

**GRANT AGREEMENT DOC6A
(Revised 05/23)**

AMENDMENT NUMBER: 1

1. This Grant Agreement is entered into by and between the Department of Conservation ("Department") and [REDACTED] ("Grantee")
2. The Grant Agreement Term is: From [REDACTED] through [REDACTED]
3. The maximum amount of this Grant Agreement is: \$ [REDACTED]
4. Signing this Grant Agreement means that Grantee agrees to comply with the terms and conditions of the following exhibits which are part of the Grant Agreement:
 - Add Exhibit G (Fee Acquisition and Grantee's Covenants and Declaration of Restrictions)
 - Add Exhibit H (Form of Notice of Unrecorded Grant Agreement)
 - Add Exhibit I (Form of Irrevocable Offer to Convey Title in Fee and Declarations of Restrictive Covenants)
 - Add Exhibit J (Conservation Easement Template)

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto.

GRANTEE

GRANTEE'S NAME

BY (Authorized Signature)

DATE SIGNED

PRINTED NAME AND TITLE OF PERSON SIGNING

[REDACTED]

ADDRESS

[REDACTED]

STATE OF CALIFORNIA

Agency Name: Department of Conservation

BY (Authorized Signature)

DATE SIGNED

PRINTED NAME AND TITLE OF PERSON SIGNING

Clayton Haas, Assistant Director

ADDRESS

715 P Street, MS 1807, Sacramento, CA 95814

Exhibit G, Fee Acquisition and Grantee's Covenants and Declaration of Restrictions

For the Real Property (Exhibit A, Attachment 1) acquired in part with state funds encumbered by this Grant Agreement, Grantee agrees to the restrictions on the use, limitations on further transfers or conveyances, and obligations to the State, as follows:

1. Use of Real Property.

Grantee shall use, manage, operate, and maintain the Real Property so that it remains in productive agricultural use, [supports gathering and activities that promote healthy trees, shrubs, and perennial forbs for the cultivation of traditional foods, herbal medicine, fibers (such as basketry material), and dyes, supports a healthy agricultural economy and resulting food security, protects a critical wildlife linkage in _____ Habitat Agency's Habitat Conservation Plan/Natural Community Conservation Plan (HCP/NCCP), maintains its open space character, and supports onsite educational opportunities]. Any use of the Real Property that materially impairs or is inconsistent with these purposes is prohibited. To the extent that protection of these purposes conflict, the purposes shall be prioritized in the order listed.

2. Use of the Real Property as security for debt.

Grantee shall not use any portion of the Real Property as security for any debt without the prior written approval of the Council, with such approval at the Council's sole discretion.

3. Taxes and Assessments.

Grantee shall pay before delinquency all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Real Property by a competent authority and shall furnish Council with satisfactory evidence of payment upon request. The Grantee shall keep the Real Property free from any liens including, without limitation, those arising out of any obligations incurred by the Grantee for any labor or materials furnished or alleged to have been furnished to or for the Grantee at or for use on the Real Property.

4. Buildings and Envelopes.

Attachment 1 to this Exhibit G depicts the location of the ? acre Building Envelope and the ?-acre Agricultural Infrastructure Envelope (collectively, "envelopes").

- A. The Building Envelope may have **?** single-family residence(s), accessory dwellings, and farm labor housing. The sizes of these structures are limited to a maximum living area that is consistent with the Grantee's policies, local building codes, and the surrounding neighborhood.
- B. The Agricultural Infrastructure Envelope may have structures supporting agricultural operations on the Real Property, such as barns, equipment sheds, a farm stand, and farm labor housing.

Except for minor structures that support the agricultural use (e.g., pumphouses, solar panels for wells) or temporary structures that support habitat restoration or for health and safety of workers, no structures are permitted outside of these two envelopes, and no additional envelopes shall be created.

5. No Subdivision

The division, subdivision, defacto subdivision, or partition of the Real Property, including transfer of development rights, whether by physical, legal, or any other process, is prohibited. The Grantee will not sell, exchange, convert, transfer, assign, mortgage or otherwise encumber, alienate or convey any parcel associated with the Real Property or portion of any parcel of the Real Property separately or apart from the Real Property as a whole.

6. Transfer of the Real Property.

Grantee shall not transfer any interest in any or all portions of the Real Property unless: (1) the Council provides prior written approval of the transfer, (2) Grantee reserves ownership of an agricultural conservation easement; and, (3) the State receives its proportionate share of the net proceeds per Section 21 of Exhibit D to this Agreement, as applicable.

Permanent separation of water or water rights is prohibited. Only that quantity of water or water rights that is not necessary for present or future agricultural production on the Real Property may be temporarily distributed on an annual basis. Any temporary distribution shall not impair the current or future agricultural use or open space character of the Real Property.

Reservation of an Agricultural Conservation Easement.

- A. Prior to or concurrently with Grantee's conveyance of the fee title of this Real Property, Grantee must reserve ownership of an agricultural conservation easement on this Real Property. The easement holder and the owner of the fee title cannot be the same party.

- B. The agricultural conservation easement must be substantially in the form of the conservation easement template included as Exhibit J to this Agreement.
- C. The easement holder must 1) be authorized by California law to acquire and hold conservation easements, 2) have similar purposes to preserve agricultural lands and open space, 3) be financially able to assume all of the obligations of Grantee, 4) and expressly agree to assume the responsibilities imposed on the Grantee through the Grant Agreement.
- D. From the compensation received by the Grantee, the Department must receive its proportionate share of the net proceeds per Section 21 of Exhibit D to this Grant Agreement.

Leases that comply with the requirements of this Agreement are exempt from this restriction. However, unless and until an agricultural conservation easement is recorded, Grantee shall ensure that each lease is subordinate to the restrictions herein.

Attachment 9: Building Envelopes and Existing Improvements

Exhibit H, Form of Notice of Unrecorded Grant Agreement

Space above line for Recorder's Use

Project Name:

 County

NOTICE OF UNRECORDED GRANT AGREEMENT (WITH COVENANTS AFFECTING REAL PROPERTY)

This Notice of Unrecorded Grant Agreement ("Notice"), dated as of , is made by [insert grantee name] ("Grantee") and recorded concurrently with the grant deed described below to provide notice of an agreement between Grantee and the California Department of Conservation ("Department") affecting the real property described below. An Irrevocable Offer to Convey Title in Fee and Declaration of Restrictive Covenants is also being recorded concurrently with this Notice and grant deed.

1. Grant Agreement.

The Department and Grantee have entered into a Grant Agreement (#XX) under the Sustainable Agricultural Lands Conservation Program for the acquisition of the fee interest in the Real Property, ("Grant Agreement"), pursuant to an award by the Strategic Growth Council at its [insert award date], meeting. The award has enabled Grantee's acquisition of fee title to approximately acres of real property located in County, California (the "Real Property"), by grant deed from [insert fee owner]. The Real Property is legally described in Attachment 1 to this Notice and incorporated herein by this reference.

Capitalized terms used in this Notice and not otherwise defined shall have the meaning set forth in the Grant Agreement.

2. Irrevocable Offer to Convey Title in Fee and Declaration of Restrictive Covenants.

Grantee has executed and recorded concurrently with the Notice and the grant deed an Irrevocable Offer to Convey Title in Fee and Declaration of Restrictive Covenants ("Offer").

3. Notice.

Grantee agrees under the terms of the Grant Agreement to execute this Notice that Grantee received funds under the Grant Agreement to assist Grantee in acquiring the Real Property and that, in consideration of the grant funds, Grantee has agreed to the restrictions and obligations in the terms of the Grant Agreement and the Offer. The Grant Agreement is incorporated herein by this reference.

4. Grantee Obligations and Restrictions Related to Real Property.

The Real Property is subject to multiple obligations, restrictions on use, and limitations on ownership. These obligations, restrictions, and limitations are located in both the Grant Agreement and the Offer.

5. Transfer of the Real Property.

Pursuant to the Grant Agreement and the Offer, the Real Property cannot be transferred without the express written approval of the Council and the reservation of an agricultural conservation easement. Any transfer otherwise, including for a condemnation, is null and void.

6. Term.

Pursuant to the Grant Agreement and the Offer, the provisions of the Grant Agreement that are not fully performed as of the close of escrow for Grantee's acquisition of the Real Property shall survive said close of escrow and remain in full force and effect until the Real Property is encumbered with an agricultural conservation easement and the Department has received its proportionate share of the net proceeds.

7. Grant Agreement Controls.

This Notice is solely for the purpose of recording and in no way modifies the provisions of the Grant Agreement or the Offer. Grantee and the Department each have rights, duties and obligations under the Grant Agreement that are not set forth in this Notice. To the extent the terms of this Notice conflict with the Grant Agreement, the terms of the Grant Agreement shall govern and control.

Grantee:

By:

Print Name:

Title:

Date:

Notary Page

Attachment 1: Legal Description

Exhibit I, Form of Irrevocable Offer to Convey Title in Fee and Declaration of Restrictive Covenants

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN(s): [Insert APNs]

IRREVOCABLE OFFER TO CONVEY TITLE IN FEE AND DECLARATION OF RESTRICTIVE COVENANTS

([Name of Property], _____ County, California)

This IRREVOCABLE OFFER TO CONVEY TITLE IN FEE AND DECLARATION OF RESTRICTIVE COVENANTS (Offer) is made this ____ day of _____, 202_, by the _____ (Offeror).

Pertinent Facts

- A. Offeror is the legal owner of the fee interest in real property (Real Property) in the County of _____, State of California (described in Attachment 1) that was conveyed to the Offeror under the grant deed recorded concurrently with this Offer.
- B. Offeror is a _____ of the State of California organized and existing under the laws of the State of California.
- C. Offeror purchased the Real Property using funds from the Sustainable Agricultural Lands Conservation Program (SALC), a component of the Strategic Growth Council's (Council) Affordable Housing and Sustainable Communities Program. The Program supports California's greenhouse gas emission reduction goals by making strategic investments to protect agricultural lands from conversion to more GHG intensive uses.
- D. The Council contributed \$_____ for this acquisition from the California Climate Investment Fund. The terms of the award, made at the Council's [insert award meeting date], are in the Grant Agreement (#302#-###), [as amended], and which are referred to in the Notice of Unrecorded Grant Agreement recorded concurrently with this Offer.
- E. In order to receive the funding used to acquire the Real Property, Offeror agreed to specific conditions (Conditions of Funding) and other terms included in the Grant Agreement. Offeror is executing this Offer to comply

with the Conditions of Funding and the Grant Agreement to protect the investment by the people of the State of California.

- F. Offeror intends through this Offer to bind itself, its successors in interest, and its lessees of the Real Property.

OFFEROR HEREBY IRREVOCABLY OFFERS TO CONVEY fee title to the Real Property to the State of California and agrees to the restrictions on the use, limitations on further transfers or conveyances, and obligations to the State, as follows, in light of the pertinent facts above, and in consideration of the Council's grant award to Offeror for the acquisition of the Real Property.

1. Acceptance of Offer.

The Council or its designee (Accepting Party) can only accept this Offer in the following three instances:

- a. Upon a finding by the Council, following written notice to Offeror and a reasonable opportunity to cure, that Offeror is in Default of any one or more of the Covenants and Declaration of Restrictions set forth in Section 2 of this Offer and Exhibit G of the Grant Agreement;
- b. When Offeror ceases to exist or loses the legal authority to hold fee title to the Real Property; or
- c. When the Real Property is under threat of condemnation or has been condemned, as further described in Section 3 of this Offer.

Acceptance of this Offer occurs when the State or its designee records in the Official Records of _____ County a Certificate of Acceptance substantially in the form of Attachment 2 to this Offer.

2. Offeror's Covenants and Declaration of Restrictions.

Offeror declares that the Real Property is subject to certain restrictions that, if breached and not cured, will enable the Accepting Party to accept this Offer. Those restrictions are as follows:

a. Use of Real Property.

Offeror shall use, manage, operate, and maintain the Real Property so that it remains in productive agricultural use, [supports gathering and activities that promote healthy trees, shrubs, and perennial forbs for the cultivation of traditional foods, herbal medicine, fibers (such as basketry material), and dyes, supports a healthy agricultural economy and resulting food security, protects a critical wildlife linkage in _____ Habitat

Agency's Habitat Conservation Plan/Natural Community Conservation Plan (HCP/NCCP), maintains its open space character, and supports onsite educational opportunities]. Any use of the Real Property that materially impairs or is inconsistent with these purposes is prohibited. To the extent that protection of these purposes conflict, the purposes shall be prioritized in the order listed.

b. Security for Debt.

Offeror shall not use any portion of the Real Property as security for any debt without the prior written approval of the Council, with such approval at the Council's sole discretion.

c. Taxes and Assessments.

Offeror shall pay before delinquency all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Real Property by a competent authority, and shall furnish Council with satisfactory evidence of payment upon request. The Offeror shall keep the Real Property free from any liens including, without limitation, those arising out of any obligations incurred by the Offeror for any labor or materials furnished or alleged to have been furnished to or for the Offeror at or for use on the Real Property.

d. Buildings and Envelopes.

Attachment 1 to Exhibit G of the Grant Agreement depicts the location of the ___-acre Building Envelope and the ___-acre Agricultural Infrastructure Envelope (collectively, "envelopes").

1. The Building Envelope may have ?? single-family residence(s), accessory dwellings, and farm labor housing. The sizes of these structures are limited to a maximum living area that is consistent with the Offeror's policies, local building codes, and the surrounding neighborhood.
2. The Agricultural Infrastructure Envelope may have structures supporting agricultural operations on the Real Property, such as barns, equipment sheds, a farm stand, and farm labor housing.

Except for minor structures that support the agricultural use (e.g., pumphouses, solar panels for wells) or temporary structures that support habitat restoration or for health and safety of workers, no structures are permitted outside of these two envelopes, and no additional envelopes shall be created.

e. No Subdivision

The division, subdivision, defacto subdivision, or partition of the Real Property, including transfer of development rights, whether by physical, legal, or any other process, is prohibited. The Grantee will not sell, exchange, convert, transfer, assign, mortgage or otherwise encumber, alienate or convey any parcel associated with the Real Property or portion of any parcel of the Real Property separately or apart from the Real Property as a whole.

f. Transfer of the Real Property.

Offeror shall not transfer any interest in any or all portions of the Real Property unless: (1) the Council provides prior written approval of the transfer, (2) Offeror reserves ownership of an agricultural conservation easement; and, (3) the State receives its proportionate share of the net proceeds as provided in Section 21 of Exhibit D to the Grant Agreement.

Reservation of an Agricultural Conservation Easement.

1. Prior to or concurrently with Offeror's conveyance of the fee title of this Real Property, Offeror must reserve ownership of an agricultural conservation easement on this Real Property. The easement holder and the owner of the fee title cannot be the same party.
2. The agricultural conservation easement must be substantially in the form of the conservation easement template included as Exhibit J to the Grant Agreement.
3. The easement holder must 1) be authorized by California law to acquire and hold conservation easements, 2) have similar purposes to preserve agricultural lands and open space, 3) be financially able to assume all of the obligations of Grantee, 4) and expressly agrees to assume the responsibilities imposed on the Grantee through the Grant Agreement.
4. From the compensation received by the Grantee, the Department must receive its proportionate share of the net proceeds per Section 21 of Exhibit D to the Grant Agreement.

Leases that comply with the requirements of the Grant Agreement are exempt from this restriction. However, unless and until this Offer is terminated, the Grantee shall ensure that each lease must expressly acknowledge and be subordinate to the restrictions herein. Leases shall also be subject to the terms of this Offer, including that if the Real Property

is transferred, an agricultural conservation easement superior to the lease will be reserved.

Permanent separation of water or water rights is prohibited. Only that quantity of water or water rights that is not necessary for present or future agricultural production on the Real Property may be temporarily distributed on an annual basis. Any temporary distribution shall not impair the current or future agricultural use or open space character of the Real Property.

3. Condemnation.

Condemnation means a permanent taking through the exercise of any government power (by legal proceeding or otherwise) by any party having the right of eminent domain ("Condemnor"); or through a voluntary sale or transfer by Offeror to any Condemnor, either under threat of exercise of eminent domain by a Condemnor or while legal proceedings for eminent domain are pending. If the Real Property is under threat of condemnation or has been condemned, Offeror shall promptly notify the Council and Department of Conservation in writing, and Offeror shall use its best efforts to obtain the maximum compensation possible. Upon receiving condemnation proceeds, Offeror shall promptly pay the State % of the condemnation proceeds, which is the percentage of the total acquisition cost originally contributed by the Council.

If the Accepting Party accepts this Offer due to the threat of condemnation and receives proceeds following condemnation, the Accepting Party shall distribute a proportionate share to the Offeror not to exceed Offeror's contribution to the acquisition costs. If an Accepting Party accepts this Offer due to the threat of condemnation, and condemnation does not occur, then the Accepting Party shall either reconvey the Real Property to the Offeror or pay to Offeror the amount of Offeror's contribution to the acquisition costs, unless the Accepting Party and Offeror agree otherwise.

4. Other Remedies.

Notwithstanding any other provision of this Offer, the Council may use any remedy available in law or equity to enforce the covenants and restrictions contained in this Offer, or to enforce any other covenants and restrictions contained in the Grant Agreement, including the Conditions of Funding contained in Exhibit F to the Grant Agreement.

5. Benefit and Burden.

The Offer shall run with and burden the Real Property. All obligations, terms, conditions, and restrictions contained in this Offer shall be deemed covenants and restrictions running with the land, shall be effective limitations on the use of the Real Property from the date of recordation of this document, and shall bind Offeror and all its successors and assigns. This Offer shall benefit the State of California.

6. Construction of Validity.

If a court in a final determination holds any term or restriction of this Offer invalid, no other provision shall be affected, and such determination shall not terminate or otherwise affect this Offer.

7. Term.

This Offer is irrevocable, and recordation of an acceptance in the form of Attachment 2 to this Offer by an Accepting Party shall have the effect of a grant of the Real Property to the Accepting Party.

This Offer shall remain in full force and effect until the Real Property is encumbered with an agricultural conservation easement and the Department has received its proportionate share of the net proceeds.

8. Amendment.

No change to this Offer shall be valid unless made in writing, signed by Offeror and the Council, and recorded in the Official Records of [REDACTED] County, California.

Offeror executes this document on the date first written above.

Grantee:

By:

Print Name:

Title:

Date:

Notary Page

Attachment 1 – Legal Description

Attachment 2 – Certificate of Acceptance

SAMPLE ONLY. NOT FOR SIGNATURE OR RECORDATION

Recording Requested By and
When Recorded Return to:

Strategic Growth Council

Address 1

Address 2

Sacramento, CA #####

Attn: Legal Counsel:

Project:

EXEMPT FROM RECORDING FEES – GOV. CODE SECTION 6103, GOV. CODE
SECTION 27383

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the Real Property offered to the State of California, acting by and through the {insert Accepting Party}, in the IRREVOCABLE OFFER TO CONVEY TITLE IN FEE AND DECLARATION OF RESTRICTIVE COVENANTS ("the offer") executed by the _____ on _____, and recorded on _____ as Instrument No. _____ in the Official Records of the County of _____, pursuant to the authorization of the Strategic Growth Council, Resources Agency, State of California, adopted on _____ on the basis of findings made in accordance with Section 1 of the Offer.

STATE OF CALIFORNIA
RESOURCES AGENCY
STRATEGIC GROWTH COUNCIL

By:
Print Name:
Title:
Date:

STATE OF CALIFORNIA
{Accepting Party}

By:

Print Name:

Title:

Date:

Exhibit J, Conservation Easement Template

[Insert Easement Template here]