CALIFORNIA SUSTAINABLE AGRICULTURAL LANDS CONSERVATION PROGRAM

GRANT GUIDELINES & APPLICATIONS

PART OF CALIFORNIA CLIMATE INVESTMENTS

STATE OF CALIFORNIA

STRATEGIC GROWTH COUNCIL

Draft February 2022



CALIFORNIA STRATEGIC GROWTH COUNCIL



For additional information, please contact:

STRATEGIC GROWTH COUNCIL (916) 322-2318 http://www.sgc.ca.gov/programs/salc/

California Department of Conservation Division of Land Resource Protection (916) 324-0850 http://www.conservation.ca.gov/dlrp

AT-A-GLANCE	II	
Program	ii	
Funding Source	ii	
Critical Dates for Round 7	ii	
Contact for Questions	ii	
SECTION 1: SUSTAINABLE AGRICULTURAL LANDS CONSERVATION PROGRAM		
INTRODUCTION AND SUMMARY	1	
Program Components	1	
SALC Goals and Objectives	2	
Funding	2	
GHG Quantification and Jobs Reporting	3	
Co-benefits	3	
Statutory Authority	4	
Equity	6	
Grant Application		
Publicity and Confidentiality		
Nondiscrimination Policy	12	
SECTION 2: AGRICULTURAL CONSERVATION ACQUISITION GRANTS	. 13	
Eligible Applicants	21	
Eligible Projects	22	
Eligible Costs	24	
Match		
Initial Screening-Pre-proposals		
Eligibility and Selection Criteria for Agricultural Conservation Acquisitions		
Application Review		
Pre-proposal and Application Requirements		
General Information Regarding Agricultural Conservation Acquisition Requirements		
SECTION 3: AGRICULTURAL CONSERVATION PLANNING GRANTS		
Projects, Eligible Applicants, and Allowable Costs		
Eligibility and Selection Criteria		
Application Review and Award Process		
SECTION 4: POST-COUNCIL MEETING AND GRANT ADMINISTRATION		
Strategic Growth Council Approved Projects	47	
Overview of the Process After Grants Are Awarded		
Funding and Accounting		
Organizational Considerations		
APPENDIX A ACQUISITION PRE-PROPOSAL		
APPENDIX B ACQUISITION APPLICATION		
APPENDIX C PLANNING PRE-PROPOSAL.		
APPENDIX D PLANNING APPLICATION		
APPENDIX F ACQUISITION GRANT AGREEMENT		
APPENDIX G PLANNING GRANT AGREEMENT		
APPENDIX H CAPACITY GRANT AGREEMENT APPENDIX I PRIORITY POPULATION AND IFL MAP		
APPENDIX J GLOSSARY	. J I	

TABLE OF CONTENTS

At-A-Glance

Program

The w Agricultural Lands Conservation Program is a component of the Strategic Growth Council's Affordable Housing and Sustainable Communities Program. The Department of Conservation, in conjunction with the Natural Resources Agency, administers SALC on behalf of the Strategic Growth Council.

Funding Source

This program is funded through the California Climate Investments Program.

Critical Dates for Round 7

Draft Guidelines released for comment: February 23, 2022 Public comment closed: March 25, 2022 12 p.m. Guidelines adopted: April 28, 2022 Acquisition Pre-proposal due: June 1, 2022 Planning Pre-proposal due: July 1, 2022 Determination of available funding: September 2022 Full Applications due: September 3, 2022 Project Awards: December 2022

Contact for Questions

Department of Conservation Division of Land Resource Protection Keali'i Bright, Division Director <u>salcp@conservation.ca.gov</u> (916)324-0850

Section 1: Sustainable Agricultural Lands Conservation Program Introduction and Summary

The Sustainable Agricultural Lands Conservation Program (SALC), a component of the Strategic Growth Council's Affordable Housing and Sustainable Communities (AHSC) Program, supports California's greenhouse gas (GHG) emission reduction goals by making strategic investments to protect agricultural lands from conversion to more GHG-intensive uses. It also contributes to implementation of Governor Newsom's Executive Order N-82-20, which calls for the accelerated use of nature-based solutions to address the climate and biodiversity crises. Protecting critical agricultural lands from conversion to urban or rural residential development promotes smart growth within existing jurisdictions, ensures open space remains available, and supports healthy traditional agricultural and tribal food systems, and resulting food security. Healthy and resilient food systems are becoming increasingly important in meeting the challenges occurring and anticipated as a result of climate change.

SALC is part of California Climate Investments, a statewide program that puts billions of Cap-and-Trade dollars to work reducing GHG emissions, strengthening the economy, and improving public health and the environment– particularly in disadvantaged communities. The Cap-and-Trade program also creates a financial incentive for industries to invest in clean technologies and develop innovative ways to reduce pollution. California Climate Investments projects include affordable housing, renewable energy, public transportation, zero-emission vehicles, environmental restoration, more sustainable agriculture, recycling, and much more. At least 35 percent of these investments are located within and benefiting residents of disadvantaged communities, low-income communities, and low-income households across California. For more information, visit the California Climate Investments website at: www.caclimateinvestments.ca.gov.

Program Components

These Guidelines cover the following investment types:

- Agricultural Conservation Acquisition Capacity Funding Grants to develop agricultural conservation easement and fee acquisition projects and/or cover associated costs to help close acquisition projects where the cost of the acquisition is covered by an alternate source of funding.
- Agricultural Conservation Acquisitions Grants to protect important agricultural lands under threat of conversion to nonagricultural uses

through the acquisition of voluntary, permanent agricultural conservation easements (easements) or fee title purchases.

• Agricultural Conservation Planning – Grants to develop and implement plans for the protection of agricultural lands under pressure of being converted to non-agricultural uses.

For the purposes of this program, agricultural land includes both cultivated and non-cultivated lands that support an agricultural use, including gathering and activities that promote healthy trees, shrubs, and perennial forbs for the cultivation of traditional foods, herbal medicine, fibers (such as basketry material), and dyes so long as such activities are led by or conducted in partnership with a a Federally recognized or non-federally recognized California Native American tribe on the contact list maintained by the Native American Heritage Commission, or members thereof.

Goals

The goals of SALC are to:

- Protect agricultural lands that support infill and compact development¹
- Contribute to carbon neutrality
- Support sustainable land management
- Support coordinated land use planning
- Support Executive Order N-82-20 by:
 - a. Safeguarding the State's economic sustainability and food security
 - b. Protecting biodiversity
 - c. Enabling enduring conservation measures on working lands, in partnership with land managers and natural resource user groups
 - d. Building climate resilience, reducing risk from extreme climate events, and contributing to the State's effort to combat climate change
 - e. Advancing equity and opportunity for all regions of California

Funding

SALC will award an amount equal to ten percent (10%) of the auction proceeds available from the twenty percent (20%) continuously appropriated to the Strategic Growth Council for the AHSC from GGRF each fiscal year. SALC administration costs will be deducted from the available funding prior to project

¹ <u>Public Resources Code Section 75210</u>

Sustainable Agricultural Lands Conservation Program DRAFT Program Guidelines February 2022

award. The actual funding amount available each fiscal year will not be determined until after the fourth auction for that fiscal year.

Funding should leverage private and other government investment to the maximum extent possible.

SALC will coordinate with local, state, and federal programs to avoid duplicative funding for projects.

SALC funds not awarded or identified for award to alternate projects under one solicitation may be made available in the subsequent solicitation. Additional funding for SALC projects may be available from previously funded projects that withdraw or come in under budget.

GHG Quantification

The California Air Resources Board (CARB) adopts Funding Guidelines for Agencies that Administer California Climate Investments (CARB's Funding Guidelines) to ensure that all programs that receive California Climate Investments dollars distribute those dollars in accordance with applicable law.

Greenhouse Gas Emissions

Per CARB's Funding Guidelines, all California Climate Investments programs must facilitate the achievement of greenhouse gas emission reductions. SALC estimates avoided greenhouse gas emissions based on the vehicle miles traveled avoided by protecting agricultural land at under pressure of being converted to nonagricutural uses and limiting opportunities for expansive, vehicle-dependent forms of development. These avoided emissions are quantified and reported for funded easement projects in accordance with a CARB-approved quantification methodology.

Co-benefits

Pursuant to AB 1532, GGRF monies shall be used to facilitate reductions of greenhouse gas emissions and, where applicable and to the extent feasible, to:

- maximize environmental, economic, and public health benefits for California, and
- lessen the impacts and effects of climate change on the state's communities, economy, and environment.

CCI refers to such benefits as co-benefits. To the maximum extent feasible, SALC will work with other administering agencies to provide co-benefits and to maximize the benefits from each funding program. This coordination may Sustainable Aaricultural Lands Conservation Program DRAFT Program Guidelines February 2022 3 include sharing information about a project or applicant. Co-benefits associated with SALC projects may include:

Environmental Co-Benefits

- Protection of land of special environmental significance
- Protection of watershed health
- Protection of native plants and animals
- Restoration of habitat
- Implementation of traditional ecological knowledge led by Tribes
- Protection of habitat connectivity and wildlife corridors
- Protection of open space and viewsheds

Economic Co-Benefits

- Retention of local jobs and agricultural revenue
- Support for workforce development
- Retention of entrepreneurial opportunities
- Avoidance of spending on municipal services for dispersed development

Public Health Co-Benefits

- Access to affordable, nutritious foods
- Reductions in food waste
- Agricultural practices that reduce negative public health impacts
- Reduction in the risk of wildfire-related health impacts

Additional Co-Benefits

- Facilitation of collaboration among multiple entities
- Opportunities for partnerships with Tribes
- Educational opportunities for students or new farmers
- Outdoor access
- Avoided increase in flood risk

Statutory Authority

Public Resources Code sections <u>75127</u> and <u>75128</u> direct the Strategic Growth Council to manage and award financial assistance to support the planning and development of communities that achieve sustainability objectives. Public Resources Code Section <u>75126(b)</u> states that these funded activities must be consistent with California's planning priorities specified in <u>Government Code</u> <u>Section 65041.1</u> ("California's Planning Priorities"). Public Resources Code. Section <u>75125</u> states that the Strategic Growth Council shall develop guidelines for awarding financial assistance, including criteria for eligibility and additional considerations.

<u>AB 32</u> (Chapter 488, Statutes of 2006) and related amendments identify climate change as a serious threat to the economic well-being, public health, natural resources, and environment of California and established the GGRF. Health and Safety Code Section <u>39719(b)(1)(C)</u> apportions the Strategic Growth Council twenty percent (20%) of GGRF auction proceeds on an annual basis. Health and Safety Code <u>Section 39712(b)</u> requires that GGRF monies be used to reduce GHG emissions consistent with the purposes of AB 32.

Public Resources Code Section 75210 established AHSC to:

"reduce greenhouse gas emissions through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development, and that support related and coordinate public policy objectives, including...protecting agricultural lands to support infill development."

Public Resources Code Section <u>75212</u> lists the types of projects eligible for funding under the AHSC. Specifically:

- Section 75212(h) authorizes the Strategic Growth Council to invest in the "acquisition of easements and other approaches or tools that protect agricultural lands that are under pressure of being converted to nonagricultural uses, particularly those adjacent to areas most at risk of urban and suburban sprawl or those of special environmental significance."
- Section 75212(i) authorizes the Strategic Growth Council to invest in projects for "planning to support implementation of a sustainable communities strategy, including implementation of local plans supporting greenhouse gas emissions reduction efforts and promoting infill and compact development."

SALC was developed as a component of AHSC to administer projects eligible for GGRF funds pursuant to these sections.

SALC was identified by the Strategic Growth Council as most appropriately administered by the California Department of Conservation (Department) in conjunction with the Natural Resources Agency (Agency). The Strategic Growth Council approved the roles of the Department and the Agency at its July 10, 2014 meeting. In addition, SALC has been developed in consultation with the California Department of Food and Agriculture.

The Department's authority for agricultural land protection derives from various sections of statute:

- Public Resources Code Sections 10200-10277, the California Farmland Conservancy Program
- Public Resources Code Sections 10280-10283, Agricultural Protection Planning Grant Program
- Government Code Section 65570, the Farmland Mapping and Monitoring Program
- Government Code Sections 51200-51294.7, the Williamson Act
- Public Resources Code Division 9, governing Resource Conservation Districts

Equity

Priority Populations

<u>Health and Safety Code section 39713</u> directs state and local agencies to make significant investments that improve California's most vulnerable communities. The statute requires that GGRF funding for California Climate Investments as a whole benefit residents of <u>disadvantaged communities</u>, <u>low-income</u> <u>communities</u>, and low-income households</u> (priority populations) as follows:

- A minimum of twenty-five percent (25%) of available GGRF monies to projects that are located within and benefit individuals living in disadvantaged communities;
- A minimum five percent (5%) of available GGRF monies to projects that benefit low-income households or to projects that are located within and benefit individuals living in low-income communities located anywhere in the state; and,
- A minimum five percent (5%) of available GGRF monies to projects that benefit low-income households located within a ½ mile of a disadvantaged community or to projects that are located within and provide benefits to individuals living within low-income communities that are outside of, but within a ½ mile of, a disadvantaged community.

Public Resources Code section 75214 establishes a target of expending fifty percent (50%) of overall AHSC funds on projects located in and benefit disadvantaged communities to meet these GGRF goals, and CARB works with AHSC each year to set annual investment targets. The established <u>FY2020-21</u> investment targets for AHSC are:

- o 60% of awarded funds to Disadvantaged Communities
- o 10% of awarded funds to Low-Income Communities or Households

Sustainable Agricultural Lands Conservation Program DRAFT Program Guidelines February 2022

 5% of awarded funds to communities within a ½-mile of disadvantaged communities and within a low-income community census tract

Funding allocated by SALC to priority populations is counted toward these AHSC targets.

To meaningfully benefit a priority population, a project must meet all the following requirements:

- Fifty percent (50%) or more of the project must be located within:
 - A disadvantaged community census tract, as designated by CalEPA;
 - A low-income community census tract, as defined in HSC 39713; or,
 - A half-mile of a disadvantaged community and within a low-income community census tract;
- The project must address an important community or household need; and,
- The project must provide direct, meaningful, and assured benefits to a priority population as determined using the Priority Population Benefits Table for the applicable project type.

A mapping tool to determine whether a project location is within a priority population census tract is available on <u>CARB's Community Investments</u> <u>webpage</u>.

Applicants interested in having their proposal considered for priority population benefits must complete the Priority Population Benefits Table and provide supporting documentation in their application. Please check <u>http://www.arb.ca.gov/cci-resources</u> for any updates to the priority population benefit criteria tables. These materials will be evaluated in detail to determine if the benefits provided rise to a level that can be claimed to meet the AB 1550 requirements. Information provided to support a priority population benefits claim will be reviewed by the SALC Interagency Committee, in consultation with CARB.

- Planning grant applications found to benefit priority populations will be prioritized for funding.
- Capacity grant applications found to benefit priority populations will be prioritized for funding.
- Acquisition applicants that benefit priority populations will be prioritized for funding, and may receive one hundred percent funding for eligible costs.

Federally and Non-Federally Recognized California Native American Tribes

Executive Order N-15-19 acknowledges and apologizes on behalf of California for the historical "violence, exploitation, dispossession and the attempted destruction of tribal communities" from the early years of the State to present day and creates the <u>California Truth & Healing Council</u>. In the spirit of truth and healing and consistent with the Office of the Governor's <u>Statement of Administration Policy on Native American Ancestral Lands</u>, SALC seeks to:

- support ownership, management, and co-management of, and access to natural lands and Indigenous cultural resources within those lands by Federally recognized and non-federally recognized California Native American tribes on the contact list maintained by the Native American Heritage Commission
- Facilitate access of California Native Americans to cultural resources
- Support the ability of California Native Americans to engage in traditional and sustenance gathering, hunting, and fishing
- Encourage partnerships with California tribes on land management and stewardship utilizing Traditional Ecological Knowledge.

Acquisition projects where a tribe or tribal non-profit with 501(c)3 status is either the applicant or a co-applicant on the project will be prioritized for funding.

Socially Disadvantaged Farmers and Ranchers

<u>SGC's Racial Equity Action Plan (2021)</u>, approved by the Council, establishes SGC's vision for racial equity as "All people in California live in healthy, thriving, and resilient communities regardless of race." The REAP also outlines actions SGC will take to achieve racial equity in its organization, operations, programs, and policies. It directs SGC staff to develop requirements for racial equity priority topics in each of its programs.

The Legislature "recognizes the importance of investing in the long-term prosperity of our food and farming system, starting with our farmers" and that:

(2) Farmers of color have historically not had equitable access to land and other resources necessary to conduct farming in California, and that legacy of prejudice persists.

(3) Female farmers represent less than a quarter of all farmers in the state. Only 2 percent of California farmers are women of color,

according to the United States Department of Agriculture Census of Agriculture.

(4) Socially disadvantaged farmers and ranchers tend to farm fewer acres but have a greater diversity of crops in California.

(5) According to the United States Department of Agriculture Census of Agriculture, on average, socially disadvantaged farmers and ranchers in California receive less in federal payments than their White counterparts and also earn less.

(6) Despite the barriers, an increasing number of socially disadvantaged farmers and ranchers are attempting to farm throughout California, across rural and urban settings.

(7) Existing federal agricultural policies have failed to provide sufficient and appropriate technical assistance and financial support, including farmer cooperative creation, for socially disadvantaged farmers and ranchers.

(Food and Agriculture Code Section 511.)

The Farmer Equity Report (California Department of Food and Agriculture, 2020, p.9) found that "[a] primary challenge facing socially disadvantaged farmers and ranchers in California is land tenure." "Land tenure is an issue that can affect farmers and ranchers' eligibility for CDFA resources such as grants as well as inform their decisions on adopting long-term conservation practices. This is a key issue that should be recognized when developing programs, policies and resources because it affects all aspects of farm business [.]" (*Id.* p. 10.)

To implement the Racial Equity Action Plan (2019), to address the Legislature's findings set forth in Section 511, and to address CDFA's findings in the Farm Equity Report, SALC encourages projects that benefit socially disadvantaged farmers and ranchers and increase their participation in acquisition and planning projects. "Socially disadvantaged farmers and ranchers" has the meaning set forth in Appendix I.

Acquisition projects that provide secure land tenure to a beginning or Veteran farmer or rancher, a farmer or rancher who is a member of a Federally recognized or non-federally recognized California Native American tribe on the contact list maintained by the Native American Heritage Commission, or to a farmer or rancher that is a resident of a priority population, as defined in these Guidelines, will be prioritized for funding.

Grant Application

The application processes for Capacity, Acquisition, and Planning grants are detailed in Sections 2, 3, and 4 of these Guidelines, respectively. Pre-proposals and applications must be received electronically by 11:59 p.m. on the deadlines specified in the most current solicitation.

SALC forms and sample documents are available in the Addenda and individually on the <u>SALC website</u>.

A summary of each project application, the California Climate Investments funding request, and priority population benefits status will be posted at least ten days before the Strategic Growth Council makes project awards. The Strategic Growth Council determines the final awards and will announce these awards at a public meeting. Applicants will be notified in writing of the Strategic Growth Council's decision following the meeting at which the awards are announced.

Publicity and Confidentiality

Acquisition applicants are encouraged to inform landowners and other partners that grant applications may result in publicity.

Because public funds are used to secure acquisitions and fund planning grants, details related to an application are public records that may be publicly released in accordance with the California Public Records Act.

Grantees are required to use SGC and CCI names and/or logos for all publications, websites, signage, invitations, and other media-related and public-outreach products related to the grant. Guidance on logo usage, signage, and logo files contained in the <u>Style Guide</u>.

Long Form Materials

Long-form written materials, such as reports, must include the following standard language about the SALC Program and California Climate Investments:

The Sustainable Agricultural Lands Conservation Program (SALC), a component of the Strategic Growth Council's Affordable Housing and Sustainable Communities (AHSC) Program, supports California's

greenhouse gas (GHG) emission reduction goals by making strategic investments to protect agricultural lands from conversion to more GHG-intensive uses. Protecting critical agricultural lands from conversion to urban or rural residential development promotes smart growth within existing jurisdictions, ensures open space remains available, and supports a healthy agricultural economy and resulting food security. A healthy and resilient agricultural sector is becoming increasingly important in meeting the challenges occurring and anticipated as a result of climate change.

SALC is part of California Climate Investments, a statewide program that puts billions of Cap-and-Trade dollars to work reducing GHG emissions, strengthening the economy, and improving public health and the environment– particularly in disadvantaged communities. The Cap-and-Trade program also creates a financial incentive for industries to invest in clean technologies and develop innovative ways to reduce pollution. California Climate Investments projects include affordable housing, renewable energy, public transportation, zero-emission vehicles, environmental restoration, more sustainable agriculture, recycling, and much more. At least 35 percent of these investments are located within and benefiting residents of disadvantaged communities, low-income communities, and low-income households across California. For more information, visit the California Climate Investments website at: www.caclimateinvestments.ca.gov.

Press Releases, Flyers and Visual Materials

Any informational materials that do not qualify as long-form, but that include at least a paragraph of text, such as press releases, media advisories, short case studies, flyers, etc., should include the following:

Long version:

"[Project Name] is supported by California Strategic Growth Council's Sustainable Agricultural Lands Conservation program with funds from <u>California Climate Investments</u>, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities."

Short version:

"[Project Name] is supported by California Strategic Growth Council's Sustainable Agricultural Lands Conservation program with funds from <u>California Climate Investments</u>—Cap-and-Trade Dollars at Work."

Grantees may at times produce promotional materials that are primarily visual in nature, such as banners, signage, certain flyers, and sharable images for social media. In such cases, when including the boilerplate language acknowledging CCI and SGC support is not practical, grantees should instead include the official logos of both SGC and CCI, preceded by the words "Funded by." Any informational materials that include at least a paragraph of text should include the CCI language below. Please contact the SALC staff with questions.

MEDIA INQUIRIES

Grantees are required to identify a point of contact for all press inquiries and communications needs related to the project and provide the name, phone number and email address of this individual to SGC. Grantees must also distribute a press release after grant decisions are made at SGC's Public Council Meeting and are encouraged to do so for other major milestones throughout the lifecycle of the grant. All press releases must be approved by SGC Communications Office prior to distribution and SGC must be alerted and invited to participate in any and all press conferences related to the grant.

Nondiscrimination Policy

Consistent with Article I, Section 31 (a) of the California Constitution, the State of California and its programs shall not discriminate against, nor grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.