Meeting Summary

Drought Resilience Interagency & Partners (DRIP) Collaborative

Land Use Planning for Drought Resilience Workgroup Meeting California Natural Resources Agency, 715 P St, Sacramento, Room 06-212 March 10, 2025 | 3:30PM-5:00PM

The meeting recording is available at: <u>https://youtu.be/2sm5j_UMOQI</u> Meeting materials, including the presentation, are available at: <u>http://www.water.ca.gov/drip</u>

Meeting Objective: Finalize the focus area problem statement and begin brainstorming recommendations to present at the Spring 2025 DRIP Collaborative meeting.

Workgroup members in attendance:

- Virigina Jameson, California Department of Food and Agriculture (co-lead)
- Sierra Ryan, Santa Cruz County (co-lead)
- Natalie Kuffel, Governor's Office of Land Use and Climate Innovation
- Anna Schiller, Environmental Defense Fund
- Emily Rooney, Agricultural Council of California
- Brent Hastey, Plumas Lake Self Storage
- Sierra Ryan, Santa Cruz County
- Kyle Jones, Community Water Center
- Jason Colombini, Jay Colombini Ranch, Inc.
- Catherine Freeman, California State Association of Counties
- Suzanne Pecci, Domestic Well Planning Group South American Subbasin
- Katie Ruby, California Urban Water Agencies
- Andrew Altevogt, State Water Resources Control Board
- Tami McVay, Self Help Enterprises

<u>Absent</u>

Carolina Hernandez, Los Angeles County Department of Public Works

Vision Setting Exercise

To ground the discussion and align on long-term goals, the workgroup began with a visioning exercise, responding to the prompt: In five to ten years from now, land use planning for drought resilience has been addressed. What is one thing that was accomplished to get us there?

Responses each highlighted one aspect of holistic coordination, across these dimensions:

- Across jurisdictions: Not based on city or county, but based on hydrologic and regional views
- Across plans: Local general plans done consistent with state plans
- Across agencies: Including across many state agencies (State Water Board (SWB), HUD, etc)
- Across timeframes: effective emergency response, but with long-term solutions
- Across decisions: sufficient data and science are forefront in land use planning decisions

Problem Statement Definition

The workgroup revisited the draft problem statement, originally informed by feedback from the October 2024 DRIP Collaborative meeting. Members discussed key challenges and opportunities to strengthen alignment with the DRIP Collaborative's overarching purpose. The discussion focused on refining the problem framing to ensure it acknowledges the many interconnected stressors and challenges related to land use, and how land use planning can serve as a nexus for addressing these issues holistically to prevent otherwise potential detrimental impacts of implementing SGMA, climate change, and rapid housing development in rural areas.

Working Problem Statement – Revised Considering Workgroup Feedback on 3/10/25

Land Use Planning Defined: Land use planning is the process of managing how land is used to balance development, infrastructure and services, environmental protection, and economic sustainability. The extent and ways in which land use planning accounts for water has major implications on the region's water supply reliability and drought resilience. Land use planning decisions are made at all levels of government from local, regional, to state, and among private land owners.

Broad, clear connection to water and drought resilience challenges: In California, land use planning influences water demand and supply, yet often falls short in integrating water management strategies or accounting for the availability of water resources. This disconnect leads to land use decisions that inadequately address long-term water supply challenges. As population grows, climate change intensifies drought conditions, and implementation of the Sustainable Groundwater Management Act (SGMA) shifts land use to reduce groundwater reliance, the risk and severity of drought increase. The fragmented status quo approach to planning for both land use and water resources places communities and local economies at greater risk of water scarcity and economic strain. Strengthening coordination between land use planners and water managers is essential to building a more drought-resilient future—one in which groundwater use is sustainable, agricultural economies (including small farms) remain viable, housing development meets California's growing population needs, and water considerations are fully incorporated into planning processes.

All sub-topics below relate to how planning processes interact, what elements are required in those plans, and how the scale and scope of planning efforts shape outcomes. Though strongly interconnected, each sub-topic is hindered by unique challenges that are increasing risks of drought impacts on drinking water, ecosystems, public health and agricultural economies:

- **Rural Development**. Rural communities face increasing challenges related to water insecurity and insufficient water infrastructure, especially when new housing developments outpace water system capacity. The prevalence of small, often under-resource water systems, reliance on domestic wells, and contamination issues underscore the need for integrated planning that aligns land use decisions with infrastructure investment and long-term water reliability.
- **Urban Development**. Urban areas struggle to meet state-mandated Regional Housing Needs Assessment (RHNA) requirements, though the timelines for new water infrastructure cannot accommodate the growing housing demands. The RHNA does not consider water supply availability as part of its assessment.

- Agriculture Economies and Land Use Transitions. California's agricultural sector especially small and midsize farms—is highly vulnerable to drought and long-term water supply reductions. The last drought saw the loss of an estimated 7,000 small farms. Planning processes must better support adaptive land use transitions that generate benefits for communities and ecosystems, while proactively addressing the consequences of inaction, such as habitat degradation and rural economic decline.
- **Groundwater Recharge and Sustainability**. Integrating recharge into land use planning is crucial for sustainable water management, especially in regions facing water scarcity or relying heavily on groundwater. Many regions continue to treat groundwater and land use as separate planning domains, missing opportunities to design land uses that enhance recharge and long-term water supply reliability, especially in overdrafted or drought-prone areas.

Workgroup members proposed the following changes to strengthen and clarify the draft problem statement:

- Infrastructure to support water supply reliability needs should be tied in early to the land use planning for new developments (needs funding, needs developer willingness)
- Add <u>rural development</u> as a theme/sub-topic: Where development occurs, especially rural development because a lot end up on the failing list. How do we make sure new developments ensure not just that there is a water supply, but that that water supply is resilient going into the future; how are we working to deal with many small systems and making sure land use agencies can come up with regional solutions. Also under this theme consider problems of domestic well-reliant homes, swamp coolers and contaminated groundwater. Risk is that the San Joaquin Valley is more affordable, so need caveats for the federal and state support for new developments to make sure they have access to sustainable and safe water as part of any new development.
- Financial support for <u>land repurposing</u> to incentivize private landowners to implement state's vision to reduce demands on groundwater; need coordination and planning out at the regional scale for agricultural field retirement so it supports habitat, buffer zones, etc. with a regional vision. And how to support small farmers.
- Add SGMA to problem statement because it is the context for huge areas to be put out of production shifting land use. Need to manage how fallow land is managed, transition to new uses to support the environment and other beneficial uses. Recognize no action risks that exist.
- Part of the problem has been LAFCO role and willingness to incorporate new communities into existing sphere (or expand it)
- Rural themes the group addressed included: agriculture (ag wells, land repurposing/sustainable transitioning, resulting effects on small farmers) and domestic (further housing development, sustainable housing for people, impacts on domestic wells, small systems, need for regionalization)
- Make sure to connect to affordability of water
- Emphasize need for transparency and public participation through all the issues

Recommendation Brainstorming

Strategies to Address Planning and Water Integration Challenges

The workgroup explored a variety of strategies centered around planning processes, the interaction of various plans, and the scope of planning efforts. Below is a refined list of the ideas discussed:

- Consider making the optional water element mandatory in general plans.
- Analyze how the state could encourage a bioregional planning approach.
- Integrate water supply availability into regional housing needs allocations (RHNA) or account timing for supply projects with housing allocations.
- Advance Land Use Repurposing strategies to meet SGMA goals while supporting communities and preventing further ecosystem degradation:
 - Support land repurposing programs, particularly those aiding small farmers and ecosystem restoration. Revisions to existing MLRP grants could include recharge credits to incentivize participation. Align land use planning with agricultural land repurposing timelines and decisions.
 - Develop a crop repurposing program to incentivize lower water-use crops (e.g., Agave in Madera via MLRP).
 - Create a regional strategy for land repurposing that promotes sustainable communities and ecosystems.
- Assess how different plans interact (SGMA, LAFCO, MLRP, General Plans, etc.).
- Identify preferred development areas with reliable or buildable water supplies.
- Create habitat-supporting incentives for landowners, offering alternatives to development.
- Address affordability by exploring how water access and planning intersect with property value.
- Empower LAFCOs to coordinate better with the State Water Board, especially in making disadvantaged communities whole.
- Emphasize an overarching theme on how different planning processes impact water users.
- Recommend allocating upcoming release of the remaining \$200M for MLRP toward regional-scale land transition programs.
 - Explore ways to streamline funding.

Public Comment (1, presented virtually)

Angela Islas from the Central California Environmental Justice Network highlighted the importance of integrating housing needs into land use planning, noting that residents in the western Fresno County have emphasized secure housing, food security, healthcare access, and local amenities. She encouraged the MLRP process to address these needs. Angela also referenced ongoing efforts through the Strategic Growth Council's Transformative Climate Communities program in Fresno County, which supports workforce development and planning transitions. She underscored the critical need to integrate water access into general plans, especially for domestic well communities, and thanked the group for considering these issues.

Closing

Next steps were briefly presented for the other upcoming workgroup meetings planning. The ideas discussed in this meeting today will be summarized and brought to the May 16th full-member DRIP Collaborative meeting in Sacramento.

Meeting Adjourned