

California Department of Conservation
CALIFORNIA FARMLAND CONSERVANCY PROGRAM
Farmland Mitigation Program for the California High-Speed Rail Authority

Questions and Answers

What is the purpose for the agricultural land mitigation agreement (Agreement) between the Department of Conservation and the California High-Speed Rail Authority (Authority)?

DOC's California Farmland Conservancy Program (CFCP) will provide technical services to the Authority to establish permanent agricultural conservation easements on land of similar acreage, location, and quality to that impacted by the rail project's alignment and maintenance facilities. CFCP will work with local entities and willing sellers to secure these easements to meet the agricultural mitigation requirements established in the environmental review documents for the high-speed rail system.

Why is the California High-Speed Rail Authority providing mitigation for farmland?

The California High-Speed Rail Act of 1996 (Chapter 796, Statutes of 1996 [SB 1420, Kopp]) authorized the planning and construction of an intercity high-speed train that links the state's major population centers, including Sacramento, the San Francisco Bay Area, the Central Valley, Los Angeles, the Inland Empire, Orange County, and San Diego. The project is expected to be constructed in nine sections, running from San Francisco to Los Angeles/Anaheim via the Central Valley, and later to Sacramento and San Diego. As part of the planning process, the project must comply with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA).

In the environmental review process, the Environmental Impact Report/ Environmental Impact Statement documents (EIR/EIS) discuss the amounts of important farmland that would be affected by construction of a series of project alternatives; and how those impacts might be lessened in their impact (mitigated). Important Farmlands are defined as Prime Farmland, Farmland of Statewide Importance, Farmland of Local Importance, and Unique Farmland; as mapped by the California Farmland Mapping and Monitoring Program: <http://www.conservation.ca.gov/dlrp/fmmp/Pages/Index.aspx>.

After EIR/EIS documents are certified, Mitigation Monitoring and Reporting Plans are required to document that mitigation strategies identified in the EIR/EIS will be implemented to avoid, minimize, or reduce any potentially significant environmental impacts. In the case of the high-speed rail project, as many as 5,000 acres of farmland could be permanently lost to accommodate the rail alignment and maintenance facilities. The Agreement will ensure that at least that many acres of similar land will be permanently protected under agricultural conservation easements.

What is an agricultural conservation easement?

An agricultural conservation easement is a voluntary, legally recorded deed restriction that is placed on a specific property used for agricultural production. The easement is between the landowner and the easement holder (typically a local land trust). The goal of an agricultural conservation easement is to maintain agricultural land in active production by removing the development, or land use conversion, pressures from the land. The affected property remains in private ownership. Although the easement will prohibit practices that would damage or interfere with agricultural use, they cannot include any

restrictions on husbandry practices or convey any right of access by the public. Because the easement is a deed restriction, the easement remains in effect even when the land changes ownership. Please refer to this web page for additional information:

http://www.conservation.ca.gov/dlrp/cfcp/overview/Pages/ag_consrv_easements_FAQ.aspx

How much will be paid to landowners for the easements?

Landowners are paid fair market value for the development potential of the property. The fair market value of all easements will be determined by independent real estate appraisers that are experienced in the valuation of agricultural land. The appraisals will be subject to review and approval by staff from the CFCP and the California Department of General Services.

Who is eligible to apply, and who will hold the easements?

CFCP statute defines applicants as "local government, nonprofit organization, resource conservation district, or a regional park or open-space district or regional park or open-space authority that has the conservation of farmland among its stated purposes, as prescribed by statute, or as expressed in the entity's locally adopted policies". These eligible entities will hold and monitor the easement.

How will individual properties be selected for funding?

Landowners who are interested in placing a conservation easement on their property will work with an eligible applicant that will prepare and submit a grant application. Grant applications will be evaluated per the eligibility and selection criteria found in CFCP statute (Public Resources Code sections 10251 & 10252), along with additional criteria specific to the Authority's needs. These criteria are published in the program's Request for Grant Applications (RFGA).

Grant applications that are submitted on behalf of landowners whose farmland has been purchased in fee for the construction of the high-speed rail system's right of way or maintenance facilities will be reviewed prior to others received each application cycle. While all grant applications must meet the eligibility criteria, this provision provides an opportunity for those most affected by the rail project to protect their remaining property for future generations.

If a grant application is approved for funding by DOC and the Authority, the eligible applicant will enter into a Grant Agreement with CFCP. Starting with CFCP's model easement language, the Grantee, landowner, and CFCP will then customize the easement to address the specifics of the property.

How much funding is available?

The Agreement's budget is currently \$20 million. These funds are intended for costs associated with the development and purchase of agricultural conservation easements from willing sellers within the Initial Construction Segment, or a 130-mile section of the high-speed rail project to be built between Avenue 17 in Madera south to the outskirts of Bakersfield. The \$20-million figure was based on the historic record of transaction costs for easements CFCP has funded in the San Joaquin Valley. This included 30 grant awards that that resulted in the purchase of 44 individual agricultural conservation easements. Should the cost for acquiring easements vary significantly from original estimates, the Authority will adjust the budget as appropriate, consistent with state interagency agreement practices.

What happens in the future to ensure the easement terms are honored?

At the time an easement is placed on a property, a baseline conditions report is compiled by the easement holder. Within the report, the easement holder documents the agricultural characteristics of the property, its current use, and the nature of structural improvements on site. Each year thereafter, the easement holder is required to monitor the easement, comparing current conditions to the baseline report and to the terms of the conservation easement. The CFCP staff review and retain these annual reports, and will conduct independent monitoring on a rotational basis along with the rest of the CFCP's portfolio of easements.

This ongoing stewardship is similar to that conducted for other types of conservation easements. The easement holder is responsible for monitoring and stewardship; each easement's budget will include a stewardship fund to cover the costs of this work. The Authority will provide the stewardship funds for easements established under the program.

What about the other sections of the route that will impact farmland?

As the Authority fulfills its agricultural lands mitigation commitments in association with construction of other portions of the high-speed rail system (San Jose to Merced, Merced to Sacramento, etc.), the budget for acquiring easements will be increased accordingly. The alternatives and environmental impacts in each of these corridors are now being evaluated.

What is the CFCP's track record for securing agricultural conservation easements?

The CFCP serves as the State of California's expert in establishing permanent agricultural conservation easements, having protected nearly 57,000 acres to date. It has increased the capacity of local grantees to develop and hold easements through the issuance of 36 planning grants. Ten of these grants have focused on farmland conservation efforts in the San Joaquin Valley. The CFCP has worked with multiple federal, state, and local partners to acquire easements.

The program's work represents the responsible administration of California general obligation bonds and other state funds totaling \$83 million to achieve permanent conservation of the state's valuable agricultural resources. The CFCP's grant managers have over 25 years of collective experience handling agricultural conservation easement transactions.

The statute that guides the CFCP's work is contained in California Public Resources Code:

http://www.conservation.ca.gov/dlrp/cfcp/overview/Pages/cfcp_statutes.aspx

How will the Authority and CFCP track implementation of the agreement and keep the public informed on its status?

During the life of the agreement, CFCP will provide quarterly reports to the Authority discussing the status of easement projects and progress toward the mitigation measure's conservation goals. CFCP will also provide an annual report describing the size and location of easements acquired that year, and overall progress toward achieving the Agreement's objectives. The non-confidential elements of reports will be made available online. Due to privacy considerations, documents associated with easement projects under consideration or negotiation will be treated as confidential in accord with the requirements of the California Public Records Act and California Information Practices Act.

What additional conservation objectives might an agricultural land mitigation program achieve?

Agricultural land retains many values along with its economic output. Agricultural conservation easements provide a multi-generational planning horizon for farm families and an incentive for long-term sustainability. This is particularly true as more easements occur in proximity to one another. Agricultural suppliers and processing facilities benefit from the knowledge that reliable markets will continue in their area.

Researchers have also documented the value that agricultural land can play in greenhouse gas reduction, potentially sequestering more carbon than any form of urban development. This and other 'co-benefits'-- such as open space, groundwater recharge capacity, and habitat -- are values that have not historically been recognized yet contribute to healthy environmental function. Agricultural conservation easements allow these values to continue under the stewardship of private landowners.

As seen from an urban perspective, a critical mass of protected lands may become the core of urban separators or greenbelts. Many jurisdictions within the San Joaquin Valley are developing blueprint and sustainable community plans that could bolster these areas with additional community support.

Where can I learn more about applying?

The Request for Grant Applications, and additional background material, is located at:
www.conservation.ca.gov/dlrp/cfcp/mitigation/pages/AgLandMitigation_HSRA