Program

The Sustainable 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 8

- Draft Guidelines released for comment: February 18, 2022
- Public comment closed: March 25, 2022
- Guidelines adopted: April 28, 2022
- Acquisition Pre-proposal due: June 15, 2022
- Planning Pre-proposal due: July 1, 2022
- Determination of available funding: September 2022
- Capacity applications due: August 8, 2022
- Acquisition and Planning Applications due: September 9, 2022
- Project Awards: December 2022

Contact for Questions

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

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¹ Public Resources Code Section 75210
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 nonagricultural 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 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 75127 and 75128 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 75126(b) states that these funded activities must be consistent with California’s planning priorities specified in Government Code Section 65041.1 (“California’s Planning Priorities”). Public Resources Code Section 75125 states that the Strategic Growth Council shall develop guidelines for awarding financial assistance, including criteria for eligibility and additional considerations.
AB 32 (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 39719(b)(1)(C) apportions the Strategic Growth Council twenty percent (20%) of GGRF auction proceeds on an annual basis. Health and Safety Code Section 39712(b) 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 75212 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**

Health and Safety Code section 39713 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 disadvantaged communities, low-income communities, and low-income households (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 FY2020-21 investment targets for AHSC are:

- 60% of awarded funds to Disadvantaged Communities
- 10% of awarded funds to Low-Income Communities or Households
- 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 CARB’s Community Investments webpage.

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 http://www.arb.ca.gov/cci-resources 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 California Truth & Healing Council. In the spirit of truth and healing and consistent with the Office of the Governor’s Statement of Administration Policy on Native American Ancestral Lands, 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 and may receive one hundred percent funding for eligible costs.

Socially Disadvantaged Farmers and Ranchers

SGC’s Racial Equity Action Plan (2021), 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 K.

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 and may receive one hundred percent funding for eligible costs.
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 SALC website.

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

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, CCI and DOC 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 Style Guide.

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, administered by the Department of Conservation, 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 encourages infill development.
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 a critical part of 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:

“Funds for [Project name or type] were made available through the California Strategic Growth Council’s Sustainable Agricultural Lands Conservation Program (SALC) in collaboration with the Department of Conservation. SALC is part of California Climate Investments, 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.”

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.
Section 2: Agricultural Conservation Capacity and Project Development Grants

CARB encourages programs that utilize California Climate Investments dollars to provide program-specific technical assistance to potential applicants in order to assist them in developing projects and preparing and submitting applications. Additional investments are needed to help stakeholders develop and complete projects at the pace and scale required to meet the State’s goal of conserving thirty percent of California’s land by 2030.

Funding

Up to $3 million dollars is available for funding agricultural conservation acquisition capacity and project development grants (“capacity grants”) through this solicitation, with an additional $3 million to be made available for the same purpose in each of the two subsequent solicitations. Funds not awarded for acquisition capacity grants may be awarded to fund acquisition or planning grants.

Capacity grants will be awarded as follows:

- Tier 1: Grants of up to $100,000 are available to applicants to build organizational and financial capacity to develop agricultural conservation acquisition projects. These grants are available to applicants for which this would be their first capacity grant with the Department or who have 0 - 2 paid staff.
- Tier 2: Grants of up to $250,000 are available to applicants to expand existing organizational capacity to develop agricultural conservation acquisition projects to increase the pace and scale of their agricultural land conservation efforts. These grants are available to applicants who have 3 or more paid staff or have received a capacity grant from the Department previously, and who can demonstrate the organizational and fiscal capacity to complete the work outlined in their work plan.

Tier 1 applicants may request an increase in funding up to a total grant award of $250,000 during their grant term if they can demonstrate the organizational and fiscal capacity to administer additional funds within their remaining grant term. Award increases shall be prorated based on the remaining grant term, shall be at the discretion of the Executive Director of SGC, and may only be made if funding is available.

To demonstrate organizational capacity, Tier 2 applicants and Tier 1 grantees requesting an increase in their award must:
• Have a board and/or management structure that provides oversight over staff work
• Have access to and utilize relevant tools and resources to track projects and the expenditure of grant funds, such as grant management software or spreadsheets, financial tracking systems, geographic information systems, etc
• Have professional staff within the applicant’s employ who have the knowledge and expertise to successfully develop conservation acquisition projects
• Have experience successfully developing conservation acquisition projects within the last three (3) years
• Where non-profit applicants intend to be the easement or fee title holder of the acquired property, be accredited by the Land Trust Accreditation Commission or have adopted equivalent or greater policies regarding conflict of interest, amendments, monitoring, stewardship endowments, and enforcement, as relevant
• Have or adopt a staff time-keeping system with the capacity to generate reports that break time down by grant task and by person
• Have staff or a contractor sufficiently skilled to track project financials in a way that allows for efficient and accurate invoice submission

Tier 2 applicants and Tier 1 grantees requesting an increase in their award must provide the following to demonstrate fiscal capacity to administer a grant:

• A copy of the current annual organizational budget.
• A copy of the most recent financial audit (if an audit is not available, a copy of the organization’s recent financial statements).

Grant Term

Capacity grants will be awarded for an initial term of three years.

Eligible Applicants

Cities, counties, non-profit organizations, resource conservation districts, regional park or open-space districts, regional park or open-space authorities, and federally recognized California Native American tribe or a nonfederally recognized California Native American tribe that is on the contact list maintained by the Native American Heritage Commission, are eligible to apply for capacity funding.

Non-profit applicants must have the conservation of agriculture, rangeland, or farmland among their stated purposes, as is prescribed by statute, or as expressed in the entity’s adopted policies.
Non-profit applicants must hold a tax exemption as defined under Section 501(c)3 of the Internal Revenue Code and further qualify under Internal Revenue Code Sections 170(b)(1)(A)(vi) or 170(h)(3).

**Eligible Activities**

SALC capacity grants will be provided to: 1) build organizational and financial capacity to develop agricultural conservation acquisition projects, 2) assist eligible applicants in developing agricultural conservation easement and fee acquisition projects in preparation for submitting such projects for acquisition funding in future rounds, and 3) provide funds to cover associated costs to help close agricultural conservation acquisition projects where the cost of the acquisition is covered by an alternate source of funding.

Agricultural conservation acquisition project(s) developed using this funding must meet the Eligibility Criteria listed in the table below to be considered for funding.

**Eligible and Ineligible Costs**

**Direct Costs**

Direct costs incurred to develop agricultural conservation acquisition projects are eligible for reimbursement.

Eligible direct costs are:

- Fully-burdened applicant staff time for:
  - landowner outreach
  - engagement with stakeholders and partners in activities directly related to the proposed project
  - title work
  - project mapping
  - acquisition negotiations
- SALC acquisition grant application preparation
- Baseline documentation
- Technical and legal consulting
- One appraisal and one appraisal update per project
- Preliminary title reports
- Escrow closing costs
- One appraisal per project where the cost of the acquisition is paid for by a funding source other than SALC
- Translation and interpretation services
- Technical or virtual meeting software, subscriptions, or applications other than basic word processing programs
• Staff time to develop and prepare organizational documents, processes, and/or tools for the efficient tracking and development of agricultural conservation acquisitions, if those documents, processes, and/or systems do not exist at the time the project is funded

Costs subject to Department review and approval are:

• Mineral remoteness evaluations
• Environmental site assessments
• Property boundary surveys
• Building envelope surveys

Any projects developed or projects for which associated costs are funded using capacity dollars must meet the eligibility requirements for SALC acquisition funding to be reimbursed

To the extent that such activities are directly related to developing and completing agricultural conservation acquisition projects, applicants are encouraged to utilize funding to:

• Collaborate and participate in knowledge sharing with partners
• Engage diverse populations, particularly members of severely disadvantaged communities, socially disadvantaged farmers and ranchers, and tribal communities, to increase awareness within those communities about specific programs and opportunities
• Implement or expand the use of multilingual and culturally appropriate materials in communications and educational strategies related to the proposal.

Indirect costs should not be included in the budgeted staff rate or salary. Indirect costs should be budgeted separately and must comply with the requirements outlined below.

Travel costs

In-state travel for grantee’s staff is eligible as necessary to complete project work. Costs must meet the requirements outlined below and in the Grant Agreement:

• Accommodation-related travel costs: maximum reimbursement rates based on county as shown here: http://www.calhr.ca.gov/employees/Pages/travel-lodging-reimbursement.aspx, with no option for approval of an “excess lodging rate.”
• Rental car costs or personal vehicle mileage for travel directly related to the grant will be reimbursed at the relevant rental car or Reimbursement Rate Per Mile for Personal Vehicle as shown here: http://www.calhr.ca.gov/employees/Pages/travel-personal-vehicle.aspx.

• Rental car, personal vehicle, ride share, train, or airfare costs will only be reimbursed for travel directly related to execution of the work plan, and then only if it is the typical method used to get from one location to the other. Grantees should choose the least expensive mode of transportation feasible given their travel needs.

• No other travel-related costs will be reimbursed through this grant program.

**Education and training costs**

Up to two percent (2%) of the grant award may be used to cover direct costs to attend trainings or meetings to improve the applicant’s skill, efficiency, or expertise in agricultural land conservation in order to complete the proposed project. All education and training costs are subject to review and approval by the Department.

**Indirect costs**

Indirect costs are limited to the applicant’s federally negotiated indirect cost rate. If no federally negotiated indirect cost rate is available, indirect costs may account for no more than twenty percent (20%) of the total grant award and may include those costs incurred by the grantee to administer the grant, such as:

- Office space
- Office supplies
- Legal or management oversight
- Prorated general liability, Workers’ Compensation (may be included in payroll), and automotive insurance

Grantees may use this funding to compensate partners and stakeholders for work performed directly relating to the strategic planning process.

**Ineligible associated costs are:**

- Ceremonial expenses (including food and beverages)
- Expenses for publicity
- Bonus payments of any kind
- Interest expenses
Damage judgments arising from the acquisition, construction, or equipping of a facility, whether determined by judicial process, arbitration, negotiation, or otherwise
Services, materials, or equipment obtained under any other State program
Real estate brokerage fees and/or expenses
Legal defense funds
Associated costs for easements funded under the Acquisitions component of SALC

Eligibility and Selection Criteria for Acquisition Capacity Grants

The information submitted in the application will be evaluated by reviewers and should demonstrate how effectively the proposal will meet the SALC Program goals and objectives.

Projects must meet all Eligibility Criteria to be considered for funding. Projects that meet all of the Eligibility Criteria are then evaluated based on how well the proposed project meets the SALC Program’s goals and objectives, as evidenced through their Selection Criteria scores.

In determining which applications to fund, the State may also consider factors including, but not limited to, geographic distribution of funds, the urgency of the project, and the Administration’s priorities. Alternate projects may be identified and recommended for approval by the Strategic Growth Council in the current round of funding in the event that any of the recommended projects is withdrawn. All proposals that meet the Eligibility Criteria are evaluated relative to the pool of applications received this Round.

All proposals will be reviewed using the following Eligibility Criteria and Selection Criteria:

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<th>Agricultural Conservation Acquisition Project Development</th>
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<td>Eligibility Criteria</td>
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<td>• The applicant is an Eligible Applicant as defined on Page 14.</td>
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<td>• The proposal is for an eligible activity.</td>
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<td>• The proposal demonstrates that the requested funding will increase the applicant’s capacity to initiate and conduct agricultural land conservation activities.</td>
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<th>Agricultural Conservation Acquisition Project Development Grants</th>
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<tr>
<td>Selection Criteria</td>
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| Program Goals

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<th>Points</th>
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The extent to which the project(s) proposed for development meet the program’s goals. /35

**Equity**
The extent to which the proposal will advance equity and opportunity by providing meaningful benefits to a priority population or increasing new, Veteran, or Native American farmer or rancher access or tribal access to State funding for agricultural conservation acquisitions. /30

**Sustainability**
The extent to which the application demonstrates that increased organizational capacity to develop projects will be sustained after the life of the grant. /20

**Budget**
The costs described in the applicant’s budget are reasonable costs likely to be incurred in the development of one or more agricultural conservation acquisition projects. /15

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<th><strong>Total points received/Total points possible</strong></th>
<th>/100</th>
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**Capacity Grant Application Review Process**

SALC Program staff are available prior to the application deadline to provide technical assistance to eligible applicants interested in submitting an application.

**Application Review**

All applications received by the Department will be evaluated based on the materials provided as of the application deadline, as well as a review of publically available information as reasonable to verify the provided information. Applicants interested in receiving technical assistance prior to submission of an application may contact the Department with questions. Applications will be reviewed for completeness, whether they meet the Eligibility Criteria, and the extent to which they meet the Selection Criteria. Incomplete applications may not be evaluated or considered for funding at the sole discretion of the State.

Following the Department’s initial review of the projects in relation to the Eligibility Criteria and Selection Criteria, an Interagency Committee consisting of Agency, Department of Food and Agriculture, Department of Water Resources, the Council, and the Department will review and evaluate all applications. This committee will make the final determination on which projects are recommended to the Council for funding.

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 Council makes project awards. The Council determines the
final awards and will announce these awards at a public meeting. Applicants will be formally notified of the Council’s decision via a decision letter following the meeting at which the awards are announced.

Capacity Applications

This section provides additional information regarding the components of the Application for Project Development grants. Applicants that intend to seek SALC Program Acquisition funding for projects developed under this component of the program are encouraged to read the General Information Regarding Agricultural Conservation Acquisition Requirements found in Section X of these Guidelines prior to preparing their Project Development application. All SALC-funded Acquisitions are subject to these Requirements. Please see the Department’s website for forms and supporting material.

Project Development Application Components

All items are required unless otherwise noted:

- Grant Application Checklist
- Grant Application Cover Sheet
- Executive Summary (1/2-page maximum)
- Narrative Questions
- Applicant Resolution of Support
- Work Plan
- Budget
- Documentation of Organizational Eligibility
- Maps of proposed project boundary(ies), if available
- Priority Population Benefits Table (if applying for priority population status)
- Documentation of Organizational Capacity (Tier 2 funding applications only)

Documentation of organization eligibility is the same as for agricultural conservation acquisition grants (see Section 3). Applicants may certify that the most current versions of their eligibility documents are on file with the Department in lieu of submitting the documents themselves.
Section 3: Agricultural Conservation Acquisition Grants

Under the Cap-and-Trade Auction Proceeds Third Investment Plan and Executive Order N-82-20, California aims to invest California Climate Investment dollars in the conservation of working lands in order to facilitate net climate benefits and long term carbon sequestration in the land base.

Preventing the conversion of agricultural land to residential or rural residential development avoids vehicle miles traveled and related greenhouse gas emissions.

A complete list of all the Eligibility Criteria for acquisition projects is listed within the “Eligibility and Selection Criteria for Agricultural Conservation Acquisitions” section.

Applications that do not meet all the Eligibility Criteria will not be considered for funding.

**Investment Targets**

Not more than twenty five percent (25%) of available funding is available for fee acquisition projects. Funds not awarded for fee title acquisition projects may be awarded to fund easement acquisitions or planning grants.

SALC will aim to award 20% of available funding for acquisition grants to fund 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, or
- provide meaningful benefits to a priority population, as defined in these Guidelines.

SALC will aim to award 5% of available funding for acquisition grants where a 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 a tribal non-profit with 501(c)3 status is either the applicant or a co-applicant on the project.

SALC staff will report on the number of acquisition projects that contribute to the above investment targets in the staff report outlining proposed project awards each year. If an investment target is not met, SALC staff will provide an explanation as to why.
If insufficient projects are submitted to meet the above targets, the Strategic Growth Council may elect to award remaining target funds to other eligible applications submitted this round, or to roll those funds over to meet target purposes in the subsequent solicitation, at its sole discretion.

There is no maximum award for Acquisition grants. Funds not awarded under other program components may be used to increase available funding for the Acquisition component.

**Eligible Applicants**

Cities, counties, non-profit organizations, resource conservation districts, regional park or open-space districts, regional park or open-space authorities, and federally recognized California Native American tribe or a nonfederally recognized California Native American tribe that is on the contact list maintained by the Native American Heritage Commission, are eligible to apply for funding.

An application can be submitted by either (1) a single applicant where the applicant is the intended easement holder or intended conservation buyer or (2) multiple entities that are collaborating on the acquisition, one of which must be identified as the intended easement holder or intended conservation buyer. Non-profit applicants must have the conservation of agriculture, rangeland, or farmland among their stated purposes, as is prescribed by statute, or as expressed in the entity’s adopted policies. The applicant and co-applicant cannot already have an interest in the property.

Non-profit applicants that intend to be the easement or fee title holder of the acquired property must be accredited by the Land Trust Accreditation Commission or have adopted equivalent or greater policies regarding conflict of interest, amendments, monitoring, stewardship endowments, and enforcement, as relevant, prior to submission of an application. Those that haven’t must apply with either a co-applicant that has such policies in place or a government entity.

Non-profit organizations must hold a tax exemption as defined under Section 501(c)3 of the Internal Revenue Code and further qualify under Internal Revenue Code Sections 170(b)(1)(A)(vi) or 170(h)(3).

Eligible applicants are not limited in the number of project applications they may submit.
Eligible Projects

Agricultural conservation acquisition grants will be provided to fund the purchase of conservation easements or fee title to agricultural land, including where an easement or fee purchase is part of a buy/protect/sell strategy to conserve the land. For 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 an eligible California Native American tribe or members thereof.

Agricultural intensification restrictions on non-cultivated land are permitted if each of the following conditions is met:

- The restriction is consistent with the property’s current and reasonably foreseeable agricultural use, and
- Agricultural use of the property is not substantially impaired.

Example 1: Restriction permitted

A restriction on conversion of rangeland to vineyards would be permitted because the restriction 1) is consistent with the property’s current and reasonably foreseeable future commercial agricultural use and 2) permits continued use as rangeland.

Example 2: Restriction permitted

A restriction that prohibits cattle from accessing sensitive riparian areas containing threatened species so long as alternative water sources are available onsite would be permitted. Such restriction does not 1) interfere with the continuing agricultural use as cattle can drink from the alternative water source and 2) the restriction does not substantially impair agricultural use on the property but only a small portion of the property.

Example 3: Restriction permitted

A restriction that prohibits conversion of land used for the cultivation of traditional foods, herbal medicine, fibers (such as basketry material), and/or dyes to irrigated agriculture would be permitted if the project is led or developed in partnership with a tribe. Such restriction 1) is consistent with the property’s current and reasonably foreseeable use and 2) permits continued cultivation of traditional materials.
**Example 3: Restriction not permitted**

A restriction on pasture land that would allow only one llama, a family pet, to be grazed with imported llama feed would not be permitted as such a restriction 1) is not consistent with the property’s continuing agricultural use as pasture and 2) substantially limits the agricultural use.

**Eligible Costs**

Only direct costs incurred to acquire the easement or fee title to the property during the grant term specified in the Grant Agreement are eligible for payment under this program.

**Easement Acquisition Cost**

Competitive grants will be awarded to cover up to seventy-five percent (75%) of the value of the agricultural conservation easement.

**Fee Acquisition Cost**

Up to three projects and not more than twenty five percent (25%) of available funding may be awarded for fee acquisition projects. Competitive grants may be awarded to cover up to seventy-five (75%) of the agricultural conservation easement value of the property’s fair market value. For example, if the property’s fair market value is $1,000,000, and its easement value is 50% of the fair market value ($500,000), SALC would contribute a maximum of $375,000 (or 75% of $500,000) toward the purchase of the property.

**Associated Costs**

All projects approved for funding are eligible to receive up to $60,000—in addition to the funding toward the acquisition discussed above—to cover reasonable associated costs incurred to acquire the real property interest.

The Strategic Growth Council will allocate $60,000 in associated costs funding for each awarded project, unless applicants specify a lower amount in their application. The Strategic Growth Council may increase a project’s associated cost allocation if it determines such costs are commensurate with the work needed to complete the project. Applicants requesting more than $60,000 must provide a detailed budget with the preproposal and application. All applicants must provide a detailed budget for the project, should the project be awarded funding.

All eligible costs must be supported by appropriate documentation during the invoicing process.
### Eligible Associated Costs

- Fully-burdened applicant staff time for:
  - deed negotiations
  - title work
  - project mapping
  - appraisal review and coordination
  - SALC-required reporting
- Technical and legal consulting
- Appraisal
- Preliminary title report
- Baseline conditions report
- Escrow fees
- Title insurance fees
- Property boundary survey(s)
- Building Envelope survey(s)
- Environmental site assessment(s)
- Mineral remoteness evaluation(s)
- Tribal consultation(s)
- Conservation Management Plan
- Carbon Farm Plan

### Ineligible Associated Costs

- Costs incurred outside the grant term
- Indirect or overhead costs
- Travel
- Ceremonial expenses
- Expenses for publicity
- Bonus payments of any kind
- Interest expenses
- Damage judgments arising from the acquisition, construction, or equipping of a facility, whether determined by judicial process, arbitration, negotiation, or otherwise
- Services, materials, or equipment obtained under any other State program
- Real estate brokerage fees and/or expenses
- Stewardship or legal defense funds
- CEQA documentation
- Food or beverages (whether or not incurred as part of meetings, workshops, training, ceremonies, or other events)

### Conservation Management Plans and Carbon Farm Plans

All projects awarded funding are eligible to receive up to $10,000, in addition to the funding toward the acquisition and associated costs discussed above, to develop a conservation management plan for the property, or up to $10,000 to develop a carbon farm plan for the property.

Minimum conservation management plan and carbon farm contents are set forth in Appendix L.

### Match

Applicants must identify all existing or potential match funders in their pre-proposals and applications. Applicants cannot utilize other Department-administered program funding as match toward the purchase price of the property interest.
CARB encourages all agencies that administer California Climate Investments programs to coordinate investments and leverage funds where possible to provide multiple benefits and to maximize benefits. To aid SALC’s efforts to coordinate investments and leverage funds as recommended by CARB, applicants pursuing project funding through other California Climate Investments programs should indicate which programs they are applying to, and whether such applications are for funding in lieu of or as match to SALC funding, in their application.

**Initial Screening–Pre-proposals**

Because the acquisition grant application process entails a significant amount of work, applicants are required to submit a pre-proposal to the Department prior to applying.

A pre-proposal consists of a structured summary of the proposed acquisition project; preliminary title report(s) less than twelve months old; an initial assessment of title concerns; as well as maps of the project boundaries, location, and proposed or existing building envelopes. Applicants are highly encouraged to submit a plotted easements map with their title report to facilitate the Department’s title review.

The preliminary title report requirement may be deferred on a case-by-case basis with justification from the applicant and at the discretion of SALC staff. Applicants who are unable to obtain a current preliminary title report for their project prior to the pre-proposal deadline should contact SALC staff prior to submitting their project to discuss deferral of this requirement.

The pre-proposal worksheet is available in Appendix B.

Department grant managers will utilize pre-proposal information to assist the applicant in determining whether the project meets the Eligibility Criteria; identifying what, if any additional information will be needed in the full application; and ascertaining whether the project has title complexities that may impact the project or other issues.

**Eligibility and Selection Criteria for Agricultural Conservation Acquisitions**

The Eligibility Criteria are informed by the GHG reduction requirement associated with use of Greenhouse Gas Reduction Funds, Civil Code section 815 et seq. (Conservation Easements), and the Department’s California Farmland Conservancy Program. The information submitted in the application package should demonstrate how effectively the proposal will meet the SALC goals and objectives, criteria, and readiness requirements.
Projects must meet all Eligibility Criteria to be considered for funding.

**Eligibility Criteria**

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1</td>
<td>The application is for an Eligible Project.</td>
</tr>
<tr>
<td>2</td>
<td>The applicant(s) is/are an Eligible Applicant.</td>
</tr>
<tr>
<td>3</td>
<td>The proposed acquisition is not part of a local government’s condition placed upon the issuance of an entitlement for use of a specific property.</td>
</tr>
<tr>
<td>4</td>
<td>The property has no known agricultural constraints (e.g., due to soil or water contamination).</td>
</tr>
<tr>
<td>5</td>
<td>Protection of the property will support infill and compact development.</td>
</tr>
<tr>
<td>6</td>
<td>The proposal will support the implementation of an adopted or draft Sustainable Communities Strategy or, if a Sustainable Communities Strategy is not required for a region by law, a regional plan that includes policies and programs to reduce greenhouse gas emissions.</td>
</tr>
<tr>
<td>7</td>
<td>The project is consistent with <a href="#">California’s Planning Priorities</a>.</td>
</tr>
<tr>
<td>8</td>
<td>The property is in an area with the necessary market, infrastructure, and agricultural support services to support long-term commercial agricultural production.*</td>
</tr>
<tr>
<td>9</td>
<td>The property is expected to continue to be used for, and is large enough to sustain, commercial agricultural production.*</td>
</tr>
<tr>
<td>10</td>
<td>The project demonstrates that it will achieve a reduction in GHG emissions.</td>
</tr>
<tr>
<td>11</td>
<td>The property is under pressure of being converted to non-agricultural uses.</td>
</tr>
<tr>
<td>12</td>
<td>For local government applicants only: The local government applicant has not acquired, nor proposes to acquire, the interest in real property through the use of eminent domain, unless requested by the owner of the land.</td>
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</tbody>
</table>

* Acquisitions to promote healthy trees, shrubs, and perennial forbs for the cultivation of traditional foods, herbal medicine, fibers (such as basketry material), and dyes, and where the applicant or co-applicant is a California Native American tribe, are exempt from requirements related to commercial agricultural production.

Projects that meet all the Eligibility Criteria will then be evaluated based on readiness and the extent to which they address the program’s Selection Criteria. Projects that receive an A or B Readiness Ranking will be ranked against one another based on their Selection Criteria score. Projects with Readiness Ranking C may be evaluated if funding allows. Projects with Readiness Ranking D will not be funded through SALC in the current round and will not be further evaluated.
### Acquisition Readiness Ranking

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
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<tbody>
<tr>
<td>A</td>
<td>Project ready (match funding for easement acquisition secured, if applicable; no title concerns, or defined plan to address title concerns prior to close of escrow that is acceptable to Department; project structure clearly defined; and reserved rights clearly defined).</td>
</tr>
<tr>
<td>B</td>
<td>Project feasible but requires resolution of specific issues (e.g., match funding identified or applied for but not secured; contingencies in project structure and/or reserved rights).</td>
</tr>
<tr>
<td>C</td>
<td>Larger potential issue/resolution concerns (no match identified; project structure unclear; or reserved rights unclear).</td>
</tr>
<tr>
<td>D</td>
<td>Project not ready (e.g., plan to address title concerns is insufficient, nonexistent, or unlikely to resolve concerns prior to close of escrow).</td>
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</tbody>
</table>

The following table outlines the Selection Criteria by which eligible projects ranked A, B, or C will be scored using the Selection Criteria and ranked based on their score. Applications will be awarded points for each Selection Criteria on a sliding scale from zero to the number listed in the Selection Criteria table. All information submitted in the application package will be used by reviewers to evaluate the proposal and should demonstrate how effectively the proposal meets SALC goals and objectives.

<table>
<thead>
<tr>
<th>Selection Criteria</th>
<th>Score</th>
</tr>
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<tbody>
<tr>
<td><strong>Agricultural Use</strong></td>
<td>/30</td>
</tr>
<tr>
<td>The extent to which the proposed project will support long term, economically viable, commercial agricultural production. For projects where the easement is to conserve land for the cultivation of traditional tribal foods, herbal medicine, fibers (such as basketry material), and/or dyes, the project will be scored based on the extent to which it supports sustainable management of cultural resources of historical importance to the tribe.</td>
<td></td>
</tr>
<tr>
<td><strong>Support for Infill/Risk of Conversion</strong></td>
<td>/30</td>
</tr>
<tr>
<td>The extent to which the project supports infill and compact development and is underpressure of conversion to non-agricultural uses, particularly residential or rural residential uses in the near future.</td>
<td></td>
</tr>
<tr>
<td><strong>Other Program Goals</strong></td>
<td>/20</td>
</tr>
<tr>
<td>The extent to which the project meets program goals not scored in other sections, including contributing to carbon neutrality and building climate resilience, supporting sustainable land management, reducing risk from extreme climate events, contributing to the State’s effort to combat climate change, supporting coordinated land use planning, safeguarding the State’s economic sustainability and food security, and protecting biodiversity.</td>
<td></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
</tr>
</tbody>
</table>
The extent to which the proposed project will advance equity and opportunity. /15

**Other Co-benefits**

The extent to which the proposed project provides co-benefits to the State beyond the program goals, including environmental, economic, public health, or other co-benefits. /5

**Total** /100

### Agricultural Use

Factors considered when scoring this section include soil quality and water availability and quality.

Projects with better soil quality, as determined using the Farmland Mapping and Monitoring Program data for irrigated land and Natural Resources Conservation Service gSSURGO data for rangeland, will score more points.

Water availability and quality will be evaluated as it relates to the current and foreseeable agricultural use on the property. Projects in high and medium priority groundwater basins, as defined by the Sustainable Groundwater Management Act (SGMA), will be evaluated based on the type and diversity of water sources available on the property, with projects with a diversity of water sources scoring more points.

### Support for Infill and Risk of Conversion

Factors considered when scoring this section may include:

- the likelihood that the property will be converted or is adjacent to lands likely to be converted to residential or rural residential uses in the near future
- whether the property acts as or adds to a community separator or greenbelt
- Relevant land conversion and development trends in the region, including parcelization, changes in land use, housing development patterns, and increasing housing costs
- Commute times to job centers
- Development rights associated with and developability of the property, including minimum zoning, ordinances/regulations that may limit development, and landscape factors that may impede development
- Whether existing and/or planned transportation infrastructure promote sprawl development in the region
- Access to broadband.
Other Program Goals

Factors considered when scoring this section include the number of goals addressed, as well as the extent to which a project meets individual goals. Projects that meet one goal very well will score better than projects that superficially meet multiple goals. Goals scored in other sections of the rubric will not be scored in this section.

Equity

Factors considered when scoring this section include:

- whether the project provides meaningful benefits to a priority population, as defined in these Guidelines
- whether the project provides 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 a farmer or rancher who is a member of a priority population, as defined in these Guidelines
- whether the project is led by or conducted in partnership with a California Native American tribe to increase that tribe’s ownership, co-management of, or access to natural lands and cultural resources.

Other Co-Benefits

Factors considered when scoring this section include the number of co-benefits provided, as well as the extent to which a project provides individual co-benefits. Projects that provide one co-benefit very well will score better than projects that superficially provide multiple co-benefits. Items scored in other sections of the rubric will not be scored in this section.

Selection for funding may not be determined by a project’s selection criteria score alone. Projects that meet the program’s investment targets for priority populations and tribes will be granted priority for funding independent of the selection criteria so long as they first meet the program’s eligibility criteria and readiness requirements. Should the number of projects that provide these benefits exceed the investment targets, those projects with the highest selection criteria scores sufficient to meet the targets will be given priority, while the remaining projects will be evaluated relative to the remaining applications submitted that round.

In determining which projects to award grant funding, the Strategic Growth Council may also consider factors including SALC’s goals, avoided vehicle miles...
traveled, geographic distribution of funds, the urgency of the project, the Strategic Growth Council’s priorities, and the applicant’s past performance in completing SALC grants or Department administered grants. Alternate projects may be identified for funding by the Strategic Growth Council in the current round of funding if funding becomes available. The Strategic Growth Council may award grants that partially fulfill an applicant’s request.

**Application Review**

Applications for acquisition grants will be reviewed at least once per year, with the opportunity for additional cycles as funding and staff capacity allow. Additional application cycles will be announced on the Department’s and Strategic Growth Council’s websites at least 60 days in advance of the pre-proposal deadline.

Department staff are available prior to the application deadline to provide technical assistance to eligible applicants interested in applying. Pre-proposal forms are available as Appendix B. Application forms are available as Appendix C.

All pre-proposals and applications received by the Department will be evaluated based on the materials provided as of the pre-proposal and application deadlines, respectively. Materials not requested as part of the application process will not be reviewed. Department staff may review publicly available information as reasonable to verify the provided information.

Applicants interested in receiving technical assistance prior to submission of a pre-proposal may contact the Department with questions. Pre-proposals will be reviewed to determine project eligibility, and technical assistance provided to facilitate the development of competitive grant applications. Applicants will be notified regarding their project’s eligibility following the pre-proposal review. Projects deemed eligible, or eligible with conditions, may be submitted as applications for further evaluation and scoring. In cases where reviewers have questions regarding eligibility or title concerns, proposers will be given the opportunity to respond to those concerns prior to an eligibility determination. For projects deemed eligible with conditions, applicants must provide substantive responses to the conditions identified in the pre-proposal feedback in their application in order for their application to be considered for funding.

Applications will be reviewed for completeness, readiness, and the extent to which they meet the Selection Criteria and address program priorities. Incomplete applications may not be evaluated or considered for funding at the sole discretion of the SGC.
Department staff will perform a site visit of each proposed project to verify the accuracy of and better understand the proposal, as well as to clarify any outstanding questions identified through the pre-proposal or application review. Applicants will be asked to arrange a tour of the property, which must be attended by a representative of the applicant and by the property owner or property owner representative. Department staff may conduct virtual site visits in lieu of in-person visits consistent with State guidance.

Following the Department’s initial review of the projects in relation to the Eligibility Criteria, Selection Criteria, and Readiness Rankings, an Interagency Committee that includes Strategic Growth Council staff will review and evaluate all applications. This committee will make the final determination on which projects are recommended to the Strategic Growth Council for funding or as alternates.

Pre-proposal and Application Requirements

This section provides additional information regarding the components of the pre-proposal and application.

**Agricultural Conservation Acquisition Pre-proposals**
*(All components are required unless otherwise noted)*

- Acquisition Summary Sheet
- Documentation of Organizational Eligibility*
  (documents differ for non-profit and governmental applicants)
- Documentation of Organizational Capacity*
- Applicant-Landowner Letter of Intent
- Narrative Questions
- Preliminary Title Report, Underlying Documents, and Assessor’s Parcel Maps
- Project Boundary Map
- Priority Population Benefits Table and supporting documentation
  *(only required if applying for priority population status)*
- Associated Costs Budget Table
  *(only required if applying for more than $50,000)*

*Applicant may certify that the most current versions of the starred documents are on file with the Department in lieu of submitting the documents themselves.

**Agricultural Conservation Acquisition Applications**
*(All components are required unless otherwise noted)*

- Grant Application Cover Sheet
- Executive Summary (1-page maximum)
- Acquisition Summary Sheet
- Narrative Questions
- Applicant Resolution of Support
Applicants are required to notify the planning director of the county government within which the project is located about the application. Applicants with a project located within a city or city sphere of influence will need to notify both the relevant city and county. For all applications received, SALC will independently notify the local government’s planning director. SALC will also notify the regional transportation planning agency responsible for the applicable sustainable communities strategy or regional transportation plan if a sustainable communities strategy is not required by law. These parties will have 30 days to provide comments regarding the application. SALC will make reasonable efforts to address concerns raised by these parties and may consider feedback in evaluating the application.

For applications where the intended holder of the real property interest is not the applicant, the applicant must provide the following from the intended holder of the real property interest in the pre-proposal:

- Certification of Acceptance of Conditions of Funding
- Documentation of Organizational Capacity
- Documentation of Organizational Eligibility

The intended holder of the real property interest may certify that the most current versions of the relevant documents are on file with the Department in lieu of submitting the documents themselves.

The applicant must provide a Resolution of Support from the intended holder of the real property interest in the application.

Application materials can be found in Appendix C.
General Information Regarding Agricultural Conservation Acquisition Requirements

Conditions of Funding

To receive funding from the SALC, the applicant must agree to the following conditions within their application and adhere to these conditions for the entirety of the grant term. Entrance into a grant agreement constitutes acceptance of the conditions of funding. Failure to adhere to these conditions throughout the grant term will result in loss of funding.

SALC’s conditions of funding for easement acquisitions are as follows:

- Clear title to the agricultural conservation easement can be conveyed at close of escrow.
- The applicant and seller of the agricultural conservation easement agree to restrict the use of the land in perpetuity.
- If the Department is funding preparation of a conservation management plan or carbon farm plan, the Department has approved the plan.
- If agricultural intensification restrictions on non-cultivated land are proposed:
  - The restriction will be consistent with the property’s continuing agricultural use, and
  - Agricultural use of the property will not be substantially impaired
- For projects where the property includes forest lands, the project will comply with Civil Code Section 815.11.
- The total purchase price of the proposed easement shall not exceed the appraised fair market value of the easement.
- The easement appraisal must comply with the Department’s published Overview and Preparation of Agricultural Conservation Easement Appraisals.
- The appraisal used to establish the easement value must be approved by DGS and the Department.

SALC’s conditions of funding for fee acquisitions are as follows:

- Clean title to the property can be conveyed at close of escrow.
- A Notice of Unrecorded Grant Agreement and an Irrevocable Offer to Convey Title in Fee will be recorded concurrently with the grant deed.
- The title to the property will be encumbered in perpetuity with the following covenants that run with the land:
• The property must actively be used for agricultural uses,
• Prohibits permanent severance of water rights from the fee,
• Restricts development potential on the property consistent with an agricultural conservation easement,
• Until such time as the property is sold subject to an agricultural conservation easement, a proportion of the net proceeds from the lease revenue equal to the proportion of SALC funds used to purchase the property will be reinvested only in improvements on the purchased property or in pursuit of agricultural conservation easements in the region,
• From the subsequent fair market sale of the burdened fee title, the state must be paid its proportionate share of the net proceeds within 30 days of close of escrow,
• At least once every twelve months, the interest holder shall report to the Department certifying that the conditions of the deed are being upheld. The report must include an account of how each covenant is being upheld, including documentation of income generated from leasing the property and documentation of agricultural use on the property, and
• At least once every twelve months, the interest holder shall allow the Department access to the property for the purposes of monitoring and verifying compliance with the terms of the deed.

- Except where the buyer is a tribe or tribal non-profit with 501(c)3 status, the buyer agrees to lease the property to one or more private operators for agricultural use or to sell the property to a private operator. The property must be leased within a commercially reasonable time after purchasing the property. If the applicant intends to sell the property as part of this conservation transaction, they must sell the property within 3 years of purchase. This requirement does not preclude the applicant from electing to sell the conserved property, with deed restrictions in place, at a later date.

- Should the property be resold, it will be sold subject to a conservation easement

- If the Department is funding preparation of a conservation management plan or carbon farm plan, the Department approves the plan within one year of close of escrow on the purchase.

- If agricultural intensification restrictions on non-cultivated land are proposed:
• The restriction will be consistent with the property's continuing agricultural use, and
• Agricultural use of the property will not be substantially impaired.
The total purchase price of the proposed acquisition shall not exceed the appraised fair market value of the property.

  - The appraisal used to establish the easement value (for the purposes of determining Department funding) and the fair market value of the property must comply with DGS standards and must be approved by DGS and the Department.
  - The grant deed, including any exhibits, must be approved by the Department.

Property Restrictions

Deed Language

SALC staff developed deed language to address important terms and conditions that should be contained within each SALC-funded acquisition deed. Applicants are encouraged to review this language and discuss it with landowners and appraisers early in the process. Grantees will be required to obtain Department approval of the deed prior to disbursal of the acquisition funding. This language may be updated periodically and is available on the Department website or upon request.

Property Valuation

Appraisals

A current appraisal will be required to determine the fair market value of the property interest to be acquired, which will be used to determine the state’s contribution to the acquisition.

All appraisals are subject to review and approval by the Department and the California Department of General Services Real Estate Services Section (DGS). The grant will only fund the appraisal that establishes the acquisition value used to complete the transaction. This cost will only be covered if the project is approved for funding, the appraisal is approved by the state, and the grantee requests Department reimbursement of associated costs in the grant application. In no situation shall the purchase price be greater than the appraised fair market value of the interest to be acquired.

The appraisal should be submitted prior to close of escrow, and with sufficient time for Department and DGS review.
If the project is approved, funding is available, and the appraisal contains a value that is higher than the estimate provided in the application, then, upon request by the grantee, awards may be increased:

- up to fifteen percent (15%) of the total grant award at the discretion of the Strategic Growth Council Executive Director. The Executive Director will report any award increases granted to the Council.

In no case shall the SALC contribution to the purchase price exceed seventy-five percent (75%) of the appraised easement value, except if the project met the requirements for reduced match at the time of award. Funding for any such increases in award amounts will be allocated either from existing non-allocated funds or from future allocations. Projects that receive award augmentations from future allocations will not be required to participate in any additional competitive solicitation processes. Any additional increase in valuation above fifteen percent (15%) will need to be covered by a landowner bargain sale (donation) or by other match funders.

Savings that result from an appraised value that is lower than the applicant’s estimated value may be apportioned to the participating funders to preserve the match.

The applicant must select and retain an independent, certified appraiser to appraise the subject property. For both easement and fee purchases, the appraiser must use the “before and after” method of valuation to calculate the difference between the fair market value and the restricted value. The “before and after” method evaluates the property’s market value under two scenarios: first, the current market value without restriction; and second, the diminished value as though encumbered by an agricultural conservation easement. The Department has developed a resource for appraisers and applicants, entitled Overview and Preparation of Agricultural Conservation Easement Appraisals, which is available on the Department website.

Applicants are encouraged to thoroughly discuss the restrictions and permitted uses associated with the proposed acquisition with the landowner and appraiser early in the appraisal process. Applicants should advise appraisers and landowners that appraisals are public records under the California Public Records Act of 1968 (Chapter 3.5 of Division 7 of Title 1 of the Government Code, commencing with §6250). Major considerations such as reserved home sites or other areas that will not be utilized exclusively for agriculture must be confirmed prior to and be identified in the appraisal, as they will likely affect the easement valuation. Subsequent changes to proposed restrictions or permitted uses may necessitate an update to the appraisal.
If a significant amount of time (12 months or more) transpires between the effective date of the appraisal and the anticipated escrow closing date, applicants may be required to obtain a new appraisal.

**Use-Based IRS Deductions**

If a landowner seeks tax benefits from the Internal Revenue Service in return for the charitable donation of an easement or portion thereof, the timing and requirements of the easement appraisal are critical. See a tax attorney or accountant for more information—the Department is not able to provide the applicant or landowner with assistance relating to this or other tax-benefits. A “special use valuation” and qualified IRS deduction may affect the easement valuation.

**Title Considerations**

**Due Diligence**

Clean title is required to protect the state’s investment. For the purposes of SALC, clean title refers to an absence of deeds, easements, leases, or other encumbrances that have the potential to undermine the state’s investment. Such encumbrances must be resolved prior to close of escrow because they may grant another person or entity the ability to take action to prohibit the project or impact the easement terms in a manner that contradicts SALC’s goals and objectives.

Applicants are expected to exercise due diligence to discover and disclose potential title issues in the pre-proposal and application. The Department will also work to identify such issues during its project review. The applicant will be asked to submit an initial plan to address title issues with their pre-proposal. If the Department determines that such a plan is inadequate, the applicant may be required to provide a more detailed plan in the application. The information within this plan will affect the project’s Readiness Ranking. Disbursement of funds into escrow for the purchase of an easement or fee interest in the property is contingent upon the Department’s determination that identified title concerns have been resolved.

For properties where the surface owner does not have control over at least 51% of the underlying minerals, the mineral rights may be addressed through:

1. A Mineral Remoteness Evaluation which finds that the likelihood of the separated mineral rights being exercised on the relevant parcel(s) is so remote as to be negligible. This finding may be confirmed by the
Department’s Division of Oil, Gas, and Geothermal Resources and/or the Division of Mine Reclamation.

2. Quiet title action(s) to restrict surface access to mineral rights within the proposed property boundary, to set aside drilling pads to direct the separated mineral rights holders’ extraction to a specific area, or to remove the separated mineral interests from title.

3. Subordination, surface use agreements, or remerger of the separated mineral interests to title.

4. Deed language that restricts surface access to the mineral rights within the proposed property boundary, or to set aside drilling pads to direct the separated mineral rights holders’ extraction to a specific area, to the extent allowable by law.

Advance coordination with the Department and the applicant’s title company is highly recommended if any separated mineral interest exists.

Mortgage and Lien Subordination

As part of the acquisition process, any liens or other financial encumbrances on the property are required to be either subordinated to the terms of the deed or payed off in closing. Subordination documents are subject to review and approval by the Department.

It is possible that the lender may charge a fee to provide the subordination. Applicants are encouraged to consult lenders early regarding subordination practices.

Additional Requirements and Considerations

Single Family Residences, Secondary Dwelling Units, and Farm Worker Housing

Each single-family residence reserved in the deed is limited to a maximum living area that is consistent with grantee’s policies, local building codes, and the surrounding neighborhood. The residence must not significantly impair the conservation purpose of the deed.

The California Legislature has enacted numerous policies to address the state’s shortage of housing, particularly affordable housing. Easements funded through this program shall not prohibit either secondary dwelling units or farmworker housing. Any easement restrictions on these dwellings cannot be more restrictive than California Government Code section 65852.2 or California Health and Safety Code section 17021.6, respectively.
If there are any single-family residences, secondary dwelling units, or farm worker housing units existing at the time of pre-proposal submission, at least one building envelope must be identified in the pre-proposal to contain these structures. If no single-family residences, secondary dwelling units, or farm worker housing units exist at the time of the pre-proposal submission, the applicant shall:

- Identify the size, number, and location of one or more building envelopes to contain these structures in the pre-proposal, or
- Identify the size and number of proposed future building envelopes to contain these structures in the pre-proposal and agree to deed language establishing a process for the identification of the location of the future building envelope(s), including approval of the selected location by the Council.

The size, number, and location of proposed building envelopes is subject to review and approval by the Department.

**Other reserved rights**

Other reserved rights listed here are subject to review and approval by the Department. All other reserved rights must be identified in the application.

**Stewardship Fund**

Costs related to the acquisition include funds dedicated solely for the long-term stewardship of the encumbered property. For agricultural conservation easements, stewardship typically means annual monitoring of the easement for compliance with easement conditions. A portion of these funds is typically provided by the landowner. SALC funds cannot be used toward stewardship costs.

Within the Grant Agreement, grantees will certify their ability to effectively manage and account for stewardship funds, whether pooled for all acquisitions or held in separate accounts for individual acquisitions funded through the Grant Agreement.

**Annual Reporting and Monitoring**

Regular monitoring of and reporting on interests acquired with SALC funds is required to ensure compliance with the terms of the deed. Beginning the year after the deed is recorded, the Department requires an annual report from the interest holder certifying that the conditions of the deed are being upheld. For fee acquisitions, the report must include an account of how each covenant is
being upheld, including documentation of income generated from leasing the property and documentation of agricultural use on the property.

For fee acquisitions, SALC staff must be allowed access to the property for the purposes of monitoring and verifying compliance with the terms of the deed at least once every twelve months.
Section 4: Agricultural Conservation Planning Grants

Planning grants provide funds to develop plans that conserve agricultural lands by designing and implementing land use policies and accompanying strategies that reduce the threat of conversion to nonagricultural uses and reduce vehicle miles traveled. Plans may also recognize and protect the other co-benefits of conserving agricultural lands. This component of SALC incentivizes local, regional and tribal governments to work closely with stakeholders to develop land use policies and plans that integrate agricultural land conservation. Funding is limited to the eligible applicants and projects discussed below.

Projects, Eligible Applicants, and Allowable Costs

Projects

Planning grants assist the development of innovative, consensus-based plans that establish comprehensive goals, policies and objectives such as:

- Protecting the agricultural land base;
- Identifying infill development potential with complementary agricultural land conservation;
- Developing the required local planning elements set forth in Government Code section 65560;
- Supporting regional food systems, such as the processing and distribution of agricultural products;
- Avoiding greenhouse gas emissions;
- Supporting implementation of sustainable communities strategy; and
- Supporting equitable land tenure for socially disadvantaged farmers and ranchers and California Native American tribes.
- Addressing unique regional threats to agricultural land such as groundwater availability, catastrophic wildfire,
- Connecting rural agricultural land conservation and urban planning strategies; and
- Enhancing co-benefits (e.g., habitat, groundwater recharge).

Work plans should include:

- Community consensus building activities including providing general education and outreach about agricultural land conservation; and,
SALC encourages grantees and stakeholders to include impacted Native American tribes in developing Planning projects.

Eligible Applicants

Counties, cities, local area formation commissions (LAFCOs), councils of government, municipal planning organizations, regional transportation planning agencies, groundwater sustainability agencies, special districts with land use or transportation planning authority, and federally recognized California Native American tribe or a nonfederally recognized California Native American tribe that is on the contact list maintained by the Native American Heritage Commission are eligible to apply.

Resource Conservation Districts, special districts with a mission related to agricultural preservation, academic institutions, land trusts and other agricultural non-profit organizations may apply if they partner with an entity listed above and the entity has a significant role implementing the proposed project. The partners must agree to enter into a memorandum of understanding if they are awarded a grant. At a minimum, the memorandum of understanding will, demonstrate support for the project and SALC’s purposes, detail the partners roles in the project and that the partners will consider adopting the plan resulting from the project.

SALC strongly encourages submission of applications that demonstrate a commitment to meaningful, actionable collaboration with stakeholders from multiple organizations (e.g., neighboring counties, cities, tribes, local area formation commissions, agricultural organizations, land trusts, open space districts, community-based organizations with a history and experience working with priority populations and historically underserved communities, community-based organizations that have trusted relationships with the agricultural community, socially disadvantaged farmers and ranchers, and others). While there is no minimum number of partners that can be included in a proposal, priority scoring will be given to those applicants that are able to demonstrate strong and diverse partnerships.

Allowable Costs and Match Funding

Planning Grants have a $500,000 maximum grant award.

Planning grants will reimburse grantees and participating stakeholders for all direct costs, including staff salaries and other direct costs incurred during the grant performance period and related to the project. All eligible costs must be supported by appropriate documentation. Costs incurred outside of the
performance period, indirect/overhead costs, travel, food or beverages, and costs for CEQA document preparation are not eligible for reimbursement.

The application must include a minimum ten percent (10%) match funding. Match funds may be provided directly by the applicant or from other funding sources (e.g., other grant funds, local government contributions, or donations). Applicants cannot utilize another Department-administered program funding as match toward the grant.

**Eligibility and Selection Criteria**

The Eligibility and Selection Criteria focus on actionable policies and implementation mechanisms to conserve land locally-determined to be strategic and under threat of conversion to other land uses. Project readiness, stakeholder collaboration, and leverage of existing conservation efforts are all important considerations in the review process.

Applications must meet all the Eligibility Criteria to be considered for funding.

Below are the Eligibility and Selection Criteria upon which each proposal will be evaluated.

<table>
<thead>
<tr>
<th>Eligibility Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The proposal is from an eligible applicant or authorized partner.</td>
</tr>
<tr>
<td>2. The proposal is for a land use plan that is consistent with SALC’s goals.</td>
</tr>
<tr>
<td>3. The proposal contains clearly stated and reportable objectives, measures of progress, and deliverables.</td>
</tr>
<tr>
<td>4. The proposal will avoid greenhouse gas emissions.</td>
</tr>
<tr>
<td>5. The proposal supports the implementation of an adopted or draft Sustainable Communities Strategy or, if a Sustainable Communities Strategy is not required for a region by law, a Regional Plan that includes policies and programs to reduce greenhouse gas emissions.</td>
</tr>
<tr>
<td>6. The proposal demonstrates consistency with California’s Planning Priorities.</td>
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</tbody>
</table>

Ineligible applications will not be scored

Applications that meet all the Eligibility Criteria will then be scored using the Selection Criteria and ranked based on their score. Applications will be awarded points for each Selection Criterion on a sliding scale from zero to the number listed in the Selection Criteria table. All information submitted in the application package will be used by reviewers to evaluate the proposal and
should demonstrate how effectively the proposal meets SALC goals and objectives.

<table>
<thead>
<tr>
<th>Selection Criteria</th>
<th>Maximum Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Need</strong></td>
<td>35</td>
</tr>
<tr>
<td>The proposal documents the threat of agricultural land conversion, the need to develop a plan to address the threat, how the proposed project will address the conversion risk, and any potential barriers to implementation. Points will be awarded based on the specificity with which the proposal identifies the types of data that will be used to evaluate agricultural resources, the local policies and ordinances it seeks to align, and the methods that will be used to resolve compatibility issues between these policies and ordinances, if any.</td>
<td></td>
</tr>
<tr>
<td><strong>Co-Benefits</strong></td>
<td>25</td>
</tr>
<tr>
<td>The proposal documents economic, environmental, public health, cultural or other co-benefits.</td>
<td></td>
</tr>
<tr>
<td><strong>Proposal Evidences Collaboration</strong></td>
<td>20</td>
</tr>
<tr>
<td>The proposal provides evidence of durable collaboration among stakeholders.</td>
<td></td>
</tr>
<tr>
<td><strong>Planning Integration</strong></td>
<td>10</td>
</tr>
<tr>
<td>The project complements other efforts in the Project geographic area, including comprehensive planning efforts and agricultural land use policies. The proposal documents how the project will leverage other permanently protected lands to promote location and resource-efficient development.</td>
<td></td>
</tr>
<tr>
<td><strong>Equity Opportunities</strong></td>
<td>10</td>
</tr>
<tr>
<td>The proposal benefits a priority population; beginning or Veteran farmers and ranchers, or residents of priority populations; or a Federally recognized or non-federally recognized California Native American tribe on the contact list maintained by the Native American Heritage Commission and/or their members.</td>
<td></td>
</tr>
<tr>
<td><strong>Total possible points</strong></td>
<td>100</td>
</tr>
</tbody>
</table>

Selection for funding may not be determined by a project’s selection criteria score alone. In determining which projects to award grant funding, the Strategic Growth Council may also consider factors including AHSC’s goals and objectives, geographic distribution of funds, the urgency of the project, and the Strategic Growth Council’s priorities. Alternate projects may be identified and recommended for approval by the Strategic Growth Council in the current...
round of funding if funding becomes available. The Strategic Growth Council may award grants that partially fulfill the applicants request.

**Application Review and Award Process**

Applications for planning grants will be reviewed at least once per year, with the opportunity for additional cycles as funding and staff capacity allows. Additional application cycles will be announced on the Department and Strategic Growth Council’s websites at least 60 days in advance of the pre-proposal deadline.

Applicants are encouraged to submit a pre-proposal to the Department for a preliminary review of the proposed project prior to submission of a full application. Pre-proposals are reviewed, and technical assistance is provided to facilitate the development of the application as needed. Pre-proposal forms are in Appendix D.

Application forms are available as Appendix E. Applications will be reviewed for completeness, whether they meet the Eligibility Criteria, and, if the Eligibility Criteria are met, the extent to which they meet the Selection Criteria. Incomplete applications may not be evaluated or considered for funding at the sole discretion of the State.

Following the Department’s initial review of the projects in relation to the Eligibility Criteria, Selection Criteria, and Readiness Rankings, an Interagency Committee that includes Strategic Growth Council staff will review and evaluate all applications. This committee will make the final determination on which projects are recommended to the Strategic Growth Council for funding or as alternates.

A summary of each proposal, 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 final project awards and will announce these awards at a public meeting. Applicants will be notified in writing of the Strategic Growth Council’s decision by the Department upon award following the meeting at which the awards are announced.

**Application Requirements**

This section provides additional information regarding the components of the Application.
Sustainable Agricultural Lands Conservation Planning Grants
(All components are required unless otherwise noted)

- Grant Application Cover Sheet
- Executive Summary
- Application Questions Responses
- Work Plan
- Budget
- Supporting Documents
- Priority Population Benefits Checklist and supporting documentation (only required if applying for priority population status)
Section 5: Post-Council Meeting and Grant Administration

This section of the Guidelines applies to all SALC projects.

Strategic Growth Council Approved Projects

All projects awarded by the Strategic Growth Council will only receive funding disbursements if the conditions of funding identified in these Guidelines and any additional conditions identified in the staff report, award letter, and grant agreement are satisfied. The State will not pay for projects that are not completed, although the state may reimburse costs incurred up to the point that the project withdraws, at the Strategic Growth Council’s discretion. The Strategic Growth Council reserves the right to recover funds expended for projects that are not completed, at its sole discretion.

Overview of the Process After Grants Are Awarded

Steps in Executing the Grant Agreement

1. The Department notifies applicant of award, detailing additional conditions of funding, if any.
2. Department sends grant agreement and materials to grantee. Grant agreements are based on a standard template and have a standard duration of two years. Grant Agreements are attached as Appendices F Capacity Grant Agreement, G Easement Grant Agreement, H Fee Title Grant Agreement, I Planning Grant Agreement. With written justification from the applicant and at the discretion of the Strategic Growth Council’s Executive Director, the duration of a grant agreement may be extended. The Executive Director will report any extensions granted to the Council.
3. Grantee must submit all supporting materials and a signed agreement within six (6) months of the Strategic Growth Council award or risk forfeiting the grant award.
4. Grantee signs and returns all required copies back to the State (a fully executed copy will be returned to the grantee).
Steps Upon Signature of the Grant Agreement

1. Grantee commences work.
2. Grantee may submit invoices no more than monthly, beginning sixty (60) days after execution of the grant agreement. The State may withhold payment on the final invoice until final documents are received.
3. Grantee submits progress reports as required by the grant agreement. The Department submits project profiles to CARB for use in CARB’s annual report to the Legislature.
4. Grantee submits a final report upon completion of the grant agreement in order to receive its final payment.
5. Interest holder submits post-project annual monitoring reports to the Department certifying that the conditions of the deed are being upheld.

Funding and Accounting

Payment of Grant Funds

Funds cannot be disbursed until there is a fully executed Grant Agreement between the Department and the grantee. Only those eligible costs incurred during the grant term will be eligible for payment. All costs must be supported by invoices, purchase orders, canceled warrants/checks, or other approved documents. Additional justification of costs may be requested at the Department’s discretion.

Organizational Considerations

Subcontractors and Purchasing

Grant recipients (grantees) may make use of their own staff and subcontractor(s). Grantees are expected to adhere to the jurisdiction’s or organization’s competitive bid, internal contracting and purchasing guidelines. Documentation of the grantee’s contracting or purchasing guidelines, processes, and project-specific approvals may be requested in the event of an audit by the State of California.

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2 Profile will include a unique identifier, project and description, project geographic area, budget information, project dates, estimated GHG benefits and any co-benefits, and if applicable, data on priority population benefits.
Workplace Certifications and Insurance

Pursuant to the requirements of Government Code §8355, grantees must sign a certification that a drug-free workplace will be provided.

Governmental grantees will be required to show evidence of self-insurance. All other grantees must obtain and keep Worker’s Compensation, commercial general liability, and automobile liability insurance policies compliant with specifications provided by the Department for the term of the Grant Agreement. The insurance specifications are included within the standard grant agreement template. These policies shall cover any acts or omissions of the grantee or its employees engaged in the provision of service specified in the grant agreement.

Grantees shall name the State of California, its officers, agents, employees and servants as additional insured parties for all insurance required and are responsible for guaranteeing that a copy of each Certificate of Insurance is submitted to the Department within thirty (30) days of Grant Agreement signature.

Loss of Funding (Not a complete list)

The following are examples of actions that may result in a grantee’s loss of funding:

- Grantee fails to execute a Grant Agreement within 6 months of project award.
- Grantee withdraws from the grant program.
- Grantee fails to adhere to the conditions of funding specified in these Guidelines.
- Grantee fails to complete the funded work within two years of project award.
- Grantee fails to complete work in a manner that meets the requirements agreed upon.
- Grantee fails to submit all documentation within the time periods specified in the Grant Agreement.
- Grantee changes scope of work without approval of the Department.
- Grantee changes the subcontractor or partner(s) identified in the work plan or application without approval from the Department.