

November 16, 2021

Subject: FY 20-21 Sustainable Agricultural Lands Conservation Program

Reporting Period: April – November 2021

Staff Lead: Virginia Jameson, Climate and Conservation Program Manager,
Department of Conservation

Recommended Action

Approve the staff recommendation to award \$65,989,363 in Greenhouse Gas Reduction Funds to support the identified 19 agricultural easements and three planning grants in this report through Round 7 of the Sustainable Agricultural Lands Conservation Program.

Summary

The Sustainable Agricultural Lands Conservation Program (SALC) provides grants to fund agricultural conservation easement and fee title acquisitions and local government plans to protect agricultural lands from conversion to more greenhouse-gas-intensive uses. This is the seventh round of the program. The program makes awards on an annual basis.

Staff received 20 applications for acquisition funding and five applications for planning grants from local governments. Of the \$91.6 million available (including \$50,276,700 million from the Fiscal Year 2020-21 Greenhouse Gas Reduction Fund auction proceeds, \$22,020,788.70 in Fiscal Year 2019-2020 auction proceeds that was held for use in Round 7, and \$19,317,668.30 carried over from prior rounds) staff recommend funding 19 easement projects and three planning grants for a total of \$65,989,363. The recommended easement projects are in 15 counties as far north as Shasta County and as far south as Imperial County and comprise approximately 26,916 acres. When completed, this suite of easements and fee title acquisitions would avoid an estimated 2.4 million metric tons of CO₂ equivalent. The recommended planning grant applications include projects by two councils of government and one county.

In FY 19-20, \$22,020,788.70 in appropriated funding was withheld for the seventh round as part of the program's continuing appropriation. Reasons included the uncertainty of the economy during the COVID-19 pandemic, the fluctuation in the auction proceeds that fund the Greenhouse Gas Reduction Fund, the importance of consistent funding availability for program



continuity, and the importance of the SALC program in pursuing the Governor's Executive Order N-82-20 on natural and working lands. That funding is available to fund projects in the current round.

Background

Senate Bill 862, Chapter 36, Statutes of 2014, establishes the Affordable Housing and Sustainable Communities program (AHSC) to be administered by the California Strategic Growth Council (SGC), "to reduce greenhouse gas emissions through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development...." (Pub. Resource Code § 75210).

In July 2014, the Council approved the Department of Housing and Community Development to help implement the housing, transportation, and infrastructure components of AHSC, and the Department of Conservation and the California Natural Resources Agency to help implement the agricultural lands protection component of AHSC, named the Sustainable Agricultural Lands Conservation Program, or SALC.

The SALC Program facilitates the reduction of GHG emissions by protecting croplands and rangelands at risk of conversion to urban and rural residential development. The program accomplishes this by investing in two project types: agricultural conservation acquisitions (including easements and fee-title purchases) and local government planning grants. Acquisition projects extinguish development rights, thereby avoiding increases in GHG emissions by reducing opportunities for expansive, vehicle-dependent forms of development; in the future however, development rights may be banked for transfers to urban areas under a "transfer of development rights" program. Planning grants support the implementation of Sustainable Communities Strategies or other local plans that reduce greenhouse gas emissions. The program's quantification methodology estimates avoided GHG emissions per project based on vehicle miles traveled avoided when properties are protected from development, as well as emissions avoided from forgone construction and building energy from heating.

Planning Grants

Staff recommend funding three of the five planning grant applications received in this round, for projects totaling \$571,487. Each of the recommended projects is consistent with the SALC guidelines and the AHSC legislative mandate in that they support the implementation of a

Sustainable Community Strategy or other transportation plan aimed at reducing emissions from vehicles. Each supports the protection of agricultural resources, infill development, and the sustainable use of natural resources.

Dunnigan Community Plan

This year's project highlight focuses on SALC's core policy goals of avoiding conversion of agricultural land to more greenhouse gas emission intensive uses, facilitating locally-led development patterns; and supporting engagement between local governments, landowners and disadvantaged communities. Yolo County Community Services Department will use SALC grant funds to complete a community plan for the unincorporated Dunnigan community in northern Yolo County.

Dunnigan faces development pressures and outdated planning documents. For example, a 2011 development proposal would have converted 2,000 acres of prime agricultural lands to rural residential and single-family housing. Under an expectation of land being rezoned from agriculture, large landowners along the highway terminated Williamson Act contracts to make their land available for future development. The town is currently relying on a 1996 plan that does not account for the 50 percent growth that has occurred in the last decade. The same plan is focused on highway-serving commercial development consisting of fast-food restaurants, gas stations, and convenience stores, rather than serving the local agricultural economy and residents.

The SALC grant will provide funding for the County to engage farmers and business owners to compose a new specific plan to address the community's challenges and lay out a sustainable blueprint for development. The plan will define a community growth boundary that will serve to reaffirm the County's commitment to protection of important farmlands, encourage more efficient land use by increased residential density and a better balance of housing to include low income, multifamily, and single-family residences. The plan will identify infrastructure needed for future development including water, wastewater, road improvements for emergency services. Farmers outside the growth boundary will be encouraged to re-enroll in Williamson Act contracts, and the proposal initial goal of enrolling 2,500 acres into Williamson Act contracts or conservation easements in proximity to the urban growth boundary, bolstering the boundary and supporting a vibrant agricultural economy.



Planning Grants Recommended for Funding

Applicant	Project Number	County	Recommended Award
Association of Monterey Bay Area Governments	SALC20_PG01	Monterey, San Benito, and Santa Cruz	\$250,000
Metropolitan Planning Commission/Association of Bay Area Governments	SALC20_PG03	Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma	\$250,000
Yolo County (Dunnigan)	SALC20_PG05	Yolo	\$71,487
Subtotal			\$571,487

Conservation Easements

This year, staff and the interagency committee assessed acquisition projects at the mandatory pre-proposal stage and determined that four of the twenty-four projects submitted for consideration were not eligible because these projects did not meet the program goal of supporting infill development. The applicants for the rest of the projects were qualified to submit full applications, resulting in the submission of 20 applications in September. Staff reviewed the project applications for readiness, and then awarded points based on SALC guidelines selection criteria. The selection criteria reflect a project's agricultural, economic, and ecological co-benefits. Staff found that one of the projects submitted as an application did not meet the program's readiness criteria.

Of the 19 projects recommended for funding, eleven projects consisted of 13,961 acres of irrigated farmland, four projects consisted of 5,353 acres of rangeland, and four projects consisted of 7,602 acres of mixed-use agriculture. These projects are disbursed across 15 counties ranging from Shasta in the north to Imperial in the South.

The suite of easements recommended for funding will protect 26,916 acres of farm and rangeland. The estimated emissions avoided is 2.4 million metric tons of CO2 equivalent.

Easement Projects Recommended for Funding

Applicant/ Co-Applicant	Project Number	County	Total Acres	Recommended Award Amount
Shasta Land Trust	SALC20_PP01_SHA	Shasta	97.2	\$521,983
Sutter Buttes Regional Land Trust	SALC20_PP03_YUB	Yuba	952.3	\$14,369,500
Solano Land Trust	SALC20_PP04_SOL	Solano	303.5	\$1,085,000
Land Trust of Santa Cruz County	SALC20_PP05_SCR	Santa Cruz	177.8	\$810,000
California Rangeland Trust	SALC20_PP06_MEN	Mendocino/ Sonoma	2,492.8	\$3,810,000
California Rangeland Trust	SALC20_PP07_COL	Colusa	7,521.7	\$4,700,850
California Farmland Trust	SALC20_PP08_MER	Merced	59.2	\$538,400
Trust for Public Land/ Rivers & Lands Conservancy	SALC20_PP09_IMP	Imperial	4,411.0	\$7,451,250
California Farmland Trust	SALC20_PP10_SJQ	San Joaquin	53.0	\$567,043
Northcoast Regional Land Trust	SALC20_PP11_HUM	Humboldt	6,606.0	\$6,650,000
Northern California Regional Land Trust	SALC20_PP12_TEH	Tehama	595.4	\$4,865,600
Ag Land Trust	SALC20_PP13_MNT	Monterey	184.6	\$1,560,000
Ag Land Trust	SALC20_PP14_MNT	Monterey	591.7	\$5,550,000
Ag Land Trust	SALC20_PP15_MNT	Monterey	348.0	\$2,875,000
Placer Land Trust	SALC20_PP16_PLA	Placer	574.0	\$2,954,000
Placer Land Trust	SALC20_PP17_PLA	Placer	595.2	\$3,295,250
Land Trust of San Luis Obispo County	SALC20_PP18_SLO	San Luis Obispo	736.1	\$1,150,000
American Farmland Trust	SALC20_PP23_MER	Merced	75.4	\$814,000
Land Trust of Santa Cruz County	SALC20_PP24_SBT	San Benito	540.6	\$1,850,000
Totals			26,915.5	\$65,417,876

Program Achievements to Date

In prior rounds, SGC has awarded \$232 million through SALC, supporting:

- 123 easement projects
- 2 fee acquisition projects
- 24 planning grants



- Technical assistance for three local governments in 2019 and 2020

The amount awarded includes the total appropriated in rounds 1-6 as well as any funds that became available when projects withdrew or came in under budget. If the Council approves staff's recommendations for Round 7, the total acreage protected or in the process of being protected through SALC grants would be approximately 143,000 acres.

Next Steps

Staff intends to release draft guidelines for Round 8 for public comment in February 2022 and publish them in April. Improvements anticipated in the updated guidelines will include efforts to address racial equity, a simplification of the program's selection criteria, and mechanisms to address the biodiversity and natural climate solutions Executive Order N-82-20.

Staff released a Request for Proposals to continue technical assistance to support the planning grants portion of SALC on October 28. Once selected, the technical assistance provider will work with potential applicants to establish partnerships, refine project ideas, and develop applications.

Staff is also in the process of developing a Request for Proposals for a technical assistance provider to develop acquisition projects and to assist land trusts with outreach to socially disadvantaged farmers and ranchers.

Attachments:

Attachment 1: Project Summary Sheets

Attachment 2: Statewide Project Map

Attachment 3: List of all Project Applications Received