CALIFORNIA
SUSTAINABLE AGRICULTURAL LANDS CONSERVATION PROGRAM

GRANT GUIDELINES & APPLICATIONS

FUNDED BY

THE GREENHOUSE GAS REDUCTION FUND

STATE OF CALIFORNIA

STRATEGIC GROWTH COUNCIL

PROPOSED FINAL DRAFT

April 11, 2017

For additional information, please contact:

California Department of Conservation
DIVISION OF LAND RESOURCE PROTECTION
(916) 324-0850
http://www.conservation.ca.gov/dlrp/SALCP/Pages/Index.aspx

STRATEGIC GROWTH COUNCIL
(916) 322-2318
http://www.sgc.ca.gov/Grant-Programs/SALC-Program.html

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Section 1: Sustainable Agricultural Lands Conservation Program
Introduction and Program Summary

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

Auction revenues from the Cap-and-Trade Program are deposited into the Greenhouse Gas Reduction Fund (GGRF), which the Legislature and Governor appropriate to a variety of programs such as the SALC Program that operates under the umbrella of California Climate Investments. All projects funded by the GGRF monies must reduce or avoid greenhouse gas emissions.

These **2016-17 SALC Program Guidelines** serve as the Request for Grant Applications (2016-17 RFGA), which cover the following investment types:

1. **Agricultural Land Conservation Strategies and Outcomes** – Grants to counties, cities, and partners to design and implement a local or regional agricultural land conservation strategy that results in an outcome that reduces GHG emissions through the long-term protection of agricultural lands under threat of conversion by promoting regional growth within discrete boundaries.

2. **Agricultural Conservation Easements** – Grants to protect important agricultural lands under threat of conversion via permanent agricultural conservation easements (ACE or easements).

Program Goals and Objectives

The principal goal of the SALC Program is to avoid increases in the greenhouse gas emissions associated with the conversion of California's irreplaceable agricultural resources land to urban and rural residential development. The rationale for these investments, and the justification under AB 32, is that minimizing the conversion of farmland to urban land uses will prevent greenhouse gas emissions. The SALC Program serves to protect the broad agricultural land and soil resource base from sprawl development, and in doing so, avoids increasing GHG emissions associated with increased automobile emissions from sprawl development.

The SALC Program complements other aspects of the Strategic Growth Council's Affordable Housing and Sustainable Communities Program, which focus on investments in infill development and improved mobility options. By protecting agricultural lands concurrent with keeping growth within discrete boundaries, the programs work together to reduce GHG's in the aggregate and over time. The SALC Program also complements California's existing farmland conservation efforts, including the Land Conservation (Williamson) Act, the California Farmland Conservancy Program, and the many local and regional agricultural land conservation policies in place throughout the State.

The 2016-17 SALC Program Guidelines serve as the Request for Grant Applications for two components to strategically protect agricultural lands from sprawl development: (1) grants to cities and counties for agricultural land conservation strategies and outcomes, and (2) grants for agricultural conservation easements to permanently protect the lands of willing landowners.

Agricultural Land

For the purposes of this program, agricultural land will include both cultivated and non-cultivated (e.g., rangeland and pasture) lands.

GHG Quantification and Reporting

The SALC Program is responsible for quantifying and reporting the greenhouse gas emission reductions resulting from funded projects in accordance with an California Air Resources Board (ARB) approved quantification methodology[1] and the Funding Guidelines for Administering Agencies.[2] GHG emission reductions are quantified from the estimated vehicle miles traveled avoided by protecting agricultural land and limiting opportunities for expansive, vehicle-dependent forms of development. All projects are required to show a net decrease in GHG emissions or an avoidance in the growth of GHG emissions as they are implemented. The eligibility and selection criteria presented in these Guidelines are designed to prioritize projects that demonstrate the greatest potential for protecting lands most at risk of conversion concurrent with providing agricultural sustainability, support for consistent land use planning processes, and environmental co-benefits.

Threshold Criteria – Options to Demonstrate Risk of Conversion for Quantification of GHG Benefits
The following is a list of agricultural lands considered at risk for purposes of the ARB 2016-17 Quantification Methodology for the SALC Program. In order to ensure that projects will result in GHG benefits, applicants must demonstrate that agricultural lands within the project geographic area[3] are at risk of conversion using one of the risk of conversion options (risk options) listed below. The risk options categorize the types and land use densities—residential, rural residential, or agricultural—that would be anticipated based on local conditions. The density type, in conjunction with project size, will be used to quantify the number of development rights that would be extinguished by completion of the project.

These risk options will apply to both Strategy and Outcome Projects and Agricultural Conservation Easement Projects. Additional discussion of quantification thresholds, zoning, and current property configurations as they relate to agricultural conservation easements is contained in Section 3 of these Guidelines.

Residential Risk: Valid options to demonstrate risk of conversion for which residential zoning can be used to calculate the number of extinguished development rights:

1. Agricultural land identified for development as evidenced by inclusion in a development proposal submitted to the local government, undergoing environmental review, or publicly available from controlling interests within the past 5 years;
2. Agricultural land identified for potential rezoning to non-agricultural use by a jurisdiction as evidenced by a revised zoning proposal or land use plan, or undergoing environmental review, within the past 5 years;
3. Agricultural land within a city's Sphere of Influence or municipal service boundary and, if applicable, within the city's urban growth boundary according to the city's general plan;
4. Agricultural land within a proposed expanded city boundary (annexation), Sphere of Influence, municipal service boundary, or specific plan;

[1] The Quantification Methodology is contained in a separate document, published by the Air Resources Board available at: www.arb.ca.gov/cci-quantification.
[2] Funding Guidelines for Agencies that Administer California Climate Investments, September 4, 2015 and Funding Guidelines Supplement for FY 2016 Funds are available at: www.arb.ca.gov/cci-fundingguidelines.
[3] Project Geographic Area may also be referred to as project geographic boundary; please see Glossary.

5. Agricultural land within two miles of a city's Sphere of Influence or municipal service boundary, or within two miles of an unincorporated area which is zoned for or contains residential development where the average lot size is two acres or less.

Rural Residential Risk: Valid options to demonstrate risk of conversion for which rural residential zoning can be used to calculate the number of extinguished development rights:

6. Agricultural land that is determined to be in conformance with the Subdivision Map Act based on county-issued Certificates of Compliance;
7. Agricultural land up to five miles from land developed or zoned for rural residential use (one to ten acres) in the county General Plan;
8. Agricultural land within five miles of other agricultural land sold or advertised as rural home sites, rural recreational sites, or other development as evidenced through comparable sales, multiple listing services, or similar property sales tools within the last five years.

Risk of subdivision to current zoning minimums: Valid options to demonstrate risk of conversion for which the current level of agricultural zoning can be used to calculate the number of extinguished development rights:

9. Agricultural land located within two miles of attraction(s) such as a casino, resort, golf course, public recreation area, school or university; within two miles of a major highway intersection[4]; or within two miles of a planned road expansion project that increases vehicle capacity (e.g., additional lanes).

The Department will quantify the risk and number of development rights to be extinguished based on data provided by applicants. Potential applicants are encouraged to contact the Department should they require assistance in understanding or documenting threshold criteria.

Co-benefits

The primary purpose of the SALC program is to avoid and reduce GHG emissions through the preservation of agricultural lands at risk of conversion and development. Additional benefits of preserving working agricultural lands are considered co-benefits, which may include, but are not limited to:

- Economic benefits (e.g., retention of local jobs and agricultural revenues, entrepreneurial opportunities, reduction in spending on municipal services for dispersed development).
- Improved air quality resulting from reduced vehicle miles traveled.
- Improved watershed health and groundwater recharge.
- Working landscapes that also can provide community separators, greenbelts, open space, or viewsheds.
- Ecosystem services (e.g., wildlife habitat, pollination, and natural food web adaptation).
- Local food production security and potential reduction in food waste, as well as a greater understanding of agriculture's importance among urban and rural Californians.

Applicants may provide a qualitative description of anticipated co-benefits as well as any quantitative information (e.g., acres of habitat types, miles of riparian corridors, local jobs related to farm sales) on this topic.

Statutory Authority

The Strategic Growth Council (Council) administers the Affordable Housing and Sustainable Communities (AHSC) Program, and under SB 862 (Chapter 36, Statutes of 2014), is apportioned twenty percent (20%) of the

[4] Refer to Guidelines Glossary for major highway intersection definitions for the purposes of the SALC Program.

GGRF proceeds on an annual basis. SB 1018 and other statutes require that the GGRF monies be used to reduce GHG emissions and further the purposes of Assembly Bill (AB) 32 (Chapter 488, Statutes of 2006).

Public Resources Code Section 75212 (h) lists the types of projects eligible for funding under the AHSC Program. Specifically, the Council is authorized to invest in projects that meet the goals of SB 862 through 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".

The SALC Program was identified by the Council as most appropriately administered by the California Department of Conservation (Department) in conjunction with the Natural Resources Agency (Agency). The Council approved the roles of the Department and the Agency at its July 10, 2014 meeting. In addition, the SALC Program 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 (FMMP)
- Government Code Sections 51190-51294.7, the California Land Conservation Act (Williamson Act or LCA)
- Revenue and Taxation Code Sections 421-430.5, pertaining to valuation of open space land subject to an enforceable restriction
- Public Resources Code Division 9, governing Resource Conservation Districts (RCDs)

SB 732 (Chapter 13, Statutes of 2008) established the Council and added California Government Code Sections 75127 and 75128, which direct the Council to manage and award financial assistance to support the planning and development of communities that achieve sustainability objectives. Government Code Section 75126 states that these funded activities must be consistent with the State's Planning Priorities[5], and Section 75125 states that the Council shall develop Guidelines for awarding financial assistance, including criteria for eligibility and additional consideration.

Nondiscrimination Policy

Consistent with Article I, Section 31 (a) of the California Constitution, the State of California and its programs shall not discriminate against, or 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.

Disadvantaged Communities Benefits

Senate Bill 535 (Chapter 830, Statutes of 2012) directs State and local agencies to make significant investments that improve California's most vulnerable communities[6]. The statute requires that the Greenhouse Gas Reduction Fund investment plan allocate a minimum of twenty-five percent (25%) of available moneys to projects that provide benefits to disadvantaged communities and a minimum of ten percent (10%) to projects located within disadvantaged communities. The target for disadvantaged communities investment established by SB 862 is fifty

[5] See the Guidelines Glossary, Appendix A, for these Government Code Section 65041.1 priorities.
[6] AB 1550 (Chapter 369, Statutes of 2016) will modify SB 535 requirements, beginning in FY 2017-18.

percent (50%) for the overall Sustainable Communities and Affordable Housing Program allocated to the Strategic Growth Council (Council).

The SALC Program addresses "common needs of disadvantaged communities (as identified by community advocates)"[7] by complementing other aspects of the Council's Affordable Housing and Sustainable Communities Program. The programs work together to reduce GHGs and support the health, economic, and environmental benefits that are achieved by reducing sprawl. Disadvantaged communities are identified using CalEnviroScreen version 2.0[8], with benefits assessed based on the criteria in ARB's Funding Guidelines (disadvantaged community/ies).

Under the SALC Program, applications for any project which claims disadvantaged community benefits will be accompanied by a checklist documenting the common needs of and benefits to disadvantaged communities, in order to describe project benefits. Projects will first be evaluated to determine if fifty percent (50%) or more of a given project is located in a disadvantaged community census tract and will provide *direct, meaningful, and assured benefits* to a disadvantaged community. If the project does not meet the criteria for being "located within" and providing benefits to a disadvantaged community, it will be evaluated to determine if it meets at least one of the following criteria for providing direct, meaningful, and assured benefits to disadvantaged communities:

A. Project preserves or restores a site that allows public access and is accessible by walking within ½ mile of a disadvantaged community; or

B. Project significantly reduces flood risk to one or more adjacent disadvantaged communities.

Example benefits: Possible examples include designated public access routes for fishing or recreational use along a stream channel; structured educational programs for residents of disadvantaged communities, or seasonal flood protection for communities directly downstream of a project. Each project will be evaluated in detail to determine if disadvantaged community benefits rise to a level that can be claimed to meet the SB 535 requirements. Information provided to support a claim of disadvantaged community benefits will be reviewed by the SALC Program Interagency Team, with final concurrence of value determined by the ARB.

ARB's Funding Guidelines for Administering Agencies was used to develop these Guidelines. In recognizing this guidance and its importance toward maximizing benefits to disadvantaged communities, Agricultural Land Conservation Strategy and Outcome grant (Strategy/ies) applications providing benefits to disadvantaged communities will be awarded 5 additional points toward their total score. Applications for agricultural conservation easements providing *direct, meaningful, and assured* benefits to disadvantaged communities will be eligible for ten percent (10%) match, the lowest required match funding proportion available under the program, assuming all other eligibility and selection criteria can be attained.

Grant Application and Administration

The Department of Conservation administers the SALC Program grants in conjunction with the California Natural Resources Agency, on behalf of the Council.[9] Grant applications will be submitted as a digital version via email, along with one hard copy of the entire application.

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[7] Funding Guidelines for Agencies that Administer California Climate Investments, Ch. V, p 2-14, Table 2.2; p 2.A-14, Appendix 2 A.

[8] http://oehha.ca.gov/ej/ces2.html or http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/535investments.htm

[9] These entities in whole or in part may be referred to later in this Guidelines document as the State.

For fiscal year 2016-17, awards will be made at the same time for both the Strategy and Outcome grants and the Agricultural Conservation Easement grants. However, the Strategy/ies grants and Easement grants each have a specific application process. Refer to later sections of these Guidelines for explanatory material.

SALC Program Application Deadlines for FY 2016-17

The following dates apply to both Sustainable Agricultural Lands Strategy and Outcome Grants and Agricultural Land Conservation Easement Grants:

Pre-proposal summaries—June XX, 2017
Complete Applications—August XX, 2017

Anticipated approval of FY 2016-17 projects by the Strategic Growth Council—December 5, 2017

The mailing address for applications is:

California Department of Conservation
Sustainable Agricultural Lands Conservation Program
801 K Street, MS 14-15
Sacramento, CA 95814

SALC Program forms and sample documents are available at:
http://www.conservation.ca.gov/dlrp/SALCP/Pages/SALCP_forms.aspx

For more information about the grant administration process, see Section 4.

Section 2: Agricultural Land Strategy and Outcome Grants

Agricultural Land Conservation Strategy and Outcome grants (Strategy/ies) under the SALC Program are limited to a specific set of approaches and outcomes that cities, counties and their partners will use to protect important agricultural land resources under threat of conversion. This component of the program incentivizes local governments towards developing local and regional land use policies and implementation activities that more fully integrate agricultural land conservation. The Strategies will ultimately result in zoning ordinances that effectively eliminate development on agricultural lands under threat of conversion, and/or they will result in the purchase of agricultural conservation easements, thereby avoiding conversion of strategic farmland and rangeland to urban and rural residential development. Funding for the design and implementation of local and regional agricultural land conservation Strategies will be limited to the five specific methods discussed below.

Eligible Applicants
Counties and/or cities are eligible to apply as the lead applicant(s) in collaboration with other partners (e.g., agricultural organizations, land trusts, open space districts).

Application Funding
Up to $1 million in FY 2016-17 is allocated for Agricultural Land Strategy and Outcome grants. Individual grants are limited up to $250,000 each. Funds not awarded under this SALC Program component may be used to increase available funding for award in the SALC Program agricultural conservation easement component. The actual funding level will not be determined until after the fourth Cap and Trade Auction for fiscal year 2016-17.

There must be a minimum ten percent (10%) local match. At least five percent (5%) of the requested grant amount must be a cash match; the balance may be in-kind.

Grant Agreement Term Length
Grant Agreements are based on a standard State format and have a maximum duration of two years from the time of the Grant Agreement signature to completion of the easement acquisition. With written justification from the applicant and prior written approval from the Department, Strategy/ies grants may have a maximum duration of three years.

Administrative Requirement for Reimbursement for Agricultural Land Conservation Strategy and Outcome Grants
No funds from the Greenhouse Gas Reduction Fund may be reimbursed to the applicant until the proposed Strategies demonstrates an outcome that protects agricultural lands from conversion and results in an identifiable GHG reduction. This means that, depending on the specific Strategy that is being proposed, the requirement for reimbursement will fall into one of two categories:

- Reimbursement after completion: For Strategies resulting in zoning ordinances that effectively eliminate growth on targeted agricultural areas (Project Geographic Area), the applicant must cover the costs to complete work related to the development and execution of the Strategy, without reimbursement by the State, until the ordinance has been officially adopted through the appropriate governing mechanism.

- Reimbursement concurrent with an agricultural conservation easement (ACE): For Strategies resulting in an ACE, the applicant submits a joint application concurrent with an ACE applicant that lies within the county of the proposed Strategy grant. Both the Strategy/ies application and the ACE application must be approved for use of this mechanism. Project costs for these Strategies will be reimbursed as progress is made per the scope of work and only after the ACE grant agreement has been fully executed. If an ACE is not approved

for funding, applicants may choose to proceed based on the reimbursement after completion option. Only SALC-approved ACEs within the same county may be used to allow reimbursement concurrent with ACE acquisition. ACEs that are being secured as part of an existing mitigation program cannot be counted toward this type of reimbursement.

Eligible Projects

Eligible Strategies and Outcomes focus on achievable, action-oriented approaches to agricultural land conservation that result in long-term GHG reductions. For 2016-17, five specific Strategies and Outcomes, and their administrative requirements, are identified below.

Strategy	GHG Quantifiable Outcome	Administrative Requirement
Establish an Agricultural Land Mitigation Program: A local jurisdiction's formal program to conserve agricultural land at a 1:1 ratio (or higher) as identified in its ordinances and policies via a General Plan Update or Amendment.	Agricultural Conservation Easement(s)	Reimbursement concurrent with an ACE grant approved and executed under the SALC Program
Establish an Agricultural Conservation Easement Purchasing Program: The development and implementation of a locally-driven strategy to purchase agricultural easements on strategic properties using dedicated funding source(s), such as dedicated sales or property tax increments.	Agricultural Conservation Easement(s)	Reimbursement concurrent with an ACE grant approved and executed under the SALC Program
Adoption of Urban Limit Line or Urban Growth Boundary: The development and implementation of a locally-driven urban limit line program and restricted Urban Service Area (e.g., water, sewer).	Zoning ordinances that effectively eliminate growth beyond the estimated Project Geographic Area	Reimbursement after the ordinance has been officially adopted through the appropriate governing mechanism
Increase Zoning Minimum for Designated Strategic Agricultural Areas: Updating or amending the local jurisdiction's General Plan to increase minimum acreage (upzoning) for strategic agricultural areas (e.g., from 20-acre to 40-acre minimums).	Zoning ordinances that effectively eliminate growth in the estimated Project Geographic Area	Reimbursement after the ordinance has been officially adopted through the appropriate governing mechanism
Adoption of an Agricultural Greenbelt and Implementation Agreement: Enactment of specified agricultural greenbelt(s) between cities, tied to General Plan updates or legally-binding agreements, that focus agricultural mitigation funds or related farm/open space funds to establishing the greenbelt buffer. The greenbelt will contain primarily agricultural lands. Other lands with conservation values may be given secondary consideration for inclusion in an Agricultural Greenbelt.	Results in both Agricultural Conservation Easement(s) and Zoning ordinances that effectively eliminate growth in the estimated Project Geographic Area	Reimbursement concurrent with an ACE grant approved and executed under the SALC Program or Reimbursement after completion of the Greenbelt and Implementation Agreement

Threshold Criteria – Options to Demonstrate Risk of Conversion for Quantification of GHG Benefits

In order to be eligible for funds under the SALC Program, agricultural lands in the project geographic area must be considered at risk for purposes of the ARB 2016-17 Quantification Methodology. Applicants must demonstrate that agricultural lands are at risk of conversion using one of the options listed on page 2. In the larger project areas under consideration for Strategy/ies Grants, quantification may consist of either:

- The GHG benefits applicable to the ACE which is submitted concurrent with the Strategy/ies Grant application, or
- Estimated based on the geographic extent of the project area and the threats to conversion that would be anticipated based on local conditions. Please refer to the ARB 2016-17Quantification Methodology for additional information. Applicants are required to supply sufficient data to the Department for quantification methodology processing.

Additional Threshold Requirements

To be considered for review, all applications for Agricultural Land Conservation Strategy and Outcome Grants must meet the following thresholds:

1. The grant application must be submitted as a digital version via email, along with one hard copy of the entire application.
2. The budget must contain a minimum ten percent (10%) local match. At least five percent (5%) of the requested grant amount must be a cash match; the balance may be in-kind.
3. The applicant must agree to the administrative requirements regarding reimbursement.
4. If required by project type, the application must be accompanied by a concurrent application for an ACE within the same county of the proposed strategy effort.

Ineligible Projects

Proposals that will not be funded under this program include, but are not limited to, proposals that:

- Do not meet the intent of the SALC Program.
- Do not meet the basic threshold requirements for submission.
- Do not result in a demonstrable and quantifiable GHG emission reduction, pursuant to the ARB approved quantification methodology.
- Do not contain adequate documentation and applicable materials.
- Do not clearly state objectives and deliverables.
- Are not received by the application deadline.

Initial Screening–Pre-proposals

Due to the administrative requirements regarding reimbursement, and the potential link between Strategy/ies Grants and Agricultural Conservation Easement Grants, eligible applicants are strongly encouraged to provide the Department with structured summaries of proposed projects. A pre-proposal worksheet for this purpose has been developed and is available on the Department's web site.

By providing basic information about the potential project's scope and goals, the Department's grant managers can make a preliminary quantification of GHG benefits and provide limited technical assistance to the applicant in advance of completion of full project proposals. The deadline for pre-proposal submission for FY 2016-17 projects is June XX, 2017, with full project proposals due August XX, 2017.

Steps Toward Completion of Agricultural Land Strategy and Outcome Objectives

Agriculture is one of California's most important industries, but because of geographic and economic factors, the nature of agricultural land resources varies widely from region to region. Agricultural Land Strategies and Outcomes must account for and should represent the values of local communities while resulting in outcomes that will effectively eliminate development on agricultural lands under threat of conversion, and/or result in the purchase of agricultural conservation easements. Examples of the steps that would typically take place for the five project types are listed below; individual work plans may vary depending on the specifics of the proposal. While the steps may vary, the binding ordinances, agreements, or programs must result in measurable GHG benefits.

1. Establishing an Agricultural Land Mitigation Program (via General Plan Update or Amendment, including an implementation mechanism)

    - Community consensus building activities to develop a mitigation strategy for agricultural land when converted to other land uses including providing general education and outreach about agricultural land preservation to farm bureaus, service clubs and other organizations with close farmer affiliations.
    - Hold stakeholder meetings among organizations such as the county board of supervisors, agricultural and conservation groups, cities, and local agency formation commissions (LAFCOs) toward the development of an Agricultural Land Mitigation Program.
    - Describe the goals, strategies, policies and ordinances to retain agriculturally zoned land that mitigate the loss of agriculturally zoned lands to nonagricultural uses or nonagricultural zones.
    - Adopt a resolution determining that the existing or future county goals, policies, ordinances, inventory and maps comprising the agricultural land mitigation program for agricultural land when converted to non-agricultural uses at a ratio of, for every one acre of agricultural land converted, one acre of comparable land will be permanently conserved.
    - Develop and post the Agricultural Land Mitigation Program, including all relevant maps, goals, related policies and ordinances, on the county's internet web site.
    - Conduct nexus studies for agricultural land preservation and mitigation ordinances.
    - Update the jurisdiction's General Plan to include agricultural conservation policies, ordinances or other implementation measures under the adopted Agricultural Land Mitigation Program.

2. Establishing an Agricultural Easement Purchasing Program

    - Community consensus building activities to develop a strategy for purchasing agricultural conservation easements including providing general education and outreach about agricultural land preservation to farm bureaus, service clubs and other organizations with close agricultural landowner affiliations.
    - Hold stakeholder meetings among organizations such as the county board of supervisors, agricultural and conservation groups, cities, and local agency formation commissions (LAFCOs) toward the development of an Agricultural Easement Purchasing Program.
    - Develop a priority plan or criteria for defining the agricultural land that the local government will designate as strategic. This area will be considered as the focus for future agricultural conservation easement purchases under the Agricultural Easement Purchase Program. Integrate current permanently protected lands (e.g., flood corridor easements).
    - Describe the system for financing the Agricultural Easement Purchasing Program.

- Adopt a resolution determining the existing or future county goals, policies, inventory, and if applicable, the ordinances and maps comprising the Agricultural Easement Purchasing Program.
- Develop and post the Agricultural Easement Purchasing Program, including pertinent maps, goals, related policies and if applicable, ordinances on the county's internet web site.

3. Adoption of Urban Limit Line (or Urban Growth Boundary)

    - Community consensus building activities including providing general education and outreach about agricultural land preservation to farm bureaus, service clubs and other organizations with close agricultural landowner affiliations. Present need for adoption of Urban Limit Line(s) as a mechanism to protect agricultural lands.
    - Hold stakeholder meetings among organizations such as the county board of supervisors, agricultural and conservation groups, cities, and local agency formation commissions (LAFCOs) regarding the need for adoption of Urban Limit Line(s).
    - Define Urban Limit Line project geographic area(s) based on community and stakeholder feedback and, as applicable, a priority plan or criteria for defining the agricultural land that the local government(s) will designate as strategic and that will be protected by the Urban Limit Line(s). Identify Urban Service Area restrictions to accompany the Urban Limit Line(s).
    - Adopt a resolution identifying the Urban Limit Line(s) project geographic area(s) and limited infrastructure services (e.g., Urban Service Area) beyond the Urban Limit Line(s).
    - Update the General Plan of the jurisdiction(s) to include agricultural conservation policies, ordinances or other implementation measures under the adopted Urban Limit Line.
    - Develop and post an Urban Limit Line fact sheet which includes pertinent maps on the county's internet web site.

4. Increased Zoning Minimum for Designated Strategic Agricultural Areas

    - Community consensus building activities including providing general education and outreach about agricultural land preservation to farm bureaus, service clubs and other organizations with close agricultural landowner affiliations. Present need for upzoning designated strategic agricultural areas.
    - Hold stakeholder meetings among organizations such as the county board of supervisors, agricultural and conservation groups, cities, and local agency formation commissions (LAFCOs) regarding the potential upzoning of designated strategic agricultural areas.
    - Define areas for upzoning on strategic agricultural areas, relying on selection criteria or priority plan as appropriate and based on community and stakeholder meetings.
    - Identify upzoned agricultural areas within a General Plan Update or Amendment including pertinent maps, goals, related policies and ordinances on the county's internet web site.

5. Adoption of Greenbelt and Implementation Agreement

    - Community consensus building activities including providing general education and outreach about agricultural land preservation to farm bureaus, service clubs and other organizations with close agricultural landowner affiliations. Present need for adoption of Greenbelt and Implementation Agreement.

- Hold stakeholder meetings among organizations such as the county board of supervisors, agricultural and conservation groups, cities, and local agency formation commissions (LAFCOs) regarding the need for adoption of Greenbelt and Implementation Agreement.
- Define area(s) for greenbelt based on community and stakeholder feedback and, as applicable, a priority plan or criteria for defining the agricultural land that the participating local governments will designate as strategic and that will be protected by Greenbelt. Integrate current permanently protected land into greenbelt as appropriate.
- Define Implementation Agreement between county, cities, and, as appropriate, LAFCO. Include in the Implementation Agreement that the Greenbelt will be the target area for agriculture mitigation via agricultural conservation easements or agricultural mitigation banks and open-space needs for a period of 20 to 30 years.
- Adopt a resolution determining that the Greenbelt can be used to meet the local government's mitigation needs as a receiving area for agricultural land mitigation banks or agricultural conservation easements. Identify the existing county goals, policies, and if applicable, the ordinances that support the greenbelt and implementation agreement.
- Develop and post the Greenbelt and Implementation Agreement fact sheet which includes pertinent maps on the county's internet web site.

Eligibility and Selection Criteria for Agricultural Land Conservation Strategy and Outcome Grants

Priority Considerations

A key consideration for the investment of Greenhouse Gas Reduction Funds is the need to create implementation mechanisms that will offer long-term agricultural land protection to ensure GHG reductions. The eligible strategies lead to permanent protection via agricultural conservation easements or zoning ordinances that effectively eliminate growth within the Project Geographic Area for a minimum of 20 to 30 years, depending on the mechanism chosen.

The Eligibility and Selection Criteria focus on actionable policies/implementation mechanisms to conserve land that is locally-determined to be strategic and under the threat of conversion to other land uses. Project readiness, multi-jurisdictional collaboration, and leveraging existing conservation efforts are all important considerations in the SALC Program review process. More detailed information on eligibility and selection criteria is located below.

Agricultural Land Conservation Strategy and Outcome Grants Eligibility Criteria
- The proposed project consists of one of the eligible project types (see page 8) that will result in agricultural conservation easements and/or zoning ordinances that effectively eliminate growth in the applicant's Project Geographic Area. - The lead applicant (county or city) documents the threat of agricultural land conversion to nonagricultural uses within the applicant's Project Geographic Area, as well as the status of existing conservation planning efforts, and describes why the selected tool is the appropriate mechanism for the applicant(s) to achieve their agricultural conservation goals. - Those counties currently participating in the Williamson Act Program will continue implementing the program as a part of their Agricultural Land Conservation Strategy and Outcome. - The proposal demonstrates collaboration between local governments and stakeholder groups (e.g., agricultural organizations, agricultural support businesses, NGOs, and community members). - The proposal contains clear, reportable objectives, measures of progress, and deliverables. - The proposal includes a minimum ten percent (10%) match. At least five percent (5%) of the requested grant amount must be a cash match; the balance may be in-kind.

Agricultural Land Conservation Strategy and Outcome Grants Selection Criteria
o The proposal documents project readiness and likelihood of successful long-term conservation outcomes through documentation of efforts that have recently been initiated or are currently underway (e.g., draft proposals, scoping meetings, prior community support); and it provides evidence of collaboration among jurisdictions and stakeholder groups. o The proposal documents how the grant would complement other comprehensive planning efforts (e.g., Sustainable Communities Plans, Greenprints) and leverage other permanently protected lands (e.g., agricultural and habitat conservation easements, flood corridor easements, parks, military facility buffers), in furtherance of promoting location- and resource-efficient development. o The amount and quality of land that can be expected to receive protection under the proposal, and the co-benefits that may derive from implementation of the proposal. o The proposal demonstrates cost effectiveness relative to the GHG benefits that are anticipated to accrue from its completion. o The degree to which the proposal documents that the lead applicant and its partners have the capacity to successfully execute proposed work on time and within budget, using recent examples from similar projects. o Proposals that are located in or provide benefits to disadvantaged communities, and meet a community need as defined by ARB's Funding Guidelines, will receive 5 points toward the total maximum score of 100 points.

Grant Application Review Process

1. Applicants submit a complete grant proposal to the Department of Conservation (Department) by the deadline.
2. Proposals are reviewed for threshold requirements and completeness. Incomplete proposals may not be evaluated or considered for funding at the sole discretion of the State.
3. Grant Committee (Committee) reviews proposals using selection criteria and scores, and makes recommendations for awards. The Strategy/ies Grants Committee will consist of a multi-agency technical staff with planning and agricultural expertise, and other applicable subject-matter expertise.
4. The Committee recommends the final projects for award to the Strategic Growth Council staff for Council approval.
5. In accordance with ARB's Funding Guidelines regarding public access and transparency, a summary of each project application, the GGRF funding request, and disadvantaged community status, will be posted at least ten days before the Council makes project awards.
6. The Council determines final project awards.

All information submitted in the application package will be used by grant reviewers for evaluation and should demonstrate how effectively the proposal will meet the SALC Program goals and objectives. Each area is awarded points on a sliding scale from zero to the listed number.

In evaluating projects, the State may also consider factors including, but not limited to, geographic distribution of funds, partial funding, and alternate projects in the event that any of the recommended projects are withdrawn.

Agricultural Land Conservation Strategy and Outcome Grants Scoring Criteria	
Selection Criteria	**Points**
Likelihood of successful long-term conservation outcomes, including collaboration	30
Project complements other planning efforts	25
Amount and quality of land protection, including co-benefits	25
Cost effectiveness[10] of quantifiable GHG emissions reductions	5
Organizational Capacity	10
Disadvantaged Community Benefits	5
Total Available Points	**100**

[10] Please refer to the Guidelines Glossary for definition.

The Agricultural Land Conservation Strategy and Outcome Application

The grant application package for this program component is composed of a Checklist, Cover Sheet, narratives including an Executive Summary and Application Questions response, a Work Plan, Budget, and Supporting Documents. Please see the Department's web site[11] for forms and supporting material.

Application Questions

The main section of the application is a narrative that describes the strategy being considered, the anticipated greenhouse gas reduction outcomes, the geographic setting and conversion threats, any actions that have been taken to date on the strategy, how the proposal will complement other planning efforts, and organizational capacity.

1. Describe which of the five elibigle agricultural land protection strategies is being proposed, which local government(s) and partners are participating, and the reasons that mechanism has been selected. Explain why the proposed strategy and outcome is a good option to protect agricultural lands in your region.

2. Describe how the proposed strategy will decrease vehicle miles traveled and GHG emissions. Include data on factors contributing to the anticipated GHG outcomes, such as estimated number of acres in area(s) targeted for protection (Project Geographic Area), or other metrics that would characterize implementation of the plan. For how long (in perpetuity, 30 years, etc.) would the proposal protect agricultural land from conversion to urban and/or rural residential development?

3. Describe which of the conversion threat(s) on page 2 are applicable to the project area; explain what types of conversion are occurring or are expected to occur. Supporting information that documents the threat should be attached to the application. If more than one threat is applicable, supporting information should focus on the most significant conversion threats under current conditions.

4. Explain the likelihood of successful long-term conservation outcomes—what steps have been taken to date toward the strategy? Provide documentation of efforts (e.g., draft proposals, scoping meetings, and prior community support) and what needs to occur to bring the strategy to the implementation stage. How will the applicant collaborate with stakeholder groups to bring about successful implementation?

5. Describe how the proposal will complement other planning efforts in the project area, including comprehensive planning efforts (e.g., Sustainable Communities Plans, Greenprints), and agricultural land use planning policies (e.g., Williamson Act). How would the proposal leverage other permanently protected lands in furtherance of promoting location- and resource-efficient development?

6. Describe the amount and quality of land that can be expected to receive protection under the proposal. Include maps of important farmland, jurisdictional boundaries, and other pertinent data that would portray the project scope (as attachments to the application). Provide a qualitative description of anticipated co-benefits as well as any quantitative information (e.g., acres of habitat types, miles of riparian corridors, local jobs related to farm sales).

7. Describe the applicant's experience in developing and implementing similar projects. Does the applicant have the professional staff qualified to develop and successfully implement the proposal? If not, please describe how the applicant will acquire the expertise. Does the applicant have the internal resources and

[11] http://www.conservation.ca.gov/dlrp/SALCP/Pages/Index.aspx

capacity to complete the proposed work, knowing that it must result in a successful on the ground outcome that demonstrates a net GHG benefit from the protection of agricultural lands under threat of conversion, in order to meet the administrative requirements regarding reimbursement by the State?

Disadvantaged Communities Benefits Checklist

This checklist is to be used by applicants claiming to provide a benefit to a disadvantaged community. Benefits must address a common need to a disadvantaged community. To determine community needs, agencies or applicants can use a variety of approaches, such as:

- Considering the factors in CalEnviroScreen that caused an area to be defined as a disadvantaged community;
- Hosting community meetings to solicit local input from a disadvantaged community;
- Referring to the list of common needs in Table 2-2 as outlined in ARB's Funding Guidelines[12];
- Receiving documentation of disadvantaged community support (e.g., letters or emails).

The chosen approach must be identified on the checklist and accompanied by supporting documentation that a disadvantaged community need is being met. Disadvantaged community status does not affect eligibility but may affect selection based on final application scores. A total of 5 points within the final score will be attributed to disadvantaged community benefits.

Work Plan

Applicants must provide a detailed work plan (3 pages maximum) that specifies what steps[13] will be taken to develop and complete the Agricultural Land Conservation Strategy and Outcome, including establishing benchmarks with target completion dates and a cost estimate. The project cost estimate and schedule should be of sufficient detail to allow assessment of the progress of the work plan at regular intervals. This plan will be a component of the Grant Agreement should the project be selected for funding. The work plan should clearly address:

- A plan overview of goals and objectives, strategy, timeline, committed resources, and partner support.
- The steps/milestones, in addition to the minimum required steps on pages 7 through 9, for designing and developing the proposed policy and implementation strategy.
- A description of the final outcome that must occur in order to demonstrate that the strategy has resulted in a net GHG benefit through the successful long-term protection of agricultural lands from conversion. In essence, this describes the eligible final deliverable or outcome from the developed strategy and will provide the basis for which reimbursement of work can be requested.
- The target completion dates.
- Work Plan Summary – A tabular summary (example below) indicating the specific benchmarks of the work plan must be included. The estimated cost for each benchmark and when these benchmarks will be completed are to be specified in this summary. Total estimated costs should equal grant amount requested plus other funders' contributions.

[12] Funding Guidelines for Agencies that Administer California Climate Investments, Ch. V, p.2-13-15; p 2.A-14, Appendix 2.A
[13] Please refer to page 10 of this document for examples of steps that may be taken for each Strategy/ies.

Project Title Work Plan		
High Level Activities/Milestones (with Deliverables)	**Responsible Parties (City, County, Consultant, etc.)**	**Timetable in Months (Ex. Month 1-5, Month 4-10, etc.)**
Task 1 Sub-Task A Sub-Task B Sub-Task C		
Task 2 Sub-Task A Sub-Task B Sub-Task C		
Task 3 Sub-Task A Sub-Task B Sub-Task C		

Budget and Match Contributions

This section should identify the total estimated project costs, using the budget table provided in the form. The total estimated cost should be broken down to clearly delineate funds being requested from this program, and other commitments in the form of outside funding or donations.

The minimum match requirement under this component of the SALC Program will be ten percent (10%). At least five percent (5%) of the requested grant amount must be a cash match; the balance may be in-kind. Match funds may be provided directly by the applicant, or from other funding sources (e.g., other grant funds, local government contributions, or donations). Grant applications will be evaluated, in part, based on the amount of matching funds and in-kind services provided.

Eligible Costs

For Agricultural Land Conservation Strategy and Outcome Grants, the direct costs, including staff and benefits to implement the work, during the performance period specified in the Grant Agreement will be eligible for reimbursement. All eligible costs must be supported by appropriate documentation. Costs incurred outside of the performance period, Indirect/Overhead Costs, food or beverages (e.g., as part of meetings, workshops, training, or events), and costs for CEQA document preparation are not eligible for reimbursement.

Indirect/Overhead Costs are defined as: expenses of doing business that are of a general nature and are incurred to benefit two or more functions within an organization. These costs are not usually identified specifically with a grant, Grant Agreement, plan or activity, but are necessary for the general operation of the organization. Examples of indirect costs include salaries and benefits of employees not directly assigned to the work program; functions such as personnel, business services, information technology, and salaries of supervisors and managers; and overhead such as rent, utilities, supplies, etc. Indirect costs cannot be included in the budget and work plan and will not be funded.

In cases where joint ACE/Strategy grants are being proposed, no ACE-acquisition related costs may be included in the Strategy/ies grant applications.

Travel

Reimbursement of travel is not permitted unless expressly provided in the approved budget. Travel by private or grantee-owned automobile, necessary for the performance of projects are subject to the State of California travel and per diem rates and allowable cost requirements. Please refer to this web site to obtain the most up-to-date per diem rates and eligible mileage reimbursement rate: (http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx).

What to Submit: Supporting Documentation

The Agricultural Land Conservation Strategy and Outcome Grant application is composed of three main sections: Questions, Work Plan, Supporting Documents, and if applicable, a Disadvantaged Communities Checklist. Materials should be presented unbound in the order indicated below. Clearly number and label each item and number all pages in sequential order.

Please do not submit additional materials that have not been specifically requested (e.g., press clippings or brochures) as they will not be considered during the evaluation.

Submit one (1) unbound printed original and one digital version of items 1-11 below.

1. Application Form Cover Sheet
2. Executive Summary
3. Application Questions – no more than eight (8) numbered pages, on 8 ½" x 11 paper, using twelve-point easy-to-read font
4. Work Plan – no more than three (3) numbered pages, on 8 ½ " x 11" paper, using twelve-point easy-to-read font.
4. Work Plan Summary (timeline with benchmarks)
5. Budget
6. Map(s) – A map or maps of the area covered by the proposed plan (the geographical purview of the plan). Maps or images must fit into an 8 ½" x 11" folder.
7. Signed Authorizing Resolution from the Board of Supervisors or City Council

    - A sample resolution indicating the format and content of an authorizing resolution is available on the SALC Program web site.
    - The resolution may be submitted subsequent to the application if the board meeting schedule prevents the applicant from obtaining a signed resolution before the filing deadline. Submit the draft resolution with the application package and indicate the board meeting date when the resolution will be adopted.
    - The resolution or similar document must provide acknowledgement that the applicant understands and accepts that they must cover the costs to complete work related to the development and execution of the strategy, without reimbursement by the State, until the final deliverable has been successfully achieved.

8. Disadvantaged Communities Benefits Checklist (Required for applicants claiming benefits to disadvantaged communities) – Provide checklist and supporting documentation if requesting points in this category.
9. Collaboration Letters – Provide copies of letters from collaborating entity(ies) within the plan service area and from the local community demonstrating match or in-kind support and specific role in the development or implementation of the Agricultural Land Conservation Strategy and Outcome.
10. Support Letters – Provide copies of letters from entities within the plan service area and from the local community demonstrating support and/or willingness to participate in development of the Agricultural Land Conservation Strategy and Outcome.
11. Relevant Portions of Local Jurisdiction General Plan(s) – Documentation of the current status of local government goals, objectives, policies, and implementation measures for agricultural land conservation should be attached to the application. Provide either the adoption date(s) of these policies along with internet links to them or the documents on digital media (e.g., dvds).

Section 3: Agricultural Conservation Easement Grants

Under the 2013 Cap-and-Trade Auction Proceeds Investment Plan[14], the purchase of agricultural conservation easements (ACEs or easements) on strategic agricultural lands was designated as one way to ensure sustainable communities by strengthening the land use planning process and supporting agricultural viability.

The motivation to improve agricultural practices in concert with AB 32 goals—including energy, water, and farm nutrient investments—may be more attractive to landowners with the security and financial assistance that permanent conservation easements convey. Preventing subdivision and sprawl conversion of agricultural land may reduce vehicle miles traveled and related greenhouse gas emissions.

Eligible Applicants

Per California Public Resources Code Section §10212, applicants may include cities, counties, nonprofit organizations, RCDs, regional park or open-space districts or regional park or open-space authorities that have the conservation of farmland among their stated purposes, as prescribed by statute, or as expressed in the entity's locally adopted policies.

Nonprofit 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), as provided by PRC Section §10221.

In most circumstances, the applicant will become the holder of the agricultural conservation easement in perpetuity. However, match funding from additional partners may contribute to the overall strength of an easement proposal. Please note that certain Strategy/ies Grant project applications are expected to be concurrently submitted with a partner ACE grant application.

Application Funding

Up to 10 percent of the GGRF auction proceeds, out of the 20 percent continuously appropriated to the Strategic Growth Council, is allocated for agricultural conservation easement acquisition grants. The actual funding level will not be determined until after the fourth Cap and trade Auction for fiscal year 2016-17.

Easement grants do not have a maximum dollar figure; proposals will be rated relative to one another to maximize conservation outcomes with available funding. The property's risk of conversion to non-agricultural use (please see page 2) and the degree to which the proposal satisfies the selection criteria will be taken into consideration to optimize ACE acquisitions in furtherance of the SALC Program goals and objectives.

In order to leverage the funding available, the SALC Program will require match funding toward the direct easement acquisition cost. The SALC Program may contribute up to seventy-five percent (75%) of the fair market value of ACEs that do not provide a disadvantaged community benefit. The SALC Program may contribute up to ninety percent (90%) of the fair market value of ACEs that result in *direct, meaningful, and assured* benefits to a disadvantaged community. To be considered for this level of match, the applicant must submit evidence of secured match from other funders, and a commitment to use the SALC Program model ACE template.

[14] http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/final_investment_plan.pdf

Match funds may be provided directly by the applicant or from other funding sources (e.g., other grant funds, local government contributions, or donations of ACE value by the landowner). Grant applications may be evaluated, in part, based on the amount of matching funds and in-kind services provided. Committed match must be confirmed within six months of entering into a SALC Program grant agreement. Funds not used under this SALC Program component may be used under the Strategy and Outcome component.

If requested in the grant application, the SALC Program may also provide funds toward eligible associated costs for ACE acquisition, such as appraisal reimbursement, staff and consultants, title policy, and baseline documentation. Please see the Budget section below for more information.

Eligible applicants are not limited in the number of proposals they can submit; however, because the agricultural conservation easement grant application process entails a significant amount of work, applicants are strongly encouraged to contact Department staff to discuss the characteristics of proposed projects prior to completing the application.

For FY 2016-17, there will be one review cycle. Multiple review cycles may occur in future years. Please see the SALC Program web site for additional information.

Eligible Projects

Applications for ACEs on cultivated and non-cultivated land (including rangeland and pasture) will be considered for funding under this program. Each of these agricultural uses may provide opportunities for GHG reduction and co-benefits that complement Sustainable Community efforts. ACE projects located on rangeland and pasture that are selected for funding based on GHG reduction potential and related attributes may be restricted to non-cultivated use. This restriction would be based on factors including the availability of willing sellers, match funding, and eligible applicants. Consistent with PRC Section 10252.5[15], the primary use of the non-cultivated land must be agricultural, and the ACE may not substantially prevent agricultural uses on the property.

<u>Threshold Criteria – Options to Demonstrate Risk of Conversion for Quantification of GHG Benefits</u>

In order to be eligible for funds under the SALC Program, agricultural lands within the proposed ACE must be considered at risk of conversion for purposes of the ARB 2016-17 Quantification Methodology. Applicants must demonstrate that agricultural lands are at risk of conversion using one of the options listed on page 2.

The Department will categorize the risk and quantify the number of development rights to be extinguished based on data provided by applicants. Potential applicants are encouraged to contact the Department should they require assistance in understanding or documenting threshold criteria.

Once meeting threshold criteria, agricultural conservation easement applications are eligible to be considered for grant funding if the following criteria are met (PRC §10251):

- The parcel proposed for conservation is expected to continue to be used for, and is large enough to sustain, commercial agricultural production. The land is also in an area that possesses the necessary market, infrastructure, and agricultural support services, and the surrounding parcel sizes and land uses will support long-term commercial agricultural production.
- The applicable city or county has a general plan that demonstrates a long-term commitment to agricultural land conservation. This commitment shall be reflected in the goals, objectives, policies, and implementation measures of the plan as they relate to the project geographic area within the county or city where the easement acquisition is proposed.

[15] SB 1142 (Wiggins, Chapter 323, Statute of 2009)

- The grant proposal is consistent with the city or county general plan, and the governing body of the city or county, by resolution, approves the grant proposal. (Properties within a city's Sphere of Influence must acquire resolutions of approval from both the county and city).

Ineligible Projects
Projects are considered ineligible if they fail to meet any of the eligibility criteria described above, or if any of the following apply:

- The local government applicant has acquired, or proposes to acquire, the proposed ACE through the use of eminent domain, unless requested by the owner of the land (PRC §10232).
- The proposed ACE would restrict agricultural husbandry practices (as defined in PRC §10218) on the land (PRC §10238). In instances where the ACE project was selected and received match funding based on its non-cultivated status, the land must continue to be primarily agricultural in nature, and the ACE may not substantially prevent agricultural uses (e.g., livestock grazing) on the property.
- The applicant or seller of the ACE do not agree to restrict the use of the land in perpetuity (Civil Code §815.2(b)).
- The proposed ACE is part of a local government's condition placed upon the issuance of an entitlement for use of a specific property (PRC §10243).
- Clear title to the proposed ACE cannot be conveyed (PRC §10264(b)).
- Once entered into a Grant Agreement, the easement acquisition cannot be completed within a two-year timeframe. The two-year timeframe reflects State Contracting Manual requirements.
- The purchase price of the proposed ACE exceeds the appraised fair market value (PRC §10260(a)).
- The ACE appraisal is determined to be unacceptable (PRC §10260). Please see the section on appraisals on the next page.

More detailed information regarding the eligibility and selection criteria is included on pages 28 through 30.

Initial Screening – Pre-proposals
Due to the complex nature of conservation easement transactions, eligible applicants are strongly encouraged to provide the Department with structured summaries of proposed easement projects prior to submission of a formal application. A pre-proposal worksheet for this purpose has been developed and is available on the Department web site.

By providing preliminary title reports and basic information about the potential project, the Department grant managers can assist the applicant in determining whether the property meets the threshold for quantification of GHG benefits, or has title complexities or other issues that should be addressed prior to devoting work to completing a full project proposal.

Eligible applicants are encouraged to contact the Department to discuss the characteristics of potential easement properties, along with any program questions, early in the application process. The deadline for pre-proposal submission for FY 2016-17 projects is June XX, 2017, with full project proposals due August XX, 2017.

General Information Regarding Agricultural Conservation Easement Requirements

Securing an agricultural conservation easement is a complicated transaction. It represents a multi-generational commitment on the part of the farm family and an equivalent commitment by the easement holder to steward the easement in perpetuity. These factors differentiate the application and due diligence process for an ACE from most grant funding opportunities.

PROPERTY VALUATION

Appraisals

A current ACE appraisal will be required for determining the fair market value of the ACE. The appraisal may be submitted with the grant application or, should the application be approved for funding, within five (5) months of the start date of the grant agreement. Applications that are not accompanied by a current appraisal must contain detailed estimates for the anticipated cost of the ACE and material to support the valuation estimate. The Department reserves the right to require that a current ACE appraisal accompany the grant application if, in its sole discretion, it determines that insufficient data is available to support an estimate. If the project is approved, and the appraisal contains an ACE value that is higher than the grant agreement budget, the Department cannot guarantee that SALC Program funds will be available to make up the difference. The applicant should assume that any increases in valuation will need to be covered by a landowner bargain sale (donation) or by other match funders. Any savings that result from valuations that are lower than the budget estimate will be proportioned to the participating funders.

For ACE valuations, the grant applicant selects and retains an independent, certified appraiser to appraise the project property. The appraiser must use the "before and after" method of valuation, calculating the difference between the fair market value and the restricted value as provided in PRC Section §10260. The "before and after" method evaluates the property's market value under two scenarios: first, as the current market value without restriction; and second, as 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 Easements, which is available on the Department web site.

Applicants are encouraged to thoroughly discuss the restrictions and permitted uses of the proposed ACE with the appraiser early in the appraisal process[16]. Major issues such as reserved home sites or other areas that will not be utilized exclusively for agriculture must be confirmed prior to the appraisal and identified in the appraisal, as they will likely affect ACE valuation. Subsequent changes to the proposed ACE's restrictions or permitted uses may necessitate an update to the appraisal.

In no situation shall the ACE purchase price be greater than the appraised fair market value of the agricultural conservation easement, as provided in PRC Section §10260.

The appraisal is subject to review and approval by the Department and the California Department of General Services Real Property Services Section. The grant may fund appraisal costs incurred prior to execution of the Grant Agreement only if the project is approved for funding and if reimbursement for appraisal costs is sought in the grant application. The program will only fund one appraisal per ACE.

If a significant amount of time (6 months or more) transpires between the effective date of the appraisal and the submission of the grant application, applicants may be required to obtain a letter of certification from the appraiser stating that the easement value has not changed since the appraisal was conducted. Grant recipients may be required to obtain an updated appraisal if the effective date is not within 12 months of the escrow closing date. If there is an adjusted valuation, and upon approval of the final appraised value by DGS, the SALC Program may redirect funds within the overall pool of projects approved by the Council, as long as there is no net increase in funds committed to the projects. Any shifts of this kind will require a grant agreement amendment and will be reported to the Council.

Use-Based IRS Deductions

[16] Applicants should advise appraisers and landowners that appraisals may be subject to disclosure under the Public Records Act of 1968 (Chapter 3.5 of Division 7 of Title 1 of the Government Code, commencing with §6250).

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. A "special use valuation" and qualified IRS deduction may affect easement valuation.

EASEMENT DOCUMENTS AND TITLE CONSIDERATIONS

Model Agricultural Conservation Easement

Please note that the Department has developed model ACE language specific to the SALC Program that may be updated periodically. The model easement and related documents are available on the Department web site.

The model easement ensures that all important terms and conditions are described and serves to streamline the approval process. The model easement will be used as a starting point and will be customized as needed to reflect individual property characteristics. Grant applicants should use the model easement when discussing ACE restrictions with landowners and appraisers.

Discussion of the terms and conditions for the proposed ACE with the landowners early in the process will significantly expedite easement negotiation and review, and ensure an accurate appraisal.

Due Diligence / Clear Title

Leases, judgments, ownership anomalies, outstanding property interests, etc., may inhibit the conveyance of clear title. Applicants are expected to exercise due diligence to discover and disclose such potential issues prior to submittal of the application. Within the application, applicants are expected to disclose any title concerns and include a plan for their resolution, should they be awarded grant funding. Disbursement of funds for the purchase of an ACE is contingent upon the Department's determination that title concerns have been resolved, thus allowing funds to be placed into escrow.

Subject to the Department's consideration and the location of property in respect to known or active mineral extraction (e.g., oil and natural gas, aggregate) separated mineral rights may be addressed through:

1. Mineral Remoteness Evaluation with the finding that the likelihood of the separated mineral rights being exercised on the relevant parcel(s) is so remote as to be negligible. This finding is subject to confirmation by the Department's Division of Oil, Gas, and Geothermal Resources and or the Division of Mining Reclamation.
2. Quiet title actions to restrict surface access of mineral rights within the proposed easement boundary in cases where the landowners cannot be identified or are deceased;
3. Quiet title actions setting aside drilling pads to direct the separated mineral right's holders extraction to a specific area.
4. Quiet title actions to remove the separated mineral interests from title.
5. Subordination or remerging of the separated mineral interests to title.

Advance coordination with the Department is highly recommended if there are any separated mineral interests.

Mortgage and Lien Subordination

As part of the easement acquisition process, any liens or other financial encumbrances on the property are required to be subordinated to the terms of the easement. 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. Subordination fees may be eligible for reimbursement if requested in the grant application.

ADDITIONAL REQUIREMENTS AND CONSIDERATIONS

Match Contributions

For most projects, the SALC Program may contribute up to seventy-five percent (75%) of the fair market value of ACEs. For projects that can document *direct, meaningful, and assured* benefits to a disadvantaged community, the SALC Program may contribute up to ninety percent (90%) of the fair market value of an ACE. To be considered for the 90% SALC Program contribution, the applicant must submit evidence of secured match from other funders in the application. All easements funded under the 90% SALC Program contribution must use the SALC Program model ACE template.

Match funds may be provided directly by the applicant, or from other funding sources (e.g., other grant funds, State or local government contributions[17], or donations of easement value by the landowner of the subject property). The 10 percent and 25 percent ACE match amounts are a requirement of the SALC Program. Larger match proportions may make individual projects more competitive. Up to fifty percent (50%) of stewardship endowment contributions may be applied as a component of a the overall match for a project under the SALC Program.[18]

The SALC Program will also provide funds toward associated costs for easement acquisition, such as appraisal reimbursement, staff and consults, and real estate document charges. Please see the budget section for more information. Grant applications will be evaluated, in part, based on the amount of matching funds and in-kind services provided.

Stewardship Fund

The total cost of the ACE acquisition includes funds dedicated solely for the long-term stewardship of that ACE. For agricultural conservation easements, stewardship typically includes the cost of annual monitoring and evaluation of easement threats. A portion of these funds is typically provided by the landowner as part of the overall match contribution. SALC Program funds cannot be used toward the Stewardship Fund.

Within the Grant Agreement, grantees will certify their ability to effectively manage, account for, and annually report on those stewardship funds, whether pooled for all easements or held in separate accounts for individual easements conveyed through the Grant Agreement. In the Budget, grant applicants should include a stewardship amount that has been calculated to include a principle amount that, when managed and invested, is reasonably anticipated to cover the annual stewardship costs of the property in perpetuity. The stewardship fund amount will be subject to review and approval by the Department, and may be different from the original budgeted amount concurrent with any changes to final easement configuration or property valuation.

ACE Monitoring

Regular monitoring of properties under easement is necessary to ensure compliance with the terms of the easement. The Department requires an annual report from the holder of the easement certifying that the conditions of the easement are being upheld. The monitoring component of the application, not to exceed three pages, describes how the proposed ACE will be monitored following its recordation. The components of the monitoring plan are discussed in more detail later in the Guidelines.

Additional Conservation Values and Co-benefits

In order to maintain agricultural viability and protect the flexibility required to maintain permanent agriculture, the legislature prohibited restrictions on agricultural husbandry practices within Department-funded easements (PRC

[17] State or local government contributions may include, but are not limited to, general fund monies and fees collected as a result of agricultural land mitigation or other open-space mitigation programs. These contributions may be used provided that they do not violate PRC § 10243, nor place limits on agricultural land use.

[18] PRC § 10233(a).

§10238). ACEs funded by the Department also specify that any subsequent easements layered over the ACE may not restrict agricultural husbandry practices or otherwise conflict with Department-funded easements in order to maintain maximum agricultural viability.

In 2009, the Legislature clarified that on non-cultivated rangeland and pasture, the Department may participate in funding ACEs with restrictions that would require the land to be maintained in an uncultivated state. This legislation, SB 1142 (Wiggins, Chapter 323, Statutes of 2009), describes the circumstances under which such restrictions can apply, including that the primary use of the land is agricultural, that the ACE may not substantially prevent agricultural uses on the property, and that any nonagricultural qualities that will be protected by the ACE are inherent to the easement property. Husbandry practices on any cultivated lands within these ACEs may not be restricted.

Some portions of properties may provide an opportunity to protect additional nonagricultural resource values, such as riparian habitat. Applicants may specify if portions of a proposed easement meet this criteria and note the other funders that may participate in protection of the overall property.

In addition to the values described above, ACEs may represent other co-benefits that further AB 32 goals. Examples of these co-benefits include participation in land, water, or energy management programs that sequester carbon or reduce the overall GHG footprint of the agricultural operation.

Potential Publicity

Applicants are encouraged to inform landowners that a successful grant application may result in publicity. During the application evaluation and easement negotiation phases, documents associated with each project will be treated as confidential in accord with the requirements of the California Public Records Act.

Because public funds are used to secure easements under this program—or any similar government program—the landowner's name and the amount of the grant are public records that may be publicly disclosed after completion of the ACE, in accordance with the Public Records Act.

Eligibility and Selection Criteria for Agricultural Conservation Easements

Eligibility for funding under this program is based on the Department's California Farmland Conservancy Program statute, as well as the GHG reduction threshold requirement associated with use of Greenhouse Gas Reduction Funds. Selection criteria are also based on California Farmland Conservancy Program statute, with additional factors pertinent to funding under the SALC Program. These criteria are found on the following two pages.

While multiple applications may meet the basic eligibility criteria, each property is different, and each potential ACE will have strengths and weaknesses. Some proposals may be more appropriate for funding based on how well they meet the selection criteria relative to applications received at the same time.

Projects will be evaluated and selected based on their overall characteristics, taking into consideration the goals and objectives for the SALC Program and the extent to which the proposed project satisfies the selection criteria. In evaluating projects, the State may also consider factors including, but not limited to, geographic distribution of funds, partial funding, and alternate projects in the event that any of the recommended projects is withdrawn.

Grant Application Review Process

Pre-proposals and applications received by the Department will be assigned a grant manager, who will provide confirmation that the material has been received. The grant manager will work with applicants to review eligibility and obtain any additional information necessary to enable a complete review of the ACE property's characteristics. Particularly due to title complexities, applicants are strongly advised to contact the Department early in the process to discuss potential issues related to a proposed project. Use of the pre-proposal form will assist potential applicants and the Department by identifying properties that require additional due diligence work to ensure that the title is clean, after which they may be competitive for funding.

The grant manager will contact the applicant in order to schedule a site visit of the property. This may occur at the pre-proposal or full application stage, depending on the level of complexity of the project. Grant applicants will make arrangements for a tour of the property, which must be attended by a representative of the applicant and by the property owner or property owner representative.

The assigned grant manager will visit the site and clarify any outstanding questions. All pre-proposals and applications will be reviewed by the Department's agricultural conservation easement grant managers and easement acquisition program manager as part of a team review evaluation of eligibility and selection criteria. Project summaries and briefings to Department legal and management staff, as well as the Department Director will be undertaken. An Interagency Committee consisting of the Natural Resources Agency, Department of Food and Agriculture, CalEPA, the Strategic Growth Council, and the Department will participate in a summarized review of projects relative to their ability to meet the eligibility and selection criteria. All eligible proposals will be reviewed utilizing the factors above. Project evaluation will be qualitative relative to the pool ofapplications. . The proposals determined to meet all of the eligibility criteria, provide the most conservation value and be most consistent with the selection criteria will be brought forward to the Council to be recommended for funding.

Once applications are deemed eligible, they will be ranked into four groups based on title constraints, project readiness and the ability to meet selection criteria. Applications are grouped as follows:

- A = project ready; meets the majority of selection criteria.
- B = project feasible but requires resolution of specific issues; meets the majority of selection criteria.
- C = larger potential issue/resolution concerns.
- D = project not ready or unsuitable for the fund source.

Project funding will be allocated to those ranked within group A first, and if any funding remains group B will be considered for funding, followed by group C. Several alternate projects may be selected based on their group placement.

In accordance with ARB's Funding Guidelines regarding public access and transparency, a summary of each project application, the Greenhouse Gas Reduction Funding request, and disadvantaged community status will be posted at least ten days before the Council makes project awards.

Agricultural Conservation Easement Eligibility Criteria ***Description and Code Citations***[19]
• The project demonstrates that it will achieve a reduction in GHG emissions via the threshold criteria for risk of conversion under the SALC Program. This criteria is consistent with the CFCP statute, which requires that without conservation, the land proposed for protection is likely to be converted to nonagricultural use in the foreseeable future. (PRC §10251 (c)) • The parcel proposed for conservation is expected to continue to be used for, and is large enough to sustain, commercial agricultural production. It is in an area that possesses the necessary market, infrastructure, and agricultural support services, and the surrounding parcel sizes and land uses will support long-term commercial agricultural production. (PRC §10251 (a)) • The city or county has a general plan that demonstrates a long-term commitment to agricultural land conservation. This commitment shall be reflected in the goals, objectives, policies, and implementation measures of the plan, as they relate to the area of the county or city where the easement is proposed. (PRC §10251 (b), 10244) • The proposal is consistent with the city or county general plan, and the governing body of the city or county, by resolution, approves the proposal. (PRC §10255 (b)) • The local government applicant has not acquired, or proposed to acquire, the agricultural conservation easement through the use of eminent domain, unless requested by the owner of the land. (PRC §10232) • The proposed agricultural conservation easement would not restrict agricultural husbandry practices on the land (PRC §10218 and PRC §10238). In instances where the proposed project is on non-cultivated land, the land must continue to be primarily agricultural in nature, and the agricultural conservation easement may not substantially prevent agricultural uses on the property. See additional discussion on page 22. • The applicant and seller of the agricultural conservation easement agree to restrict the use of the land in perpetuity. (PRC §10237) • The proposed easement is not part of a local government's condition placed upon the issuance of an entitlement for use of a specific property. (PRC §10243) • Clear title to the agricultural conservation easement can be conveyed. (PRC §10264 (b)) • The total purchase price of the easement does not exceed its appraised fair market value. (PRC §10260 (a)) • The easement appraisal complies with the Department's published "Overview and Preparation of Agricultural Conservation Easement Appraisals". The appraisal will be reviewed by the Department and the Department of General Services. (PRC §10260) • The ACE acquisition can be completed within a 2 year time-frame. (State Administrative Manual)

[19] Public Resources Code (PRC) for the California Farmland Conservancy Program.

Agricultural Conservation Easement Selection Criteria ***Grant applications will be evaluated based on the overall value of the project, as determined by the extent to which they satisfy the following characteristics:***
- The property's size is typical of agricultural operations in the vicinity, and is surrounded by other parcels with sizes and land uses likely to support long-term commercial agricultural production. - The size of the parcel or parcels comprising the property are above their current minimum zoning. - The property is in active agricultural production, including cultivated and non-cultivated agriculture (e.g., rangeland and pasture). - The property is in strategic proximity to other permanently protected property (e.g., other agricultural conservation easements, habitat conservation easements, or other fee-title protection). - The agricultural conservation easement would act as a community separator or green-belt, or is located near a city Sphere of Influence. - The property has adequate water availability and water quality for agricultural purposes, and has no known agricultural constraints due to soil or water contamination. - The nature and extent of structural improvements are in proportion to the agricultural operation. - Protection of the property will enhance the opportunity for protecting neighboring agricultural properties or will be a part of a larger, comprehensive permanent protection plan. - The property provides additional conservation values or co-benefits (e.g., open space, viewshed, habitat, riparian corridor, carbon sequestration potential via management practices, etc.). - The project is cost effective relative to the GHG benefits that are anticipated to accrue from its completion. - The proposal shows wide support as evidenced by the overall level of match funding contributions. - The proposal demonstrates an innovative approach to agricultural land conservation with a potential for wide application in the State. - The price of the proposed acquisition is cost-effective in comparison to the fair market value. - The applicant is eligible to hold agricultural conservation easements and has the technical and fiscal capacity to secure and steward the easement.

Response Time
For FY 1016-17, final SALC Program agricultural conservation easement project applications are due on August XX, 2017 with recommendations tentatively anticipated to be provided to the Council for discussion and approval at its meeting on December 5, 2017.

If the application remains incomplete or the property requires additional work to ensure clean title, Department grant managers will hold the file for the next review cycle. However, a revised application, including documentation of any status changes, must be provided. All applications must meet the threshold criteria, and any future review will be evaluated relative to projects being evaluated during that review cycle. Please note that extended timing may become an issue if appraisals have been completed but other aspects of the application are incomplete. Early consultation with the Department staff regarding proposed applications is strongly encouraged to achieve the most efficient review process possible.

Approved Agricultural Conservation Easement Projects
Upon receiving tentative approval by the Council, each ACE proposal will be formalized with a Grant Agreement between the applicant and the Department of Conservation. Grant Agreements are based on a standard State format and have a maximum duration of two years from the time of the Grant Agreement signature to completion of the easement acquisition. In most instances, the grant manager assigned at the proposal stage will also manage the Grant Agreement.

Appraisal and Match Funds Related Budget Changes
The process of securing a permanent conservation easement is detailed and may take up to two years. During the course of easement project review and the grant agreement term, multiple factors may affect either the appraised value of an easement or the amount of match funding that is secured by the applicant/grantee. Changes of this type may increase or decrease the amount of funds required to purchase the ACE. Most valuation changes occur because an appraisal requires updating due to its age (older than one year). The updated appraisal would use the most recent property sale comparables. While in many cases there is no change, should the value fluctuate due to an updated appraisal, the match share that each funder would provide toward the easement acquisition would adjust in kind.

All final appraisals are reviewed by the Department of General Services Real Property Services to ensure that the appraised fair market value and facts that support the value are acceptable. If there is an adjusted valuation, and upon approval of the final appraised value by the Department of General Services, the SALC Program may redirect funds within the overall pool of projects approved by the Council, as long as there is no net increase in funds committed to the projects. Any shifts of this kind will require a grant agreement amendment and will be reported to the Council.

The Agricultural Conservation Easement Application

This section provides additional information regarding the components of the Grant Application form. Application Form Components:

Agricultural Conservation Easement Applications	
Required Components:	**Additional Components and Certifications:** ***These supporting documents are required if applicable****
o Easement Grant Application Checklist o Easement Grant Application Cover Sheet o Executive Summary (1 page maximum) o Budget o Easement Acquisition Summary Sheet o Risk of Conversion Summary Sheet and Supporting Evidence o Detailed Characteristics of the Proposed Easement (6 pages maximum) o Documentation of Public Notice o Preliminary Title Report and Assessor's Parcel Map o Appraisal o Landowner Letter of Support o Conflict of Interest Certification and Easement Amendment Policies o Easement Monitoring Plan (3 page maximum)	o Disadvantaged Communities Benefits Checklist o Relevant Portions of the County General Plan o Documentation of Organizational Eligibility (documents differ for nonprofit and governmental applicants) o Letters of Support from Partners o Accreditation documents o Project Geographic Area Map showing parcel boundaries, nearest Sphere of Influence, and Protected Lands o Implementation Schedule (approved proposals will require this as part of the Grant Agreement process) ***Applicant will provide current documents and/or certify that documents on file with the Department are current.**

REQUIRED COMPONENTS

Easement Grant Application Checklist and Cover Sheet

These pages provide the applicant's contact information and a checklist to ensure all components of the application are attached.

Executive Summary

This section, not to exceed one page, should provide a brief but thorough description of the proposed project and its scope (agricultural land quality, project geographic area, size, and type of agricultural use). It should explain the development pressure impacting the surrounding area, which will be used to quantify the GHG reductions expected from the project. Please also include any information regarding the landowner's need to meet any critical deadlines for concluding the transaction.

Budget

This section should identify the total estimated project costs using the budget table provided in the form. The total estimated cost should be broken down to clearly delineate funds being requested from this program and other commitments in the form of outside funding or donations. Associated staff costs directly related to the easement acquisition may be eligible for reimbursement if the costs:

- Are approved as part of the application.
- Were incurred after the submission of a complete application and no more than 180 days before the execution of the Grant Agreement.
- Occur during the time period of the written Grant Agreement.
- Include rates comparable to those of similar expertise in the applicable professions.

Subcontractors identified by the applicant should be listed in the proposed budget, along with the subcontractors' rates. After the grant application is approved, addition or identification of subcontractors requires documentation of a competitive bid process. The bid process and reasonableness of any changes are subject to the Department review. Please see Section 4 for more information regarding grant administration. Eligible and ineligible costs toward project completion are shown on the following page.

Easement Acquisition Summary Sheet

The easement acquisition summary sheet describes the property and its characteristics within a standardized tabular format. Information regarding the ownership structure, number of legal parcels, water sources, mineral rights, and the existing and proposed infrastructure of the property (home sites, farm labor housing, etc.) is entered on the form.

Threshold Criteria – Risk of Conversion Summary Sheet

The threshold criteria summary sheet describes which land use conversion risks are applicable to the property and the nature of substantiating documentation that is being provided. Substantiating documentation is provided as an appendix to the application.

Detailed Characteristics of the Proposed Easement

This section is used to explain attributes of the proposed ACE project, any potential co-benefits of the project, the applicant's capabilities, and local government agricultural land policies that are relevant to the goals of the SALC Program. It is formatted as a sequenced series of questions. This section should not exceed six pages.

Eligible Costs include, but are not necessarily limited to:	Ineligible Costs include, but are not necessarily limited to:
• Easement purchase price. Please see page 24 for more information regarding appraisals. • Reasonable costs associated with the acquisition, including but not limited to applicant staff time for easement negotiations, technical and legal consulting, appraisal, preliminary title report, baseline conditions report, escrow fees, and title insurance fees. Payment of these costs are subject to Department review and shall not exceed ten percent (10%) of the value of the easement for which the costs were incurred (PRC §10231).	• Indirect overhead costs • 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. • Stewardship or legal defense funds

Documentation of Public Notice and Local Government Resolution of Support

Before an application for an easement acquisition grant can be approved, the applicant must provide public notice to parties reasonably likely to be interested in the property (PRC §10254). This includes written notice to adjacent property owners, a more generalized public notice, and notice to the local government indicating the applicant's intent to apply for a grant to acquire an agricultural conservation easement. Applicants need to follow one of two tracks shown in the flowchart on page 36 in order to satisfy statutory public and local government notice requirements. The track that is chosen—Option A or Option B—will determine the order and timing of the documentation requirements for the Grant Application.

The two most common forms of public notification are a notice provided in a newspaper of general circulation in the area, or documented public notice made prior to local governmental meetings where resolutions of support are

passed. Please note that the names of landowners whose property is being considered for an ACE are not released to the public as part of this process. The applicant is the contact listed in these notifications.

The timing of public and neighboring landowner notice is important. Written notice to adjacent landowners must occur no less than 30 days prior to the expected date of the local government's consideration of the resolution of support. Notice to the county or city shall occur no less than 30 days before the applicant submits a grant application (PRC §10254). Because of the importance of notification timelines, applicants are encouraged to work with Department staff to ensure that the process is completed in the correct order.

The governing body of the county or city in which the property is located must certify that the proposed easement meets the eligibility criteria set forth in PRC §10251 and that the easement proposal has been approved by the governing body (PRC §10255(b)). A sample resolution of support is available on the Department web site. Resolutions for ACEs funded under this program should substantially conform to the sample form.

If the property lies within the Sphere of Influence of an incorporated city, both the city and county must pass resolutions of support (PRC §10255(c)).

The resolution(s) of support must be provided before SALC Program funds are put into escrow.

Agricultural Conservation Easement Public Notice Requirements and Public Resources Code Citations				
Local government notice	30 days	prior to	Application	PRC §10254(b)
Public notice		prior to	Funding Decision	PRC §10254
Neighboring landowner notice	30 days	prior to	Resolution of support	PRC §10254(a)
Resolution of support		prior to	Grant disbursement	PRC §10255(b)

OPTION A	OPTION B
Neighboring Landowner Notification (at least 30 days prior to) ⇩ **Local Government Resolution of Support** ☑ Request for resolution provides local government notice ☑ BOS agenda provides public notice ⇩ **Grant Application Submission** (at least 30 days after local government notice) ⇩ **Department/Council Funding Decision** (at least 30 days after public notice) ⇩ **Department issues Funds to Escrow**	**Local Government Notice** ☑ Letter to Planning Director (at least 30 days prior to) ⇩ **Grant Application Submission** ⇩ **Public Notice** ☑ Newspaper published notice OR ☑ BOS agenda provides public notice (at any point prior to funding decision) ⇩ **Department/Council Final Funding Decision** ⇩ **Neighboring Landowner Notification** (at least 30 days prior to) ⇩ **Local Government Resolution of Support** ⇩ **Department issues Funds to Escrow**

Preliminary Title Report, Assessor's Parcel Map(s), and Appraisal
These required documents are critical in evaluating the suitability of a property for an agricultural conservation easement. Resolution of outstanding title issues in order to obtain clear title can be time consuming for the applicant and the landowner. Similarly, an accurate appraisal ensures both the landowner and the Department that fair market value will be paid for the easement.

Landowner Letter of Support
The applicant must provide a letter from the landowner(s) stating their support for proceeding with the easement. The landowner states their intent to work with the applicant to secure the easement.

Conflict of Interest Certification and Easement Amendment Policies
These two documents are important for transparency and to ensure that the applicant's Board of Directors has considered the circumstances under which they would consider allowing any future amendments to easements. Include a board-approved copy of the applicant's easement amendment policies.

Nonprofit applicants must provide certification that no conflict of interest or appearance of conflict of interest exists for any members of their Board of Directors or Staff as it relates to the proposed ACE. In their evaluation of potential conflicts of interest, land trust applicants are encouraged to consider the Land Trust Alliance sample conflict of interest policies.[20] The Department provides sample conflict of interest certification forms on its web site.

Easement Monitoring Plan
Because conservation easements are perpetual in nature, monitoring is important to ensure compliance with the terms of the easement. The applicant, who will become the easement holder, must submit a plan that describes how the ACE will be monitored following its recordation. The plan, up to three pages in length, must address all of the following:

- The plan for compiling a baseline conditions report. This report must be provided to the Department at the close of escrow and is the basis for future condition comparisons.
- The process and frequency of monitoring.
- Who will be responsible for monitoring on behalf of the applicant.
- How monitoring documents will be archived.
- How the Stewardship Fund budget reflects the costs of monitoring, necessary enforcement, and management plan for maintaining the fund in perpetuity.

ADDITIONAL COMPONENTS AND CERTIFICATIONS

Disadvantaged Communities Benefits Checklist
This checklist is to be used by applicants claiming to provide a benefit to a disadvantaged community. Benefits must address a common need to a disadvantaged community. To determine community needs, agencies or applicants can use a variety of approaches such as:

- Considering the factors in CalEnviroScreen that caused an area to be defined as a disadvantaged community;
- Hosting community meetings to solicit local input from a disadvantaged community;

[20] Available at: http://www.landtrustalliance.org/node/143

- Referring to the list of common needs in Table 2-2 as outlined in ARB's Funding Guidelines[21];
- Receiving documentation of Disadvantage Commnity support (e.g., letters or emails).

The chosen approach must be identified on the checklist and accompanied by supporting documentation that a disadvantaged community need is being met.

Disadvantaged community status does not affect eligibility. Applications for agricultural conservation easements providing benefits to disadvantaged communities will be eligible for ten percent (10%) match, the lowest required match funding proportion available under the program, assuming all other eligibility and selection criteria can be attained.

Relevant Portions of County General Plan

Documentation of local government goals, objectives, policies, and implementation measures that support a long-term commitment to agriculture and agricultural land conservation is required under PRC §10251(b).
To meet the requirements, applicants may attach the current version of these documents or state on the Easement Grant Application Checklist the adoption date(s) of these policies along with internet links to them.

Documentation of Organizational Eligibility

The Department requires documentation of Internal Revenue Service 501(c)3 status for nonprofit applicants, along with the organization's Articles of Incorporation and By Laws documenting the principal charitable or public purposes of the nonprofit organization, a statement describing the organization's goals and purposes, a description of the beneficiaries of the organization's programs, and a statement describing the organization's commitment to conservation of agricultural land resources.
Applicants who have previously submitted these documents to the Department may certify that the existing documents remain current or submit updated documents with the application.

Letters of Support from Partners

While optional unless requested by the Department, applicants frequently submit letters of support from local officials, agricultural groups, conservation organizations, or other entities with an interest in conserving farmland through agricultural conservation easements.

Accreditation Documents

Applicants may submit documentation of fiscal and professional expertise to demonstrate their technical capacity to hold permanent agricultural conservation easements. This may take the form of Land Trust Alliance Accreditation or similar certifications.

Project Geographic Area Map

In addition to the required assessor's parcel map(s), applicants may submit maps depicting the proposed easement parcel boundaries relative to Important Farmland data, nearest Sphere of Influence, priority planning areas, and other protected lands in the vicinity. The Department will evaluate proposals with publicly accessible GIS data;

[21] Funding Guidelines for Agencies that Administer California Climate Investments, Ch. V, p.2-13-15; p 2.A-14, Appendix 2.A

therefore, if the applicant can document additional conserved lands or resource values that support the proposal, they are encouraged to provide supplemental maps.

Please note that detailed maps regarding property infrastructure, such as home sites, farm buildings, farm labor housing, and future building envelopes, must be developed for inclusion in the easement exhibits and baseline conditions report for any application selected for funding under this program.

Implementation Schedule

This section is used to explain the timeline and anticipated completion date for the easement acquisition, as well as any issues on which the timing will hinge, including the timeframe of a willing seller to complete a transaction. Please use the Easement Project Implementation Schedule provided in the Application Form, and attach any necessary explanation, not to exceed one page.

While the Easement Project Implementation Schedule is optional for the application phase, it will be required for the Grant Agreement should the project be selected for funding.

Section 4: Grant Administration

These grant administration Guidelines apply to both SALC Program components unless noted. They are for general information and are subject to change.

OVERVIEW OF THE PROCESS AFTER GRANTS ARE AWARDED

Steps in Executing the Grant Agreement

1. State sends grant agreement and materials to grantee.
2. Grantee must submit all supporting materials and a signed agreement within twelve (12) months of the announcement or risk forfeiting the grant award.
3. 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 participates in an orientation meeting (via phone) with the grant manager prior to commencing work.
2. Grantee commences work and submits requests for reimbursements, as applicable. Strategy/ies grantees will be subject to the administrative requirement regarding funds reimbursement (see page 7)
3. Grantee submits quarterly progress reports for review via electronic file and signed original document. The Department will submit project profiles[22] and progress reports to the ARB. This information will be used in ARB's annual report to the Legislature.
4. Grantee may be asked to attend a future Strategic Growth Council meeting to discuss the merits of the grant project.
5. Grantee must submit a project closeout report upon completion of the award agreement in order to receive its final payment. The State may withhold ten percent (10%) of Strategy/ies grant project costs or the associated costs for agricultural conservation easements to ensure that final reports and documentation have been received.
6. All agricultural conservation easements require post-project annual reports certifying that the conditions of the easement 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 of Conservation and the grantee. Only those actual and direct project-related costs incurred during the approved term of the Grant Agreement and as specified in the Grant Agreement budget will be eligible for payment. All costs must be supported by appropriate invoices, purchase orders, canceled warrants/checks, and other approved documents.

For Agricultural Land Conservation Strategy and Outcome Grants, work done prior to a fully executed Grant Agreement will not be funded.

> *Due to the need to ensure that Greenhouse Gas Reduction Funds result in demonstrable reductions in GHGs, payments will only be made upon completion of the deliverables.*

[22] Profile will include a unique identifier, project type and desription, project geographic area, budget information, project dates, estimated GHG benefits and any co-benefits, and if applicable, data on disadvantaged communities benefits.

Projects must demonstrate an outcome that protects agricultural lands from conversion and results in an identifiable GHG reduction. This means that, depending on the specific Strategy that is being proposed, the requirement for reimbursement will fall into one of two categories, reimbursement after completion, or reimbursement concurrent with a SALC Program approved ACE that is under an executed grant agreement.

Funds for the purchase of agricultural conservation easements will be deposited into an escrow account established with a title insurance company licensed by the California Bureau of Real Estate for disbursement of funds and recordation of the easement. All other match funds being used to complete the easement purchase must be deposited into the escrow account concurrent with funds from this program. At close of escrow, the title insurance company must be able to insure title to the interest being recorded. Associated costs for purchase of an easement (direct acquisition funds as identified in the Grant Agreement) will be paid on a reimbursement basis, after escrow has closed and all final documents have been received.

Accounting of Grant Funds

It is essential that complete and accurate records be maintained. Grant recipients must maintain an accounting and record keeping system that reflects sound fiscal controls and safeguards. The accounting information must be sufficient so that the total cost of each aspect of the project can be readily determined and records are readily available upon demand. Grant recipients must retain all grant transaction records for a period of three years after final payment is made by the State. (Note: This does not limit requirements for permanent record-keeping of all conservation easement, baseline report, and monitoring-related documents.)

Accounting of Stewardship Funds—Agricultural Conservation Easements

Each recipient of a grant for purchase of a conservation easement will be required to certify that, as the stewardship fund holder, it uses accepted accounting practices as promulgated by either the Financial Accounting Standards Board or any successor entity for nonprofit organizations, or the Governmental Accounting Standards Board or any successor entity for public agencies, to the extent those practices do not conflict with any requirement for special districts in statute for local government financial affairs.

Auditing of Fund Expenditures

All expenditures of public funds under this program are subject to audit by the State of California. All grant recipients shall maintain books, records, documents and other evidence sufficient to properly reflect the amount, receipt, and disposition of all project funds (including State funds, interest earned, and matching funds by the grant recipient) and the total cost of the project.

ORGANIZATIONAL CONSIDERATIONS

Subcontractors and Purchasing

Grant recipients (grantees) may make use of their own staff and such subcontractor(s) as are mutually acceptable to the grantee and the Department of Conservation (Department). Grantees are expected to adhere to the jurisdiction's or organization's 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. All subcontractors are governed by and must adhere to all provisions of the Grant Agreement.

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.

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 and posted on the Department web site. 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.

Materials and Publicity
Any publicity surrounding a grant or agricultural conservation easement funded under this program should be discussed with the Department in advance. The landowners of properties placed under an agricultural conservation easement should understand that their names may become public as the result of publicity events, news articles, or requests for public records. Coordination between the grantee, the Department, and other funders on any publicity is greatly appreciated.

Successful applicants for Agricultural Land Strategy and Outcome Grants will be informed of requirements regarding publicity during their orientation meeting with the grant manager.

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 obtain a Grant Agreement.
- Grantee withdraws from the grant program.
- Grantee fails to complete the funded work.
- 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 program 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 A – 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 Easements (ACE): A voluntary, legally recorded deed restriction in perpetuity, as defined in Section 815.1 of the Civil Code. The ACE 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 ACE remains in effect even when land changes ownership and maintains the land in private ownership and on the tax rolls. The ACE 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.

Applicant: An eligible organization requesting funding from this program to be administered by the State. Eligible applicants for the Strategic Agricultural Lands Strategy Grants are cities and counties. Partners to the Strategic Agricultural Lands Strategy Grants may include nonprofit organizations, resource conservation districts, or a regional park or open-space district or regional park or open-space authority. Eligible applicants for the Agricultural Conservation Easement Grants include local governments, nonprofit organizations, resource conservation districts, or a regional park or open-space district or regional park or open-space authority that have the conservation of farmland among its stated purposes, as prescribed by statute, or as expressed in the entity's locally adopted policies.

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.

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

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

Disadvantaged community: A community that ranks among the highest in combined burdens and vulnerabilities from pollution, other environmental factors and population characteristics. Funding for grants, investments, cleanup efforts, and enforcement actions are targeted to the State's most disadvantaged communities. The CalEPA and the Office of Environmental Health Hazard Assessment (OEHHA) developed the CalEnviroScreen tool to analyze multiple environmental and socioeconomic factors to create scores for each ZIP code in the State. The 2014 release of CalEnviroScreen 2.0 is based on census tract data.

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. Accompanying legislation, SB 862, apportions twenty percent (20%) of the GGRF's proceeds on an annual basis to the AHSC program 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 State and grantee specifying the payment of funds by the State 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, as outlined in State Contracting Manual Guidelines.

Grantee: An applicant that has a 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.

Highway: The SALC Program will rely on CalTrans definitions of a major highway, arterial highway, and intersection. CalTrans defines a major highway as an arterial highway with intersections at grade and direct access to abutting property and on which geometric design and traffic control measures are used to expedite the safe movement of through traffic. Arterial highway is a general term denoting a highway primarily for through traffic usually in a continuous route. For the purposes of SALC, major highway includes, but is not limited to, freeways. Appropriate traffic control measures for a highway to be considered major include traffic signals and dedicated turn lanes; a traffic sign (i.e. stop sign) alone is not sufficient. Multiple lanes in a single direction would also qualify a highway as major. An intersection is the general area where two or more roadways join or cross, within which are included roadside facilities for traffic movements in that area. See www.dot.ca.gov/hq/oppd/hdm/pdf/chp0060.pdf.

Infrastructure: Specific to the SALC Program, 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 Program, land trusts eligible to hold agricultural conservation easements must have among their purposes the conservation of agricultural lands.

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, but not limited to 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.

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 the SALC Program, the physical geographic extent of an area that is assessed for estimating the GHG emission reductions at the application stage; only agricultural lands within the project geographic area determined to be at risk of conversion are considered when quantifiying the GHG benefit. Also referred to as a project geographic boundary.

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.

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 Program, State is a general term including the Strategic Growth Council, Department of Conservation, and the Natural Resources Agency or its representatives.

State 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:
> (1) Uses land efficiently.
> (2) Is built adjacent to existing developed areas to the extent consistent with the priorities specified pursuant to subdivision (b).
> (3) Is located in an area appropriately planned for growth.
> (4) Is served by adequate transportation and other essential utilities and services.
> (5) Minimizes ongoing costs to taxpayers.[23]

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.

[23] (Amended (as added by Stats. 2002, Ch. 1016) by Stats. 2002, Ch. 1109, Sec. 1. Effective January 1, 2003.)

APPENDIX B – Online Resources

Legislation	
AB 32: California Global Warming Solutions Act of 2006 http://www.leginfo.ca.gov/pub/05-06/bill/asm/ab_0001-0050/ab_32_bill_20060927_chaptered.pdf	**State Planning Priorities** (Government Code 65041.1) http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV&sectionNum=65041.1
SB 375: Regional greenhouse gas emission reduction targets http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=200720080SB375	**SB 226: CEQA Streamlining Opportunities** http://leginfo.ca.gov/pub/11-12/bill/sen/sb_0201-0250/sb_226_bill_20111004_chaptered.html
SB 732: Strategic Growth Council Statute http://www.leginfo.ca.gov/pub/07-08/bill/sen/sb_0701-0750/sb_732_bill_20080930_chaptered.pdf	**Senate Bill 535 (De León, Chapter 830, Statutes of 2012)** Investments to Benefit Disadvantaged Communities http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201120120SB535&search_keywords

State Planning Documents	
Air Quality and Climate	
State Implementation Plans Air Resources Board http://www.arb.ca.gov/planning/sip/sip.htm	**California Climate Adaption Planning Guide** Natural Resources Agency http://resources.ca.gov/climate/safeguarding/local-action/
AB 32 Scoping Plan Air Resources Board http://www.arb.ca.gov/cc/scopingplan/scopingplan.htm	**Climate Adaptation Strategy** Natural Resources Agency http://www.climatechange.ca.gov/adaptation/index.html
SB 375 Implementation Air Resources Board http://www.arb.ca.gov/cc/sb375/sb375.htm	**Long Term Energy Efficiency Strategic Plan** California Public Utilities Commission http://www.green-technology.org/gcsummit/images/Current-Priorities.pdf
Cap-and-Trade Auction Proceeds Investment Plan CalEPA/GO/Legislature http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/auctionproceeds.htm	**Vision for clean air: A framework for air quality and climate planning** Air Resources Board http://www.arb.ca.gov/planning/vision/vision.htm

Datasets and Databases including Geographical Information System Layers	
Farmland Mapping and Monitoring Program Department of Conservation http://www.consrv.ca.gov/DLRP/fmmp/Pages/index.aspx	**Healthy Communities Data and Indicators Project** Department of Public Health http://www.cdph.ca.gov/programs/Pages/HealthyCommunityIndicators.aspx
National Conservation Easement Database U.S. Endowment for Forestry and Communities http://nced.conservationregistry.org/	**Natural Community Conservation Plans Map** Department of Fish and Wildlife https://nrm.dfg.ca.gov/FileHandler.ashx?DocumentID=68626&inline **Riparian Habitat Conservation Program** https://www.wcb.ca.gov/Programs/Riparian
California Protected Areas Database Strategic Growth Council http://www.calands.org/data	**Geoportal Public Access** Department of Technology http://portal.gis.ca.gov/geoportal/catalog/main/home.page
California Conservation Easement Database Strategic Growth Council http://www.calands.org/cced	**GHG Emission Inventory – Query Tool for 2000-2012** CAL EPA http://www.arb.ca.gov/app/ghg/2000_2012/ghg_sector.php

Land Conservation and Technical Assistance Programs	
California Council of Land Trusts http://www.calandtrusts.org/	**California Resource Conservation Districts** Department of Conservation http://www.conservation.ca.gov/dlrp/RCD/Pages/Index.aspx
California Farmland Conservancy Program Department of Conservation http://www.conservation.ca.gov/dlrp/cfcp/Pages/Index.aspx	**California State Conservancies** Natural Resources Agency http://resources.ca.gov/offices/
Habitat Conservation Planning Programs Department of Fish and Wildlife https://www.wildlife.ca.gov/Explore/Organization/HCPB	**Environmental Quality Incentive Program-NRCS** United States Department of Agriculture http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/eqip/

Agriculture	
California Climate Change Portal Department of Food and Agriculture http://www.cdfa.ca.gov/environmentalstewardship/climate.html Climate Change Consortium for Specialty Crops: Impacts and Strategies for Resilience http://www.cdfa.ca.gov/environmentalstewardship/pdfs/ccc-report.pdf	**California Farm Bureau Federation** http://www.cfbf.com/
California Climate and Agriculture Network http://calclimateag.org/	**Land Conservation Act (Williamson Act)** Department of Conservation http://www.consrv.ca.gov/dlrp/lca/Pages/Index.aspx
Farmland Studies and Reports American Farmland Trust https://www.farmland.org/publications	**Agricultural Conservation Easement Program-NRCS** United States Department of Agriculture http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/easements/acep/

Land Use	
California Environmental Quality Act (CEQA) Guidelines Office of Planning & Research http://opr.ca.gov/s_ceqaguidelines.php	**Land Use, General Plans, and Disadvantaged Communities Technical Advisory** Office of Planning & Research http://opr.ca.gov/docs/SB244_Technical_Advisory.pdf
Guidelines for Classification and Designation of Mineral Lands Department of Conservation http://www.conservation.ca.gov/smgb/Guidelines/Documents/ClassDesig.pdf	**Planner's Guide to Specific Plans** Office of Planning & Research http://opr.ca.gov/docs/specific_plans.pdf
General Plan Guidelines Office of Planning & Research https://www.opr.ca.gov/s_generalplanguidelines.php	**Transit Oriented Development (TOD) Resources** Department of Housing & Community Development http://www.hcd.ca.gov/financial-assistance/transit-oriented-development-housing-program/tod_housing_program_guidelines.pdf
LAFCOs, General Plans, and City Annexations Office of Planning & Research http://opr.ca.gov/docs/LAFCOs_GeneralPlans_City_Annexations.pdf	**California Strategic Growth Council Strategic Plan** Strategic Growth Council http://sgc.ca.gov/
Important Farmland Maps Department of Conservation http://www.consrv.ca.gov/dlrp/fmmp/Pages/Index.aspx	**Oil and Gas Resources** Department of Conservation http://www.consrv.ca.gov/dog/Pages/Index.aspx

Water	
California Water Plan Department of Water Resources http://www.waterplan.water.ca.gov/cwpu2013/ae/index.cfm	**California State Coastal Conservancy Strategic Plan** Coastal Conservancy http://scc.ca.gov/files/2013/03/SCC-Strategic-Plan-2013-18.pdf
Safe Drinking Water State Revolving Fund Public Health http://www.waterboards.ca.gov/drinking_water/services/funding/SRF.shtml	**Regional Board Water Quality Control Plans (Basin Plans)** State Water Resources Control Board http://www.waterboards.ca.gov/plans_policies/

Guidance and Indicators	
Climate	
Climate Change and Climate Action Planning Technical Advisories Office of Planning and Research https://www.opr.ca.gov/s_technicaladvisories.php	**Ecosystem Services and Forestry** US Forest Service http://www.fs.fed.us/ecosystemservices/carbon.shtml
Indicators of Climate Change in California Office of Environmental Health Hazard Assessment http://www.oehha.ca.gov/multimedia/epic/pdf/ClimateChangeIndicatorsReport2013.pdf	

Resource Web sites and Tools	
Cool California: Local government assistance web site Air Resources Board http://www.coolcalifornia.org/article/climate-action-planning	**California Local Energy Assurance Planning Tool (CaLEPA)** CalEPA http://wwww.caleap.org/index.php/tgp1/nonc/119
GHG and Carbon Sequestration Ranking Tool-NRCS United States Department of Agriculture http://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/climatechange/?cid=stelprdb1044982	**SEEC GHG Inventory and Forecast Tools Update** Air Resources Board/OPR https://www.arb.ca.gov/cc/inventory/data/data.htm
CalEnviroScreen 2.0 Office of Environmental Health Hazard Assessment http://oehha.ca.gov/ej/ces2.html	**Environmental Goals and Policy Report** Governor's Office /Office of Planning and Research https://www.opr.ca.gov/s_egpr.php
TigerWeb Urban and Rural setting designation for CalEEMod under ARB approved Quantification Methodology https://tigerweb.geo.census.gov/tigerwebmain/TIGERweb_User_Guide.pdf.	**American Fact Finder** Land Use settings designations (urban or rural) for CaLEEMod under ARB approved Quantification Methodology http://factfinder.census.gov/faces/nav/jsf/pages/using_factfinder.xhtml

Appendix C – Additional Resources

Below are additional technical reports regarding greenhouse gas and carbon sequestration quantification in agricultural and forest settings. More information will be added in future releases of these Guidelines.

Goines, B. and M. Nechodom. 2009. National Forest Carbon Inventory Scenarios for the Pacific Southwest Region (California), Report to Regional Forester and PSW Station Director, CA: Albany: U.S. Department of Agriculture, Forest Service Region 5 Climate Change Interdisciplinary Team.

Jackson, Louise, et al. 2012. Adaptation Strategies for Agricultural Sustainability in Yolo County, California. California Energy Commission. Publication number: CEC-500-2012-032. 189pp.

Koteen, L. E., D. D. Baldocchi, and J. Harte. 2011. Invasion of non-native grasses causes a drop in soil carbon storage in California grasslands. Environmental Research Letters 6. 044001.

Kroeger, T., et al. 2010. An Economic Analysis of the Benefits of Habitat Conservation on California Rangelands. Defenders of Wildlife. 93pp.

PIER. 2003. California Energy Commission Contractor/Consultant Report. Attachment IV – Carbon Sequestration in California's Terrestrial Ecosystems and Geological Formations. 48pp.

Ryals, R. and W. Silver. 2013. Effects of organic matter amendments on net primary productivity and greenhouse gas emissions in annual grasslands. Ecological Applications, 23(1), 2013, pp. 46 – 59.

Silver, W., R. Ryals, and V. Eviner. 2010. Soil Carbon Pools in California's Annual Grassland Ecosystems. Rangeland Ecol Manage 63:128-136.

Silver, W., M. DeLonge, and J. Owen. 2013. Climate Change Mitigation Potential of California's Rangeland Ecosystems. DESPM, University of California, Berkeley. 30pp.

USDA. Technical Bulletin 1930.2011.USDA Agriculture and Forestry Greenhouse Gas Inventory: 1990-2008.115pp.