# APPENDIX B – Acquisition Grant Pre-Proposal

## Submittal Requirements

Submittal of a pre-proposal worksheet for prospective grant applications is mandatory to be eligible for SALC acquisition funding. Grant applications are due September 10, 2021 and will not be accepted unless a pre-proposal worksheet was received for the project by the June 1, 2021 deadline.

Applicants interested in receiving technical assistance prior to submission of a pre-proposal may contact the Department with questions. Pre-proposals will be reviewed to determine project eligibility, and technical assistance provided to facilitate the development of competitive grant applications. Applicants will be notified regarding their project’s eligibility following the pre-proposal review.

Projects deemed eligible, or eligible with conditions, may be submitted as applications for further evaluation and scoring. In cases where reviewers have questions regarding eligibility or title concerns, applicants will be given the opportunity to respond to those concerns prior to an eligibility determination. For projects deemed eligible with conditions, applicants must provide substantive responses to the conditions identified in the pre-proposal feedback in their application in order for their application to be considered for funding.

Please submit the items below to the Department of Conservation via email to salcp@conservation.ca.gov.

## Agricultural Conservation Acquisition Pre-proposal Checklist

*(All components are required unless otherwise noted)*

[ ]  Acquisition Summary Sheet

[ ]  Risk of Conversion Summary Sheet and Supporting Evidence

[ ]  Documentation of Organizational Eligibility

[ ]  Documentation of Organizational Capacity

[ ]  Certification of Acceptance of Conditions of Funding

[ ]  Applicant-Landowner Letter of Intent

[ ]  Narrative Questions

[ ]  Preliminary Title Report, Underlying Documents, Assessor’s Parcel Maps

[ ]  Project Boundary Map

[ ]  Building Envelope(s) Map and Excluded Area(s) Map

[ ]  Priority Population Benefits Table and supporting documentation *(only required if applying for priority population status)*

## Acquisition Summary Sheet

**Basic Information**

|  |  |
| --- | --- |
| Project Title |  |
| Location (County and Nearest City) |  |
| Distance to nearest city or census designated place |  |
| Real property interest to be acquired | [ ]  Easement [ ]  Fee |
| Located within a [priority population](https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm)  | [ ]  **Y** [ ]  **N** *[Census tract number]* |
| Priority Population Status | [ ]  **Y** [ ]  **N** *[If yes, attach Priority Population Benefits Table]* |
| Risk Option number |  |

**Project Funding**

|  |  |
| --- | --- |
| A: SALC Acquisition Request Amount | $  |
| B: SALC Associated Costs Request: | *[Up to $50,000]* |
| C: SALC Management Plan or Carbon Farm Plan Request | *[Up to $10,000 for a management plan or up to $10,000 for a carbon farm plan]* |
| D: SALC Total Grant Request (A+B+C) | $ |
| Match Amount *(toward easement value only)* | $ |
| Matching Funds Source | *[i.e., NRCS-ACEP, WCB-CAPP, etc.]* |
| Status of Match | *[i.e., application submitted, in grant agreement, etc.]* |
| Does all or a portion of the match come from another CCI program? | [ ] **Y** [ ]  **N** List: |
| Estimated Easement Fair Market Value | $ |
| Estimated Fee Title Fair Market Value *(fee acquisitions only)* | $ |

**Applicant Information**

|  |  |
| --- | --- |
| Applicant |  |
| Federal Employer ID Number |  |
| Mailing Address |  |
| Contact Person |  |
| Title |  |
| Phone Number |  |
| Email Address |  |

**Co-Applicant/Intended Interest Holder Information** *(complete if applicable)*

|  |  |
| --- | --- |
| Name |  |
| Federal Employer ID Number |  |
| Mailing Address |  |
| Contact Person |  |
| Title |  |
| Phone Number |  |
| Email Address |  |

Nonprofit applicants that intend to be the holder of the real property interest to be acquired must be accredited by the Land Trust Accreditation Commission or have adopted equivalent or greater policies regarding conflict of interest, amendments, monitoring, stewardship endowments, and enforcement prior to submission of an application. Those that haven’t must apply with either a co-applicant that has such policies in place or a government entity.

**Parcel Information**

|  |  |
| --- | --- |
| Project APN(s) |  |
| Current Zoning/ Minimum Parcel Size |  |
| Number of existing legal parcels (Please confirm this information with the relevant County Planning Department.) |  |
| Proposed number of easements |  |
| Restrictions on Agricultural Use? | [ ]  **Y** [ ]  **N**  |

**Project Acreage**

|  |  |
| --- | --- |
| Total Project Acreage (Assessor’s Acreage) |  |
| Prime Farmland Acres mapped by the Farmland Mapping and Monitoring Program |  |
| Irrigated Acres |  |
| Non-irrigated / Grazing Acres |  |
| Nonagricultural Acres |  |

**Sale and Subdivision**

|  |  |
| --- | --- |
| Would proposed acquisition prohibit further subdivision of existing legal parcels? (please explain) | [ ]  **Y** [ ]  **N** Explanation: |
| Would proposed acquisition prohibit sale of existing legal parcels separately from other parcels in project area? (please explain) | [ ]  **Y** [ ]  **N** Explanation: |

**Water and Mineral Rights**

|  |  |
| --- | --- |
| Water Rights and Source(s) |  |
| Third party mineral rights holder(s)? | [ ]  **Y** [ ]  **N** Explanation: |
| Severed mineral rights? | [ ]  **Y** [ ]  **N** Explanation: |
| Evidence of past mining? | [ ]  **Y** [ ]  **N** Explanation: |

**Existing and Reserved Single-family Residences**

|  |  |
| --- | --- |
| Number of **single-family (SF) residences** currently on the property |  |
| Approximate size of each **SF residence** (square footage of living area) |  |
| Number of additional **SF residences** to be reserved in easement (if any): |  |
| Size restriction (sq. ft), if any, on reserved and/or existing **SF residences** |  |

**Existing Farm Labor Residences**

|  |  |
| --- | --- |
| Number of **farm labor residential** structures/units currently on property |  |
| Approximate size of each **farm labor residence** (square footage of living area) |  |

**Building Envelopes**

|  |  |
| --- | --- |
| **Existing Building Envelope(s)**on the property? | Number:      Approximate Acres (each):       |
| **Additional Building Envelope(s)** to be reserved (e.g., residential, ag. employee, agricultural infrastructure)? | Number:      Approximate Acres (each):       |
| If the location(s) of the additional Building Envelopes have not been identified, will the deed language establish a process for the identification of the future building envelope(s)?  | [ ]  **Y** [ ]  **N** |

**Additional Information**

|  |  |
| --- | --- |
| **Other Reserved Rights** (e.g., oil and gas site, solar, communication towers)  | Please list:  |
| **Any critical deadlines?** | Please describe:  |

## Risk of Conversion Summary Sheet and Supporting Evidence

To be eligible for funds, the proposed property must be considered at risk of conversion to a non-agricultural land use. The applicant must demonstrate this risk of conversion by providing supporting evidence for the selected risk option below. Risk options set forth in Appendix A. Applicants are encouraged to contact the Department should they require assistance in understanding or documenting the risk of conversion facing the proposed property.

The Department will also utilize the selected risk option to determine the number of development rights to be extinguished for purposes of quantifying greenhouse gas benefits associated with the project.

Please check the option below that best describes the risk to the property and include relevant supporting evidence, such as a link to a relevant development proposal, map showing distance to nearest development, etc.

|  |  |
| --- | --- |
| Check one | Risk |
|  | 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.
 |
|  | 1. Agricultural land identified for potential rezoning from agricultural to residential use by a jurisdiction as evidenced by a revised zoning proposal or land use plan, or undergoing environmental review, within the past 5 years.
 |
|  | 1. 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.
 |
|  | 1. Agricultural land within a proposed expanded city boundary (annexation), Sphere of Influence, municipal service boundary, or specific plan.
 |
|  | 1. 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 and the developed dwelling unit density is two acres or less per dwelling unit.
 |
|  | 1. Agricultural land identified for potential rezoning from agricultural to rural residential use (one to ten acres) by a jurisdiction as evidenced by a revised zoning proposal or land use plan, or undergoing environmental review, within the past 5 years.
 |
|  | 1. Agricultural land within two to five miles of land developed or zoned for residential use where the average lot size is one acre or less, or agricultural land up to five miles from land developed or zoned for rural residential use (one to ten acres) in the county General Plan.
 |

**Supporting Evidence:**

## Eligibility and Organizational Capacity Documentation

### Organizational Eligibility

Non-profit applicants and proposed interest holders must submit the following documentation:

* + - Internal Revenue Service 501(c)3 status as a charitable non-profit;
		- Articles of Incorporation and by-laws documenting the principal charitable or public purposes of the nonprofit organization; and,
		- Adopted policy that details the organization’s goals and purposes, including the organization’s commitment to conservation of agriculture, rangeland, or farmland.

Governmental applicants and proposed interest holders should submit a copy of the relevant statute or other policy outlining their purpose and authority regarding the conservation of agricultural land.

Applicants and proposed interest holders that have submitted documentation of organizational eligibility through a previous application may certify that the most current versions of these documents are on file with the Department in lieu of submitting the documents themselves (see next page).

### Organizational Capacity

Applicants and proposed interest holders must provide proof of organizational capacity to acquire and steward conservation acquisitions for their agricultural conservation values as part of their pre-proposal. Applicants may meet this requirement by:

* Providing proof of LTAC accreditation; or,
* Providing copies of the following documents, as relevant:
	+ Conflict of Interest Policy
	+ Easement Amendment Policy
	+ Monitoring Policy
	+ Stewardship Endowment Policy
	+ Easement Enforcement Policy

Applicants and proposed interest holders that have submitted documentation of organizational capacity through a previous application may certify that the most current versions of these documents are on file with the Department in lieu of submitting the documents themselves (see next page).

### Applicant Certifications

Please certify that the most current versions of the applicant’s eligibility and organizational capacity documents are on file with the Department, or attach the most current versions here.

Documentation of Organizational Eligibility

*I certify here that the most current versions of the documents below are on record at the Department or attached:*

[Print Name, Title]

Date

[ ]  IRS 501(c)3 status

[ ]  Articles of Incorporation

[ ]  Bylaws

[ ]  Adopted Policy or Statement of Purpose for conservation of agriculture, rangeland, or farmland *(if different from above)*

[ ]  Copy of relevant statute *(governmental applicants only)*

Documentation of Organizational Capacity

*I certify here that the most current versions of the documents below are on record at the Department or attached:*

[Print Name, Title]

Date

[ ]  Proof of Land Trust Accreditation Commission Accreditation **OR**

Copies of all policies listed below:

[ ]  Easement Amendment Policy

[ ]  Monitoring Policy

[ ]  Conflict of Interest Policy

[ ]  Easement Enforcement Policy

[ ]  Stewardship Endowment Policy

### Interest Holder Certifications

*This section is only applicable when the applicant is not the intended holder of the real property interest.*

Please certify that the most current versions of the interest holder’s eligibility and organizational capacity documents are on file with the Department, or attach the most current versions here.

Documentation of Organizational Eligibility

*I certify here that the most current versions of the documents below are on record at the Department or attached:*

[Print Name, Title]

Date

[ ]  IRS 501(c)3 status

[ ]  Articles of Incorporation

[ ]  Bylaws

[ ]  Adopted Policy or Statement of Purpose for conservation of agriculture, rangeland, or farmland *(if different from above)*

[ ]  Copy of relevant statute *(governmental applicants only)*

Documentation of Organizational Capacity

*I certify here that the most current versions of the documents below are on record at the Department or attached:*

[Print Name, Title]

Date

[ ]  Proof of Land Trust Accreditation Commission Accreditation **OR**

Copies of all policies listed below:

[ ]  Easement Amendment Policy

[ ]  Monitoring Policy

[ ]  Conflict of Interest Policy

[ ]  Easement Enforcement Policy

[ ]  Stewardship Endowment Policy

## Certification of Acceptance of Conditions of Funding (Easements)

This Certification must be signed by the President of the applicant’s Board of Directors, or similar governing body, or their authorized designee. An unsigned Certification Sheet may be cause for rejection of the application. By signing this Certification, the applicant [and co-applicant] is/are declaring that:

SALC’s conditions of funding for easement acquisitions are as follows:

* Clean title to the agricultural conservation easement can be conveyed at close of escrow.
* The applicant and seller of the agricultural conservation easement agree to restrict the use of the land in perpetuity.
* If the Department is funding preparation of a conservation management plan or carbon farm plan, the Department has approved the plan.
* If agricultural intensification restrictions on non-cultivated land are proposed:
	+ The restriction will be consistent with the property’s continuing agricultural use, and
	+ Agricultural use of the property will not be substantially impaired.
* For projects where the property includes forest lands, the project will comply with Civil Code Section 815.11.
* The total purchase price of the proposed easement shall not exceed the appraised fair market value of the easement.
* The easement appraisal must comply with the Department’s published Overview and Preparation of Agricultural Conservation Easement Appraisals.
* The appraisal used to establish the easement value must be approved by DGS and the Department.
* The grantee will work with SALC staff to report on jobs-related co-benefits as required by CARB.
* The easement acquisition can be completed within 2 years of grant agreement effective date.

Applicant

[Print Name, Title]

Date

Co-Applicant

[Print Name, Title]

Date

## Certification of Acceptance of Conditions of Funding (Fee Acquisitions)

This Certification must be signed by the President of the applicant’s Board of Directors, or similar governing body, or their authorized designee. An unsigned Certification Sheet may be cause for rejection of the application. By signing this Certification, the applicant [and co-applicant] is/are declaring that:

SALC’s conditions of funding for fee acquisitions are as follows:

* Clean title to the property can be conveyed at close of escrow.
* The title to the property will be encumbered in perpetuity with the following covenants that run with the land:
	+ The property must actively be used for agricultural uses,
	+ Prohibits permanent severance of water rights from the fee,
	+ Restricts development potential on the property consistent with an agricultural conservation easement,
	+ All net proceeds from the lease revenue will be reinvested only in improvements on the purchased property or in pursuit of agricultural conservation easements in the region,
	+ From the subsequent fair market sale of the burdened fee title, the state must be paid its proportionate share of the net proceeds within 30 days of close of escrow,
	+ At least once every twelve months, the interest holder shall report to the Department certifying that the conditions of the deed are being upheld. The report must include an account of how each covenant is being upheld, including documentation of income generated from leasing the property and documentation of agricultural use on the property, and
	+ At least once every twelve months, the interest holder shall allow the Department access to the property for the purposes of monitoring and verifying compliance with the terms of the deed.
* The buyer agrees to lease the property to one or more private operators for agricultural use or to sell the property to a private operator. The property must be leased within a commercially reasonable time after purchasing the property. If the applicant intends to sell the property as part of this conservation transaction, they must sell the property within 3 years of purchase. This requirement does not preclude the applicant from electing to sell the conserved property, with deed restrictions in place, at a later date.
* If the Department is funding preparation of a conservation management plan or carbon farm plan, the Department approves the plan within one year of close of escrow on the purchase.
* If agricultural intensification restrictions on non-cultivated land are proposed:
	+ The restriction will be consistent with the property’s continuing agricultural use, and
	+ Agricultural use of the property will not be substantially impaired.
* The total purchase price of the proposed acquisition shall not exceed the appraised fair market value of the property.
* The appraisal used to establish the easement value (for the purposes of determining Department funding) and the fair market value of the property must comply with DGS standards and must be approved by DGS and the Department.
* The property deed, including any exhibits, must be approved by the Department.
* The grantee will work with SALC staff to report on jobs-related co-benefits as required by CARB.
* The acquisition can be completed within 2 years of grant agreement effective date.

Applicant

[Print Name, Title]

Date

Co-Applicant

[Print Name, Title]

Date

## Applicant-Landowner Letter of Intent

The applicant must provide a letter from the landowner(s) stating the landowner’s intent to work with the applicant to conserve the property via sale of an easement. All landowners listed on title must sign the letter of intent. This letter must address the following items:

1. Landowner’s pursuit of sale of the easement or fee, as applicable, is voluntary;
2. Use of the property will be restricted to agricultural and compatible conservation uses in perpetuity;
3. *(For easement acquisitions only):* The landowner is aware of the estimated acquisition value provided to SALC as the basis for this funding request and understands that the final easement value used to establish SALC’s contribution to the purchase price of the easement may change upon completion of a full appraisal of the property; and
4. No government agency has conditioned the issuance of an entitlement to use on the proposed acquisition.

For projects where the land proposed to be conserved under easement includes some forest lands, the letter must also indicate that the landowner agrees to the conditions outlined in Civil Code Section 815.11.

The applicant may provide an option agreement in lieu of a letter of intent if the option agreement includes the above information.

Sample documents are posted on the Department website.

## Narrative Questions

Please answer the following questions. Please limit responses to **five pages or less.**

1. Provide a brief description of the project, including the current agricultural use of the property.
2. If the applicant intends to restrict agricultural intensification on the property, describe the restrictions and discuss:
	1. how those restrictions are consistent with the property’s continuing agricultural use, and
	2. whether the restrictions would substantially impair agricultural use on the property.
3. Is the proposed acquisition part of a local government’s condition placed upon the issuance of an entitlement for use of a specific property? If yes, please describe.
4. Does the property have any known agricultural constraints (e.g., due to soil or water contamination)? If so, please describe.
5. Describe how the property will support infill and compact development.
	1. Describe any trends in the conversion of farmland to other uses between the nearest city or census-designated place and the property over the past 10 years.
	2. What is the population growth rate of the nearest city or census-designated place?
	3. Describe any permanently protected lands located in strategic proximity to the nearest city or census-designated place and the property.
6. Describe how the proposal will support the implementation of an adopted or draft sustainable communities strategy or, if a sustainable communities strategy is not required for a region by law, a regional plan that includes policies and programs to reduce greenhouse gas emissions.
7. Describe how the project is consistent with California’s [Planning Priorities](https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV&sectionNum=65041.1).
8. Describe the market, infrastructure, and agricultural support services around the property.
9. Is the parcel proposed for conservation expected to continue to be used for, and is it large enough to sustain, commercial agricultural production?
10. Provide a brief discussion of the environmental, economic, public health, and other co-benefits that this project will provide.
11. If the proposal is for fee title acquisition, describe how the property be utilized for agricultural use. What is the plan to lease or sell the property? Will this occur as part of the project and if not, what is the anticipated time frame?

Provide any other comments, potential concerns, etc.

## Title

Applicants are expected to exercise due diligence to discover and disclose potential title issues in the pre-proposal and application. A preliminary title report that is less than twelve (12) months old and a plan to address each title issue must be submitted with the pre-proposal.

The title report should be submitted as a separate file from the pre-proposal and should be accompanied by all relevant underlying documents, associated assessor’s parcel maps, and a plotted easements map. Underlying documents should be submitted as hyperlinks in the preliminary title report unless extenuating circumstances exist.

In the space below, list any exceptions that may pose a cloud on title. For each exception noted, describe what steps will be taken to resolve the issue, including a timeline for resolution. If no potential clouds on title are identified in the Preliminary Title Report, write N/A.

Examples of exceptions that are not typically a concern are easements or encumbrances for utilities, roads, or neighbor rights-of-way. Examples of exceptions that require explanation are deeds of trust, third party mineral interests, existing conservation easements, or possible interests in the fee held by third parties.

## Project Boundary Map

Applicants must submit a legible pdf map of the project boundary and APNs with their pre-proposal.

Applicants are encouraged to provide GIS shapefiles of any data included in their maps.

## Map of Building Envelope and any Excluded Areas

If building envelope(s) is/are to be designated within the project area, applicants must submit a map depicting the location and size/dimensions of existing and/or proposed envelope(s). Building envelopes must be designated around existing residences.

Similarly, if certain areas of the property are to be excluded from the acquisition, applicants should identify the location and, if possible, approximate acreage of such proposed exclusions on the map.