



Legislation Text

File #: 2019-1617, **Version:** 1

To: Matching Grant Program Updates

Department or Agency Name(s): Agricultural Preservation and Open Space District

Staff Name and Phone Number: Jennifer Kuszmar, 565-7266

Vote Requirement: Majority

Supervisory District(s): All

Title:

Matching Grant Program Guidelines Updates

Recommended Action:

- A) Approve Recommended Updates to the Matching Grant Program Guidelines
- B) Approve Matching Grant Program Match Requirements
- C) Provide direction to staff on any additional revisions to the Guidelines

Executive Summary:

Since 1990, the Sonoma County Agricultural Preservation and Open Space District has offered a competitive Matching Grant Program to public agencies and nonprofit organizations for open space projects within and near Sonoma County's cities and communities. The Board of Directors updated the Matching Grant Program Guidelines in 2011. The primary goal of these revisions is to clarify language and improve transparency in the evaluation criteria and review process. In a continuous improvement effort, staff has developed recommended revisions to the Guidelines.

Discussion:

Background:

The Sonoma County Agricultural Preservation and Open Space District (Ag + Open Space) offers a competitive Matching Grant Program (Program) for projects within or near the County's urban areas. The Program is borne out of Measure F and the accompanying Expenditure Plan. The Program is described in paragraph 5 of the Expenditure Plan as follows:

"5. Other open space projects include but are not limited to, urban open space and recreation projects within and near incorporated cities and other urbanized areas of Sonoma County. Funds for these projects shall be available to cities, the County and other entities through a matching grant program, with preference given to acquisition and development of projects that link communities. Examples of these projects include creek restoration and enhancement, such as along the Petaluma River, Santa Rosa Creek and Laguna de Santa Rosa, trails, athletic fields, and urban greenspace."

Since its inception, Ag + Open Space's Board of Directors (Board) has accepted over fifty-six projects totaling \$37 million into the Program. To date, the Program has expended over \$27 million in funding toward projects in all of

the County's nine incorporated cities and multiple unincorporated areas, allowing Ag + Open Space to leverage over \$30 million in funding to develop diverse and innovative projects throughout Sonoma County's communities. To date, the Program has protected nearly 500 acres of urban open space and will double that protection when all active projects are complete. With funding from the Matching Grant Program, twenty-seven new public parks are open and over 300 acres of natural habitats including urban creeks, marshes and wetlands, and riparian habitats are restored or enhanced. All projects funded through the Program are protected forever through a conservation easement.

Ag + Open Space staff coordinates the Program with support from a Matching Grant Subcommittee (Subcommittee) comprised of representatives from the Advisory Committee and Fiscal Oversight Commission. See attached list of Subcommittee members. The Subcommittee assists staff in evaluating applications and recommending projects for funding and also participates in the review and development of the Program Guidelines, forwarding any recommended changes to the Board. For each funding cycle, the full Advisory Committee votes on recommendations for Program funding to be considered by the Board. The Board makes final recommendations for which projects are accepted into the Program.

Matching Grant Program Updates 2009 - present:

Over the last several years, Ag + Open Space has worked to formalize and refine the MGP. Following each funding cycle, Ag + Open Space seeks input to identify ways to enhance and improve the MGP. All improvements to date have resulted directly from stakeholder input from our Board, Advisory Committee, Fiscal Oversight Commission, applicants, staff, and other project partners. Over the last several years, there have been a number of updates and refinements to the MGP to create a more formal, transparent, and efficient process.

In 2009, the Ag + Open Space Board of Directors adopted a number of revisions to the MGP Guidelines, including:

- The funding match should be no less than a one-to-one ratio.
- No more than 50 percent of the funding match can be associated with operations and maintenance of the project.
- Limiting impervious surfaces for development projects.
- Restricting grant funding for intensive recreational improvements, like pools and playground equipment.
- Acquisition projects must be purchased within two years of the initial Board of Directors' recommendation of the project.

In 2011, the Board approved another update of the MGP. This update reflected a number of improvements to the Guidelines, including:

- Administrative requirements such as offering the MGP biennially.
- Revising time limits on the completion of projects to three years for acquisition projects and five years for restoration or development projects.

Updated project evaluation criteria to provide applicants with a better understanding of how projects are considered. Following the 2016 and 2018 Program cycles, staff and the Subcommittee found that additional refinements to the Program were necessary to provide better clarity to applicants and improved transparency in the evaluation process. Several themes were analyzed for potential updates. These include but are not limited to 1) Program frequency; 2) Program funding; 3) eligibility of grant funding for capital replacement; 4) match requirements; and 5) Subcommittee recusal. Two of these topics - Program funding and project eligibility are recommended for revision and are described below. The recommendation developed through the Program Guidelines revision process, and supported by both the Fiscal Oversight Commission and the Advisory Committee, is to maintain a 1:1 match requirement. However, staff have provided options should the Board wish to consider changes to the amount of match projects must provide.

The practices of the Subcommittee fall outside of the content of the Program Guidelines. However, the matter of recusal of Subcommittee members from evaluating Program applications when there is a conflict of interest or incompatible interest was considered during this process. The Subcommittee, Advisory Committee and Fiscal Oversight Commission agreed to continue the practice of recusal of members with any conflict or incompatible interest from participating in the evaluation process during a Program cycle and in future funding cycles to form the Subcommittee after Ag + Open Space received Program applications.

The draft Guidelines propose to continue operating the Program on a biennial basis. Ag + Open Space has limited staff capacity to offer the Program more frequently. Additionally, a more frequent Program cycle could result budget changes that could affect Ag + Open Space's ability to deliver in other priority program areas. Further, there have been no missed opportunities brought to the attention of Ag + Open Space because of the biennial cycle. If desired, the Board could direct staff to consider a project out of cycle.

Matching Grant Program 2020 Recommended Guidelines Revisions:

The primary objectives of the updates to the MGP Guidelines for the 2020 cycle are to clarify and formalize evaluation standards in order to improve transparency. Staff developed the recommended revisions outlined below based upon input by the MGP Subcommittee, Fiscal Oversight Commission and Advisory Committee.

1. Program Funding: The Ag + Open Space General Manager recommends increasing funding for the 2020 MPG cycle from \$2 million to \$4 million. Projected increases in sales tax revenue support this increase in funding for the program. In a future Board item, staff will present a standard funding amount of \$4 million for each cycle as a component of the Vital Lands Initiative.
2. Program Intent: The proposed updates to the Guidelines have added detailed information to focus on the intent of the MGP in the evaluation criteria. This additional information will provide enough detail for potential applicants to understand how well their proposed project fits with our funding including:
 - Protection of new or expanded open space. Projects that feature the purchase of new open

space land are a priority of the MGP.

- Linking communities to open space via trails or other connections.
- Protection or creation of public access to the Russian River, Pacific Ocean, or other waterways.
- Implementation of restoration or enhancement of natural and native habitats.
- Protection of native plant and/or animal species.
- Construction of an outdoor public community gathering space in a natural setting.
- Development of new, outdoor, nature-based, recreational opportunities.
- Construction of amenities to provide opportunities for public education about the natural world and/or local agriculture.
- Protection of farmland that provides urban greenspace and access to locally grown food and fiber and provide opportunities for the public to experience farming and agricultural production.

3. Improved Transparency in Project Review, Evaluation and Recommendation Process: The recommended revisions to the Guidelines provide improved clarity on minimum qualifications for all applications, as well as detailed information on evaluation criteria. Upon Board adoption of the revised MGP Guidelines, staff will finalize the application materials to include an evaluation matrix. The intent of these recommended revisions is to provide clear and direct links between the MGP application and evaluation criteria. The evaluation matrix will have clear direction of how evaluation criteria is considered in the application review process and will aid in decision making to prioritize the most competitive projects that meet the intent of the Program. Staff will provide the evaluation matrix to the Board with their 2020 Program application package and as supporting documentation for projects recommended for funding in the 2020 Program cycle.
4. Clarification on Ineligible Projects: Recommended revisions to the MGP Guidelines include clarification on what types of projects are ineligible for funding. Recommended updates to language in this section of the Guidelines intend to clarify what types of projects are ineligible. The following clarifications for ineligible projects were added:
 - Projects that replace existing facilities or amenities with facilities or amenities that have the same function or purpose. Prior guidelines stated projects that “rehabilitate existing facilities” were ineligible.
 - Projects that would implement tasks that are required as a condition of approval or mitigation for an unrelated development project.
5. Limitations on Match and Grant Funding: The proposed new Guidelines increase the match allowance allowed for project administration and planning from 10% to 25%. The Program allows matching funds from a variety of sources including other grant funding, in-kind donations, funding from partner agencies, and volunteer time. Additionally, up to 50% of matching funds may be related to the cost of operations and maintenance activities.
6. Prioritizing Projects in Fire and Flood Affected Areas: As proposed in the 2018 MGP funding cycle, the 2020 MGP funding cycle will prioritize eligible and competitive projects that occur in communities that were impacted by recent wildfires and flood events. These projects must still meet the intent of the Program and otherwise be competitive, but will be given additional consideration.

Staff presented these recommendations at a public meeting of the Fiscal Oversight Commission on October 4 the Commissioners voiced support. On October 24, the Advisory Committee unanimously voted to support the recommended revisions.

Program Match Requirements

The recommendation developed through the MGP Guidelines revision process, and supported by both the Fiscal Oversight Commission and the Advisory Committee, is to maintain a 1:1 match requirement. A dollar for dollar match maximizes leverage of the Ag + Open Space contribution of public funds toward community open space projects. Further, it provides some assurances that project applicants have the capacity to complete and maintain their project. To date, the Program has leveraged over \$30 million. Should the Board want to consider changes to the 1:1 match requirement, staff prepared some alternatives for Board consideration. The suite of options for the Board's consideration are as follows:

1. Maintain a 1:1 match requirement (staff recommendation).
2. Provide additional flexibility by allowing up to 10 years for match for operations and maintenance activities. Current Program Guidelines require expenditure of all match funds 3 years after acceptance into the Program for acquisition projects and 5 years for improvement projects.
3. Allow no less than a 50% match (2:1 grant to match ratio) for projects where the applicant can clearly demonstrate that the proposed project will provide direct benefits to an underserved and/or disadvantaged community or addresses an identified need of such a community. The applicant must demonstrate based on factual statistics and data that the project supports and/or is located within an underserved or disadvantaged community. Applications with greater than 50% match will be ranked higher.

Following Board approval and adoption of revised Guidelines and match requirements, staff will finalize all application and evaluation materials and initiate the 2020 MGP funding cycle, including two workshops for potential applicants.

Recommendation

- A) Approve Recommended Updates to the Matching Grant Program Guidelines
- B) Approve Matching Grant Program Match Requirements
- C) Provide direction to staff on any additional revisions to the Guidelines

Prior Board Actions:

December 6, 2011: Board Action #31 the District Board of Directors approved an update of the Matching Grant Program Guidelines.

August 11, 2009: Resolution 09-0739 the District Board of Directors approved an update of the Matching Grant Program Guidelines.

February 6, 2007: Resolution 07-0110, the District Board of Directors approved an update of the Matching Grant Program.

FISCAL SUMMARY

Expenditures	FY 19-20 Adopted	FY20-21 Projected	FY 21-22 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:

The recommended action is for policy change and does not have a fiscal impact. The funds for future MGP cycle will be budgeted on an annual basis.

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. 2020 DRAFT Matching Grant Program Guidelines
2. Matching Grant Subcommittee Members

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

1. 2018 Matching Grant Program Guidelines
2. 2011 Matching Grant Program Guidelines
3. 2009 Matching Grant Program Guidelines

