

SUMMARY REPORT

Agenda Date: 1/28/2025

To: Sonoma County Board of Supervisors Department or Agency Name(s): County Administrator's Office Staff Name and Phone Number: Katharine Gabor (707) 565-6477, Yvonne Shu (707) 565-1739 Vote Requirement: 4/5th Supervisorial District(s): Countywide

Title:

Amendment to the United States Department of Agriculture (USDA) Partnership for Climate-Smart Commodities Grant for the Sonoma-Marin Ag and County Climate Coalition (SMACCC)

Recommended Actions:

- A) Accept an amendment for an additional \$753,500 for the USDA Partnership for Climate-Smart Commodities Grant for the Sonoma-Marin Ag and County Climate Coalition.
- B) Adopt a Resolution adjusting the adopted FY 2024-25 County Administrator's Office budget by \$150,700. (4/5 Vote Required)
- C) Delegate authority to the County Executive, Assistant County Administrator, or Deputy County Administrator to accept allocations of funding, execute grant and sub-recipient agreement(s), and any amendments thereto, and execute for and on behalf of the County of Sonoma, any actions necessary for obtaining additional funding offered by the USDA Partnership for Climate-Smart Commodities Grant program, provided no grant match funding is required by the County.

Executive Summary:

In 2023, the County of Sonoma received a \$10 million USDA Partnerships for Climate-Smart Commodities award, which the Board accepted on August 22, 2023. The desired outcome of the grant is increased pace and scale of adoption of climate-smart agricultural practices, defined as farming, ranching or forestry practices that reduce greenhouse gas emissions or sequester carbon (carbon-farming) and at the same time creation of a market for climate-smart food production. This project is identified as an early action in the Natural and Working Lands category in the <u>County of Sonoma Climate Resilience Comprehensive Action Plan</u>.

In October 2024, in collaboration with grant partners, the County applied for an additional \$753,500 to support the project. These funds will allow implementation of a data collection system to simplify quarterly performance reporting, enhance video, web, and social media outreach, cover additional partner staff time associated with the support of underserved producers, and allow partners to recapture additional overhead costs. The additional funds were awarded in December 2024 and will supplement the original award over the remaining 3.5 years of the grant with no additional match requirement. An adjustment to the FY 2024-25 County Administrator's Office budget of \$150,700 will be necessary to reflect the grant activity that will occur

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in this fiscal year.

Finally, delegation of authority of grant-related actions to the County Executive, Assistant County Administrator, or Deputy County Administrator will facilitate timely administration of any necessary grant actions that do not require additional match funding.

Discussion:

The County of Sonoma received a \$10 million Partnerships for Climate-Smart Commodities award to fund the estimated \$12.35 million project, which over the course of five years will provide carbon farming support to up to 73 producers, covering approximately 13,686 acres of agricultural land. This program is overseen by the Natural Resources Conservation Service (NRCS), within the U.S. Department of Agriculture (USDA). Matching funds of \$2.35 million will be supplied by project partners through matching state and local grants, Marin County sales tax revenues, and landowner match on implementation projects (approximately 25% of conservation practice costs). This project will increase the pace and scale of climate-smart agricultural practice implementation in Sonoma and Marin Counties and create a market for climate-smart food production. Climate-smart agricultural practices, defined by NRCS, are farming, ranching or forestry practices that reduce greenhouse gas emissions or sequester carbon (also referred to as carbon-farming). Examples include the planting of cover crops, land management with low- or no-tillage, improved manure management, reforestation, and application of soil amendments such as compost or biochar.

On August 22, 2023 < https://sonoma-county.legistar.com/LegislationDetail.aspx?

<u>ID=6318629&GUID=58B9B9B1-1073-4F8F-827C-410C7B90B48E&Options=&Search=></u>, your Board accepted the grant and approved necessary budgetary allocations to enact and staff the grant.

Since award, the County has been working with nine Partner organizations on project planning, leading to producer enrollment in the program. Partners receiving pass-through funds on this project include:

- Marin Resource Conservation District
- Gold Ridge Resource Conservation District
- Sonoma Resource Conservation District
- Agricultural Institute of Marin
- Marin Agricultural Land Trust
- University of California Cooperative Extension
- Carbon Cycle Institute
- Sonoma County Regional Climate Protection Authority
- Sonoma Farm Bureau

SMACCC Partners contribute to three core "teams", 1) Marketing, 2) Implementation, and 3) Measuring, Monitoring, Reporting and Verification (MMRV). Since grant award:

- The Marketing team has established a Marketing Advisory Committee and Marketing Coordinating Council to obtain feedback from different stakeholder groups on marketing initiatives and is nearing completion of development of the initial marketing campaign, including a brand, website, and climate-smart badge.
- The Implementation Team has emphasized outreach to educate producers about the program and how to access SMACCC funding, worked with producers on carbon farm planning ahead of program enrollment, and established Technical Advisory Committees to support project ranking.

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• The MMRV team is developing quantification parameters for each anticipated Climate-Smart practice to be implemented, along with a practice-specific data collection process. Collected data will be submitted to USDA as part of routine quarterly reporting and ultimately, summary-level project data will be available publicly in the RCD Project Tracker. The MMRV Team has also contributed to the development of criteria for the climate-smart badge.

The partners' activities are supported by the Grant Project Manager in the County Administrative Office Strategic Initiatives division, responsible for leading and managing the grant, including facilitating crossjurisdictional partner meetings, developing communication and governance protocols, coordinating across partners and resolving issues to ensure that grant projects are on track, communicating grant progress to the Board, ensuring that the County fulfills its fiduciary responsibilities for the grant, and serving as the USDA contact point for reporting and all aspects of the grant.

Amendment Award

Since June 2024, the USDA has offered two funding increase opportunities. The County worked with grant partners to develop requests for both opportunities, ultimately resulting in the submission of a \$753,500 funding request in October 2024. These funds were awarded, as submitted, on December 20, 2024. Award of these additional Federal funds does not increase or alter the match requirements as defined in the original 2023 award (\$2.35 million). Amendment funds will support the following:

- Data collection system
- Communication and marketing efforts, including website support and a documentary video.
- Digital outreach
- Additional partner staff time
- Miscellaneous supplies.

The amendment request also:

- Reallocated a discrete amount of previously awarded funds between subrecipients (by mutual request) to efficiently manage contractor tasks.
- Added additional NRCS agriculture practices to the SMACCC program's approved practice list. These practices were discussed in the original Project Narrative but had mistakenly not been included on the approved list.

Strategic Plan:

Pillar: Climate Action and Resiliency

- **Goal 5**: Maximize opportunities for mitigation of climate change and adaptation through land conservation work and land use policies.
- **Objective 2**: Develop policies to maximize carbon sequestration and minimize loss of natural carbon sinks including old growth forests, the Laguna de Santa Rosa, and rangelands. Encourage agricultural and open space land management to maximize sequestration.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit? No

Prior Board Actions:

- 8/22/23 Accepted the USDA Climate Smart Commodities Grant for the Sonoma-Marin Ag and County Climate Coalition (SMACCC)
- 2/1/23 Approved Strategic Plan one-time funding to support 25% of a five-year, time limited department analyst to manage the awarded grant.

Expenditures	FY24-25	FY25-26	FY26-27
	Adopted	Projected	Projected
Budgeted Expenses		\$297,100	\$226,050
Additional Appropriation Requested	\$150,700		
Total Expenditures	\$150,700	\$297,100	\$226,050
Funding Sources			
General Fund/WA GF			
State/Federal	\$150,700	\$297,100	\$226,050
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources	\$150,700	\$297,100	\$226,050

FISCAL SUMMARY

Narrative Explanation of Fiscal Impacts:

We are approximately one and a half (1.5) years into a five (5) year grant agreement. The table above shows projected expenditures for Years 2-4. Year 5 is projected to use \$79,650 of this amendment award, bringing the total to \$753,500.

No additional local match is required for the amendment.

This amendment award of \$753,500 supplements the original \$10,000,000 in federal funding and \$2,350,954.36 in matching funds, bringing the total project expenditures over the lifetime of the grant to \$13,104,454.36. Revenue and expenditure appropriations will be included in the County Administrator's Office recommended budget in future fiscal years.

Staffing Impacts:				
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)	

Narrative Explanation of Staffing Impacts (If Required):

The amendment funds additional partner staff time. There is no impact to County staffing allocations.

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Attachments:

Attachment A: Budget Adjustment Resolution

Related Items "On File" with the Clerk of the Board:

USDA SMACCC Grant Amendment