

# **Capacity and Project Development Packet**

**CALIFORNIA  
SUSTAINABLE AGRICULTURAL LANDS CONSERVATION PROGRAM**

**GUIDELINES & APPLICATION**

**PART OF CALIFORNIA CLIMATE INVESTMENTS**

**STATE OF CALIFORNIA  
STRATEGIC GROWTH COUNCIL**

**FINAL**

**APRIL 2023**



**CALIFORNIA STRATEGIC  
GROWTH COUNCIL**



**California  
Department of  
Conservation**

**STRATEGIC GROWTH COUNCIL**

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## At-A-Glance

### 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 9

*Draft Guidelines released for comment:* February 10, 2023

*Public comment closed:* March 17, 2023

*Guidelines adopted:* April 26, 2023

*Acquisition Pre-proposal due:* June 16, 2023

*Planning Pre-proposal due:* June 30, 2023

*Capacity applications due:* July 21, 2023

*Determination of available funding:* September 2023

*Acquisition and Planning Applications due:* September 8, 2023

*Project Awards:* December 2023

### Contact for Questions

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## Table of Contents

CALIFORNIA SUSTAINABLE AGRICULTURAL LANDS CONSERVATION PROGRAM.....	I
<b>Section 1: Sustainable Agricultural Lands Conservation Program Introduction and Summary .....</b>	<b>1</b>
Program Components.....	1
Goals.....	2
Funding .....	2
GHG Quantification.....	3
Co-Benefits .....	3
Statutory Authority .....	4
Equity .....	6
Investment Targets.....	10
Grant Application.....	11
Nondiscrimination Policy .....	13
<b>Section 2: Agricultural Conservation Capacity and Project Development Grants.....</b>	<b>1</b>
Funding .....	1
Grant Term.....	2
Eligible Applicants.....	2
Eligible Activities.....	3
Eligible and Ineligible Costs.....	3
Eligibility and Selection Criteria for Acquisition Capacity Grants .....	6
Eligibility Criteria .....	7
Selection Criteria.....	7
Capacity Grant Application Review Process.....	7
Capacity Applications .....	8
<b>Section 3: Agricultural Conservation Acquisition Grants.....</b>	<b>10</b>
<b>Section 4: Agricultural Conservation Planning Grants.....</b>	<b>11</b>
<b>Section 5: Post-Council Meeting and Grant Administration.....</b>	<b>12</b>
Strategic Growth Council Approved Projects.....	12
Overview of the Process After Grants Are Awarded .....	12
Limited Waivers of Sovereign Immunity .....	13
Funding and Accounting.....	13
Organizational Considerations .....	13
<b>APPENDIX K – Priority Populations-Important Farmland Map.....</b>	<b>15</b>
<b>APPENDIX L – Glossary.....</b>	<b>16</b>

## 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](http://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 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 development
- 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.

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.

Funds not awarded under one program component may be used to increase available funding for another program component, at the Strategic Growth Council's discretion.

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 project may be available from previously funded project 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 non-agricultural 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
- Protection of groundwater and drinking water sources

### 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 [disadvantaged communities \(including lands under control of federally recognized Tribes\)](#), [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 [FY2022-23 investment targets](#) for AHSC are:

- 55% of awarded funds to Disadvantaged Communities

- 15% 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, and may receive one hundred percent funding for eligible costs.
- 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](#), through each of its three funding areas – capacity, planning, and acquisitions -- 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.

Tribal non-profit applicants must have a Native American-centered mission or have a majority Native American board. If the non-profit applicant does not meet this criterion, they must provide a letter of support from an eligible tribe detailing the nature of the relationship between the non-profit and the tribe, how the tribe will benefit from the project, and the tribe's support for the project.

## *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 L.

Acquisition projects that provide secure land tenure to a beginning or Veteran farmer or rancher, a California Native American tribe, 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.

### **Investment Targets**

SALC will aim to award 20% of available funding for acquisition, capacity, and planning grants to fund projects that:

- provide secure land tenure to a beginning or Veteran farmer or rancher, a California Native American tribe, 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, capacity, and planning grants where 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, capacity, and planning 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.

## 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 and capacity grants, details related to an application are public records that may be publicly released in accordance with the California Public Records Act.

Note: There are exemptions to the California Public Records Act. Tribes, tribal non-profits, and other applicants that believe their applications contain confidential information per one or more exemption may mark that information as confidential and provide the reason why in their application. This will help the Department identify potentially confidential information for further review in the event of a Public Records Act request.

Grantees are required to use Strategic Growth Council, California Climate Investments and Department of Conservation 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](http://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 Inquires*

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 DOC. Grantees may 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 DOC prior to distribution and DOC and SGC must be alerted about 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 build capacity to be able to 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

The Strategic Growth Council will aim to award approximately 5% of available funds for agricultural conservation acquisition capacity and project development grants ("capacity grants") through this solicitation, with additional monies to be made available for the same purpose in the next solicitation.

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.
- Tier 2: Grants of up to \$250,000 are available to applicants to expand existing organizational capacity to develop agricultural conservation acquisition projects, and develop agricultural acquisition projects. These grants are available to applicants 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
- 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 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).

The prior requirements to demonstrate organizational and fiscal capacity to be eligible for a Tier 2 award or increase to a Tier 1 award may not apply to tribal applicants. The Department will consult with tribal applicants to identify the most appropriate means for the individual Federally recognized or non-federally recognized California Native American tribe to demonstrate eligibility.

## **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 for Tier 2 funding must have the conservation of agriculture, rangeland, farmland, or tribal cultural resources among their stated purposes, as is prescribed by statute, or as expressed in the entity's adopted policies.

Non-profit applicants that do not have the conservation of agriculture, rangeland, farmland, or tribal cultural resources among their stated purposes, as is prescribed by statute, or as expressed in the entity's adopted policies are eligible for Tier 1 funding on the condition that they use a portion of their funding, if awarded, to incorporate the conservation of agriculture, rangeland, farmland, or tribal cultural resources into their stated purposes or adopted policies. Non-profit applicants must hold a tax exemption as defined under Section 501(c)3 of the Internal Revenue Code and be qualified to do business in the state.

Applicants with active SALC Capacity grants are not eligible for funding unless the current grant is closed out before the application due date.

### **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.

SALC capacity grants may be provided to a Federally recognized or non-federally recognized California Native American tribes to develop a new 501(c)3 organization, like a tribal land trust, that will partner with them to meet the goals of SALC.

Agricultural conservation acquisition project(s) developed, or projects for which associated costs are funded using capacity dollars, 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, prepare, or update 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
- Consultant costs, subject to grant manager approval

Costs subject to Department review and approval are:

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

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: <https://hrmanual.calhr.ca.gov/Home/ManualItem/1/2203> in the section titled "Short-Term Lodging Reimbursement Rates, 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: <https://hrmanual.calhr.ca.gov/Home/ManualItem/1/2202>.
- 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:

- Food or beverages (whether or not incurred as part of meetings, workshops, training, ceremonies, or other events)
- Costs associated with community or publicity events which are unrelated to specific project work products as outlined in the Work Plan (see Attachment 2 of the Grant Agreement)
- Per Diems
- 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:

### **Eligibility Criteria**

- The applicant is an Eligible Applicant as defined on Page 15.
- The proposal is for an eligible activity.
- The proposal demonstrates that the requested funding will increase the applicant's capacity to initiate and conduct agricultural land conservation activities.

### **Selection Criteria**

Total selection criteria points available out of 100.

- **Program Goals** (35 points): The extent to which the project(s) proposed for development meet the program's goals.
- **Equity** (30 points): 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.
- **Sustainability** (20 points): The extent to which the application demonstrates that increased organization capacity to develop projects will be sustained after the life of the grant.
- **Budget** (15 points): 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.

### **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 publicly 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 3 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 applicable

- 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**

[Section 3 intentionally left blank. Acquisition grant content can be found in the combined guidelines PDF or in the acquisition specific packet.]

## **Section 4: Agricultural Conservation Planning Grants**

[Section 4 intentionally left blank. Planning grant content can be found in the combined guidelines PDF or in the planning specific packet.]

## 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 to three years. Grant Agreements are attached as Appendices B Capacity Grant Agreement, F Easement Grant Agreement, G Fee Title Grant Agreement, J 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. Profile may 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.

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.

### **Limited Waivers of Sovereign Immunity**

Limited waivers of sovereign immunity are not required for capacity or planning grants paid on a reimbursement basis. For acquisition grants, limited waivers of sovereign immunity may be necessary to ensure the enforceability of agreements. The Department will consult with tribes as needed in the formation of grant agreements.

### **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.

#### *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.

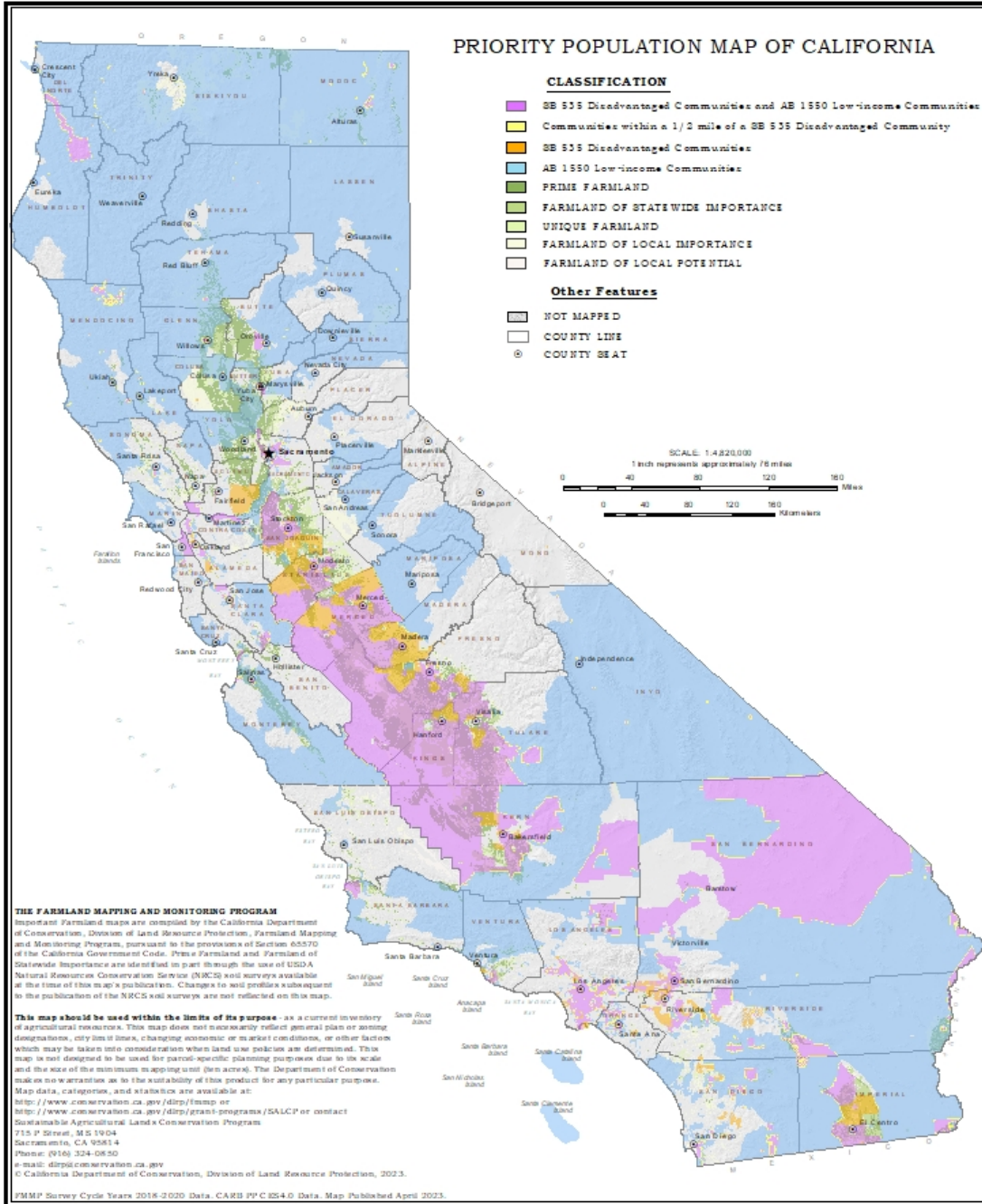
Grantee changes the subcontractor or partner(s) identified in the work plan or application without approval from the Department.

# APPENDIX K – Priority Populations-Important Farmland Map



STATE OF CALIFORNIA  
 Gavin Newsom, Governor  
 THE NATURAL RESOURCES AGENCY  
 Wade Crowfoot, Secretary  
 DEPARTMENT OF CONSERVATION  
 David Shabazzian, Director

CALIFORNIA DEPARTMENT OF CONSERVATION  
 DIVISION OF LAND RESOURCE PROTECTION  
 SUSTAINABLE AGRICULTURAL LANDS CONSERVATION PROGRAM





## APPENDIX L – Glossary

The terms used in these grant Guidelines are defined as follows:

**AB 32 (Chapter 488, 2006): Assembly Bill 32**, or the California Global Warming Solutions Act of 2006, establishes a comprehensive program of regulatory and market mechanisms to achieve real, quantifiable, cost-effective reductions of greenhouse gases. It codifies in the Health and Safety Code declarations about the serious threats posed by global warming and the intent of the Legislature to ensure coordination among state agencies and all affected stakeholders in the development of regulations to implement this law.

**Affordable Housing and Sustainable Communities (AHSC) Program:** The AHSC Program furthers the regulatory purposes of AB 32 and SB 375 by investing in projects that reduce greenhouse gas emissions by creating more compact, infill development patterns; encouraging active transportation and mass transit usage; and protecting agricultural land from sprawl development. These projects, described in the AB 32 Scoping Plan, support climate objectives and co-benefits by reducing vehicle miles traveled and associated greenhouse gas and other emissions, or by making strategic investments that protect agricultural lands to reduce greenhouse gas emissions.

**Agricultural Conservation Easement (easement):** A voluntary, legally recorded deed restriction in perpetuity, as defined in Section 815.1 of the Civil Code. The easement removes development pressure, prohibits practices that would damage or interfere with the agricultural use of the property, and prevents the restriction of agricultural husbandry practices. The easement remains in effect even when land changes ownership and maintains the land in private ownership and on the tax rolls. The easement must be held by a qualified Section 501(c)(3) California nonprofit organization, or a local government, both of which must state that one of their primary purposes is the protection of agricultural use.

**Agricultural Land:** For the purposes of this program, agricultural land includes both cultivated and non-cultivated lands that support an agricultural use.

**Agricultural use:** For the purposes of SALC, agricultural activity, operation or facility or appurtenances thereof shall include the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural commodity including viticulture, apiculture, or horticulture, the raising of livestock, fish, or poultry, and any practices performed by a farmer or on a farm as incident to or in conjunction with those farming operations, including preparation for market, delivery to storage or to market, or delivery to carriers for transportation market. This definition shall also include 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 California Native American tribe or members thereof.

**Applicant:** An organization requesting funding from this program to be administered by the State. Eligible applicants for the Agricultural Conservation Easement Grants include local governments, nonprofit organizations, resource conservation districts, or a regional park or open-space district, regional park or open-space authorities, and California Native American tribes as identified in Civil Code Section 815.3.

**Applicant's stated purpose:** As described in adopted by-laws, articles of incorporation, policy, or resolution of the applicant's governing body (does not include statements on website)

**Baseline Conditions Report:** A comprehensive document that describes the condition of a property placed under conservation easement. The Baseline Conditions Report (BCR) is compiled by the easement holder and is referred to during future monitoring of the easement to determine whether the terms and conditions of the easement are being upheld.

**Beginning Farmer or Rancher:** A farmer or rancher who has listed farmer, rancher, or a similar occupation on their taxes for not more than the last ten years.

**Carbon Farm Plan:** A whole farm plan that assesses the carbon sequestration potential of the property and describes management practices to reduce greenhouse gas emissions and increase carbon sequestration based on that assessment.

**Co-Applicant:** An organization or entity that is eligible to apply for funding under the SALC and applies for funding in partnership with a second organization.

**Co-Benefits:** The ancillary or additional benefits of policies that are implemented with a primary goal, such as climate change mitigation, acknowledging that most policies designed to reduce greenhouse gas emissions also have other, often at least equally important, benefits (e.g., energy savings, economic benefits, air quality benefits, public health benefits). Also referred to as "multiple benefits." (U.S. Environmental Protection Agency)

**Conservation easement:** An interest in land, less than fee simple, which represents the right to prevent the development or improvement of the land, as specified in Section 815.1 of the California Civil Code. For the purposes of the

SALC, the easement is held to prevent any use that may diminish or impair purposes other than agricultural production.

**Conservation management plan:** A plan that describes recommended and required management activities that promote the long-term viability of the land to meet the purposes for which the Acquisition was acquired.

**Conservation management practices:** Conservation management practices include agricultural management practices that sequester carbon, reduce atmospheric GHGs and improve soil health. These practices can include United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) Conservation Practice Standards (CPS), and California Department of Food and Agriculture Healthy Soils Program Practices.

**Cost effectiveness:** Defined as the greenhouse gas reduction identified by the Quantification Methodology per dollar of California Climate Investment Funding requested.

**Employment Outcomes:** Employment outcomes include the following categories—the job classification or trade supported, any job training credentials, the number of jobs provided per classification, the number of jobs provided to employees from priority populations, total hours worked on the project, total hours worked by employees from priority populations, average hourly wage, average hourly wage for employees from priority populations, total number of workers that completed job training (if relevant), and a description of job quality.

**Fully-Burdened rate:** The actual cost of a company to have an employee, aside from the salary the employee earns. Labor burden costs include benefits that a company must, or chooses to, pay for employees included on their payroll. These costs include but are not limited to payroll taxes, pension costs, health insurance, dental insurance, and any other benefits that a company provides an employee.

**Fund or Funds:** Monies authorized by the California Budget Act from the Greenhouse Gas Reduction Fund (GGRF) to the Strategic Growth Council to develop and administer the Affordable Housing and Sustainable Communities (AHSC) Program. Health and Safety Code Section 39719(b)(1)(C), apportions twenty percent (20%) of the GGRF's proceeds on an annual basis to AHSC beginning in FY 2015-16.

**Grant Administrator:** An employee of the State who manages grants, also called a Grant Manager.

**Grant Agreement:** A contractual arrangement between the Department and grantee specifying the payment of funds by the Department for the execution of the work program by the grantee.

**Grant Performance Period:** The beginning and ending dates of the Grant Agreement. Eligible costs incurred during this period may be funded from the grant. No work plan should exceed 24 months.

**Grant term:** The period beginning upon the Department Director's signature of the grant agreement, during which the grantee and the Department execute the work program outlined in said agreement.

**Grantee:** An applicant that has signed an agreement for grant funding with the State.

**Greenhouse Gases:** Include, but are not limited to, carbon dioxide, methane, nitrous oxide, hydro fluorocarbons, perfluorocarbons, and sulfur hexafluoride.

**Habitat Transition Zones:** Areas along an elevational gradient where two habitats overlap or meet, and that provide opportunities for species migration as climate changes.

**Including:** Including means "including, but not limited to."

**Infrastructure:** Specific to SALC, infrastructure refers to the resources upon which an agricultural business relies. This includes, but is not limited to, seed and fertilizer suppliers, veterinary services, water and energy distribution, transportation, drying or processing facilities, and storage or marketing facilities.

**Joint Proposal:** An application submitted for the Sustainable Agricultural Lands Strategy and Outcome Grants by one lead eligible applicant with one or more eligible applicant(s) (co-applicant). A single Budget and Work Plan must be submitted by the lead applicant. The Budget and Work Plan must describe the funds that will be distributed to lead and co-applicants and identify general activities for which they are used.

**Land Trust:** A private, nonprofit organization that holds a tax exemption as defined under Section 501(c)(3) of the Internal Revenue Code, and further qualifies as an organization under Section 170(b)(1)(A)(vi) or 170(h)(3) of the Internal Revenue Code. For purposes of the SALC, land trusts eligible to hold agricultural conservation easements must have among their purposes the conservation of agricultural lands.

**Living Area:** Specific to the SALC, living area is defined by the local jurisdiction that oversees permitting of the project area. Please refer to your local jurisdiction for additional information.

**Local Agency Formation Commission (LAFCO):** The Cortese-Knox Local Government Reorganization Act (Government Code Section 56000, et seq.) established Local Agency Formation Commissions in each county, empowering them to review, approve or deny proposals for boundary changes and incorporations for cities, counties, and special districts. Among the purposes of a LAFCO are discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances (Government Code Section 56301). One of the primary planning tasks is the establishment of “Spheres of Influence” for the various governmental bodies within their jurisdiction.

**Natural Resources:** The materials and functions that comprise the natural wealth of an area’s ecosystems, including the plants, animals, minerals, air, water, and soil. Among these functions are watershed catchment, wildlife migration and habitation, forestry, grazing, and crop production. Of particular importance for complex, large scale natural resources functions are lands that flood, lands that are farmed, lands dedicated to open space, lands designated for mineral extraction, greenbelts, parks and trails, and lands valued for their aesthetics.

**Participating Stakeholder:** Cities, counties, local agency formation commissions (LAFCOs), agricultural businesses, agricultural water providers/purveyors, non-governmental organizations (NGOs), community members, and Native American tribes.

**Partner(s):** Nonprofits, resource conservation districts, or other stakeholders with an interest in conserving agricultural land that are included or play a role in the Applicant’s proposed scope of work.

**Project Geographic Area:** For purposes of SALC, the physical geographic extent of a proposal assessed to estimate the GHG emission reductions at the application stage; only agricultural lands within the project geographic area that are determined to be at risk of conversion are considered when quantifying the GHG benefit.

**Project structure:** Attributes that define the agricultural conservation easement project including acreage, boundary, legal access, reserved rights, prohibited uses, fee ownership, mineral estate, and co-benefits.

**Reasonable Associated Costs:** A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. In determining reasonableness of a given cost, consideration must be given to:

- Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the entity or the proper and efficient performance of the Grant Agreement.
- The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; federal, state, local, tribal, and other laws and regulations; and terms and conditions of the Grant Agreement.
- Market prices for comparable goods or services for the geographic area.
- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to its employees, the public at large, and the State.
- Whether the cost significantly deviates from the acquiring entity's established practices and policies regarding the incurrence of costs.

**Regional Plan:** Either of the following: 1) A long-range transportation plan developed pursuant to Section 134(g) of Title 23 of the United States Code and any applicable State requirements, OR 2) A regional blueprint plan, which is a regional plan that implements statutory requirements intended to foster comprehensive planning as defined in Section 65041.1 of Chapter 2.5 (commencing with Section 65080) of Division 1 of title 7, and Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code. If a California Native American Tribe is the applicant, regional plan also includes plans demonstrating a commitment to reduce greenhouse gas emissions, such as an adopted air quality plan, international agreement to which the tribe is signatory, or an agreement with other tribal authorities demonstrating a commitment to reduce greenhouse gas emissions.

**Reserved rights:** Rights expressly retained or proposed to be retained by the landowner/grantor of an agricultural conservation easement.

**Socially Disadvantaged Farmer and/or Rancher:** Per California Food and Agriculture Code § 512, a farmer or rancher who is a member of a socially disadvantaged group.

**Specific Plan:** A tool for local government implementation of all or part of an area covered by a general plan. A specific plan can combine policy statements with development regulations. It is often used to address the development requirements for projects such as urban infill developments or planned communities. Its emphasis is on standards and development criteria for projects within the area of the specific plan. A specific plan may be adopted

either by resolution or by ordinance. Specific plans must be consistent with all facets of the General Plan (§65450, et seq.).

**Sphere of Influence (SOI):** The SOI is a plan for the probable physical boundaries and service area of a local government agency (Government Code Section 56076). One of the primary planning tasks of each county's LAFCO is the establishment of SOIs for the governmental bodies within their jurisdictions.

**State:** For purposes of the SALC, State is a general term including the Strategic Growth Council, Department of Conservation, and the Natural Resources Agency or its representatives.

**California's Planning Priorities:** As defined under Government Code Section 65041.1: The state planning priorities, which are intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety in the state, including in urban, suburban, and rural communities, shall be as follows:

- A. To promote infill development and equity by rehabilitating, maintaining, and improving existing infrastructure that supports infill development and appropriate reuse and redevelopment of previously developed, underutilized land that is presently served by transit, streets, water, sewer, and other essential services, particularly in underserved areas, and to preserve cultural and historic resources.
- B. To protect environmental and agricultural resources by protecting, preserving, and enhancing the State's most valuable natural resources, including working landscapes such as farm, range, and forest lands, natural lands such as wetlands, watersheds, wildlife habitats, and other wildlands, recreation lands such as parks, trails, greenbelts, and other open space, and landscapes with locally unique features and areas identified by the State as deserving special protection.
- C. To encourage efficient development patterns by ensuring that any infrastructure associated with development, other than infill development, supports new development that does all of the following:
  - i. Uses land efficiently.
  - ii. Is built adjacent to existing developed areas to the extent consistent with the priorities specified pursuant to subdivision (b).
  - iii. Is located in an area appropriately planned for growth.
  - iv. Is served by adequate transportation and other essential utilities and services.
  - v. Minimizes ongoing costs to taxpayers. ([Government code 65041.1\(c\).](#))

**Stewardship Fund:** Funds dedicated solely for the long-term stewardship of conservation easements. These funds are set aside by the easement holder at the recordation of a conservation easement and dedicated to ensure funding for the cost of annual monitoring and evaluation of easement threats.

**Subcontractor:** An entity contracting with the applicant that will participate in the proposed work program submitted by the applicant. Subcontractors must be included in the work plan and budget form. The lead applicant submits invoices on behalf of the subcontractor. The State pays the lead applicant, who then pays the subcontractor.

**Sustainable Communities Strategy (SCS):** A plan that coordinates transportation and land use planning as described in the Sustainable Communities and Climate Protection Act of 2008 in order to meet a region's GHG reduction targets. Each Metropolitan Planning Organization (MPO) shall consider the best practically available scientific information regarding resource areas and farmland in the region when compiling their SCS. Each SCS must be reviewed and accepted by CARB.