



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 6/2/2026

To: Board of Directors of the Sonoma County Agricultural Preservation and Open Space District
Department or Agency Name(s): Sonoma County Agricultural Preservation and Open Space District
Staff Name and Phone Number: Misti Arias, General Manager, 565-7264; Pamela Swan, Grants Coordinator, 565-7348
Vote Requirement: Majority
Supervisorial District(s): 2

Title:

Sustainable Agricultural Lands Conservation Program Grant and Resolution for Deniz Family Farm

Recommended Action:

Adopt a Resolution of the Directors of the Sonoma County Agricultural Preservation and Open Space District ("Ag + Open Space"):

- A. Authorize the submission of an application to the State of California Department of Conservation under the Sustainable Agricultural Lands Conservation Program to be used towards acquisition of a conservation easement for the Deniz Family Farm property (Project) with a grant request of \$1 million;
- B. Authorize the Ag + Open Space General Manager to execute a grant agreement with the State of California in substantially the same form as on file with the Clerk if the project is awarded funding, with minor modifications as may be approved by County Counsel and committing to match of Ag + Open Space and potential other public and private funds of approximately \$1.2 million;
- C. Certify that no known conflict of interest or appearance of conflict of interest exists as to any member of the Ag + Open Space Board of Directors as related to the Deniz Family Farm Project; and
- D. Authorize the Ag + Open Space General Manager to execute and implement grant agreements, including signing applications, agreements, invoices, and other documents related to the application and grant agreement, if awarded funding.

Executive Summary:

Ag + Open Space is requesting Board of Directors authorization to apply for a grant from the Sustainable Agricultural Lands Conservation (SALC) Program and to take related actions to execute and implement the Deniz Family Farm grant if awarded by the Strategic Growth Council through the California Department of Conservation (DOC). The DOC requires Board resolutions to include a certification that there are no known or perceived conflicts of interest by any member of the Board of Directors as related to the project.

Staff have submitted the SALC pre-applications and Ag + Open Space has been formally invited to submit a full application for SALC grant funding. The grant funding would support the potential acquisition of a

conservation easement on the Deniz Family Farm property.

Ag + Open Space staff is negotiating easement terms with the property's landowners with the aim of protecting the Project's unique agricultural utility, climate resiliency, landscape-scale habitat connectivity, natural resources, and scenic beauty for the benefit of the local community and visitors alike.

Discussion:

The SALC Program is a state grant program of the Strategic Growth Council's Affordable Housing and Sustainability Program (AHSC), which supports the State's greenhouse gas emission goals by making strategic investments to protect agricultural lands. The AHSC aims "to reduce greenhouse gas emissions through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development." Protecting critical agricultural lands from conversion to urban or rural residential development promotes smart growth within existing jurisdictions, ensures open space remains available, and supports a healthy agricultural economy and resulting food security.

The SALC Program is administered by the State Department of Conservation. SALC provides funding to leverage the protection of strategically located, highly productive, and critically threatened agricultural land via permanent agricultural conservation easements to avoid increases in greenhouse gas emissions associated with conversion of agricultural lands, consistent with the California Global Warming Solutions Act of 2006.

The Deniz Family Farm is 315.09 acres located off Sonoma Mountain Road, east of Petaluma. The property is an active dairy that has been in the Deniz family since 1946. It is now owned and managed by siblings Lucas Deniz and Becky Chevalier, third-generation dairy farmers who grew up on the property, and Becky's husband, John Chevalier.

This area has a rich history of dairy farming dating back to the mid-1800's. However, land use along the west-facing slopes of Sonoma Mountain has been changing significantly over the last 40 years. Ranches have been converted away from agriculture and subdivided into estate home sites and some local dairies are converting to other agricultural uses, primarily beef cattle grazing and vineyard. The project presents an opportunity to protect one of six remaining dairies on Sonoma Mountain and to make a significant contribution to a network of open and protected agricultural lands in the Sonoma Mountain vicinity.

The Deniz Family Farm is an active dairy that operates year-round. The Deniz operation is supported by two other family-owned properties, including the 217-acre Deniz Ernest and Beverly Trust property, another active Ag + Open Space conservation project. The family also leases additional properties for pasture and silage.

The Deniz Family Farm has a modern dairy facility that has been kept in good working order and upgraded as appropriate to assure efficiency and compliance with regulations. The *Farmland Mapping and Monitoring Program* identified 167 acres of Farmland of Local Importance and 110 acres of Grazing Land. The Natural Resources Conservation Service *Farmland Classification Map* identifies 140 acres as *Prime Farmland if Irrigated* and 23 acres as *Farmland of Statewide Importance*.

The project also supports infill and compact development by preventing the conversion of agricultural land farther from urban areas, including prohibiting construction of up to eight rural ranchettes permitted by current zoning.

Plan Bay Area 2050 calls for the protection and management of high-value natural and agricultural lands, including Priority Conservation Areas (PCAs) and wildland-urban interface areas (p. 107), as well as the implementation of land use strategies to reduce development in high-risk fire areas and increased wildland management programs to reduce ignition risk and fire intensity (p. 104). The Deniz Family Farm is located within a designated *Priority Conservation Area* and in a *Moderate Wildfire Severity Zone* (CAL FIRE 2023), thus protecting this property for agricultural use and other co-benefits advances implementation of *Plan Bay Area 2050*.

The project furthers several California Planning Priorities related to the protection of environmental and agricultural resources. The property supports a viable dairy on a highly visible and scenic backdrop to the City of Petaluma and neighboring areas. Lynch Creek, a tributary to Petaluma River, flows through the property and provides habitat for a variety of threatened and endangered species, including chinook salmon, steelhead trout, and foothill yellow-legged frog. The project additionally supports priorities related to promoting infill development and more compact housing in nearby cities of Petaluma and Sonoma.

The SALC guidelines state that match requirement for each of the conservation easements is 50 percent, with competitive applications leveraging private and other government investment to the maximum extent possible. Ag + Open Space will leverage Measure F sales tax revenue, if awarded. The amounts proposed for the acquisition of a conservation easement on the property are estimates. If Ag + Open Space is successful in negotiating a conservation easement with the landowner, an appraisal of the value of the conservation easement will be completed and approved by the Fiscal Oversight Commission. If awarded SALC funding, the appraisal will also be reviewed and approved by the State's Department of General Services. The conservation easement acquisition and any expenditure of Ag + Open Space funds will be presented to the Board for its review and approval following completion of staff negotiations with the landowners.

Ag + Open Space has received positive feedback on the submitted pre-applications and has been formally invited to submit a full application. As part of the SALC application, the State requires certification that there is no known conflict of interest, or appearance of a conflict of interest, for the Board of Directors, as related to the proposed acquisition of an agricultural conservation easement on the Deniz Family Farm.

To complete the application for a SALC grant, Staff recommends that the Board adopt the attached resolution.

By entering into the grant agreement, if awarded by the State, Ag + Open Space is not committing to the acquisition of the conservation easement for the Deniz Family Farm Project..

Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Climate Action and Resiliency

Goal: Goal 5: Maximize opportunities for mitigation of climate change and adaptation through land

conservation work and land use policies

Objective: 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

This grant application would further goals of Ag + Open Space's strategic plan, the Vital Lands Initiative, by leveraging local tax dollars through outside grants. If successful, the acquisition of conservation easements on the Deniz Family Farm would further the Vital Lands Initiative goals by protecting lands that do the following: Support diverse, sustainable, and productive agriculture (Agricultural Lands Goal); Protect open lands that surround and differentiate the County's urban areas and contribute to the unique scenic character of the County (Community Identity Goal); Protect natural lands and aquatic habitats that support sustainable aquatic ecosystems and water resources (Water Goal); and protect natural lands and terrestrial habitats that support plants, wildlife, and biodiversity (Wildlands Goal).

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

None

FISCAL SUMMARY

Expenditures	FY 25-26 Adopted	FY 26-27 Projected	FY 27-28 Projected
Budgeted Expenses		\$2,200,000.	
Additional Appropriation Requested			
Total Expenditures		\$2,200,000.	
Funding Sources			
General Fund/WA GF			
State/Federal		\$1,000,000	
Fees/Other		\$1,200,000	
Use of Fund Balance			
Contingencies			
Total Sources		\$2,200,000	

Narrative Explanation of Fiscal Impacts:

Ag + Open Space will return to the Board for authorization to acquire the conservation easement if the funds are awarded and negotiations are successful. The SALC guidelines state that match requirement for the conservation easement is 50 percent, with competitive applications leveraging private and other government investment to the maximum extent possible. Ag + Open Space will leverage Measure F sales tax revenue, if

awarded.

As noted above, the amounts proposed for the acquisition of a conservation easement on the property are estimates. If Ag + Open Space is successful in negotiating a conservation easement with the landowner, an appraisal of the value of the conservation easement will be completed and approved by the Fiscal Oversight Commission. If awarded SALC funding, the appraisal will also be reviewed and approved by the State’s Department of General Services. The conservation easement acquisition and any expenditure of Ag + Open Space funds will be presented to the Board for its review and approval following completion of staff negotiations with the landowners.

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

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

1. Location Map
2. Board Resolution

Related Items “On File” with the Clerk of the Board:

1. State Grant Agreement Form Terms and Conditions
2. Sustainable Agricultural Lands Conservation Program Guidelines
3. Zoning Map
4. Project Boundary Map