



SUMMARY REPORT

Agenda Date: 8/22/2023

To: Sonoma County Board of Supervisors
Department or Agency Name(s): County Administrator's Office
Staff Name and Phone Number: Simone Albuquerque (707) 565-2132
Vote Requirement: Majority
Supervisorial District(s): Countywide

Title:

Accept USDA Climate Smart Commodities Grant for the Sonoma-Marin Ag and County Climate Coalition

Recommended Action:

- A) Accept the USDA Partnership for Climate Smart Commodities 5-year grant award in the amount of \$10,000,000 between August 22nd, 2023 - August 22nd, 2028, for the Sonoma-Marin Ag and County Climate Coalition project and authorize the County Administrator's Climate Division Manager to execute the Grant Agreement.
- B) Adopt resolution adjusting the adopted FY 23-24 County Administrator's Office Climate Action and Resiliency division budget by \$2,429,903 programming part of the USDA award for year 1 uses.
- C) Adopt resolution adjusting County Administrator's Office FY 23-24 adopted Department Allocation List to add one Department Analyst - Project financed with a combination of USDA grant funds and Strategic Plan funds.
- D) Authorize the County Administrator, or designee, to execute agreements, in a form approved by County Counsel, with the sub-awardees identified in the USDA Partnership for Climate Smart Commodities grant award for the Sonoma-Marin Ag and County Climate Coalition project.

Executive Summary:

The County of Sonoma was successful in receiving 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 the all 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 create and support a regional supply chain of diverse climate-smart agricultural commodities and catalyze the development of a regional carbon finance program to sustain and scale implementation and implementation support over the long term. This project, titled the Sonoma-Marin Ag and County Climate Coalition (SMACCC), represents a large partnership effort across multiple organizations from both Sonoma and Marin counties, with the County of Sonoma acting as the lead entity. This project will support the production and marketing of climate-smart commodities by providing voluntary incentives to producers and landowners to implement climate-smart agricultural production practices on working lands.

Board approval is requested to accept the grant by executing the enclosed agreement; to adjust the adopted FY 2023-24 budget and department position allocation for the County Administrator's Office representing an increase of \$2.43 million in revenues and the associated Year 1 expenditures, and a to add a limited duration Department Analyst - Project position to oversee the SMACCC project.

Discussion:

The Natural Resources Conservation Service (NRCS), within the U.S. Department of Agriculture (USDA), first announced details of the Partnerships for Climate-Smart Commodities opportunity in February 2022. Through this new opportunity, USDA is financing partnerships to support the production and marketing of climate-smart commodities via a set of projects lasting one to five years. The County of Sonoma (County) joined a group of partners from Sonoma and Marin counties to develop a proposal. The project, titled Sonoma Marin Ag and County Climate Coalition (SMACCC), represents a large partnership effort across multiple organizations from both Sonoma and Marin counties, with our County acting as the lead entity (project partners listed below).

Partners on this project who will receive pass-through funds will include:

1. Marin Resource Conservation District
2. Gold Ridge Resource Conservation District
3. Sonoma Resource Conservation District
4. Agricultural Institute of Marin
5. Marin Agricultural Land Trust
6. University of California Cooperative Extension
7. Carbon Cycle Institute
8. Sonoma County Regional Climate Protection Authority
9. Sonoma Farm Bureau

Project partners were selected to build upon long-standing partnerships between County governments, Resource Conservation Districts, University Extension Services, climate and ag-centered community-based organizations, and USDA NRCS. Partners have existing Memoranda of Understanding for staff sharing, joint-fund development, and contract management. In addition, this project will utilize partners' existing online database system to track project implementation, costs and impacts.

The Sonoma Marin Ag and County Climate Coalition Project

The SMACCC project will focus on successful carbon farming and the forging of regional and local food partnerships across the two Bay Area counties to create a regional supply chain, tracking system and marketing campaign for "climate-smart agricultural products" - agricultural commodities produced using farming, ranching or forestry practices that reduce greenhouse gas emissions or sequester carbon. Carbon farming is a term used to describe several strategies that maximize long-term carbon sequestration and reduce emissions in agriculture. The project will help achieve the ambitious climate mitigation goals established in formal [county climate action planning documents <https://sonomacounty.ca.gov/administrative-support-and-fiscal-services/county-administrators-office/climate-action-and-resiliency/about-us/strategic-plan>](https://sonomacounty.ca.gov/administrative-support-and-fiscal-services/county-administrators-office/climate-action-and-resiliency/about-us/strategic-plan).

The SMACCC project is a regional approach to creating climate-resilient agricultural landscapes through local partnerships and engagement with the agricultural community. This builds upon [long-standing partnerships <https://soilhub.org/about-us/partners/>](https://soilhub.org/about-us/partners/) among county governments, Resource Conservation Districts, University Extension Services, climate and agriculture-centered community-based organizations, and USDA to support, monitor and verify the implementation of impactful climate-smart practices. The project also builds upon the partners' existing [online database <https://www.rcdprojects.org/>](https://www.rcdprojects.org/) system to track project implementation, costs, and impacts. It will demonstrate and track the success of implementing these practices at a larger scale and through a larger regional network.

Over the course of five years, project partners will provide carbon farming support to up to 73 producers, covering approximately 13,686 acres of agricultural land. The greenhouse gas benefits of the practices implemented through this project are estimated to be 253,613 metric tons of carbon dioxide equivalent over 20 years. Partners will also conduct marketing, outreach, and educational efforts to build up a strong and sustainable market for commodities produced using climate-smart practices. Anchored in historic local conservation partnerships, the adaptive co-management approach of the project is designed to serve as a regional model for coordinated climate-smart agriculture implementation and to be scalable to any region in the state or country.

As the project lead, the County will oversee the project budget, manage reporting and tracking back to the funding agency, and oversee nine (9) sub-awardee agreements. The sub-awardees will focus on project implementation and will support with project reporting and tracking.

Role of the County Administrator’s Office (CAO) Climate Action and Resiliency Division (CARD)

As the lead entity, CAO/CARD will serve as the convener and coordinator of the SMACCC team, the fiscal agent receiving, disbursing, and tracking grant funds, the compliance agent collecting reports from sub-awardees and compiling and submitting reports to the USDA NRCS as required.

CARD will also act as the key point of contact with the USDA NRCS on matters relating to the grant award and implementation. These duties are funded by the grant at 0.75 FTE Department Analyst - Project. The remaining 0.25 FTE Department Analyst - Project will be funded with Strategic Plan funds your Board awarded on February 1st, 2022, to support implementation of the Climate Action and Resiliency Pillar of the Strategic Plan. The Project position will exist for up to a period of five years, ending August 22, 2028. The Director of the Climate Action and Resiliency Division will assist with project management, oversight and coordination. Two and a half percent (2.5%) of the Director’s time will be allocated to this 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

Racial Equity:

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

No

Prior Board Actions:

02/01/2022 - Strategic Plan Funds

FISCAL SUMMARY

Expenditures	FY23-24 Adopted	FY24-25 Projected	FY 25-26 Projected
Budgeted Expenses	\$68,584	\$71,327	\$74,180
Additional Appropriation Requested	\$2,429,903	\$2,170,331	\$1,709,266
Total Expenditures	\$2,498,487	\$2,241,658	\$1,783,446
Funding Sources			
General Fund/WA GF	\$68,584	\$71,327	\$74,180
State/Federal	\$2,429,903	\$2,170,331	\$1,709,266

Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	\$2,498,487	\$2,241,658	\$1,783,446

Narrative Explanation of Fiscal Impacts:

This is a grant agreement covering five (5) years. The table above shows Years 1-3 which include significant equipment purchases as well as personnel and contractor costs for project planning and implementation. Years 4 and 5 are largely dependent on implementation progress in initial years and is likely to include additional implementation activities and a significant amount of project tracking and documentation activities. Years 4 and 5 are projected to require \$3,690,500.00 in grant expenditures, bringing total grant expenditures to \$10,000,000.00. \$2,350,954.36 in matching funds come primarily from the grant partners (\$2,225,795.24) with the County CAO/CARD and the Ag Commissioner’s Office providing \$125,572.74 through in-kind staff support and indirect costs. The match funds will be spent throughout the lifetime of the grant bringing the total project expenditures to \$12,350,954.36. Revenue and expenditure appropriations will be included in the Department’s recommended budget in future fiscal years.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)
Department Analyst - Project	\$7,421.45 - \$9,019.84	1.0	0 □

Narrative Explanation of Staffing Impacts (If Required):

This project will be managed by the County of Sonoma’s Climate Action and Resiliency Division within the County Administrator’s Office. One full-time Department Analyst - Project position will be hired, with 75% of their time dedicated to the Project to provide monitoring and oversight of all contracts and facilitate tracking and reporting to USDA NRCS. The remainder of their time will be supporting the County of Sonoma’s Climate Action and Resiliency Division in meeting strategic plan goals.

Attachments:

- Attachment 1: USDA Partnerships for Climate Smart Commodities Notice of Grant Award and Agreement
- Attachment 2: Budget Adjustment Resolution
- Attachment 3: Department Allocation List Amendment Resolution

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

- Previously Approved Strategic Plan Funds
- USDA Partnerships for Climate Smart Commodities Notice of Grant Award and Agreement - with Data Dictionary