

December 14, 2023

Subject: FY 22-23 Sustainable Agricultural Lands Conservation Program

Reporting Period: April – December 2023

Staff Lead: Shanna Atherton-Bauer, Program Manager, DOC

Recommended Action

Approve the staff recommendation to award \$116,774,248 in Greenhouse Gas Reduction Funds to support the identified 38 agricultural conservation acquisition grants, 19 capacity grants, and 8 planning grants in this report through Round 9 of the Sustainable Agricultural Lands Conservation Program.

Summary

The Sustainable Agricultural Lands Conservation Program (SALC) provides grants to fund agricultural conservation easement and fee title acquisitions, agricultural conservation capacity and project development grants, and local government plans to protect agricultural lands from conversion to more greenhouse-gas-intensive uses. This is the ninth round of the program. The program makes awards on an annual basis.

Staff received 42 applications for acquisition funding, 22 applications for capacity grants, and eight applications for planning grants. Of the \$122,655,976 million available (including \$70,824,576 million from Fiscal Year 2022-2023 Greenhouse Gas Reduction Fund auction proceeds and \$51,831,400 carried over from prior rounds), staff recommend funding 38 acquisition projects, 19 capacity projects, and eight planning grants for an award total of \$116,774,248. The recommended acquisition projects aim to protect approximately 50,880 acres spanning 23 counties. The recommended capacity grants span 21 counties. The recommended planning grants include projects from five counties, one Council of Governments, one city, and one tribe.

Staff recommend reserving the \$5,881,728 remaining following award of Round 9 grants to fund SALC projects in future rounds. Reasons include increases in demand for funding each year over previous years, additional anticipated increases in demand resulting from capacity and project development grants, fluctuations in the cap-and-trade auction, and the importance of SALC in meeting the goals of the Natural and Working Lands Climate Smart Strategy.

Background

About the Sustainable Agricultural Lands Conservation Program

Senate Bill 862, Chapter 36, Statutes of 2014, established the Affordable Housing and Sustainable Communities program (AHSC) to be administered by the California Strategic Growth Council (SGC), “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, Resources Code § 75210).

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

The SALC Program facilitates the reduction of GHG emissions by protecting agricultural lands, including cropland, rangeland, and lands used by tribes for the cultivation of traditional foods, herbal medicine, fibers, and dyes, at risk of conversion to urban and rural residential development. The program accomplishes this by investing in three project types: agricultural conservation acquisitions (including easements and fee-title purchases), capacity and project development grants, 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; in the future however, development rights may be banked for transfers to urban areas under a “transfer of development rights” program. Capacity and project development grants fund the development of agricultural conservation easement and fee acquisition projects and/or cover associated costs to help close acquisition projects where the cost of the acquisition is covered by an alternate source of funding. Planning grants support the implementation of Sustainable Communities Strategies or other local plans that reduce greenhouse gas emissions.

Conservation Acquisitions

In June 2023, DOC SALC staff received 60 acquisition pre-proposals for review. With guidance from SGC Staff, staff determined that 5 of the 60 projects submitted for consideration were not eligible and 23 required additional information to determine eligibility.

Staff received 42 acquisition applications in September 2023, six for fee title projects and 36 for easement acquisitions. Staff reviewed the applications for readiness, and then awarded points based on SALC guidelines selection criteria. The selection criteria reflect a project’s agricultural use, support for infill, other program goals, equity, and other co-benefits.

Of the 42 Round 9 acquisition applications that were submitted, 18 were developed using SALC capacity and project development funding, and 16 of those are recommended for award.

Staff found that two of the projects submitted as applications did not meet the program’s readiness criteria and therefore are not recommended for funding. Two additional projects received the lowest scores this round and are also not recommended for funding.

Of the 38 projects recommended for funding, 13 projects aim to protect 3,059 acres of irrigated farmland, 11 projects aim to protect 29,880 acres of rangeland, 11 projects aim to protect 16,941 acres of mixed-use agriculture, and 3 projects aim to protect 1,000 acres of land to be used by tribes for the cultivation of food, herbal medicine, fibers, and dyes.

Once complete, the suite of acquisitions recommended for funding will protect 50,880 of agricultural land and avoid an estimated 4,653,082 metric tons of CO₂ equivalent. These projects are disbursed across 23 counties ranging from Siskiyou in the north to San Diego in the south.

Acquisition Projects Recommended for Funding

Applicant / Co-Applicant	Project Number	County	Total Acres	Recommended Award Amount
California Rangeland Trust	SALC22_PP01_TUO	Tuolumne	822	\$1,837,500
California Rangeland Trust	SALC22_PP02_TEH	Tehama	5,917	\$4,054,200
Sequoia Riverlands Trust	SALC22_PP03_KIN	Kings	66	\$1,095,000
Sequoia Riverlands Trust	SALC22_PP04_TUL	Tulare	130	\$1,608,000
Placer Land Trust	SALC22_PP05_PLA	Placer	320	\$1,185,000
California Rangeland Trust	SALC22_PP08_PLA	Placer	155	\$613,500
Sierra Foothill Conservancy	SALC22_PP10_FRE	Fresno	680	\$370,000
Mendocino Land Trust	SALC22_PP11_MEN	Mendocino	1,286	\$1,970,000
California Rangeland Trust	SALC22_PP12_TUO	Tuolumne	434	\$997,800
Trust for Public Land	SALC22_PP14_YUB	Yuba	5,364	\$4,145,000
Land Trust for Santa Barbara	SALC22_PP15_SBA	Santa Barbara	587	\$1,635,000
Northern Chumash Tribal Council	SALC22_PP20_SBA	Santa Barbara	310	\$5,870,000
El Rio Reyes Conservation Trust	SALC22_PP22_FRE	Fresno	112	\$1,330,080
Land Trust of Santa Cruz County	SALC22_PP24_SCR	Santa Cruz	1,204	\$3,060,000
Ag Land Trust	SALC22_PP25_MNT	Monterey	320	\$3,516,000
Ag Land Trust	SALC22_PP26_MNT	Monterey	157	\$1,761,000
Ag Land Trust	SALC22_PP27_MNT	Monterey	227	\$2,422,500
Ag Land Trust	SALC22_PP28_MNT	Monterey	100	\$1,113,000
Shasta Land Trust	SALC22_PP29_SHA	Shasta	5,260	\$3,090,300
Shasta Land Trust	SALC22_PP30_SHA	Shasta	381	\$1,246,457
California Rangeland Trust	SALC22_PP32_HUM	Humboldt	4,693	\$3,570,000
California Rangeland Trust	SALC22_PP33_SBA	Santa Barbara	2,549	\$7,485,000
Bear Yuba Land Trust	SALC22_PP34_NEV	Nevada	476	\$1,458,300
Sacramento Valley Conservancy	SALC22_PP36_SAC	Sacramento	192	\$2,650,000
Marin Agricultural Land Trust	SALC22_PP38_MAR	Marin	697	\$3,195,645
California Farmland Trust	SALC22_PP40_MER	Merced	147	\$1,519,260
California Farmland Trust	SALC22_PP41_STA	Stanislaus	595	\$8,628,000
California Farmland Trust	SALC22_PP42_STA	Stanislaus	316	\$4,615,728
California Farmland Trust	SALC22_PP44_FRE	Fresno	759	\$7,575,090
Northcoast Regional Land Trust	SALC22_PP46_HUM	Humboldt	2,463	\$6,084,000
Northcoast Regional Land Trust	SALC22_PP47_HUM	Humboldt	6,726	\$13,090,000
North Fork Mono Tribe	SALC22_PP48_MPA	Mariposa	368	\$1,030,000
The Nature Conservancy	SALC22_PP49_VEN	Ventura	70	\$343,500
Siskiyou Land Trust	SALC22_PP52_SIS	Siskiyou	5,745	\$968,550
California Open Lands	SALC22_PP53_BUT	Butte	323	\$868,500
40 Acre Conservation League	SALC22_PP54_SAC	Sacramento	160	\$920,000
County of San Diego	SALC22_PP55_SDG	San Diego	450	\$1,411,500
Mother Lode Land Trust	SALC22_PP57_TUO	Tuolumne	319	\$761,000
		Totals	50,880	\$109,094,410

Agricultural Conservation Capacity and Project Development Grants

Up to 5% of SALC funding is available for the capacity and project development grants to build organizational and financial capacity to develop agricultural conservation acquisition projects; assist eligible applicants to develop agricultural conservation easement and fee acquisition projects for future rounds; and provide funds to cover associated costs to help close agricultural conservation acquisition projects where the cost of acquisition is covered by an alternate source of funding.

There are two available fundings tiers:

1. Tier 1: Grants of up to \$100,000. These grants are available to applicants to build organizational and financial capacity to develop agricultural conservation acquisition projects.
2. Tier 2: Grants of up to \$250,000. These grants are available to applicants to expand existing organizational capacity to develop agricultural conservation acquisition projects and develop agricultural acquisition projects. These grants are available to applicants who can demonstrate the organizational and fiscal capacity to complete the work outlined in their work plan.

SALC received 22 capacity and project development applications in Round 9, of which, one was deemed ineligible. Of the 21 eligible applications, eight applications were for Tier 1 funding, and 13 applications were for Tier 2 funding.

Staff recommend funding 19 capacity projects totaling \$3,679,838 in award, seven Tier 1 projects and twelve Tier 2 projects. Twelve of the recommended applicants have never applied for a SALC acquisition grant.

All Tier 1 applicants have the ability to request up to an additional \$150,000 as part of their current grant to facilitate eligible project development work if they meet specific capacity objectives outlined in the Round 9 Guidelines during their grant term, with Executive Director approval.

Two projects are not being recommended for funding due to low scores.

Capacity Projects Recommended for Funding

Applicant	County	Tier	Recommended Award Amount
ytt Northern Chumash Nonprofit	San Luis Obispo	1	\$85,260
Starlight Universal Church	Butte	1	\$100,000
Resource Conservation District of Monterey County	Monterey County	1	\$94,868
Lassen Land & Trails Trust	Lassen/Modoc Counties	1	\$100,000
Possibility Labs (Ujama Farmer Collective)	Yolo/Sacramento Counties	1	\$100,000
Garden 31	San Diego County	1	\$99,950
World Be Well	Riverside/San Bernardino	1	\$100,000
Sutter Buttes Regional Land Trust	Yuba	2	\$250,000
Sequoia Riverlands Trust	Tulare	2	\$250,000
Anderson Valley Land Trust	Mendocino	2	\$250,000
Oswit Land Trust	Riverside	2	\$250,000
Northern Chumash Tribal Council	Santa Barbara	2	\$250,000
Northern California Regional Land Trust	Butte, Glenn, Tehama	2	\$250,000
El Rio Reyes Trust	Fresno, Kings, Tulare	2	\$250,000
Bear Yuba Land Trust	Nevada	2	\$250,000
Blue Lake Rancheria	Humboldt County	2	\$250,000
Ag Land Trust	Monterey County	2	\$250,000
Ducks Unlimited	Sacramento	2	\$250,000
Native American Land Conservancy	Riverside County	2	\$249,760
		Totals	\$3,679,838

Planning Grants

Staff recommend awarding \$4,000,000 to fund all eight planning grant applications received in this round. Each of the recommended projects is consistent with SALC guidelines and the AHSC legislative mandate to support the implementation of a Sustainable Community Strategy or other transportation plan aimed at reducing emissions from vehicles. Each supports the protection of agricultural resources, infill development, and the sustainable use of natural resources.

Southern California Association of Governments (SCAG) Project Spotlight

The Southern California Association of Government (SCAG) region lost 21% of its farmland between 1984 and 2016, and the risk of natural and farmland conversion remains high due to development pressures. SCAG proposes to develop a Natural and Agricultural Lands Economic Benefit Study that includes an analysis of the economic, public health, and resilience benefits of the key environmental services provided by natural lands and agricultural lands in Southern California. It will also analyze current land conversion concerns as well as the quantity and quality of farmworker housing. This research is intended to inform regional and local planning efforts to protect and enhance natural and agricultural lands as well as secure needed funding through the development of a user-friendly Conservation and Climate Resilience Toolkit, technical assistance, and training.

The project will also include a series of one-on-one trainings with tribes and municipalities to identify opportunity areas for integrating the Toolkit and the project’s technical findings in future project design, current project review, specific plans, general plans, municipal code updates (including zoning), and other planning efforts.

Planning Grants Recommended for Funding

Applicant	Project Number	County	Recommended Award Amount
Placer County (Office of Economic Development)	SALC22_PG1_PLA	Placer	\$500,000
City of Tulare (Community Development Department)	SALC22_PG2_TUL	Tulare	\$500,000
San Benito County (Resource Management Agency)	SALC22_PG3_SBC	San Benito	\$500,000
Cold Springs Rancheria of Mono Indians (Economic Development Department)	SALC22_PG5_FRE	Fresno	\$500,000
Solano County (Department of Agriculture)	SALC22_PG6_SOL	Solano	\$500,000
Nevada County Resource Conservation District (MOU with County of Nevada)	SALC22_PG7_NEV	Nevada	\$500,000
Southern California Association of Governments	SALC22_PG9_SCAG	Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura	\$500,000
Ventura County (Ventura County Department of Agriculture)	SALC22_PG10_VEN	Ventura	\$500,000
		Totals	\$4,000,000

Investment Targets

The Round 9 SALC Guidelines establish a 20% investment target for projects that:

- provide secure land tenure to a beginning or Veteran farmer or rancher, a farmer or rancher who is a member of a Federally recognized or non-federally recognized California Native American tribe on the contact list maintained by the Native American Heritage Commission, or to a farmer or rancher that is a resident of a priority population, or
- provide meaningful benefits to a priority population, as defined in the Guidelines.

The Guidelines also establish a 5% investment target for projects where a farmer or rancher is a member of a Federally recognized or non-federally recognized California Native American tribe on the contact list maintained by the Native American Heritage Commission or a tribal non-profit with 501(c)3 status is either the applicant or a co-applicant on the project.

Acquisitions



Three of the acquisition projects recommended for award will result in the return of land to California Native American tribes or ownership of land by a tribal non-profit for the benefit of multiple tribes. These projects reflect an investment of \$7.77 million (or 6.7% of total available funding) in projects that will result in secure land tenure for tribes and their members.

Two projects recommended for award provide secure land tenure to beginning farmers and ranchers, three projects provide secure land tenure to military Veterans, and three projects provide secure land tenure to landowners/lessees that self-identified as living in low-income households or a disadvantaged/low-income community. These projects represent \$17.16 million in investments or 14.7% of the total available funding.

In addition, seven of the projects that support secure land tenure for a beginning or Veteran farmer or rancher, a farmer or rancher that is a resident of a priority population, or a tribe also provide meaningful benefits to priority populations as defined by California Air Resources Board; and two additional projects provide meaningful benefits to priority populations not related to secure land tenure. The benefits provided by these projects include providing agricultural education opportunities for students that live in disadvantaged communities and protection of water quality for disadvantaged communities. The remaining two projects not reflected in the previous paragraph account for \$16.66 million in investments (or 14.3% of total available funding). Combined, recommended acquisition projects that meet one or more investment targets represent 35.7% of total funds available this round.

Capacity and Planning Projects

Of the 19 capacity projects recommended for funding, four are for projects led by tribes or tribal non-profits.

Of the eight planning projects recommended for funding, one will be granted to a tribe. All eight qualify for priority population benefits status by providing meaningful benefits to priority populations through broad community outreach especially focused on tribes, priority populations, and socially disadvantaged farmers and ranchers. All eight will include direct participation in the planning process and direct support to members of priority populations through tools and other resources within their work plans.

Program Achievements to Date

In prior rounds, SGC has awarded \$373.1 million in SALC grants to:

- 166 easement projects
- 2 fee acquisition projects
- 30 planning projects
- 20 capacity projects

The amount awarded includes the total funds appropriated in Rounds 1-8 as well as any funds that became available as projects withdrew or closed under budget. To date, SALC has

conserved 102,723 acres of agricultural land and is working to conserve approximately 91,000 additional acres. If the Council approves staff's recommendations for Round 9, the total acres in the process of being protected through SALC grants would be approximately 142,000 acres, and the total protected or in process would be approximately 244,700 acres.

Next Steps

Staff intend to release Round 10 guidelines as follows:

- Draft for public comment: February 2024
- Final Guidelines approved: April 2024
- Acquisition Pre-proposals due: June 2024
- Capacity applications due: July 2024
- Acquisition and Planning applications due: August/September 2024

Staff do not intend to make significant changes to the guidelines in Round 10. Anticipated revisions would support the program's continuing efforts to address equity.

Council Recommendation

The Sustainable Agricultural Lands Conservation Program Staff recommend the Council award \$116,774,248 in Greenhouse Gas Reduction Funds to support the identified 38 agricultural conservation acquisition grants, 19 capacity grants, and 8 planning grants in this report through Round 9 of the Sustainable Agricultural Lands Conservation Program.

Should the Council agree with Staff's recommendation, the following motion language is suggested:

"I move that the Council approve the recommended awards for Round 9 of the Sustainable Agricultural Lands Conservation Program."

Attachments

Attachment A: Acquisition Presentation Summaries

Attachment B: Capacity Presentation Summaries

Attachment C: Planning Presentation Summaries

Attachment D: Statewide Project Map

Attachment E: List of all Project Applications Received