CONSENT		Agenda Item #6a
October 31, 2024		
Subject:	Sustainable Agricultural Lands Conservation Program Final Guidelines	
Reporting Period: Staff Lead:	October 2024 Amar Cid, Deputy Director of Community Investment & Planning, SGC Shanna Atherton-Bauer, Land Conservation Programs Manager, DOC	

# **Recommended Action**

Adopt the Final Sustainable Agricultural Lands Conservation Program Guidelines, as presented.

### **Summary**

The Sustainable Agricultural Lands Conservation Program (SALC) provides grants for agricultural conservation acquisitions, capacity building and project development, and the development of local government plans to protect agricultural lands from conversion to more greenhouse-gasintensive uses. This will be the tenth round of the program, which has made awards on an annual basis.

Staff seek to maintain consistency within the Guidelines from year to year and make refinements in response to state priorities and stakeholder input. To that end, staff also propose to establish a Notice of Available Funding (NOFA) process through these guidelines to allow staff to publish future solicitations without having to update the guidelines every year. Program changes for this round of updates include clarification of what qualifies for 100% funding versus prioritization for funding, notification to tribes regarding potential SALC projects, as well as clarification of tribal applicant types, eligibility requirements, and project prioritization.

With Council adoption, program staff will proceed with a project solicitation. Staff will recommend project awards in a separate Council action in 2025.

# Background

#### About the SALC Program

The California Strategic Growth Council (SGC) administers the Affordable Housing and Sustainable Communities program (AHSC), established by the Legislature in 2014, "to reduce greenhouse gas emissions through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development...." (Pub. Resource Code § 75210).

In July 2014, the Council approved the Department of Conservation (DOC) and the California Natural Resources Agency to help implement the agricultural lands protection component of AHSC, named the Sustainable Agricultural Lands Conservation Program, or SALC.

SALC facilitates the reduction of greenhouse gas (GHG) emissions by protecting agricultural lands at risk of conversion to urban and rural residential development. The program has thus far accomplished this by investing in three project types: agricultural conservation acquisitions,



CALIFORNIA STRATEGIC GROWTH COUNCIL capacity building and project development, and local government planning grants. Acquisition projects extinguish development rights, thereby avoiding increases in GHG emissions by reducing opportunities for expansive, vehicle-dependent forms of development; planning grants support the implementation of Sustainable Communities Strategies or other local plans that reduce greenhouse gas emissions; and capacity and project development grants help entities build or expand their organizational and financial capacity to develop agricultural conservation acquisition projects.

The Council has awarded \$488.8 million through SALC's nine funding rounds, supporting:

- 200 easement projects and seven fee acquisitions covering approximately 263,000 acres of agricultural land;
- 39 capacity grants;
- 38 planning grants;
- Technical assistance for planning grant application and implementation support for eight local governments;
- A technical assistance agreement with University of California Agricultural and Natural Resources (UCANR) to hire academic coordinators to work in Fresno and Riverside Counties;
- A technical assistance agreement with Helianth Partners, LLC to engage and support eligible applicants and their partners in advancing equitable access to agricultural lands by connecting eligible applicants with socially disadvantaged farmers and ranchers and working with them to develop viable projects and submit funding applications for agricultural land conservation acquisition and capacity grants; and
- 28.7 million metric tons of carbon dioxide equivalent to be avoided.

To date, SALC has completed 105 acquisition projects totaling 157,321 acres and has an additional 64 acquisition projects totaling 83,792 acres in process. SALC grantees have completed 20 planning projects and have 18 planning projects in process.

#### **Background on the SALC Guidelines Revision Process**

Staff began revising the SALC Guidelines in January 2024. Staff continued to revise the SALC Guidelines to improve equitable access to the program and the program's focus on benefits to priority populations.

Staff released the Draft SALC Guidelines for public comment on July 24, 2024. Staff notified tribes that Guidelines revisions were underway and available for feedback via letter and email on June 11, 2024 and July 24, 2024. On Aug. 28 and Aug. 29, staff held hybrid virtual and inperson public workshops on proposed changes. A total of 63 people attended the workshops. On Sept. 11, staff also conducted two virtual Tribal Roundtables to provide tribes with additional space to comment on the proposed changes. A total of 19 people participated in the roundtables, during which valuable feedback on the program's proposed tribal notification policy and eligibility requirements was provided.



CALIFORNIA STRATEGIC GROWTH COUNCIL The public comment period closed on Aug. 30, 2024; the window for tribes to provide comment on the Guidelines closed on Oct. 21. Staff received 14 comment letters containing 26 distinct comments. Staff reviewed and incorporated revisions to address these comments where appropriate. Attachment B compiles these comments.

#### **Proposed Revisions**

Building on changes from Round 9, staff propose the following revisions to improve access to the program and center equity in the program:

- Introduce the Notice of Funding Availability (NOFA) process;
- Require that SALC staff provide notification to tribes for all conservation easement and fee acquisition projects upon confirmation of project eligibility at the pre-proposal stage and;
- Require that SALC staff provide additional notification of all applications received to tribes after the full application deadline and a minimum of 55 days prior to funding decision;
- Clarify tribal applicant types, eligibility requirements, and project prioritization;
- Revise the limited waivers of sovereign immunity section to provide some flexibility on a case-by-case basis;
- Include and clarify definitions related to tribal entities.

For capacity grants:

- Update insurance requirements for applicants to increase program ability to support nascent organizations applying for capacity funding;
- Require grantees to submit a Capacity Project Development Eligibility Checklist for all projects developed using capacity funding consistent with current program practice;
- Update and clarify costs eligible for reimbursement;
- Increased education and training costs allowance to ten percent.

For acquisition projects, the following changes are also proposed:

- Clarify program intent to maintain private stewardship of agricultural lands;
- Include cultural resource surveys as eligible costs;
- Encourage fee applicants to prioritize sale and lease of land purchased using SALC dollars to socially disadvantaged populations;
- Include forest management plan requirements as defined in PRC 4751;
- Reserve the right by SALC to require match beyond minimum program requirements based on the characteristics of the property;
- Revise application requirements for projects located in critically overdrafted groundwater basins;
- Establish a process for applicants to dispute "ineligible" determinations;



• Clarify that SALC will work with tribes and tribal non-profit applicants to modify restrictions on development in order to support tribal uses and activities consistent with the conservation goals of the program.

For planning projects, the following changes are also proposed:

- Require all planning applicants to complete a pre-proposal;
- Allow use of grant funds for outreach, education, and training activities directly related to the development of project deliverables if they support direct involvement of disadvantaged communities in the project work as an eligible cost. This includes participatory compensation, childcare, and food.

### **Next Steps**

Upon Council approval of the latest SALC Guidelines, staff will prepare and release a Notice of Funding Availability, to be posted no later than Nov. 6, 2024 for all program components.

Below is an anticipated timeline for application deadlines and project awards:

- Nov. 6, 2024: Round 10 solicitation released via NOFA
- December 2024: Capacity application, Acquisition pre-proposal, and Planning preproposal workshops
- Jan. 31, 2025: Acquisition and Planning pre-proposals due (required)
- April to June 2025: Open Office Hours for Capacity applicants
- July 3, 2025: Capacity, Acquisition, and Planning applications due
- October 2025: Round 10 SALC awards adopted by Council

### **Council Recommendation**

I move that the Council pass the consent calendar.

## Attachments

Attachment A: Sustainable Agricultural Lands Conservation Program Guidelines

Attachment B: Public Comments Compilation

