

[TABLE OF CONTENTS]

## 2020 APPLICATION PROCESS

The Sonoma County Agricultural Preservation and Open Space District (Ag + Open Space) operates a Matching Grant Program on a biennial cycle. A call for applications is announced on the agency's website ([www.sonomaopenspace.org/matching-grant-program](http://www.sonomaopenspace.org/matching-grant-program)) and the County's website ([www.sonomacounty.ca.gov](http://www.sonomacounty.ca.gov)), is advertised in Sonoma County newspapers and on social media, and through direct solicitation by Ag + Open Space staff. Applications are available on our website and at our office, and can be sent by mail upon request. The 2020 Matching Grant Program will be accepting applications from **DATE, 2020** through **DATE, 2020**. To commence the application period and to support applicants throughout the process, Ag + Open Space staff will hold two public information workshops. The workshops will provide an overview of the MGP including requirements, eligibility, evaluation, and approvals. Attendance is recommended for all applicants; however, participation is not mandatory in order to apply.

### Matching Grant Program Public Workshops

#### Informational Public Workshop #1

**INSERT WORKSHOP LOCATION INFO HERE**

#### Informational Public Workshop #2

**INSERT WORKSHOP LOCATION INFO HERE**

**All applications for funding must be received by 5:00 p.m. on DATE, 2020**

Packages should be delivered to:

Jen Kuszmar, Matching Grant Program Coordinator  
Sonoma County Ag + Open Space  
Matching Grant Program  
747 Mendocino Ave., Suite 100  
Santa Rosa, CA 95401

To request an application, or for any questions, contact:

**Jennifer Kuszmar, Matching Grant Program Coordinator**  
**707.565.7266 | [jennifer.kuszmar@sonoma-county.org](mailto:jennifer.kuszmar@sonoma-county.org)**

## **ABOUT AG + OPEN SPACE**

Sonoma County Ag + Open Space permanently protects the diverse agricultural, natural resource and scenic open space lands of Sonoma County for future generations. We are responsible for the perpetual protection of more than 114,000 acres of land within Sonoma County, with nearly 500 acres protected through the Matching Grant Program. Funding for protection of these agricultural and open space lands is through a quarter-cent sales tax approved by voters in 1990 and reauthorized in 2006. For more information, please visit [www.sonomaopenspace.org](http://www.sonomaopenspace.org).

## **ABOUT THE MATCHING GRANT PROGRAM**

Since its creation by Sonoma County voters in 1990, Ag + Open Space has provided funds to Cities, the County, other public agencies, and nonprofit organizations for open space projects through the competitive Matching Grant Program (MGP). Under the voter-approved 2006 Expenditure Plan, the MGP provides funding for community and urban open space projects within or near incorporated cities and other communities in Sonoma County.

Ag + Open Space administers the MGP on a biennial basis and to date has provided over \$27 million in funding towards projects in all of the County's nine cities and numerous unincorporated communities to develop diverse and innovative community open space projects throughout Sonoma County. MGP funding requires a 1:1 match toward the project, and has resulted in nearly \$30 million dollars leveraged county-wide (for more information on match requirements, see Evaluation Criteria section below Section 4 d.)

The MGP is intended to protect vibrant lands and create inviting spaces within our cities and communities and at the urban edge, providing an opportunity for residents and visitors alike to experience open space within and near Sonoma County's population centers. Matching Grant projects have the potential to transform communities, providing places to find solitude, hold public gatherings, get some exercise, grow local food, and to experience and learn about the importance of natural resources and agriculture in the landscape.

To ensure preservation of open space consistent with our voter-approved 2006 Expenditure Plan, projects involving site development may be subject to limitations on structures, as well as impervious or other hardscape surfaces. Gravel trails, grassy fields, and similar improvements are not included in this calculation.

## Attachment 1

The MGP has two general categories of eligible project types, acquisition and/or improvement. Projects may include elements of both project types.

**Acquisition** projects include, but are not limited to, purchase of land for:

1. Restoration, preservation, and/or enhancement of significant natural areas, including oak woodlands, marshes, wetlands, uplands, riparian corridors, and other critical habitat areas.
2. Public access to open space and outdoor recreational and educational amenities, such as urban parks, greenways, athletic fields, trails, and access to rivers and other waterways.
3. Agriculture within or near communities to provide opportunities for access to locally grown and produced food (does not include acquisition of land solely for community gardens).

NOTE: The entity purchasing the property (e.g. who will hold title to the property at closing), must be an eligible applicant or sign as a co-applicant on the application.

**Improvement** projects (restoration, public access, agriculture, recreation development), include, but are not limited to:

1. Restoration and/or enhancement of significant natural areas, including oak woodlands, marshes, wetlands, uplands, riparian corridors, and other critical habitat areas.
2. Development of connections between communities, public parks, or public lands within and adjacent to urban areas. Preference may be given to projects that are part of a regional trail system.
3. Implementation or construction of new site improvements for, and that facilitate, outdoor public recreation and education including public access to open spaces and parks for outdoor recreational use, including trails, trailheads, picnic and staging areas, athletic fields, and outdoor classrooms.
4. Construction of new site improvements necessary for agricultural uses, including wildlife-friendly livestock fencing, garden beds, and picnic areas.

In order to provide permanent protection of land through the MGP, conveyance of a conservation easement to Ag + Open Space is a condition of funding. Properties intended to be used for public access may also require that a recreation covenant be conveyed to Ag + Open Space. See **Section C** below and the **Appendices** for more information on these documents.

**The proposed budget for the 2020 Matching Grant Program cycle is \$4,000,000.**

## SECTION A: ELIGIBILITY, EVALUATION, AND PROJECT REQUIREMENTS

Using the criteria described below, Ag + Open Space staff conducts an initial review of all applications for completeness and eligibility. Individual projects are evaluated using the Evaluation Matrix found in the **Appendices**. Ineligible applications will not be evaluated further and will not be considered for funding. Incomplete applications will also be rejected if, in staff's determination, the deficiencies are so significant that it would be unfair to allow the applicant to supplement their application.

### **Minimum Qualifications**

All project applications must meet all of the following requirements in order to be considered eligible for MGP funding.

**1. Eligible Applicants:** Eligible applicants include **public agencies** and **501(c)(3) nonprofits**.

Applications from nonprofits must also include the following:

- a. Evidence of qualification under Section 501(c)(3) of the Internal Revenue Service Code
- b. California Form 590 Withholding Exemption Certificate
- c. California Form 204 Payee Data Record
- d. Articles of Incorporation
- e. By-laws

In some instances, a project application may be submitted by two or more eligible entities. If **co-applying**, both entities must be eligible to apply for funding. Ag + Open Space requests that a written agreement between co-applicants (e.g. memorandum of understanding, land tenure agreement, lease, contract, etc.) be in place at the time of application. This agreement establishes that the parties have committed to implementing the project together. At a minimum, this agreement must include the following:

- a. Roles and Responsibilities - The agreement must authorize the co-applicants to proceed with the implementation of the project, operate the project, and must identify which co-applicant is responsible for maintenance of the project property. The agreement may allow the co-applicants to delegate activities to other entities. If funded, all activities must be in accordance with the terms of Ag + Open Space's matching grant agreement and future conservation easement.
- b. Term of the Agreement - The agreement should be long-term in nature and at a minimum long enough to implement the project, provide public access (if applicable), and document match funding.

## Attachment 1

- c. Renewal Clause - The renewal clause should include an option for the co-applicants to renew the agreement beyond the original term.
- d. Termination - Any of the following are acceptable: 1) No termination clause; the agreement is irrevocable; 2) A termination clause that specifies that the agreement is revocable only for breach of the agreement or for cause; or 3) A termination clause that specifies that the agreement is revocable by mutual consent. A termination clause that allows the landowner to revoke the agreement without cause is not acceptable.
- e. Signatures of both parties.

If an agreement has not been executed by the time the application is submitted, a signed letter by the co-applicants, indicating their intent to enter into such an agreement is acceptable. If awarded funding, submittal of an executed agreement between all parties will be required prior to any disbursement of funds.

NOTE: Co-applicants will be required to submit authorization from their respective governing bodies (see **Project Authorization** below). If awarded, all co-applicants will be required to sign the matching grant agreement.

2. **Eligible Project Categories:** The proposed project must be for acquisition, improvement, or a combination of these project types. (See About the Matching Grant Program above for more information on eligible project types).

Applications for **acquisition** projects must provide information on the following:

- a. Confirmation of willing seller (e.g. purchase and sales agreement, letter of intent);
- b. Status of negotiations with seller;
- c. Appraisal<sup>1</sup>;
- d. Agreements related to ownership, use, or maintenance (e.g. leases);
- e. Documentation of historical and existing uses of the property;
- f. Documentation of title conditions or other property restrictions that could affect successful completion of the project;
- g. Required approvals (e.g. City /County planning, Board/City Council);
- h. Required permits;
- i. CEQA compliance (e.g. type of CEQA review required based on potential impacts or applicable exemptions)

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<sup>1</sup> To be provided for Ag + Open Space staff review only. Staff will not keep a copy of the appraisal, which shall remain confidential unless otherwise disclosed by the applicant or other third parties.

## Attachment 1

- j. Required review by other agencies
- k. Visual depiction of project with description of type and total area of impervious/hardscape surface, if relevant (e.g. conceptual designs)

Applications for **improvement** projects (restoration, public access, agriculture, recreation development) must provide information on the following:

- a. Visual depiction of project and/or completion of restoration/construction plans with description of type and total area of impervious/hardscape surface, if relevant;
- b. Public outreach for input and comment on project design;
- c. Property restrictions and/or encumbrances on title that could affect successful completion of the project;
- d. Agreements related to ownership, use, or maintenance of the property and improvements;
- e. Required approvals for implementation and/or any and permits, zoning requirements (e.g. City /County planning, Board/City Council);
- f. Required review by other agencies; and
- g. CEQA compliance (e.g. type of CEQA review required based on potential impacts or applicable exemptions).

### NOTE: Ineligible Projects

*Projects that are not eligible for the MGP include, but are not limited to:*

- *Projects that involve acquisition of property through the power of eminent domain.*
- *Projects that replace existing facilities or amenities with facilities or amenities that have the same function or purpose.*
- *Projects that fulfill mitigation requirements for a public or private development project.*
- *Acquisition of, or interest in, land that restricts access to specific persons.*
- *Projects on property that Ag + Open Space owns.*
- *Projects on property that Ag + Open Space purchased and transferred to another entity.*
- *Projects where Ag + Open Space has contributed funding to acquire a conservation easement or to the fee purchase through the acquisition of a conservation easement outside of the Matching Grant Program.*
- *Projects that would implement conditions of approval for an unrelated development project.*

3. **Authorization:** To be considered for the MGP, all applicants must have the support of their governing body as evidenced by a formal resolution or formal statement issued by the

## Attachment 1

body. A sample resolution can be found in the **Appendices**. Resolutions or statements must include the following:

- a. Authorization by the governing body for submission of the application to the MGP.
  - b. An explanation or analysis to demonstrate that the project is consistent with the jurisdiction's general plan. For applicants representing a project in an unincorporated area of the County, a description of consistency with the County's General Plan is required.
  - c. Acknowledgement that the applicant understands the match requirements applicable to the project and that the applicant has or will have available the required match and sufficient funds to complete the project and to operate and maintain the project.
  - d. Acknowledgement that the applicant has reviewed, understands, and agrees to the provisions contained in the MGP Guidelines.
  - e. Delegation of authority to conduct all negotiations and submit and sign all documents, including but not limited to, the application, the matching grant agreement, the conservation easement, the recreation covenant, any irrevocable offer(s) of dedication, amendments, reimbursement requests and so on, which may be necessary for completion of the project.
  - f. Agreement to comply with all applicable federal, state, and local laws, ordinances, rules, regulations and guidelines.
4. **Location**: All eligible projects for the MGP should be located within or near an incorporated Sonoma County city or unincorporated community. Through our Vital Lands Initiative, we have developed a map of urban open space opportunities. Generally speaking, these locations are within a half-mile of any existing urban growth boundary, urban service area boundary, or community census block with a population of greater than 100. If an application falls *outside* of these mapped areas, the application should describe clearly which communities the project will serve and how.
5. **Fiscal Review**: Ag + Open Space will review financial information from all applicants, using commonly accepted accounting tests and ratios, to determine an organization's fiscal solvency. In general, applicants should qualify as a low-risk auditee and as a going concern. For more information, see the sample fiscal review in the Evaluation Matrix.
6. **Long-Term in Nature**: All MGP projects must provide long-term benefits to the community. Preference will be given to projects that ensure beneficial use for more than 30 years..

7. **Complete Application**: All applications must provide all required documentation in the form requested. Applicants should provide clear and concise responses to all questions. After submission, Ag + Open Space staff conducts an initial review of all applications for completeness and eligibility. Ineligible applications will not be evaluated further and will not be considered for funding. Incomplete applications will also be rejected if, in staff's determination, the deficiencies are so significant that it would be unfair to allow the applicant to supplement their application.

## **Evaluation Criteria**

All eligible MGP Applications will be evaluated using the criteria described below. Please see the Evaluation Matrix in the Appendices for more information on how projects are evaluated.

1. **Program Intent**: The MGP is described in the Ag + Open Space 2006 voter-approved Expenditure Plan which calls for a matching grant program for "...urban open space and recreation projects within and near incorporated areas and other unincorporated areas of Sonoma County..." (for full Expenditure Plan text, see **Appendices**). MGP projects that bring the experience of open space to populous areas of the County for recreation, community gathering, education, natural resource restoration and enhancement, and access to local food and fiber production are the most competitive. The criteria below is intended to evaluate project applications on how well the grant application meets the objectives of the MGP. Project applications that best meet the intent of the MGP will be considered most competitive.

*NOTE: See "About the Matching Grant Program" above for more information on the MGP intent.*

- a. **New or Expanded Open Space**: The MGP has a preference for projects that feature the purchase of new open space land for public recreation, agriculture, and/or restoration or enhancement of natural resources. New land protection in locations where little or no open space currently exists may be more competitive. Applications for projects that will develop or expand existing open spaces are also considered competitive, though less so than the acquisition or development of new land.
- b. **Other Program Intent Priorities**: As described in the Expenditure Plan, the MGP helps Ag + Open Space achieve voter-approved objectives. In addition to the creation of new or expansion of existing urban open space, projects will be evaluated using the following criteria to determine how well a project meets the purpose of the MGP.
  - i. **Link** communities to open space via trails or other connections. Preference is given to projects that include regional trail connections.



## Attachment 1

- ii. **Protection or Construction** of public access to the Russian River, Pacific Ocean, or other waterways.
  - iii. **Implementation of restoration or enhancement** of natural and native habitats.
  - iv. **Protection** of native plant and/or animal species.
  - v. **Construction** of an outdoor public community gathering space in a natural setting. Preference is given to projects where no community gathering space currently exists.
  - vi. **Development** of new, outdoor, nature-based, recreational opportunities. Preference is given to projects that are located where no outdoor recreation opportunities currently exist.
  - vii. **Construction** of amenities to provide opportunities for public education about the natural world and/or local agriculture.
  - viii. **Protection** of farmland that provides urban greenspace and access to locally grown food and fiber and provide opportunities for the public to experience farming, agricultural production, and/or food and fiber production.
2. **Need**: The MGP seeks to implement projects that fulfill a well-identified and high-priority need within the geographic area where the project is located. Projects that are identified in, or further policies of, adopted plans/documents are most competitive. Examples of adopted plans and documents include, but are not limited to, City or County General Plans, Specific Plans, Creek Master Plans, Park Plans, and Watershed Restoration Plans.
3. **Benefits**: Competitive MGP applications will result in multiple quantifiable benefits to the community as well as to native plants and wildlife. Examples of community benefits include, but are not limited to: protection of scenic resources; creation or development of new public recreational and/or educational opportunities; access to locally produced agricultural products; creation of connections to open space lands; improvements to public health; protection of natural resources; and benefits to the local economy. Examples of plant and wildlife benefits include, but are not limited to: protecting/providing habitat for nesting or foraging; protecting habitat linkages; and protecting access to migration routes.
4. **Readiness**: Applications will be evaluated using the following sub-criteria to determine the applicant's ability to successfully complete the project. In addition to providing a schedule for project completion, the readiness of an application will be evaluated using the following: See Evaluation Matrix and **Section C** below for more information on program timelines for project completion.

## Attachment 1

- a. **Project Tasks/Schedule**: The application includes a table (sample below) where applicants will describe the tasks, milestones, and timeline for the project.
- b. **Planning and Design**: Applications must be based on sound planning, as demonstrated by consistency with the applicable jurisdiction's (e.g., City, County) general plan and any relevant specific plan, area plan, creek plan, habitat plan, and other applicable planning documents. The project must comply with the Federal Americans with Disabilities Act (ADA), the California Environmental Quality Act (CEQA), and all other local, state, and federal environmental and permitting requirements.

The application should clearly demonstrate how the project will be implemented and will result in the intended benefits, as well as display an understanding of the steps needed to comply with local, state, and federal laws to ensure project implementation and success. Applicants that have completed or initiated some or all planning tasks and have prepared visual designs depicting how the property will be utilized to meet stated needs and objectives are the most competitive.

Evaluation will include a review of any proposed structures as well as impervious or hardscape surfaces. Projects where 25% or less of the land is covered by structures or impervious/hardscape surfaces are the most competitive. Gravel trails, grassy fields and similar improvements are not included in this calculation

*Note: If a project involves development of, or change in use of a property, or if significant changes are proposed to existing improvements, applicants will be responsible for coordination with all applicable jurisdictions and agencies to determine which land use entitlements or permits may be necessary to implement the project prior to disbursement of grant funding.*

- c. **Experience**: The applicant and any designated team members, partners, contractors, etc. will be evaluated based on their experience in completing projects of similar scope and scale. Applicants must describe their ability to successfully complete and maintain the project as described.
- d. **Funding/Match Security**: The grant request, combined with the match, must provide for successful completion of the project. The applicant's project budget should be based on reasonable estimates and should be sufficient to successfully complete the proposed project.

Applications will be evaluated on the completeness of the budget, including that the total project cost is sufficient to complete the project. Projects with the majority of their match secured are the most competitive.

## Attachment 1

The MGP requires applicants to provide a matching contribution at a ratio of one-to-one. The match may include both direct contributions and in-kind services and materials; however, no more than fifty percent (50%) of the total match can be satisfied through operations and maintenance costs (O&M). Further, no more than twenty five percent (25%) of the total match or total grant can be applied to planning, design, or project administration. The applicant will be asked to identify matching funds, including all anticipated in-kind contributions, in the project budget submitted in the application. The matching funds must be currently available or receivable in a timely manner. Applicants will be required to provide supporting documentation for all matching funds represented as secure in the submitted budget (e.g. grant award letters, letters of commitment). If some or all of the matching funds are not yet secure, the applicant must indicate when funding is anticipated to be secured, and must promptly inform Ag + Open Space when those matching funds are received or if they are not awarded or received. Applications with 100% of their matching funds secured are the most competitive.

*NOTE: Please see the table in the Appendices for examples of typical project activities and their eligibility for grant reimbursement or match funding. Please note that this is not a comprehensive list as every project is different. Please consult with the Matching Grant Program Coordinator to discuss if your project includes activities not listed below.*

5. **Other Considerations:** The following are additional factors that are analyzed as a part of the MGP evaluation process. See the Evaluation Matrix for more detail.
- a. **Support:** All applicants must demonstrate broad community support for the project. In addition to the requirement of authorization and support from the appropriate governing body, such as the entity's Board of Directors or the City Council (see **Minimum Requirements**), the applicant should provide documentation of community input and support of the proposed project. Engagement of the community and demonstration of support from community groups, elected officials, and other organizations and agencies is relevant to the evaluation committee.
  - b. **Agency Diversity:** Ag + Open Space seeks to provide MGP funding to a variety of eligible applicants. First time applicants are encouraged to apply.
  - c. **Geographic Diversity:** Ag + Open Space seeks to provide MGP funding for every community in Sonoma County. Competitive applications for projects in communities where no previous MGP funding has been awarded, or where MGP funding has not been awarded in the last two MGP cycles may be given additional consideration.
  - d. **Performance on Previous and/or Current MGP Projects:** In some cases an MGP applicant that has previously received MGP funding may apply for funding for

additional phases of a project or a new project. An applicant's failure to perform on an active project (e.g. has not met work plan or other requirements), will be considered by Ag + Open Space. While these applicants may still be eligible for funding, Ag + Open Space may condition any future funding on the successful completion of current projects or other remedies. The MGP application includes a question about performance on previously funded MGP projects.

- e. **Projects in Fire and Flood impacted areas**: Funding through the MGP provides an opportunity for Ag + Open Space to participate in efforts to recover and rebuild in communities impacted by extreme events such as fire and flood. Eligible and competitive applications for community open space projects located in areas directly impacted by recent fire and/or flood events will be additional preference as described in the Evaluation Matrix.
- f. **Overall Quality of Application**: Ag + Open Space will evaluate the general quality of all applications including submission of all required supporting documentation. Applicants that provide complete, clear, and concise answers to all questions will be given additional consideration.

## SECTION B: EVALUATION, MGP ACCEPTANCE & APPROVAL

1. **Evaluation**: Ag + Open Space staff and a subcommittee comprised of members of the Advisory Committee and Fiscal Oversight Commission evaluate eligible applications using the Evaluation Criteria and accompanying Evaluation Matrix. During this period, staff may request a site visit of the project property or clarifying information from applicants.

In consultation with the subcommittee, Ag + Open Space staff recommends the most competitive projects to the full Advisory Committee, Fiscal Oversight Commission, and ultimately the Board of Directors.

2. **MGP Acceptance**: Ag + Open Space staff presents the recommended suite of projects, along with any comments and suggestions from the Advisory Committee and Fiscal Oversight Commission, to Ag + Open Space's Board of Directors. Based upon the information presented, the Board of Directors determines which projects, with recommended funding amounts, are accepted into the MGP. Acceptance into the MGP "starts the clock" for completion timelines as described in **Section C** below.
3. **Approval Process**: Following acceptance into the MGP, Ag + Open Space staff prepare a matching grant agreement, a conservation easement, and in some cases a recreation covenant (refer to **Section C** below for more information) for each project. The individual

project will be presented to Ag + Open Space's Board of Directors for final grant approval. All projects must also be brought before the Fiscal Oversight Commission prior to presentation to the Board of Directors.

*NOTE: An application that is not accepted into the MGP during one funding cycle may be resubmitted for consideration during a subsequent funding cycle. It is also possible that projects may receive partial funding. If recommended for funding less than the amount requested, the applicant will be asked to submit a revised project description, budget and timeline prior to Board approval.*

## SECTION C: MATCHING GRANT PROGRAM FUNDING REQUIREMENTS

As described above, after a project is accepted into the MGP by the Board of Directors, Ag + Open Space staff prepare the following required MGP components, which must receive Board of Directors' approval prior to final execution of MGP documents and disbursement of funds.

### 1. Matching Grant Agreement:

Applicants accepted into the MGP must enter into a **matching grant agreement** with Ag + Open Space. The project-specific provisions of the matching grant agreement may vary b, but there are common terms and conditions required of all program participants. By submitting an application, applicants acknowledge they have reviewed the Matching Grant Agreement form as provided in the Appendices, and that, if accepted into the program, they will enter into an agreement in substantially this form. The matching grant agreement will define the project to be completed and will identify which project components will be paid for by MGP funds and which would be paid for with match funds.

### 2. Conservation Easement:

A condition of MGP funding is that the applicant or co-applicant convey a **conservation easement** to Ag + Open Space. The conservation easement is a legal agreement between the landowner and Ag + Open Space that permanently limits the use of the land in order to protect its conservation values. In order to ensure these values remain protected, Ag + Open Space monitors all conservation easements every twelve to eighteen months. Should the landowner sell or transfer the property, subsequent owners are obligated to use the land under the terms of the conservation easement. The conservation easement is binding in perpetuity – in other words, forever. All conservation easements, including those required under the Matching Grant Program, must be approved by Ag + Open Space's Board of Directors and recorded with the County Recorder.

The conservation easement s tailored for each specific property based on the property features and project goals.

Applicable conservation easement templates are found in the **Appendices**.

### 3. **Recreation Covenant:**

If the primary goal of the project is to provide outdoor recreation and public access opportunities, the applicant or co-applicant will be required to convey a **recreation covenant** to Ag + Open Space in addition to a conservation easement. The recreation covenant ensures the project property will be open to the public in perpetuity, and provides remedies in the event that public access is not provided within an agreed timeframe. The recreation covenant must be approved by Ag + Open Space's Board of Directors and recorded with the County Recorder.

In general, the recreation covenant requires that the property is available to the public for outdoor recreation and education in a manner consistent with the conservation easement. Further, the property must be continuously used, maintained, and operated as a public park or open space preserve. In some cases, Ag + Open Space may require that the applicant convey an irrevocable offer of dedication to the agency of the fee interest and/or a 25-year recreational lease of the property. These are the remedies Ag + Open Space may utilize, amongst others, if the terms of the recreation covenant are not fulfilled.

The Recreation Covenant template can be found in the **Appendices**.

### 4. **Property Appraisal:**

For **acquisition projects**, an appraisal of the subject property must be completed to establish the fair market value of the real estate interest being acquired. Ag + Open Space can only contribute funds up to the appraised fair market value of the property. The appraised date of value must be within one year of Fiscal Oversight Commission approval.

It is preferable that the appraisal is completed before the application is submitted. However, it is acceptable to submit an opinion of value from an appraiser rather than a full appraisal with the application. Appraisals that are one year or older at the time the Fiscal Oversight Commission conducts its review must be updated at the applicant's expense. The applicant is responsible for coordinating the appraisal process and for any appraisal expenses. Appraisals must comply with Ag + Open Space's Appraisal Guidelines and Standards found in the **Appendices**.

## 5. **Schedule for Project Completion:**

For **acquisition projects**, applicants are expected to acquire the project property and expend Ag + Open Space's grant funds and matching funds within **three years** from the date the Board accepts the project into the MGP.

For **improvement projects**, applicants must expend Ag + Open Space's grant funds within **five years** from the date the Board accepts the project into the MGP.

Ag + Open Space may consider one request for a time extension up to two years, only upon the applicant's demonstration of reasonable progress on the project and proof that the extension will result in successful completion of the project.

## 6. **Payment of Grant Funds:**

For **acquisition projects**, once an applicant has met the conditions for disbursement of funds as set forth in the executed grant agreement, funding will be deposited into an escrow account. This typically occurs prior to purchase; however, in certain cases, Ag + Open Space may reimburse the applicant for property acquisition. In most cases, the acquisition is completed in a single escrow in which the applicant takes fee title to the property and conveys a conservation easement to Ag + Open Space. Applicants are responsible for opening an escrow account, and Ag + Open Space and the applicant each prepare their own escrow instructions.

For **improvement projects**, once an applicant has met the conditions for disbursement of funds as set forth in the executed grant agreement, the applicant may submit invoices to Ag + Open Space for reimbursement. Reimbursement will be based on an approved work plan that includes a detailed description of the project schedule and tasks including milestones and budgets for all reimbursable deliverables and expenses.

Sample reimbursement forms as well as work plan templates with budgets and timelines can be found in the Appendices.

## 7. **Reporting:**

Projects will be subject to a regular reporting process. Sample project reports are found in the **Appendices**.

For **acquisition projects** a copy of the recorded deed must be submitted after closing to support the disbursement of Ag + Open Space funds and to document the contribution of matching funds.

For **improvement projects** quarterly performance reports demonstrating project progress and achievement of milestones, and describing challenges/opportunities based on the approved work plan are required. Invoices shall be submitted with the report. Conformance with the reporting requirements of the matching grant agreement are required. Applicants will be required to submit a final report demonstrating project completion consistent with the requirements of the matching grant agreement and approved work plan.

#### **8. Accounting Requirements:**

Applicants must maintain an accounting system for the project that is in accordance with generally accepted accounting procedures and standards, and as such:

- Accurately reflects responsible fiscal transactions, with the necessary controls and safeguards.
- Provides an audit trail, including original paper or electronic source documents for transactions such as purchase orders, cash receipts, progress payments, invoices, timecards, and all evidence of payment.
- Provides accounting data so the total cost of the project and each individual component can be readily determined and isolated.

#### **9. Fiscal and Project Monitoring:**

Projects will be subject to compliance monitoring by Ag + Open Space. Compliance monitoring may include examination of books, papers, accounts, documents, or other records of the applicant as they relate to the project for which the funds were granted.

*Note: Once a conservation easement is conveyed to Ag + Open Space, additional monitoring will be conducted on the property to ensure compliance with easement terms.*

#### **10. Records Retention:**

The project records and related financial records must be retained and accessible to Ag + Open Space for no less than **five** years after the project is completed.



**APPENDICES (work in progress)**

Expenditure Plan

Sample Resolution

Table of Example Project Activities and Funding Eligibility

Evaluation Matrix

Matching Grant Agreement Template

Conservation Easement Template

Recreation Covenant Template

Appraisal Guidelines and Standards

Sample Reimbursement Forms

Work Plan Templates with Budgets and Timelines

Sample Project Reports