Purchasing Policies
- Coordination on Regional Agricultural Mitigation Fee Program
- City / County Coordination on Land Use Policies
 - Agricultural Designation
 - Setbacks for Non-Agricultural development next to Agriculture

ENDNOTES

CHAPTER 1

- 1 Santa Clara Valley Agriculture Plan (Valley Agricultural Plan) Project Team
- 2 Valley Agricultural Plan Project Team
- 3 Steve Shaffer, Comparing Greenhouse Gas Emissions from Southern Santa Clara County Rangeland and Irrigated Cropland and Santa Clara County Urban Lands (Conserve and the County of Santa Clara, December 2016), See Appendix G
- 4 Valley Agricultural Plan Project Team
- 5 Santa Clara County Department of Agriculture (SCCDA), The Economic Contribution of Agriculture to the County of Santa Clara 2014, https://www.sccgov.org/sites/ag/news/Documents/AG_Economic_Report_WEB_Final.pdf
- 6 Valley Agricultural Plan Project Team
- 7 Rural- Urban Connections Strategy (RUCS), Sacramento Area Council of Governments (SACOG), www.sacog.org/rural-urban-connections-strategy

CHAPTER 2

- 8 ABAG, Projections 2013
- 9 Valley Ag Plan Project Team
- 10 County of Santa Clara Database
- 11 City of San Jose, Planning Division, Envision San Jose 2040 General Plan (2011), http://planning.sanjoseca.gov/planning/gp_update/FinalText/ESJ2040GeneralPlan_12-1-2011.pdf

CHAPTER 3

- 12 SCCDA, Santa Clara County Crop Report 2016, <https://www.sccgov.org/sites/ag/news/Documents/2016%20CR%20final.pdf>
- 13 SCCDA, Agricultural Commissioner's Office, The Economic Contribution of Agriculture to the County of Santa Clara 2014, https://www.sccgov.org/sites/ag/news/Documents/AG_Economic_Report_WEB_Final.pdf
- 14 Dun & Bradstreet and BAE Urban Economics. 2017. Cited in The Bay Area Food Economy White Paper. Sustainable Agriculture Education and American Farmland Trust. May 2017
- 15 David Batker, Aaron Schwartz, Rowan Schmidt, Andrea Mackenzie, Jake Smith, and Jim Robins. 2014. "Nature's Value in Santa Clara County." Earth Economics and the Santa Clara Valley Open Space Authority. http://www.openspaceauthority.org/about/pdf/NaturesValue_SCC_int.pdf
- 16 Steve Shaffer, Comparing Greenhouse Gas Emissions from Southern Santa Clara County Rangeland and Irrigated Cropland and Santa Clara County Urban Lands (Conserve and the County of Santa Clara, December 2016), See Appendix G
- 17 Ibid
- 18 Diane Nelson, "Farmland May Provide Key to Replenishing Groundwater," University of California, Davis, Sep 09, 2015, <http://www.caes.ucdavis.edu/news/articles/2015/09/farmland-may-provide-key-to-replenishing-groundwater>
- 19 Valley Agricultural Plan Project Team
- 20 Ibid
- 21 Ibid
- 22 SCCFSA, Santa Clara County Food System Assessment (December 2013), https://static1.squarespace.com/static/55fb5d35e4b0c8599268bb30/t/56398d36e4b06a301e34d13d/1447610218348/Final_VersionASSESS_010814_sm+2.compressed.pdf
- 23 Ibid
- 24 Movers and Makers, Economic Cluster Study. City of San Francisco, Consultants. 2014. Cited in The Bay Area Food Economy White Paper. Sustainable Agriculture Education and American Farmland Trust. May 2017.
- 25 Santa Clara County Food System Alliance (SCCFSA), Santa Clara County Food System Assessment (December 2013), https://static1.squarespace.com/static/55fb5d35e4b0c8599268bb30/t/56398d36e4b06a301e34d13d/1447610218348/Final_VersionASSESS_010814_sm+2.compressed.pdf

CHAPTER 6 - REFERENCES

- 26 Sustainable Agricultural Lands Conservation Program Final Program Guidelines: 4/11/2017 <http://calclimateag.org/wp-content/uploads/2015/02/Climate-Benefits-of-Agriculture-2015.pdf>

File No.: 18-0504

Agenda Date: 10/1/2018

Item No.: 4.2.

COMMITTEE AGENDA MEMORANDUM

Agricultural Water Advisory Committee

SUBJECT:

Update on District efforts related to flood risk reduction, agricultural lands, and groundwater recharge in the Coyote Valley area.

RECOMMENDATION:

This is an informational item and no action is required.

SUMMARY:

The Agricultural Water Advisory Committee requested an update on District efforts related to flood risk reduction, agricultural lands, and groundwater recharge in the Coyote Valley area of Santa Clara County (County) at its April 2018 committee meeting. This item provides an update on these topics.

BACKGROUND:

Coyote Valley is approximately 7,400 acres in size and is defined by the large expanse of open space, farmland, orchards, and homes. It is an important landscape for water resources located in the narrows of Coyote Creek and its Fisher Creek tributary and as such, the District has been monitoring development in the Coyote Valley in relation to its missions.

Flood Protection

Coyote Valley is an important landscape with respect to flood protection for two reasons: 1) the valley has a large floodplain with 395 parcels and important highways within the FEMA 100-year floodplain; and 2) due to the mainly natural and undeveloped landscape still present in the valley, it currently serves to store and reduce peak flow rates to the more urbanized downstream reaches. There may be potential to store even more flood waters in appropriate locations in Coyote Valley to further decrease flood peaks downstream in San Jose. These two facets are being studied as part of ongoing efforts between the District and the Santa Clara Valley Open Space Authority, and through the District's One Water Plan.

Agricultural/Working Lands

Farms and ranchlands are still a major component of Coyote Valley. Recent studies, plans and programs such as the County's Santa Clara Valley Agricultural Plan and the pending Agricultural Conservation Easement Program, have helped highlight some of the potential benefits that these lands provide, such as floodplains, natural groundwater recharge, and providing creek and watershed habitat and connections for flora and fauna.

Groundwater Recharge

Nearly all the water used in Coyote Valley is groundwater, with about 11,000 acre-feet per year of pumping. Because natural recharge from rainfall and other sources is far less than what is pumped, the District recharges groundwater with local and imported water. Managed recharge in Coyote Valley is through releases to Coyote Creek.

Additional Water Resource Considerations

Water resources management for other interests are also important in Coyote Valley and are important to the District via its stewardship mission. These include:

- Providing wildlife corridors and improving conditions for movement across the valley from the Santa Cruz to the Diablo Mountain ranges where there is a nexus with water resources;
- Conservation and restoration to support the mosaic of habitat types that still exist today but once thrived across the valley such as wet meadows and wetlands;
- Water quality improvement through protection of stream corridors and improved land management practices; and
- Trails and recreation.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Vincent Gin, 408-630-2633

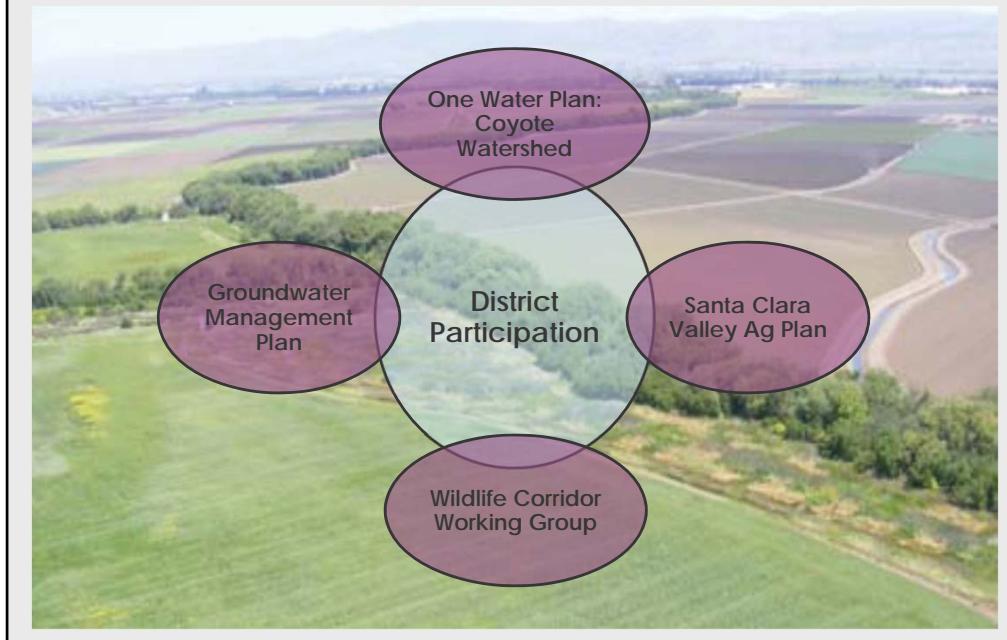
Agricultural Water Advisory Committee

District Role in Coyote Valley Planning

October 1, 2018



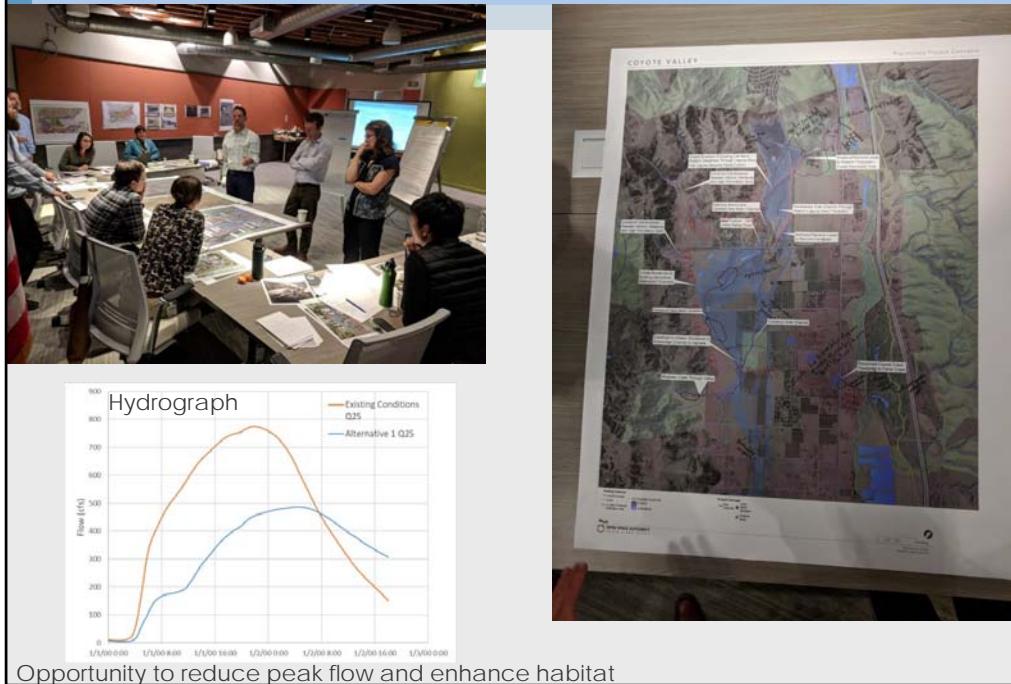
Coyote Valley Planning Efforts



District involved in several planning efforts that touch down in Coyote Valley

1. One Water Plan-Coyote Watershed – Developed a case study for Coyote Valley to take a closer look at water resources, specifically flood risk reduction, habitat restoration, and wildlife corridors
2. Santa Clara Valley Ag Plan – District had a seat on the County and Open Space Authority's Ag Plan TAC to provide input on water resources related to agricultural lands
3. Santa Clara County Wildlife Corridor Working Group – District staff involved in identifying key wildlife corridors through Coyote Valley
4. Groundwater Management Plan – District has completed its Groundwater Management Plan, which aids in describing groundwater conditions and the importance of groundwater throughout the county including Coyote Valley

Watershed Planning



District's integrated water resources master plan (One Water) is being wrapped up for Coyote Watershed.

The plan will help establish priorities across the watershed including Coyote Valley.

- The slide illustrates how One Water planning, in coordination with Open Space Authority, has included stakeholder engagement, updated modeling and identification of real opportunities in Coyote Valley.
- The hydrograph demonstrates how capturing flows from large storm events (25 year event in this case) could reduce flood peaks downstream of the Fisher Creek-Coyote Creek confluence



Santa Clara County in coordination with Open Space Authority has created a Santa Clara Valley Agricultural Plan.

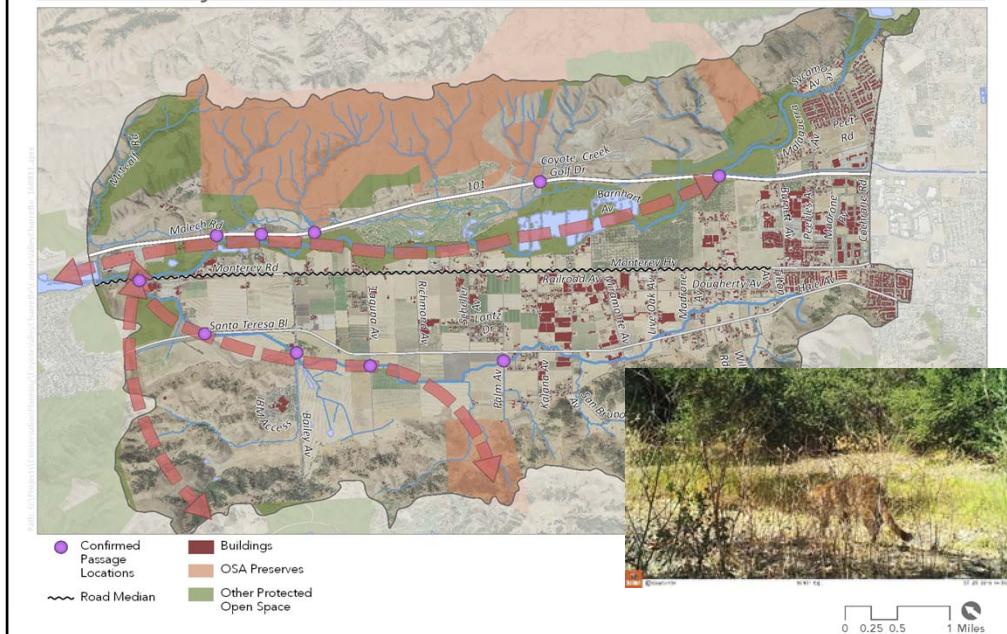
This plan is intended to demonstrate the value of farming and other agricultural practices in Santa Clara Valley, including Coyote Valley and identify strategies to preserve this historical land use.

The District participates on the Agricultural Plan's Technical Advisory Committee and stays engaged in follow-up conversations with the county and OSA with respect to agricultural and water resource overlap and management.

Wildlife Movement and Protection

Biodiversity

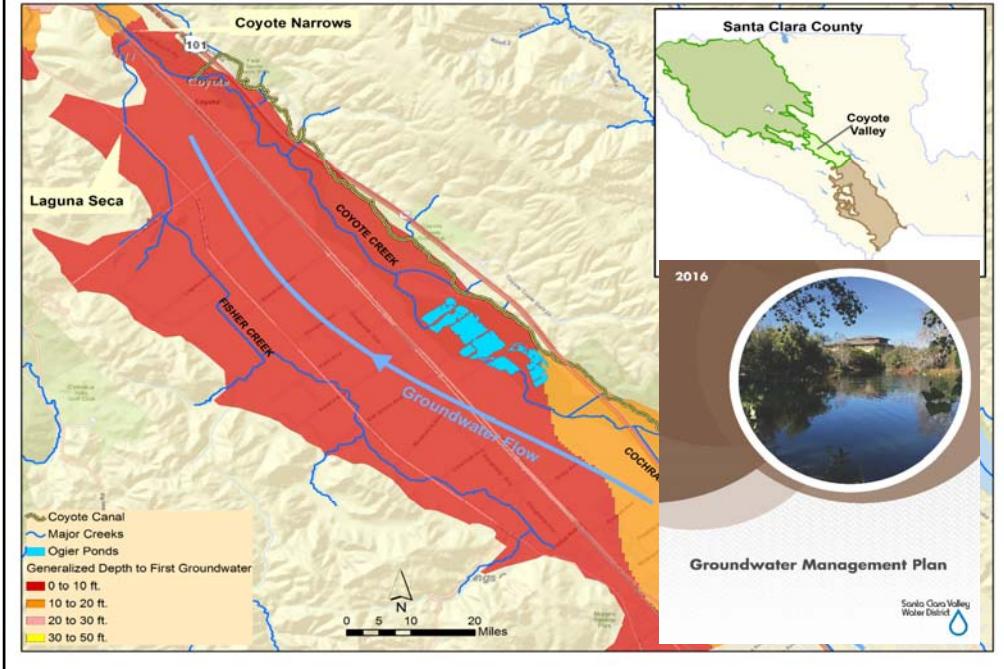
Wildlife Movement



Wildlife movement throughout Coyote Valley has been documented extensively and now local agencies are identifying what can be done to protect this resource.

- District participates in Santa Clara County Wildlife Corridor Working Group.
- District has helped by getting creative with its stewardship funding...utilizing invasive species removal funding to clear out key culverts under roadways that wildlife use to pass from the Santa Cruz range to Diablo range
- District is also coordinating with High Speed Rail and Open Space Authority to identify key wildlife crossings to protect when new major transportation infrastructure is planned and installed.

Sustainable Groundwater Management



From Vanessa:

- The groundwater recharge, protection, and monitoring programs described in the District's Groundwater Management Plan help ensure continued sustainable groundwater supplies.
- These activities are especially important in the Coyote Valley, which is almost entirely reliant on groundwater for water supply.
- In working to protect groundwater, the District also relies on partnerships with regulatory and land use agencies, other special districts, non-governmental organizations, and stakeholders.
- The District coordinates with land use planning agencies on future water demand projections and identifies investments needed to ensure continued groundwater sustainability.

File No.: 18-0505

Agenda Date: 10/1/2018

Item No.: 4.3.

COMMITTEE AGENDA MEMORANDUM

Agricultural Water Advisory Committee

SUBJECT:

Staff Responses to Agricultural Water Advisory Committee's Recommendations from the Special February 26, 2018, Meeting.

RECOMMENDATION:

This is an action item.

SUMMARY:

At the February 26, 2018, Special Agricultural Water Advisory Committee meeting, the Committee made recommendations for staff's responses, which are noted below:

Committee Recommendation:

Board direct staff to provide an in-depth analysis and response on the Open Space Authority's letter and Mr. Dhruv Khanna's memo and report back to the Committee for their response and action.

Staff Response:

February 23, 2018 letter from Andrea Mackenzie, General Manager of the Open Space Authority

1. The Open Space Authority points out that the District could tie retention of the current rate of six percent of M&I to maintenance of important ecosystem services, and that it could partner with the Farm Bureau, Natural Resource Conservation Service, and Resource Conservation Districts to implement the Program. The District has a history of doing both of these. Starting in 2001, the District began offering discounts to growers that participated in our free Mobile Lab program. The requirement expanded in 2003, whereas growers had to participate in the both the Mobile Lab program and a nutrient management program to receive the full discount. These discounts were available through 2008. In 2009, the District partnered with the Farm Bureau on a three-year irrigation efficiency program for local growers. Although discounts were no longer available, the District still wanted to assist local growers improve their irrigation efficiency. The free program focused on 10 growers. These ten growers would then act as ambassadors and share what they learned with others. Since the conclusion of the Farm Bureau program, the District has partnered with the Loma Prieta Resource Conservation District (LPRCD) to offer a joint irrigation efficiency and nutrient management program. Grower feedback has been positive and the program continues to gain momentum through word-of-mouth promotion amongst growers and program promotion at workshops and meetings in the community.

2. The Open Space Authority questions why the Board would consider decreasing the Open Space Credit to help pay for flood protection projects when flood protection is one of the important ecosystem services of farmland. The answer quite simply is that the District's financial resources, specifically the 1% ad valorem property tax revenues, are limited, and there are pressing flood protection projects that need to be built as evidenced by the President's Day Flood event for which 1% ad valorem property taxes are a potential funding source. It is doubtful that maintaining the Open Space Credit policy as is will be sustainable financially into the distant future unless another revenue source is found (all other variables being equal).
3. The Open Space Authority suggested a "no increase" option to growers that undertake some water efficiency measures. However, the members of the Agricultural Advisory Committee expressed that there is very little to be gained in terms of water efficiency from the farming community, as the majority already use drip irrigation for example. Instead, the Board directed staff to research the feasibility of a discount program for Williamson Act participants and those with land conservation easements.

Staff Response:

February 26, 2018 memo from Dhruv Khanna, Agricultural Advisory Committee Member

1. With respect to what facts warrant board consideration of a change to the Open Space Credit policy, the answer is that the Presidents Day Flood occurred prompting the Board's Capital Improvement Program Committee to direct staff to analyze scenarios to decrease the Open Space Credit and therefore provide more funding for flood protection projects.
2. With respect to the statement that the staff memo (prepared for the February 26 Agricultural Advisory Committee meeting) did not complete the math and make clear that the relevant ecosystem benefits of agriculture water use exceeds the amount of the Open Space Credit, page 4 of the staff memo pointed out that the quantification of ecosystem service benefits according to the study prepared by ERA Economics in 2016 ranges from \$610 to \$1,280 per acre, and that for reference purposes, the amount of the FY 2016-17 Open Space Credit in South County Zone W-5 is roughly \$626 per acre assuming 2 acre-feet of agricultural water use per acre.
3. It is true that the staff memo (prepared for the February 26 Agricultural Advisory Committee meeting) did not address the Santa Clara County's December 5, 2017 Santa Clara Valley Agricultural Plan. However, the Board ultimately decided to make no changes to the practice of setting the Agricultural groundwater production charge at 6% of M&I for FY 19, which would allow time for the Board to observe the progress toward implementation of the Santa Clara Valley Agricultural Plan.
4. It is true that the staff memo (prepared for the February 26 Agricultural Advisory Committee meeting) did not address harmful ecosystem impacts from development. Conducting the requisite analysis to address this would require consultant expertise, which would likely cost

tens of thousands of dollars, and significant amounts of staff time to complete. The Board has a long history of supporting agriculture and open space, in part because of the obvious negative ecosystem impacts of development. At the April 24, 2018 Board Meeting, the Board did not direct staff to undertake the analysis that was recommended by the Agricultural Advisory Committee.

Committee Recommendation:

Board direct staff to provide a more equitable analysis of the impacts of development throughout the county consisting of the ecosystem's benefit of agriculture.

Staff Response/Board Direction:

The Board received the Committee's recommendation at their April 24, 2018, meeting and approved staff's recommended staff analysis, which pointed out that the analysis completed by ERA Economics in 2013 had already answered the key question facing the Board in its effort to allocate limited financial resources. The ERA Economics study showed how increasing the Agricultural Groundwater Production Charge as a percentage of the M&I charge would impact the permanent fallowing of agricultural lands.

Committee Recommendation:

Staff to review the audio of today's meeting and capture those key comments that were discussed and have a response and report back to the Committee.

Staff Response:

Property Tax Information

Another topic that came up during the February and April Agricultural Advisory Committee meetings was whether it was possible for the District to receive a larger share of taxes collected in the County. The following is background information on the one percent ad valorem property tax collected by the County, of which a portion is received by the District. Prior to the passage of Proposition 13 in 1978, the District levied several specific taxes to pay for specific activities. However, the District no longer receives those taxes as originally established, but instead receives a portion of the one percent county-wide tax based on pre-1978 District tax levies. The District's share of the post-Proposition 13 one percent ad valorem tax is a general tax which is not earmarked but is available for any lawful District purpose. The Board does not control the amount of one percent ad valorem tax received as the amount is based on assessed property values in the county which typically ebb and flow as a function of the local economy.

The District does have taxes and assessments, which are not part of its share of the one percent ad valorem tax, that are identified separately on a property tax bill as follows:

1. State Water Project Override Tax - The State Water Project override tax is restricted to paying for costs associated with the State Water Project contractual obligations. The State Water

Project override tax was approved in a statewide election with the passage of the Burns Porter Act in 1960. The District began collecting the State Water Project override tax in 1980 after the passage of Proposition 13 curtailed the District's tax revenues.

2. Benefit Assessments - The benefit assessment varies by flood control zone and pays for debt service associated with past debt issuances for flood protection projects. Benefit assessments will sunset in 2030 with the exception of the Uvas Llagas flood control zone which already sunset in 2013. The amount charged to a residence is based on the area of the parcel and the land use category of the parcel (i.e. single family residence, commercial and industrial, rural...).
3. Safe Clean Water special tax - This is the special tax passed by the voters in November, 2012. This tax pays for a 15-year program for the purpose of addressing several community priorities including: securing a safe, reliable water supply; protecting our water system from earthquakes and natural disasters; preventing contaminants from entering the water supply; restoring habitat for fish, birds and wildlife and increasing open space; and enhancing flood protection.

At the April 24, 2018 Board Meeting, the Board directed staff to seek contributions from local private companies or other governmental agencies to fund the open space credit.

Agricultural Water Usage

At the April 24, 2018 Board Meeting, the Board directed staff to analyze agricultural water usage trend scenarios and the potential impact on the Open Space Credit projection. For example, declining future agricultural water usage would reduce the Open Space Credit projection, which is currently based on a flat agricultural water usage projection.

.

ATTACHMENTS:

Attachment 1: OSA Letter
Attachment 2: Dhruv Khanna Memo

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3068



February 23, 2018

Directors Santos and Varella
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118

Subject: Santa Clara Valley Water District Open Space Credit Policy

Dear Chair Santos and Director Varella:

On behalf of the Board of Directors of the Open Space Authority, we appreciate the opportunity to submit this letter of comment on the Santa Clara Valley Water District's Open Space Credit Policy. At the invitation of the Santa Clara Valley Water District, the Open Space Authority served on the District's Open Space Credit Policy Working Group back in 2013 to provide recommendations on potential changes to the District's current agricultural water rate structure. At that time, the District's Resolution 99-21 set the agricultural groundwater charge at less than 10 percent of the municipal and industrial (M & I) charge to encourage the continuance of agricultural land use and preservation of open space, a goal shared by the Open Space Authority.

The Open Space Authority recommends that the Water District maintain the Open Space Credit Policy and not raise water rates for agricultural operators. Optimally, reduced water rates should result in better conservation outcomes and return on investment, such as reduced agricultural conversion, enhanced resource stewardship and water efficiency. The Water District could also tie retention of the current rate of six percent M & I to maintenance of important ecosystem services, such as water efficiency (supply) and water quality, partnering with the Farm Bureau, Natural Resource Conservation Service and Resource Conservation Districts to implement the Program.

The 2016 Agricultural Commissioner's Office study on economic contributions of farming estimated the total value of ecosystem services for these South Santa Clara County agricultural lands to be between \$610 to \$1,280 per acre per year for conventional agriculture. Using the most conservative value of \$610 per acre per year for the roughly 27,000 acres of farmland remaining in the county would yield a total annual ecosystem service value of *over \$16 million*. With flood control being one of the important ecosystem services identified in this study, it brings into question why the Open Space Credit would potentially be decreased to pay for flood control, when our agricultural lands are already providing flood control benefits. The Open Space Authority recognizes the significant ecosystem services and environmental stewardship provided by our local agricultural lands and suggests that more should be done to understand the current and potential role that agricultural lands play in a comprehensive flood control system that includes green infrastructure solutions, before threatening the conversion of agricultural lands to other uses through increased water rates.



Santa Clara County has already lost 45 percent of its prime farmland to development over the last twenty years. The Open Space Authority recommends maintaining the current agricultural water rate and Open Space Credit Policy as they are key factors in sustaining the economic viability of the County's remaining cropland and is one of the few remaining incentives provided to farmers to stay in farming. We recognize this recommendation does not reflect one of the alternatives proposed in the agenda memo, and therefore suggest at the very least, offering a "no increase" option to growers that undertake some water efficiency measures. The Open Space Authority is committed to working with its partners to protect our region's precious green infrastructure that provides natural flood control benefits to the public, and hopes the Agricultural Water Advisory Committee takes our recommendations under serious consideration.

Thank you for the opportunity to comment on this important environmental and agricultural viability issue.

Sincerely,

A handwritten signature in blue ink that reads "Andrea Mackenzie". The signature is fluid and cursive, with "Andrea" on the top line and "Mackenzie" on the bottom line.

Andrea Mackenzie
General Manager

Cc: Remaining Members of the Agricultural Water Advisory Committee
Board of Directors, Santa Clara Valley Open Space Authority
Citizens Advisory Committee, Santa Clara Valley Open Space Authority

To: Agricultural Water Advisory Committee

From: Dhruv Khanna, Committee Member on February 26, 2018

Re: Open Space Credit Policy, Agenda Item 4.1

The purpose of this memorandum is to note the incompleteness of, and consequent misleading analysis in, the Staff Memorandum for Agenda Item 4.1 for the Santa Clara Valley Water District's Agricultural Water Advisory Committee meeting on February 26, 2018 ("Staff Memo"). The Staff Memo cites a direction by the Board's Capital Improvement Committee to analyze a "decrease in the Open Space Credit *and therefore provide more funding for [the District's] flood protection projects.*" (Emphasis added.) This memorandum is my initial response to the Staff Memo:

1. The Staff Memo fails to point out any changes to the economic environment from the 2013 – 2016 to the present that warrants a change to the District Board's current Open Space Credit Policy. In short, there is no basis whatsoever in the baseline facts, economics or other considerations that warrants a change in the Board's current Open Space Credit Policy. No government agency should change its policy without some reasonable basis, and an articulation of changed facts in the analysis that warrants a change in the policy. **The Staff Memo is utterly silent on the question of what-has-changed since 2013-16 to warrant a change in policy.**
2. The Staff Memo points out that the Open Space Credit "is currently estimated to be \$9.0 million." The Staff Memo fails to point out that the range of ecosystem benefits cited in the Staff Memo ("\$610 to \$1280 per acre") when multiplied by the 15,688 acres of agricultural land at stake amount annually to between \$9.5 million and \$20 million. **In short, the Staff Memo fails to complete the math of its own analysis which makes clear that the relevant ecosystem benefits of agricultural water use EXCEEDS the amount of the Open Space Credit.**
3. **The Staff Memo fails to discuss the relevance of the Santa Clara County's December 5, 2017 Santa Clara Valley Agricultural Plan** in which the County Board of Supervisors and the Santa Clara Valley Open Space Authority acknowledge "the vital importance of the Santa Clara Valley Agriculture to the region." Any dilution of the District's Open Space Credit policy would be flatly contrary to this State of California-funded, County-adopted Santa Clara Valley Agricultural Plan.
4. The Staff Memo fails to note that developments which accelerate and increase run off from asphalt, cement, and roof-tops has increased flood risks in the County. It fails to note that problems from increased traffic and homelessness and the associated extravagant increases in roadside litter have increased the flood control and creek clean-up costs picked up by the District. By contrast, it is beyond dispute that flood control is a leading ecosystem benefit of agriculture. Any dilution of the Board's current Open Space Credit policy ostensibly to fund the District's "flood protection projects" would be contrary to the very core basis for the District's long-standing Open Space Credit Policy – this credit recognizes that agriculture itself provides flood-control ecosystem benefits. And, as noted above, the ecosystem benefits of \$9.5 million and \$20 million quantified by the District's and the County's own economists exceed the amount of the Open Space Credit (\$9 million).

This Page Intentionally Left Blank
114

File No.: 18-0666

Agenda Date: 10/1/2018

Item No.: 4.4.

COMMITTEE AGENDA MEMORANDUM

Agricultural Water Advisory Committee

SUBJECT:

Update on California WaterFix.

RECOMMENDATION:

This is a discussion item and the Committee may provide comments if applicable, however no action is required.

SUMMARY:

On May 8, 2018, the District Board took several actions related to the California WaterFix (WaterFix), including adopting Resolution 18-23 making Responsible Agency findings pursuant to the California Environmental Quality Act (CEQA) and Resolution 18-24, authorizing support of, and participation in, the WaterFix.

Santa Clara County relies on water imported through the Delta by the State Water Project (SWP) and Central Valley Project (CVP) for about 40% of its water supplies, on average. The existing long-term average SWP/CVP water deliveries to the District are about 170,000 acre-feet per year (AFY). These supplies are projected to decline over time in response to continued environmental degradation in the Delta, climate change and sea level rise, and increased regulatory constraints. Modeling indicates that if no action is taken to improve the existing Delta conveyance approach, the District's SWP and CVP deliveries to the County could drop by about 36,000 AFY. Reductions in these SWP/CVP supplies will have a significant impact on the ability of the District to provide reliable water supplies to our communities, businesses, and local streams, and make it more difficult for us to protect our local groundwater basins and prevent land surface subsidence in North County.

WaterFix Benefits

With participation in the WaterFix, modeling indicates this decline can be avoided by diversion of water during high flow periods. Total deliveries with the WaterFix would remain similar to current average levels. As reported to the Board on May 8, 2018, the primary benefits of the project are summarized in the table below.

Benefit	Staff Analysis of WaterFix
---------	----------------------------

Sustained water supplies	Offsets supply reduction, improves groundwater storage conditions, increases reserves in the Semitropic Groundwater Bank, reduces the frequency and magnitude of water shortages.
More fish-friendly diversions	Equipped with state-of-the-art fish screens located away from important fish habitat; 52% of SWP/CVP exports, on average, will be through these more fish friendly diversions; diverts primarily during higher flow periods safer for fish.
Reduced reverse river flows to protect fish	Changes negative flow (-2,200 cfs on average) to more natural, positive flow (+50 cfs); reduces entrainment.
Improved water quality	20% decrease in average annual salinity of SWP/CVP exports; reduces salt loading to drinking water treatment plants and county groundwater basins.
Resiliency during Delta failure events	Continues water deliveries if Delta fails from earthquakes, sea level rise, and extreme flood events.
Resiliency to climate change including sea level rise	Diverts where salinity intrusion will be minimal under sea level rise scenarios; facilitates diversion during extreme storm events.
Increased access to transfer supplies	Increases capacity to convey transfer supplies*

* California WaterFix only serves to improve the available capacity and capability to accommodate water transfer agreements. Future water transfers or particular quantities of transfers are not components of California WaterFix. Future transactions for water transfers depend on future water supply and market conditions and are therefore speculative. Future transactions and water transfer agreements would be subject to regulatory approvals and environmental review.

WaterFix Costs

SWP contractors are expected to pay 67% of project costs and receive 67% of the WaterFix incremental yield. The District would receive 2.5% of the SWP benefit share, corresponding to its share of SWP contract supply (i.e., "Table A" contract amount). Metropolitan Water District (MWD) is expected to finance the 33% share originally intended for the CVP contractors and, in return, receive an interest in 3,000 cubic feet per second (cfs) of capacity. The District may secure an interest in that capacity to convey its CVP supplies through an agreement with MWD as well as a proportional share of WaterFix incremental yield through additional agreements with the U.S. Bureau of Reclamation (Reclamation). Staff has estimated that a capacity interest of 200 cfs, or 6.7% of the 3,000 cfs to be held by MWD for CVP contractors, would provide sufficient reliability to sustain the District's CVP supplies if modeling projections are realized.

Staff's analysis of costs indicates that the WaterFix remains one of the most cost-effective options available, with the District's share of capital costs (unfinanced) in 2017 dollars ranging from \$280 million if the District participates only on the SWP side, to \$650 million if the District participates on

both the SWP and CVP sides of the project. The leveled unit cost of project participation is roughly \$600/AF (2017 dollars).

Table 4. Summary of District costs

	SWP-Side 2.5% share	SWP-CVP Combined
Costs to Santa Clara County		
Percent of Total Project Costs	1.7%	3.9%
Total Capital Costs (2017 dollars)	\$280 million	\$650 million
Present Value (PV) fully financed Capital Cost (2017 dollars)	\$230 million	\$535 million
Total Annual O&M (2017 dollars)	\$1.1 million	\$2.5 million
Cost per Acre-Foot (2017 dollars)	\$610	\$600
Rate Impacts (assuming all CWF costs are placed on water rates)		
Monthly Increase per Avg. Household (FY33) N. County	\$4.96	\$10.26
Monthly Increase per Avg. Household (FY33) S. County	\$0.00	\$4.47

District staff continues to participate in WaterFix discussions to further develop the best and most responsible agreements and contract amendments to protect the District's investment and to bring those agreements to the Board for consideration prior to execution.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Garth Hall, 408-630-2750

This Page Intentionally Left Blank
118

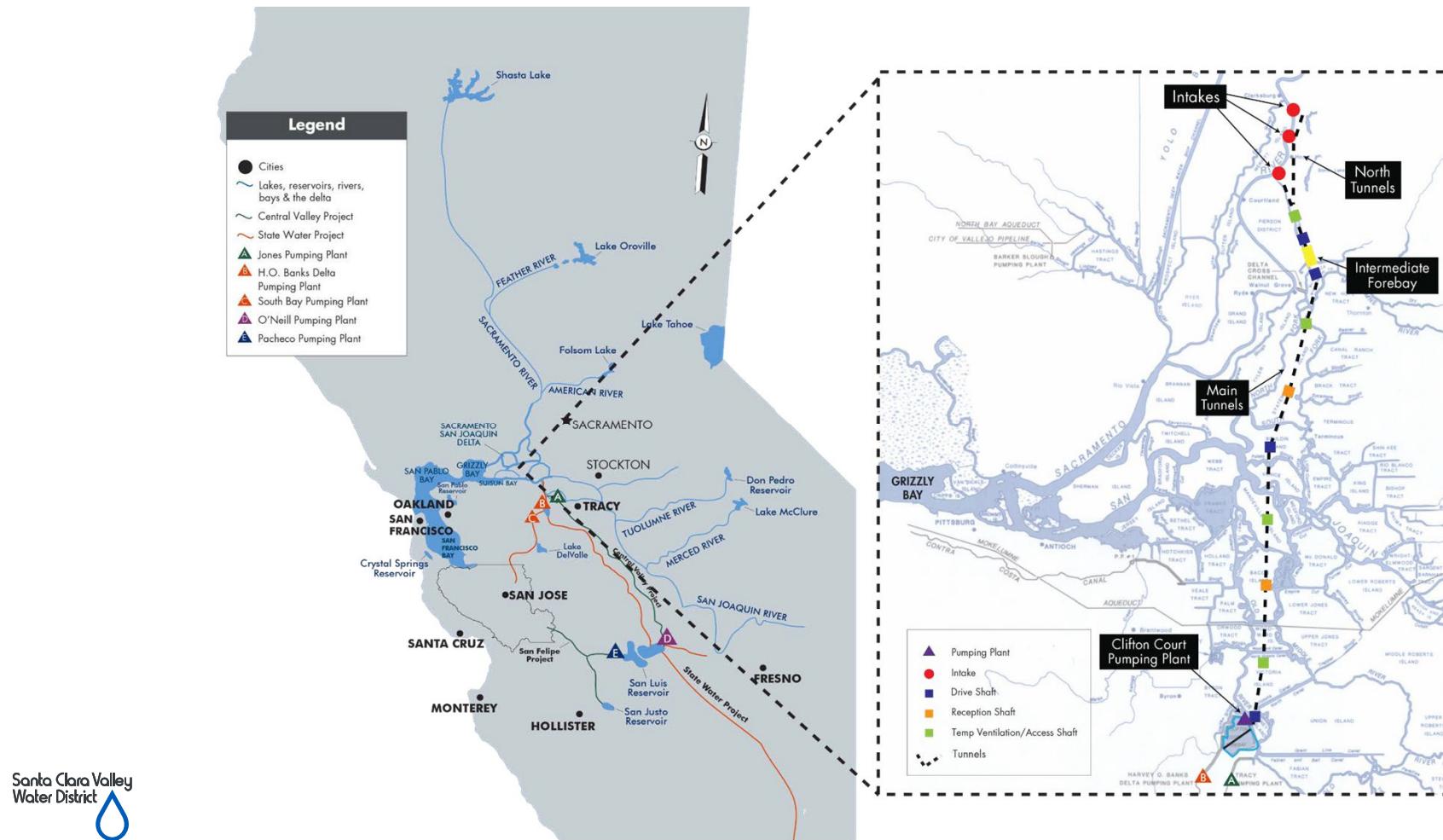
Agricultural Water Advisory Committee

Update on CA WaterFix

October 1, 2018



Project Overview: California WaterFix



Benefits to Santa Clara County



Produces the **most** water for lowest cost



Keeps our **water clean, safe, and reliable**



Provides **resiliency** for future conditions



Improves **environment** for fish

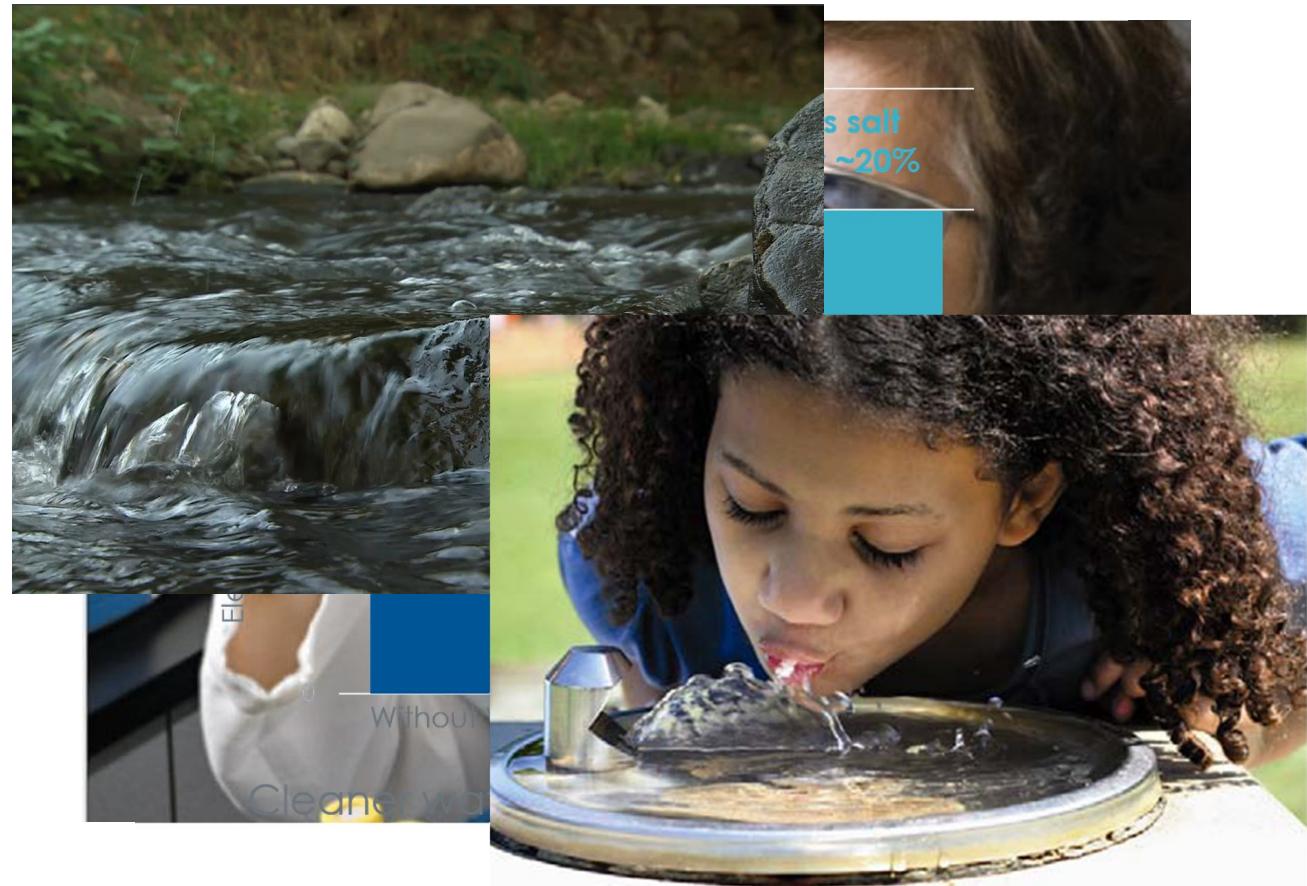


SCVWD has **prominent leadership role** in WaterFix governance to ensure benefits are achieved

Santa Clara Valley Water District



Reliable Water



Attachment 1
3 of 7

Benefits to Santa Clara County



Produces the **most**
water for lowest cost



Keeps our **water clean,**
safe, and reliable



Provides
resiliency for
future conditions

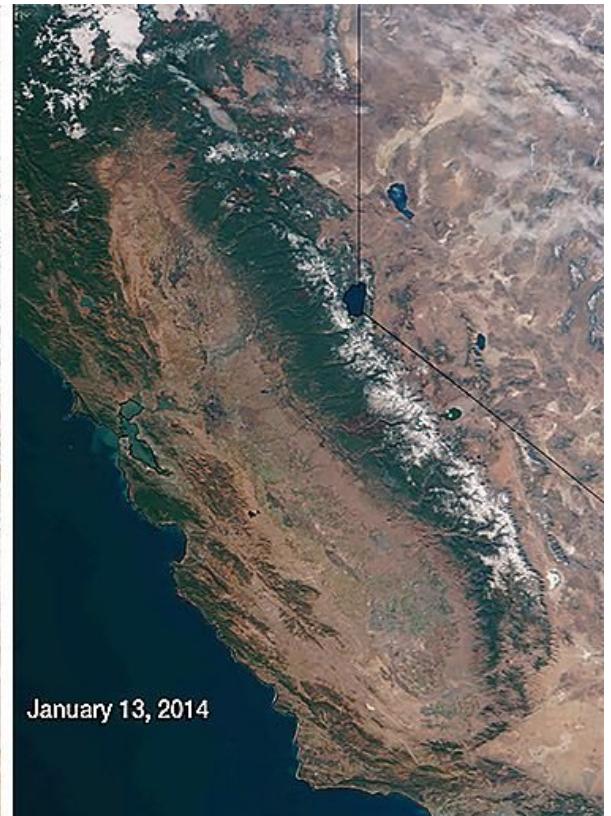


Improves **environment**
for fish



SCVWD has **prominent**
leadership role in WaterFix
governance to ensure
benefits are achieved

Resiliency to climate change



Benefits to Santa Clara County



Produces the **most** water for lowest cost



Keeps our **water clean, safe, and reliable**



Provides **resiliency** for future conditions

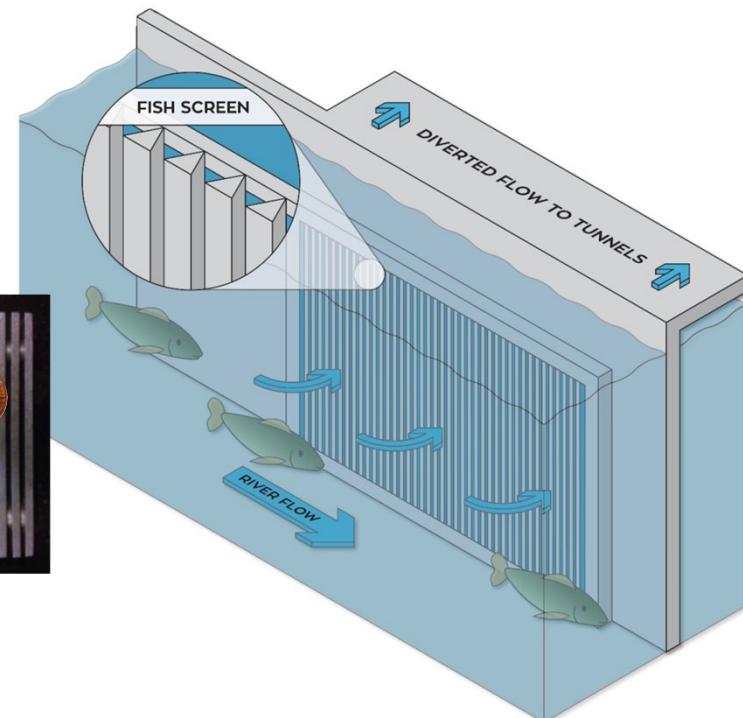
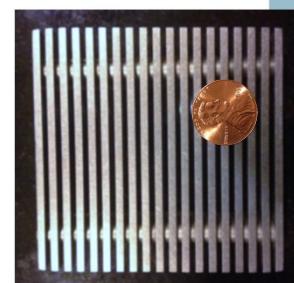


Improves **environment** for fish



SCVWD has prominent **leadership role** in WaterFix governance to ensure benefits are achieved

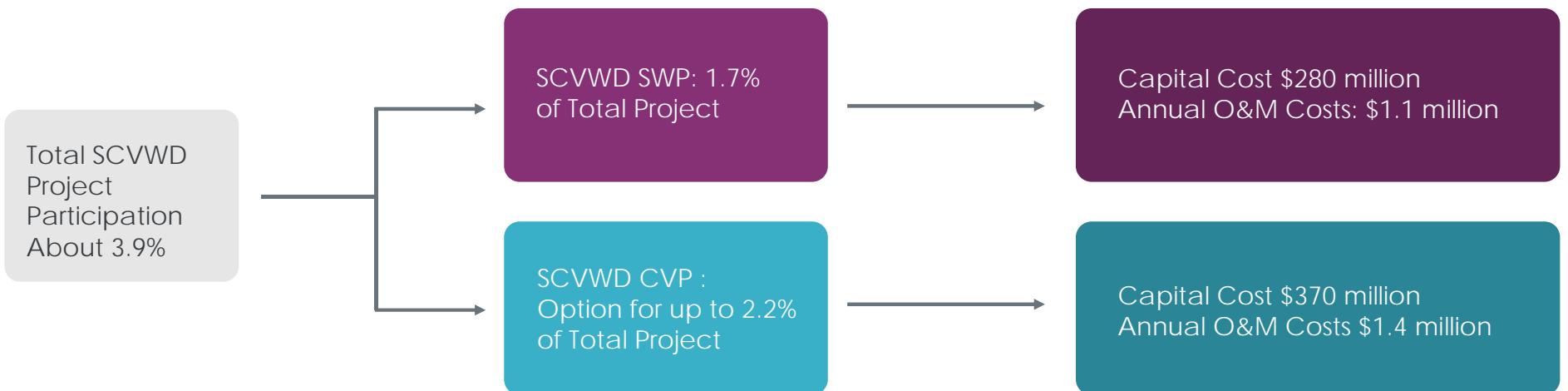
Improved conditions for fish means fewer restrictions on Santa Clara County's water supply



New state-of-the-art fish screens will lessen impacts on fish

Cost to Santa Clara County Not Changed

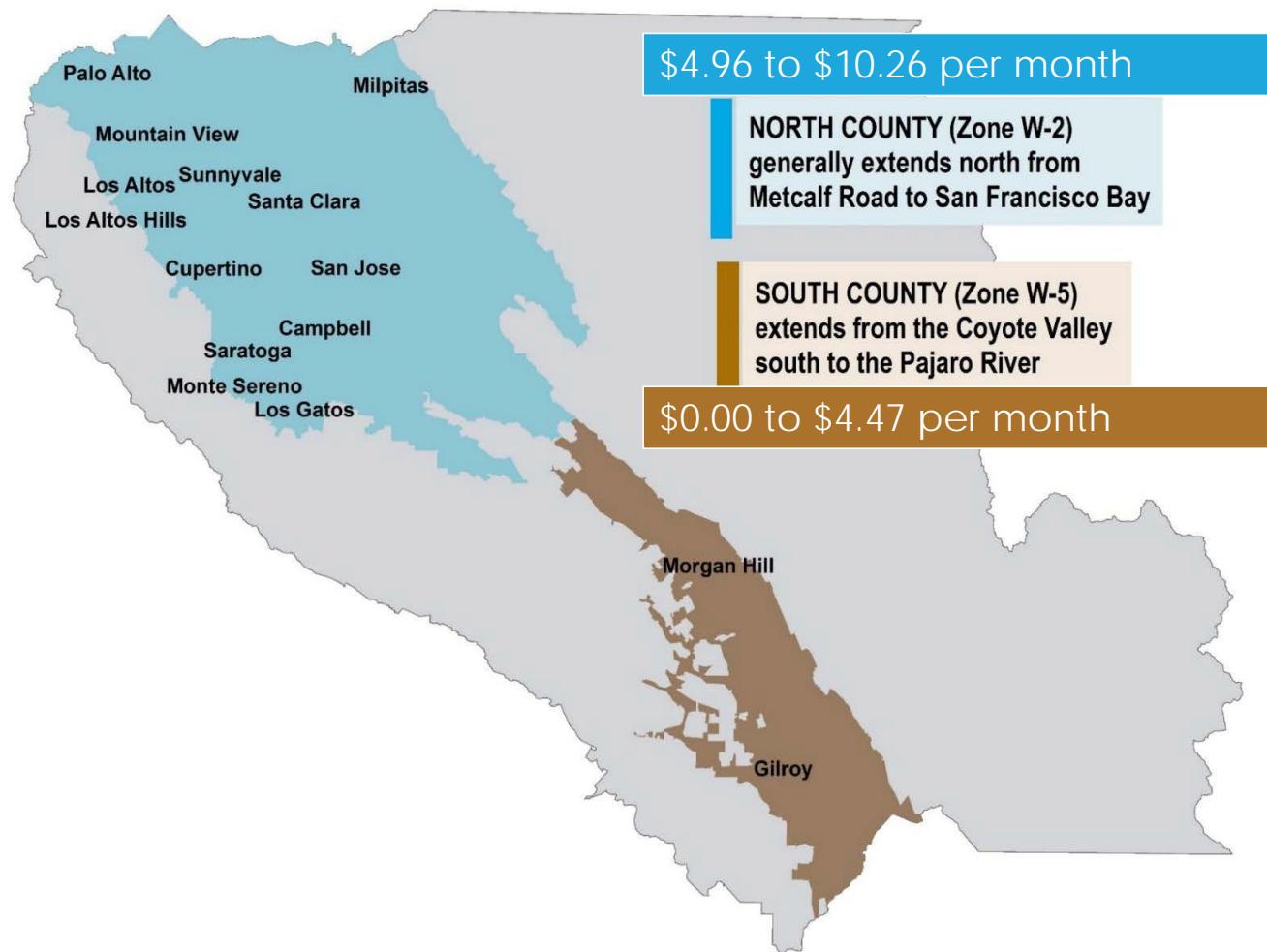
Recommended project participation



Total Capital Costs \$650 million
Total Annual O&M Costs \$2.5 million

Fully Financed Project \$600/AF

Average monthly household cost of WaterFix (FY33)



This Page Intentionally Left Blank

File No.: 18-0506

Agenda Date: 10/1/2018

Item No.: 4.5.

COMMITTEE AGENDA MEMORANDUM

Agricultural Water Advisory Committee

SUBJECT:

Review Agricultural Water Advisory Committee Work Plan, the Outcomes of Board Action of Committee Requests; and the Committee's Next Meeting Agenda.

RECOMMENDATION:

Review the Committee work plan to guide the committee's discussions regarding policy alternatives and implications for Board deliberation.

SUMMARY:

The attached Work Plan outlines the Board-approved topics for discussion to be able to prepare policy alternatives and implications for Board deliberation. The work plan is agendized at each meeting as accomplishments are updated and to review additional work plan assignments by the Board.

BACKGROUND:**Governance Process Policy-8:**

The District Act provides for the creation of advisory boards, committees, or commissions by resolution to serve at the pleasure of the Board.

Accordingly, the Board has established Advisory Committees, which bring respective expertise and community interest, to advise the Board, when requested, in a capacity as defined: prepare Board policy alternatives and provide comment on activities in the implementation of the District's mission for Board consideration. In keeping with the Board's broader focus, Advisory Committees will not direct the implementation of District programs and projects, other than to receive information and provide comment.

Further, in accordance with Governance Process Policy-3, when requested by the Board, the Advisory Committees may help the Board produce the link between the District and the public through information sharing to the communities they represent.

ATTACHMENTS:

Attachment 1: Agricultural Water Advisory Committee 2018 Work Plan

Attachment 2: Agricultural Water Advisory Committee January 7, 2019 Draft Agenda

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711

2018 Work Plan: Agricultural Water Advisory Committee

Update: August 2018

GP8. Accordingly, the Board has established Advisory Committees, which bring respective expertise and community interest, to advise the Board, when requested, in a capacity as defined: prepare Board policy alternatives and provide comment on activities in the implementation of the District's mission for Board consideration. In keeping with the Board's broader focus, Advisory Committees will not direct the implementation of District programs and projects, other than to receive information and provide comment.

The annual work plan establishes a framework for committee discussion and action during the annual meeting schedule. The committee work plan is a dynamic document, subject to change as external and internal issues impacting the District occur and are recommended for committee discussion. Subsequently, an annual committee accomplishments report is developed based on the work plan and presented to the District Board of Directors.

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
1	Election of Chair and Vice Chair for 2018	January 8	<ul style="list-style-type: none"> Committee Elects Chair and Vice Chair for 2018. (Action) 	Accomplished January 8, 2018: The Committee elected Mr. Mitchell Mariani as 2018 Committee Chair and Mr. David Vanni as 2018 Agricultural Water Advisory Committee Vice Chair.
2	Annual Accomplishments Report	January 8	<ul style="list-style-type: none"> Review and approve 2017 Accomplishments Report for presentation to the Board. (Action) Submit requests to the Board, as appropriate. 	Accomplished January 8, 2018: The Committee reviewed and approved the 2017 Accomplishments Report for presentation to the Board The Board received the Committee's presentation at its March 27, 2018, meeting.
3	Winter Preparedness Update	January 8	<ul style="list-style-type: none"> Receive an update on the District's Winter Preparedness Program (Information) 	Accomplished January 8, 2018: The Committee received information on Winter Preparedness and took no action.

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 1 of 6

2018 Work Plan: Agricultural Water Advisory Committee

Update: August 2018

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
4	Review of Agricultural Water Advisory Committee Work Plan, the Outcomes of Board Action of Committee Requests and the Committee's Next Meeting Agenda	January 8 February 26 special meeting April 2 July 2 October 1	<ul style="list-style-type: none"> Receive and review the 2018 Board-approved Committee work plan. (Action) Submit requests to the Board, as appropriate. 	<p>Accomplished January 8, 2018: The Committee reviewed the 2018 work plan and took the following action:</p> <ol style="list-style-type: none"> Zone of Benefit Study for April's Agenda Climate Ag Plan Update/Discussion for April's Agenda CA WaterFix for October's Agenda Coyote Valley Farm/Ag Land, Groundwater Basin Update the District's position for July's or October's agenda <p>Accomplished February 26, 2018: The Committee reviewed the 2018 work plan and took no action.</p> <p>Accomplished April 2, 2018: The Committee reviewed the 2018 work plan and took no action.</p>
5	Review and comment to the Board on the Open Space Credit Policy	February 26 special meeting	<ul style="list-style-type: none"> Review and comment to the Board on the Open Space Credit Policy (Action) Provide comment to the Board in the implementation of the District's mission as it applies to the Open Space Credit Policy. 	<p>Accomplished February 26, 2018: The Committee reviewed and commented to the Board on the Open Space Credit Policy with the following action:</p> <ol style="list-style-type: none"> The Committee recommended strongly that the Open Space Credit Policy be maintained as is. The Board received the Committee's recommendation at their April 24, 2018, meeting. <p>2. The Committee requested that the Board direct staff to provide an in-depth analysis and response on the Open Space Authority letter and Mr. Dhruv Khanna's memo and report back to the Committee for their response and action.</p>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1

Page 2 of 6

2018 Work Plan: Agricultural Water Advisory Committee

Update: August 2018

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
				<p><i>The Board received the Committee's recommendation at their April 24, 2018, meeting and staff was directed to address both letters and report back to the Committee with a response and/or action.</i></p> <p>3. The Committee request that the Board direct staff to provide a more equitable analysis of the impacts of development throughout the county consisting of the ecosystem's benefit of agriculture.</p> <p><i>The Board received the Committee's recommendation at their April 24, 2018, meeting and approved staff's recommended staff analysis there is an analysis completed by ERA Economics in 2013 that has already answered the key question facing the Board in its effort to allocate limited financial resources. The ERA Economics study showed how increasing the Agricultural Groundwater Production Charge as a percentage of the M&I charge would impact the permanent fallowing of agricultural lands,</i></p> <p>4. The Committee requested that the Board direct staff to review the audio of today's meeting and capture those key comments that were discussed and have a response and report back to the Committee.</p> <p><i>The Board received the Committee's recommendation at their April 24, 2018, meeting and staff was directed to review the audio of the special 2/26/18, meeting and capture those key comments that were</i></p>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 3 of 6

2018 Work Plan: Agricultural Water Advisory Committee

Update: August 2018

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
				<i>discussed and have a response and report back to the Committee.</i>
6	Review and comment to the Board on the Groundwater Production Charge Setting Process	February 26 special meeting	<ul style="list-style-type: none"> Review and comment to the Board on the Groundwater Production Charge Setting Process. (Action) Provide comment to the Board in the implementation of the District's mission as it applies to the Groundwater Production Charge Setting Process. 	Accomplished February 26, 2018: The Committee reviewed on the Groundwater Production Charge Setting Process with no comments to the Board or action.
7	Review and Comment to the Board on the Fiscal Year 2018 - 2019 Proposed Groundwater Production Charges.	April 2	<ul style="list-style-type: none"> Review and comment to the Board on the Fiscal Year 2019 Proposed Groundwater Production Charges. (Action) Provide comments to the Board, as necessary. 	Accomplished April 2, 2018: The Committee reviewed and commented to the Board on the Fiscal Year 2019 Proposed Groundwater Production Charges as follows: Recommended limiting the increase of the Groundwater Production Charge not to exceed 7%. <p><i>The Board took action at their April 24, 2018, meeting and will continue the Past Board Practice of setting the Ag Charge at 6.0% of South County M&I charge, which would mean an increase from \$25.09/AF to \$27.02/AF, or a 7.7% year-to-year increase.</i></p>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 4 of 6

2018 Work Plan: Agricultural Water Advisory Committee

Update: August 2018

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
8	Civic Engagement	April 2	<ul style="list-style-type: none"> • Receive information on Civic Engagement. (Action) • Provide comments to the Board, as necessary. 	Accomplished April 2, 2018: The Committee received information on Civic Engagement and took no action.
9	Zone of Benefit Study	April 2	<ul style="list-style-type: none"> • Receive information on the Zone of Benefit Study. (Action) • Provide comments to the Board, as necessary. 	Accomplished April 2, 2018: The Committee received information on the Zone of Benefit Study and took no action.
10	Update on Climate Agricultural Plan	July 9 October 1	<ul style="list-style-type: none"> • Receive updated on Climate Agricultural Plan. (Action) • Provide comments to the Board, as necessary. 	July 9, 2018: Meeting canceled due to lack of quorum.
11	Coyote Valley and Related District Interests	July 9	<ul style="list-style-type: none"> • Discuss Coyote Valley and Related District Interests. (Action) • Provide comments to the Board, as necessary. 	July 9, 2018: Meeting canceled due to lack of quorum. See Item #12 for new title for October meeting.
12	Update on District efforts related to flood risk reduction, agricultural lands, and groundwater recharge in the Coyote Valley area.	October 1	<ul style="list-style-type: none"> • Receive an update on District efforts related to flood risk reduction, agricultural lands, and groundwater recharge in the Coyote Valley area. (Action) 	

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 5 of 6

2018 Work Plan: Agricultural Water Advisory Committee

Update: August 2018

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
13	Update on CA WaterFix	October 1	<ul style="list-style-type: none"> • Receive update on CA WaterFix. (Action) • Provide comments to the Board, as necessary. 	
14	Staff Responses to Agricultural Water Advisory Committee's Recommendations from the special February 16, 2018 meeting.	October 1	<ul style="list-style-type: none"> • Receive update on staff Responses to Agricultural Water Advisory Committee's Recommendations from the special February 16, 2018 meeting. (Information) 	
15	Update on Open Space Credit	October 1	<ul style="list-style-type: none"> • Receive update on Open Space Credit 	
16	Climate Change Mitigation – Carbon Neutrality by 2020 Program Update, Climate Change and Sea Level Rise Adaptation – Water Supply, Flood Protection, Ecosystems Protection	TBD	<ul style="list-style-type: none"> • Receive information on climate change mitigation – carbon neutrality by 2020 program update. (Action) • Provide comments to the Board, as necessary. 	

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 6 of 6



Santa Clara Valley Water District Agricultural Water Advisory Committee Meeting

HQ Boardroom
5700 Almaden Expressway
San Jose, CA 95118

REGULAR MEETING AGENDA

**Monday, January 7, 2019
1:30 PM**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

All public records relating to an item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

**Santa Clara Valley Water District
Agricultural Water Advisory Committee**

**REGULAR MEETING
AGENDA**

Monday, January 7, 2019

1:30 PM

HQ Boardroom

1. CALL TO ORDER:

- 1.1. Roll Call.
- 1.2. Time Open for Public Comment on any Item not on the Agenda.

Notice to the public: This item is reserved for persons desiring to address the Committee on any matter not on this agenda. Members of the public who wish to address the Committee on any item not listed on the agenda should complete a Speaker Card and present it to the Committee Clerk. The Committee Chair will call individuals in turn. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Committee may take action on any item of business appearing on the posted agenda.

2. APPROVAL OF MINUTES:

- 2.1. Approval of Minutes. 18-0739

3. ELECTION OF CHAIR AND VICE CHAIR

4. ACTION ITEMS:

- 4.1. Review and Approve 2018 Annual Accomplishments Report for Presentation to the Board (Committee Chair) 18-0740
- 4.2. Review Agricultural Water Advisory Committee Work Plan, the Outcomes of Board Action of Committee Requests; and the Committee's Next Meeting Agenda. 18-0741
- 4.3. Climate Change Mitigation - Carbon Neutrality by 2020 Program Update, Climate Change and Sea Level Rise Adaptation - Water Supply, Flood Protection, Ecosystems Protection. 18-0742
- 4.4. Climate Change Action Plan (Cris Tulloch) 18-0752

5. INFORMATION ITEMS:

6. ADJOURN:

6.1. Clerk Review and Clarification of Committee Requests.

This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.

6.2. Adjourn to Regular Meeting at XX:XX a.m./p.m., on XXXX, XX, 2018, in the Santa Clara Valley Water District (HQ Boardroom/Board Conference Room A-124), 5700 Almaden Expressway, San Jose, California.