



SUMMARY REPORT

Agenda Date: 8/30/2022

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: Steph Tavares-Buhler, 565-7362
Vote Requirement: Majority
Supervisorial District(s): Second District

Title:

Sustainable Agricultural Lands Conservation Program Grant for the McClelland Dairy Project

Recommended Action:

Approve resolution of the Directors of the Sonoma County Agricultural Preservation and Open Space District (“Ag + Open Space”): (i) authorizing the submission of an application to the State of California Department of Conservation for a \$800,000 grant under the Sustainable Agricultural Lands Conservation Program (“SALCP”) to be used towards acquisition of a conservation easement for the McClelland Dairy, (ii) authorizing the 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 an \$800,000 match of Ag + Open Space Funds; (iii) certifying that no 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 McClelland Dairy project; and (iv) authorizing the General Manager to execute and implement the grant agreement, such as signing documents related to the application, grant agreement, and acquisition, if the project is awarded funding.

(Second District)

Executive Summary:

Staff is requesting Board approval of a resolution authorizing it to apply for a grant from the SALC Program and to take related actions to executed and implement the grant if it is awarded by the State. The State requires the Board resolution 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.

The grant funding would support the potential acquisition of a conservation easement on the McClelland Dairy property on Bodega Avenue as well as funding for a conservation plan for updated management of habitat on Stemple Creek, as it flows through the Property. Staff is negotiating easement terms with the McClelland family with an aim of protecting its agricultural utility, natural resources, and scenic beauty for the benefit of the local community and visitors alike.

Staff will return to the Board for authorization to purchase an easement if negotiations are successful.

Discussion:

The Sustainable Agricultural Lands Conservation Program (“SALCP” or “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 ("GHG") emission goals by making strategic investments to protect agricultural lands. The AHSC, administered by the Strategic Growth Council, 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 and provides funding to leverage the protection of strategically-located, highly-productive, and critically-threatened agricultural land via permanent agricultural conservation easements in order to avoid increases in greenhouse gas emissions associated with conversion of agricultural lands, consistent with the California Global Warming Solutions Act of 2006.

Ag + Open Space has completed one project with the assistance of the SALC Program, the acquisition of a conservation easement on the Mattos Dairies near Two Rock. This request relates to a grant application for the nearby McClelland Dairy.

The 348.11-acre McClelland Dairy is located west of the city of Petaluma on Bodega Avenue within the coastal agricultural zone. The Property supports a working dairy run by the McClelland family and also has important riparian habitat on the main stem of Stemple Creek. This dairy farm is well known in the community for its vibrant fall pumpkin patch and associated agricultural educational and recreational activities (currently on hiatus due to the Pandemic). The proposed conservation easement project will protect this highly productive agricultural land and contribute to carbon sequestration in the grassland soils and riparian forest on the property. In addition, the conservation easement will restrict conversion of the land to residential and industrial uses that would increase greenhouse gas emissions and impair its agricultural utility. □

Staff have submitted a pre-application to the State this spring for an \$800,000 grant under the Program to assist with the acquisition of the McClelland Dairy conservation easement and for up to \$10,000 for a conservation plan to manage the riparian corridor. The match requirement for the conservation easement is 50 percent (\$800,000), which the Ag + Open Space would fund through its tax measure. Ag + Open Space has received positive feedback on this pre-application and has been encouraged to submit a full application. As part of the SALCP application, the State requires certification that there is no known conflict of interest, or appearance of a conflict of interest, for the Board or any of its members as related to the proposed acquisition of an agricultural conservation easement on the McClelland Dairy.

In order to complete the application for a SALCP grant, Staff recommends that the Board adopt the attached resolution:

- (1) Authorizing the submission of an application to the State of California Department of Conservation for a \$800,000 grant under the SALCP to be used towards acquisition of a conservation easement on the

McClelland Dairy;

- (2) Authorizing the 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 an \$800,000 match of Ag + Open Space Funds;
- (3) Certifying that no 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 McClelland Dairy project; and
- (4) Authorizing the General Manager to execute and implement the grant agreement, such as signing documents related to the application, grant agreement, and acquisition, if the project is awarded funding.

By entering into the grant agreement, if awarded by the State, Ag + Open Space is not committing to the acquisition of the conservation easement from the McClelland Dairy. The conservation easement acquisition will be presented to the Board for its independent review following completion of staff's negotiations with the landowner.

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: 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. Develop a framework and policies to incentivize collaboration with private and public land owners.

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 negotiations are successful, acquisition of a conservation easement on the McClelland Dairy would further the Vital Lands Initiative goals by protecting lands that do the following: 1) support diverse, sustainable, and productive agriculture (Agriculture Element); Protect open lands that surround and differentiate the County's urban areas and contribute to the unique scenic character of the County (Community Identity Element); Protect natural lands and aquatic habitats that support sustainable aquatic ecosystems and water resources (Water Element); and protect natural lands and terrestrial habitats that support plants, wildlife, and biodiversity (Wildlands Element).

Prior Board Actions:

None.

FISCAL SUMMARY

Expenditures	FY 22-23 Adopted	FY23-24 Projected	FY 24-25 Projected
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Budgeted Expenses	0	0	0
Additional Appropriation Requested	0	0	0
Total Expenditures	0	0	0
Funding Sources			
General Fund/WA GF	0	0	0
State/Federal	0	0	0
Fees/Other	0	0	0
Use of Fund Balance	0	0	0
Contingencies	0	0	0
Total Sources	0	0	0

Narrative Explanation of Fiscal Impacts:

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

Narrative Explanation of Staffing Impacts (If Required):

Attachments:

1. Location Map
2. Resolution

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

1. State Grant Agreement Form Terms and Conditions
2. SALCP Award letter template
3. SALCP Guidelines