

# The Healthy Soils Program Incentives Program

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*The Healthy Soils Program is funded by California Climate Investments.*



## ***Request for Grant Applications***

Released:  
August 8, 2017

Applications Due:  
By 5:00 p.m. PDT on September 19, 2017  
No late submissions accepted



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## 1. BACKGROUND AND PURPOSE

The California Department of Agriculture (CDFA) is pleased to announce, in coordination with the California Air Resources Board (CARB), a competitive grant process for the 2017 Healthy Soils Program (HSP) Incentives Program.

The 2017 HSP Demonstration Projects is part of the Healthy Soils Program (HSP), which is funded by the Greenhouse Gas Reduction Fund (GGRF), and stems from the [California Healthy Soils Initiative](#), a collaboration of state agencies and departments that promotes the development of healthy soils on California's farmlands and ranchlands. All projects that receive GGRF monies are required by statute ([Government Code Section 16428.9](#)) to achieve greenhouse gas (GHG) emission reductions and further the purposes of the Global Warming Solutions Act of 2006 ([AB 32](#)).

The objectives of the HSP are to build soil organic carbon and reduce atmospheric GHGs by (1) providing financial incentives to California growers and ranchers for agricultural management practices that sequester carbon, reduce atmospheric GHGs and improve soil health, (2) funding on-farm demonstration projects that showcase conservation management practices that mitigate GHG emissions and increase soil health, and (3) creating a platform promoting widespread adoption of conservation management practices throughout the state.

The HSP Incentives Program addresses Objective 1. Objectives 2 and 3 are addressed in the 2017 HSP Demonstration Projects. Request for Applications for both the HSP Incentives Program and the HSP Demonstration Projects are available on the HSP website: <https://www.cdfa.ca.gov/oefi/healthysouils/>.

## 2. FUNDING AND DURATION

The HSP Incentives Program will provide up to \$3.75 million in financial incentives to California growers and ranchers for implementation of agricultural management practices that sequester carbon, reduce atmospheric GHGs, and improve soil health.

- The maximum grant award is \$50,000.
- Cost sharing (matching funds or in-kind contributions) must be contributed for approximately one third of the anticipated project costs (See: [8.2 Project Duration and Cost Sharing](#)).
- The grant agreement term is from January 1, 2018 to December 31, 2020 (three years).
  - Grant funds cannot be expended before January 1, 2018 or after December 31, 2019.
  - Grant recipients must expend matching funds from January 1, 2020 to

December 31, 2020.

Please see [Table: Timeline for funding expenditures of awarded projects](#), which clarifies the grant agreement term and spending duration for CDFA HSP grant funding and cost sharing.

- CDFA reserves the right to offer an award different than the amount requested.
- The HSP funds may be combined with other funds as matching funds for the same project, such as funds from the United States Department of Agriculture (USDA), Natural Resource Conservation Service (NRCS) Environmental Quality Incentive Program (EQIP).

### 3. ELIGIBILITY AND EXCLUSIONS

#### 3.1 ELIGIBILITY

- California farmers, ranchers and Federal and California Recognized Native American Indian Tribes are eligible to apply.
- Projects must be located on a California agricultural operation. For the purpose of this program, an agricultural operation is defined as row, vineyard, field and tree crops, commercial nurseries, nursery stock production, and livestock and livestock product operations.
- Awards are limited to one per agricultural operation using a unique tax identification number per round of funding.
- Projects must result in net GHG benefits (i.e., net positive GHG reductions) from specific eligible agricultural management practices identified in this solicitation for the grant agreement term supported by document(s) of Carbon Sequestration and GHG Estimation Report(s) (See [8.4 GHG Reduction Estimation](#)).
- Applicants must provide baseline data on cropping and management histories directly related to fields identified by Assessor's Parcel Numbers (APNs) where eligible agricultural management practices are proposed for implementation to be eligible for funding.
- Applicants must ensure control of the land under APNs where the project is proposed to ensure project implementation until December 31, 2020.
  - If leasing land, applicants must have a letter of agreement from the landowner for the duration of the grant term. If the applicant is leasing the property on which practices will be implemented, the applicant is responsible for ensuring that they do not violate the lease agreement or the Recipient received the consent of the lessor.
- Any project, at a minimum, must:
  - Implement at least one of the eligible agricultural management practices listed under [6. Eligible Agricultural Management Practices](#), on fields/APNs where it

- was not implemented previously, and,
  - Implement at least one of the Soil Management Practices listed under [6. Eligible Agricultural Management Practices](#), on fields or APNs where it was not implemented previously. If a Soil Management Practice already exists on the fields or APNs, then applicants are eligible to receive funding to implement Cropland to Herbaceous Cover Practices and Establishment of Woody Cover Practices, as listed under [6. Eligible Agricultural Management Practices](#).

*This ensures alignment with the California Climate Investments requirement to reduce GHGs relative to a baseline or business-as-usual scenario.*

### 3.2 EXCLUSIONS

- HSP Incentives Program funds cannot be used to implement management practices that are not listed as an [eligible agricultural management practice](#) in this grant solicitation.
- HSP Incentives Program funds cannot be used to fund fields or APNs with existing and ongoing implementation of any agricultural management practices listed under [6. Eligible Agricultural Management Practices](#).
- Compost Application Practices may not be implemented on APNs where soil organic matter content is greater than 20% by dry weight in top 20 cm (or 8 inch) depth.
- HSP Incentives program funds cannot be used for projects that use potted plants or other plant growth media.

### 4. TIMELINE

The application period begins August 8, 2017. The deadline to submit a grant application is September 19, 2017 at 5:00 p.m. (PDT). **No exceptions will be granted for late submissions.**

Invitation to Submit Grant Applications	August 8, 2017
CDFA Grant Application Workshops and Webinar	August 15 – 25, 2017
Applications Due (in six weeks)	5:00 p.m. PDT, September 19, 2017
Review Period	September – November, 2017
Award Announcement	December, 2017
Project Implementation Begins	January, 2018

### 5. WORKSHOPS AND TECHNICAL ASSISTANCE

CDFA will conduct four workshops on the 2017 HSP grant application process. One of the

workshops will also be offered as a webinar to allow for remote attendance.

In addition, in partnership with the Strategic Growth Council, 28 Technical Assistance Workshops (hosted by a non-CDFA entity) across 17 counties in the state will be offered on the technical aspects of the application process, including the GHG calculation requirements. CDFA strongly encourages applicants to obtain technical assistance when developing a grant application.

For information about the CDFA Grant Application Workshops and the Technical Assistance Workshops, including the schedule and locations, visit the HSP Incentives Program website: <https://www.cdfa.ca.gov/oefi/healthysoils/IncentivesProgram.html>.

## **6. ELIGIBLE AGRICULTURAL MANAGEMENT PRACTICES**

CDFA has identified eligible agricultural management practices that sequester carbon, reduce atmospheric GHGs and improve soil health for the 2017 HSP. Applicants must implement at least one of the Soil Management Practices or maintain an existing Soil Management Practice as a minimum requirement to be eligible for funding (See [3.1 Eligibility](#)). An applicant must include the APN(s) of the field(s) where the eligible management practice(s) will be implemented. An applicant is allowed to include multiple practices on the same APN or the same practice on multiple APNs.

The following management practices were selected from the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) Conservation Practice Standards (CPS) and CDFA specified Compost Application Practices:

### **Soil Management Practices**

- Cropland Management Practices
  - Cover Crop ([USDA NRCS CPS 340](#))
  - Mulching ([USDA NRCS CPS 484](#))
  - Residue and Tillage Management – No-Till ([USDA NRCS CPS 329](#))
  - Residue and Tillage Management – Reduced Till ([USDA NRCS CPS 345](#))
- Compost Application Practices
  - Compost Application to Annual Crops (CDFA)
  - Compost Application to Perennials, Orchards and Vineyards (CDFA)
  - Compost Application to Grassland (CDFA)

### **Cropland to Herbaceous Cover Practices**

- Contour Buffer Strips ([USDA NRCS CPS 332](#))
- Field Border ([USDA NRCS CPS 386](#))
- Filter Strip ([USDA NRCS CPS 393](#))

- Herbaceous Wind Barrier ([USDA NRCS CPS 603](#))
- Riparian Herbaceous Cover ([USDA NRCS CPS 390](#))
- Vegetative Barriers (601) ([USDA NRCS CPS 601](#))

### **Establishment of Woody Cover Practices**

- Woody Plantings Practices
  - Hedgerow Planting ([USDA NRCS CPS 422](#))
  - Riparian Forest Buffer ([USDA NRCS CPS 391](#))
  - Windbreak/Shelterbelt Establishment ([USDA NRCS CPS 380](#))
- Grazing Lands Practices
  - Silvopasture ([USDA NRCS CPS 381](#))

## **7. TECHNICAL SPECIFICATIONS FOR ESTIMATION OF GHG BENEFITS**

- For the purpose of estimating the net GHG benefits due to a practice implementation, the expected life of the practice is as follows:

<b>Eligible Agricultural Management</b>	<b>Practice</b>
Soil Management Practices	3 Years
Cropland to Herbaceous Cover Practices	3 Years
Woody Cover Establishment Practices	10 Years

\*Practice lifespan for the HSP is different from that required by USDA-NRCS.

- Compost Application Rates Eligible for Funding:

<b>Crop Type</b>	<b>Compost Type</b>	<b>Dry Tons/Acre*</b>
<b>Annual Crops</b>	Higher N (C:N ≤ 11)	2.2 – 3.6
	Lower N (C:N > 11)	4.0 – 5.3
<b>Tree / Perennial</b>	Higher N (C:N ≤ 11)	1.5 – 2.9
	Lower N (C:N > 11)	4.0 – 5.3
<b>Rangeland</b>	Lower N (C:N > 11)	4.0 – 5.3

\*Compost application rates eligible for funding through this program were developed under the guidance of the [Environmental Farming Act – Science Advisory Panel \(EFA-SAP\)](#) and are published in a white paper report titled “Compost Application Rates for California Croplands and Rangelands for a CDFA Healthy Soils Incentives Program” (abbreviated as [Compost Application White Paper](#)) by CDFA.

- Feet-to-Acre Conversion for Eligible Agricultural Management Practices:

Several of the eligible agricultural management practices supported by the HSP Incentives Program are implemented by length (in feet). However, applicants must enter the total **acres** of management practice implementation into the GHG reduction

estimation calculator tools (see [8.4 GHG Reduction Estimation](#)) to estimate project GHG reductions. A methodology to convert feet of practice implementation to acres is included in [Appendix II, Document 4: Feet-To-Acre Conversion for Implemented Practices](#).

## 8. PROGRAM REQUIREMENTS

Eligible agricultural management practices can be implemented alone or in combinations. Single or combined agricultural management practice groupings can be implemented on one APN or several APNs. For the purposes of the grant application, name specific fields within each APN that will have agricultural management practice(s) implemented on them as Field 1, Field 2, Field 3, etc.

- All fields must have the selected agricultural management practices implemented each year for the three project years from January 1, 2018 through December 31, 2020. Implementations must begin prior to the end of each project year. Multiple management practices may be included within the same APN, and multiple APNs within the same agricultural operation may be included in the project. Implementation of eligible management practices will be incentivized based on payment rates provided in [Appendix II, Document 3: Management Practice Payment Rates](#).

### 8.1 APPLICANT ID

An agricultural operation can only submit one grant application using a unique tax identification number. If an agricultural operation does not have a unique tax identification number, that operation should only use the **last four digits** of their social security number (e.g., 000-00-1234) as their unique business identification number in their grant application.

An agricultural operation must use the operation's legal business name and associated tax identification number in their application. The business name provided in the application is the entity to which CDFA will extend a Grant Agreement if the project is selected for an award. (See: [15. Award Process](#)).

### 8.2 PROJECT DURATION AND COST SHARING

The project duration is three years for all awarded projects. The program will provide funds for implementation of eligible agricultural management practice(s) for Project Years 1 and 2 (January 1, 2018 – December 31, 2019). Applicants are required to continue implementing the same eligible agricultural management practice(s) for Project Year 3 (January 1, 2020 – December 31, 2020) with cost sharing (See: [Timeline table](#) below). Applicants are encouraged to provide matching funds in Project Years 1 and 2 (January 1, 2018 – December 31, 2019) and those who provide matching funds in Project Years 1 and 2 may receive additional consideration during project review (See [10.3 Additional Considerations](#)).

Cost sharing must be obtained for approximately one third of the anticipated project costs. Cost sharing can be in the form of matching funds or an in-kind contribution. 'Matching funds' refers to a dollar amount committed to a project from a source other than the HSP. An in-kind contribution is the estimated dollar value of any time, property, or supplies donated to a project.

Applicants are required to certify that they have obtained cost sharing for Project Year 3 ([Appendix I, Attachment D](#)). In addition, applicants must certify the project will continue to completion in order to receive any funds withheld for verification by March 31, 2020 (See: [8.5 Certification of Project Completion](#) and [15.1 Project Verification](#)).

**Table:** Timeline for funding expenditures of awarded projects.

Project Year	Duration of Project Year	Implementation must begin no later than	Reimbursement Schedule
1	January 1, 2018 – December 31, 2018	November 30, 2018	January 1, 2018 – March 31, 2019
2	January 1, 2019 – December 31, 2019	November 30, 2019	January 1, 2019 – March 31, 2020
3	January 1, 2020 – December 31, 2020	November 30, 2020	None; to be covered by matching funds.

### 8.3 BASELINE DATA

Applicants must submit the following baseline data at the time of application.

Required baseline data include:

- Cropping history in the past three years (July 2014 – July 2017) in all APN(s) included in the application.
- Management practice history in the past three years (July 2014 – July 2017) in all APN(s) included in the application.
- Applicants proposing to include Compost Application Practices in their projects must submit either of the following documents for each APN where the practice will be implemented:
  - One soil organic matter test result taken within the last five years for each APN (if available), **or**
  - Major soil type (soil series) name and soil organic matter content data sourced from UCD Web Soil Survey at <https://casoilresource.lawr.ucdavis.edu/gmap/> for the specific APNs where Compost Application Practices will be implemented, to confirm that soil

organic matter content on the APNs does not exceed 20% by dry weight for a 20 cm (or 8 inch) depth. Instructions to use Web Soil Survey are provided in [Appendix II, Document 6: Step-by-Step Instructions to Determine Soil Organic Matter Content Using Web Soil Survey.](#)

#### 8.4 GHG REDUCTION ESTIMATION

An estimation of the reduction in GHG emissions from the selected [eligible agricultural management practices](#) must be calculated using the Quantification Methodology (QM) and calculator tools developed by the California Air Resources Board (CARB). The QM and calculator tools used for this program can be accessed at the CARB Quantification Materials website: <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm>. Once on the website, click on the QM for instructions on how to use the GHG reduction calculation tools for the selected type of management practice (as indicated below). The web links to the GHG calculator tools are provided in the QM.

There are two GHG reduction calculation tools as part of the QM: Compost-Planner QM and Tool (this will be used to estimate GHG reduction from Compost Application Practices) and COMET-Planner QM and Tool (this will be used to estimate GHG reduction from all other eligible agricultural management Practices).

A Carbon Sequestration and GHG Estimation Report will be generated upon completion of the calculation. One Compost-Planner Carbon Sequestration and GHG Estimation Report is required if Compost Application Practice(s) is/are selected. One COMET-Planner Carbon Sequestration and GHG Estimation Report is required if any of the other eligible NRCS practice(s) is/are selected. If both NRCS practice(s) and Compost Application Practices are selected in the project, then one COMET-Planner Carbon Sequestration and GHG Estimation Report and one Compost-Planner Carbon Sequestration and GHG Estimation Report are required.

Projects eligible for HSP funding must achieve net GHG reductions, i.e., GHG reductions estimated using the QM and calculator tools must be positive in consideration of all the practices selected.

#### 8.5 CERTIFICATION OF PROJECT COMPLETION

Applicants will be required to certify in the application and the Grant Agreement that the project will continue through the end of the Year 3 project completion date (i.e., December 31, 2020) using the cost sharing obtained for this purpose (See: [8.2 Project Duration and Cost Sharing](#)).

## 9. GRANT APPLICATION PROCESS

### 9.1 HOW TO APPLY

CDFA has partnered with the State Water Resources Control Board (SWRCB) to host a web based application submission process. Applicants will utilize the SWRCB's Financial Assistance Application Submittal Tool (FAAST). FAAST can be accessed through the SWRCB website at <http://faast.waterboards.ca.gov/>. Applicants must create a user account in FAAST to submit a grant application.

FAAST is organized into several tabs and includes a question and answer format. The questionnaire tab in FAAST contains the grant application, which is a series of questions regarding the proposed project. Questions are answered in one or more of the four following formats: a drop down menu; a check box; a text box with predetermined character limitations; or as a document attachment. Responses to all questions must be submitted in the manner and format required by the application questionnaire in FAAST without exception.

The SWRCB website contains a Frequently Asked Questions section and a User Manual for the FAAST system. After reading the information available on the website, applicants that have additional questions about the FAAST System should contact FAAST customer service at (866) 434-1083, Monday through Friday, 8:00 am to 5:00 pm or via email, [faast\\_admin@waterboards.ca.gov](mailto:faast_admin@waterboards.ca.gov).

Prior to completing the application questionnaires in FAAST, applicants are encouraged to gather all required information using [Appendix II, Document 1: Grant Application Checklist](#) and [Appendix I, Document 2: FAAST Grant Application Questions](#) to facilitate effective and timely submission of the grant application.

### 9.2 PROJECT APPLICATION

Applicants must respond to the following questions under the General Information, Project Budget, Cooperating Entities, and Application Questionnaire tabs in the FAAST system. Failure to answer one or more application questions may result in disqualification.

**Applicant Organization:**

Legal name of the organization that will serve as lead for the project and will receive grant funds.

**Submitting Organization:**

Legal name of the organization submitting the application on behalf of the applicant.

**Cooperating Entities (if applicable):**

List the cooperating entities and identify the role or contribution each will make to the project.

**Project Title:**

Concisely describe the project in 15 words or less.

**Project Budget:**

- **Funds Requested:** The total amount of funds requested for the project. This number must match the amount listed in the project's budget worksheet template. Requests outside of the range allowed for the project type may result in disqualification.
- **Local Cost Match:** The total amount of cost sharing (matching funds and in-kind contributions) committed to the project from other sources. Cost sharing is not a requirement in Project Years 1 and 2 (January 1, 2018 – December 31, 2019); however, cost sharing is encouraged and may serve as evidence to demonstrate industry commitment to, or support for, the project. Cost sharing is required for Project Year 3 (January 1, 2020 – December 31, 2020).
- **Total Budget:** The sum of Funds Requested plus Local Cost Match.

Applicants must respond to all of the following grant application questions, with the exception of questions that do not apply to the applicant's project type, on the Application Questionnaire tab as well as attach the required attachments on the Attachments tab in FFAST (for Supplemental Attachments use the naming convention in parentheses). Failure to answer one or more questions may result in disqualification.

*I. Project Feasibility*

**1) Agricultural Operation Information:**

Using the boxes provided in FFAST, enter all information regarding the agricultural operation(s) that will participate in the project.

- Please provide project location and total acreage of the agricultural operation.
- Is the primary applicant also the landowner? (Yes/No)

If no, then provide a copy of a letter of agreement from the landowner to implement proposed management practices for the duration of the grant term.

**Supplemental Attachments (if applicable):**

- Landowner agreement (Letter of Agreement).

## 2) Project Logistics:

Provide the information requested below.

If multiple fields within an APN will be part of the proposed project, please indicate yes or no by selecting the appropriate option within FFAST.

Are one or more of the eligible Soil Management Practices (listed under [6. Eligible Agricultural Management Practices](#) in the Request for Grant Applications) already being implemented on your agricultural operation since the last one year? Select Yes or No from the dropdown menu.

If Yes, provide answers to the following questions within text boxes:

- Names of eligible management practice(s)
- APNs where implemented
- Acres on which implemented

If Yes was selected and if the proposed project includes one or more of Cropland to Herbaceous Cover Practices and Establishment of Woody Cover Practices (listed under [6. Eligible Agricultural Management Practices](#)), then applicant must certify that he/she agrees to continue implementation of the Soil Management Practice(s) listed above on APNs specified above from January 1, 2018 through December 31, 2020 by checking the box in FFAST.

## 3) Baseline Data:

Using the boxes provided, enter all of the required baseline data for the proposed project APNs.

## 4) Project Design:

Attach the project design schematic. The schematic attachment should consist of a detailed map(s) of agricultural operation showing the project identifying the specific fields within APNs where eligible management practices will be implemented, including associated acreage of practice implementation in each case. Include names of plant species to be planted if applicable.

## 5) Work Plan:

Download the required [Work Plan template](#), complete it, and attach it to your application using the attachments tab in FFAST. The Work Plan attachment must be submitted as a Microsoft Word Document (do not submit a PDF), must use the required Microsoft Word

Document template (do not alter the template in any way, except to add or remove rows and/or as needed), and must not exceed four pages.

All of the following must be addressed in the tables provided in the Work Plan template:

- **PIN:** Provide the five digit number assigned to the application in FFAST.
- **Project Start Date and Project End Date:** The date project activities will begin and the date project activities will end. Projects may not start before January 1, 2018 or end after December 31, 2020.
- **APN:** In the table provided, enter the APNs where management practices are to be implemented.
- **Field Number:** Enter the specific fields within APNs (i.e., Field 1, Field 2, etc.) where practices are to be implemented. Field numbers in this table must match those included in the project design schematic.
- **Management Practice Name:** Provide the names of the eligible management practice being implemented as part of the project.
- **Activities:** Describe the tasks necessary to accomplish implementation of all selected agricultural management practices for each field within APN in chronological order for all three project years. Add additional rows as needed.
- **Performed by:** In the tables provided, identify which members of the project team will do the work for each activity listed (examples include but not limited to personnel, project participants, and/or contractors). All individuals for whom HSP funding is requested in the Budget Worksheet attachment must be responsible for activities listed in the Work Plan attachment.
- **Timeline:** In the tables provided, provide the estimated beginning and end dates for when each activity will be accomplished (i.e., mm/yyyy – mm/yyyy). Only include activities occurring within January 1, 2018 and December 31, 2020.
- **Acres of Implementation:** Provide the number of acres on which proposed eligible management practices will be implemented on each field.

#### 6) Budget Worksheet:

Download the required [Budget Worksheet template](#), complete it, and attach it to your application using the attachments tab in FFAST.

#### 7) Cost Sharing:

Download the required [Cost Sharing template](#), complete it, and attach it to your application using the attachments tab in FFAST. The Cost Sharing attachment must be submitted as a Microsoft Word Document (do not submit a PDF) and must use the required Microsoft Word Document template (do not alter the template in any way, except to add or remove rows in the table as needed).

All of the following must be addressed in the Cost Sharing template:

- **PIN:** Provide the five digit number assigned to the application in FFAST.
- **Total Amount of Cost Share Committed to the Project:** Enter the grand total of all matching funds and in-kind contributions committed to the project. Cost sharing is required to cover all costs associated with implementation of agricultural management practices for Project Year 3 from January 1 to December 31, 2020.
- **Amount:** In each row of the table, list the amount of cost share committed from a contributing organization. Add or remove rows in the table, as needed.
- **Type of Cost Share:** Specify whether the cost share is in the form of matching funds or an in-kind contribution. Matching funds refers to a dollar amount committed to a project from a source other than the HSP. An in-kind contribution is the estimated dollar value of any time, property, or supplies donated to a project.
- **Source:** Specify the name and contact information for the organization that will be contributing the cost share.
- **Summary of Activities or Costs Covered with Matching Funds or In-kind Contributions:** Describe what costs or activities the cost share will cover.

## *II. Project Sustainability*

### **8) Project sustainability and Future Practice Adoption**

All of the following must be addressed within the text boxes provided:

- Explain why the proposed project is important to the agricultural operation, such as improving soil health and thus production sustainability and profitability.
- Describe how the project will be sustained beyond the project duration, i.e. December 31, 2020. For example, upon success of this project or learning from this project, applicants may expect to plan for future adoption which could be continuing the practice(s) on the same field in the long term and/or increasing acres of land for the practice(s).
- Describe how you plan to assess and measure possible changes and impacts after project implementation.

## *III. GHG Emissions Reduction Benefits*

### **9) Carbon Sequestration and GHG Estimation Report(s)**

In the box provided, enter the total GHG reduction estimated to be achieved from the project, i.e., Total CO<sub>2</sub> Equivalent in the Compost-Planner and/or COMET-Planner Carbon Sequestration and GHG Estimation Report (or sum if both calculator tools were used).

Note: For practices that are measured in length, conversion of the total length to acreage is needed. Please refer to [Appendix II, Document 4: Feet-to-Acre Conversion for Implemented Practices](#).

**Supplemental Attachments required:**

- COMET-Planner Carbon Sequestration and GHG Estimation Report, and/or
- Compost-Planner Carbon Sequestration and GHG Estimation Report.

*IV. Soil Health and Environmental Co-benefits*

**10) Co-Benefits Data**

All of the following must be addressed within the text box provided:

- Describe environmental benefits achieved through implementing the proposed project in the short (within three years) and long-term (beyond three years). Describe how the proposed project will improve soil health. Provide a qualitative description of the environmental co-benefits of the proposed project such as water and air quality improvements, and ecosystem services. Specific examples of co-benefits include, but are not limited to, reduction of on-farm fuel use and GHG emissions due to changes from conventional to no-till/reduced tillage, and reduced sediment as a result of establishing a riparian buffer.

Please see CDFA's Ecosystem Services website at <https://www.cdfa.ca.gov/oefi/ecosystemservices/> for more information on ecosystem services.

*V. Conservation Plan*

**11) Conservation Plan Data**

Providing a Conservation Plan is optional, however, applications that include a qualified conservation plan with the application will receive additional points during review (See: [10.2 Evaluation Criteria](#)).

A conservation plan is a plan of broad environmental/ecological impacts and solutions for the whole farm and is prepared by an NRCS specialist, an NRCS-trained individual or entity, a certified Crop Advisor, a certified Professional Soil Scientist, a certified Professional Agronomist.

**A Conservation Plan** should include, at a minimum (items a. through f. listed below should be submitted as a single PDF file):

- a. An aerial photo or diagram of project fields.
- b. A list of current management decisions.

- c. The location of and schedule for applying new conservation practices.
- d. Resource Assessment: inventory of resources and resource concerns, soils information, topographic maps, plan maps showing location of property, existing practices, structures, planned practices, soils, water features and other environmentally sensitive areas, and environmental assessment.
- e. Information explaining how to carry out specific management decisions.
- f. A plan for operation and maintenance of the management practice(s).

## *VI. Disadvantaged Communities*

### **12) Benefits to Disadvantaged Communities**

[SB 535](#) requires that a minimum of 25 percent of California Climate Investments is allocated to projects that provide benefits to disadvantaged communities, and of that 25 percent, a minimum of 10 percentage points is allocated to projects that are also located within DACs. The [California Environmental Protection Agency](#) (CalEPA) identified disadvantaged communities using [CalEnviroScreen](#), a tool developed by the [Office of Environmental Health Hazard Assessment](#) that assesses all census tracts in California to identify the areas disproportionately burdened by and vulnerable to multiple sources of pollution.

Providing benefits to disadvantaged communities (DACs) is optional. However, applications that include this consideration are eligible to receive during review (See: [Evaluation Criteria](#)). Consistent with [CARB Funding Guidelines for Administering Agencies \(Final Supplement – December 2016\)](#), priority will be given to those projects that maximize benefits to disadvantaged communities (DACs) using criteria addressed as questions within FFAST. Please provide documents verifying that the projects meet the criteria below to receive additional points.

#### **Attachments**

- A map of where the project is located in relation to local DACs (attach as PDF file)
- Other documents as needed (attach as PDF file).

## **10. REVIEW AND EVALUATION PROCESS**

### **10.1 REVIEW PROCESS**

CDFA will conduct multiple levels of review during the grant application process:

- 1) The first level review is an administrative review to determine whether application requirements were met. All required documentation must be submitted to avoid disqualification.
- 2) The second level review is a technical review by a committee made up of academic researchers, extension specialists, and farm advisors affiliated with the University of California and California State University systems, and state and federal agency

experts. The technical reviewers will evaluate grant applications based on the overall expected success of the project, including the potential for the project to reduce GHG emissions, sequester carbon, improve soil health, and provide other co-benefits (e.g., air and water quality improvement).

- 3) CDFA will select applications for funding depending on the scores provided by the review committee (See: [10.2 Evaluation Criteria](#)).

## 10.2 EVALUATION CRITERIA

Applications are evaluated based on the following criteria.

<b>Criteria</b>	<b>Score</b>
Project Feasibility	30
Project Sustainability	10
GHG Emission Reduction Benefits	20
Soil Health and Environmental Co-Benefits	10
Conservation Plan	10
Disadvantaged Communities	10
Additional Considerations (See: <a href="#">Section 10.3</a> )	10
<b>Total</b>	<b>100</b>

## 10.3 ADDITIONAL CONSIDERATIONS

During the review process, the following additional considerations will be evaluated when selecting projects for an award of funds based on the number of additional criteria met:

- Geographic location (in order to maximize distribution of funds across the State).
- Applicants that provide additional matching funds during Project Years 1 and 2 (January 1, 2018 – December 31, 2019).

## 11. ASSISTANCE AND QUESTIONS

In order to maintain the integrity of the competitive grant process, CDFA is unable to advise and/or provide applicants with any information regarding specific grant applications during the solicitation process. However, general questions may be submitted to [grants@cdfa.ca.gov](mailto:grants@cdfa.ca.gov). Please specify HSP – Incentives Program in the subject line of the email.

In order to ensure all potential applicants benefit from receiving all submitted questions and answers, CDFA will post Frequently Asked Questions (FAQ) on the HSP Incentives Program website <https://www.cdfa.ca.gov/oefi/healthysoils/IncentivesProgram.html> and additional FAQs will be posted according to the following schedule:

Questions received by	Responses posted by
August 17, 2017 8:00 a.m.	August 22, 2017 5:00 p.m.
August 28, 2017 8:00 a.m.	September 1, 2017 5:00 p.m.

## 12. NOTIFICATION AND FEEDBACK

All applicants will be notified regarding the status of their grant application. Applicants not selected for funding will receive feedback on their grant application within 60 days after receiving notification.

## 13. DISQUALIFICATIONS

The following will result in the disqualification of a grant application:

- Incomplete grant applications: applications with one or more unanswered questions necessary for administrative or technical review.
- Incomplete grant applications: applications with missing, blank, unreadable, corrupt, or otherwise unusable attachments.
- Applications for more than the maximum award amount.
- Applications with unallowable costs or activities not necessary to complete the project objectives.

**APPEAL RIGHTS:** Any discretionary action taken by the Office of Grants Administration (OGA) may be appealed to CDFA’s Office of Hearings and Appeals within ten (10) days of receiving a notice of disqualification from CDFA. The appeal must be in writing and signed by the responsible party named on the grant application or his/her authorized agent. It must state the grounds for the appeal and include any supporting documents and a copy of the OGA decision being challenged. The submissions must be sent to the California Department of Food and Agriculture Office of Hearings and Appeals, 1220 N Street, 4th Floor, Sacramento 95814 or emailed to [CDFA.LegalOffice@cdfa.ca.gov](mailto:CDFA.LegalOffice@cdfa.ca.gov). If submissions are not received within the time frame provided above, the appeal will be denied.

## 14. AWARD PROCESS

### 14.1 GRANT AGREEMENT

CDFA will initiate the Grant Agreement process with applicants selected to receive a 2017 HSP Incentives Program grant award. Applicants with projects selected for award of funds will receive a Grant Agreement package with specific instructions regarding award requirements including information on project implementation, verification, and payment process.

## 14.2 PROJECT IMPLEMENTATION

Once a Grant Agreement is executed, the grant recipient can begin implementation of the project. Recipients are responsible for the overall management of the awarded project to ensure all project activities are completed as identified in the Work Plan Template ([Appendix I, Attachment B](#)).

Implementation must begin on or after January 1, 2018, but no later than November 30, 2018. Failure to implement the project prior to November 30, 2018 may result in all or any portion of the grant funding withheld or termination of the Grant Agreement.

## 14.3 PROJECT REPORTING REQUIREMENTS

Recipients are required to submit reports on soil organic matter (or soil organic carbon, which is about 58% of soil organic matter) content to CDFA at the following times:

- After the award has been made and before implementation of funded practices,
- Three annual data submissions beginning one year after initial implementation of practice(s) and ending one year after the final implementation of practice(s).

For each submission, a laboratory report of soil organic matter content for each APN from any of the accredited soil analytical laboratories recommended by CDFA<sup>1</sup>. Please follow the “Soil Sampling Protocol” provided in [Appendix II, Document 5](#) when collecting soil samples.

## 15. PAYMENT PROCESS

CDFA will provide the grant recipient with the necessary grant award and invoicing documents. Grant recipients may be eligible to receive an advance payment up to 25 percent of the total grant award for a project. The remaining funds will be allocated on a reimbursement basis through quarterly or monthly invoicing.

CDFA will withhold ten percent from the total grant award until the verification requirement is complete to ensure grant recipients complete the project as approved by CDFA. Invoicing and closeout of all project expenditures must be completed no later than March 31, 2020.

Applicants will be required to certify that the project will continue to completion through December 31, 2020 as part of the verification process and to receive funds withheld (See:

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<sup>1</sup> CDFA recommended soil analytical labs are listed at the following websites:

- Selected Plant and Soil Laboratories in Northern and Central California: <http://cesonoma.ucanr.edu/files/27431.pdf>.
- UC Cooperative Extension El Dorado County List of Laboratories for Tissue/Soil/Water – Agricultural Analysis: <http://cecentralsierra.ucanr.org/files/115331.pdf>.
- UC ANR Soils Testing Laboratories for Home Gardeners: <http://ccmg.ucanr.edu/files/51308.pdf>.

## [15.1 Project Verification](#)).

### 15.1 PROJECT VERIFICATION

Applicants will be subjected to verification that the eligible agricultural management practices are implemented in a manner consistent with the USDA NRCS CPS guidelines. Verification will be conducted by CDFA or a third-party contracted entity who will conduct field evaluations by APN to verify program compliance during the grant agreement term. CDFA will be responsible for the expense of verification.

The purpose of project verification is to determine whether and when deliverables are being met and evaluate project progress to ensure the eligible agricultural management practice(s) are completed within the grant agreement term. Recipients may be required to submit financial records and project related documentation (such as receipts for payment of services/goods) to ensure HSP Incentives Program funds are used in compliance with the Grant Agreement terms and conditions. The verification must be completed by March 31, 2020.

Consistent with the [CARB Funding Guidelines for Administering Agencies \(Final Supplement – December 2016\)](#), the State of California has the right to review project documents and conduct audits during project implementation and over the project life.

### 15.2 POST-PROJECT COMPLETION REQUIREMENTS

Execution of the Grant Agreement is conditional upon agreement to post-project completion requirements. Awardees are required to maintain implementation of practices incentivized through this program for a minimum of 3 years. However, benefits from implementation of practices are expected to be achieved in the long term. Recipients are encouraged to continue and/or expand these practices on their operations in order to achieve long-term benefits. Additionally, applicants are required to maintain documentation related to their HSP funded projects, including records documenting maintenance of the agricultural management practice(s) and any soil testing reports for the project APNs, to report actual benefits achieved for three years.

Failure to work with CDFA to provide the necessary project-related documentation will be considered non-performance. In the event of non-performance, CDFA may take any action deemed necessary to recover all or any portion of the grant funding.

CDFA will contact a subset of awarded projects to collect data including, but not limited to, eligible agricultural management practice implementation and GHG reduction estimates, for three years after project completion, consistent with [CARB Funding Guidelines for Administering Agencies \(Final Supplement – December 2016\)](#).

## Appendix I: Required Attachments to the Application

- Attachment A: CARB Quantification Methodology and Tools  
Accessible at: <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm>
- Attachment B: Work Plan Template  
Accessible at: [https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives\\_WorkPlan.doc](https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives_WorkPlan.doc)
- Attachment C: Budget Worksheet  
Accessible at: [https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives\\_BudgetWorksheet.xlsx](https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives_BudgetWorksheet.xlsx)
- Attachment D: Year 3 Cost Sharing Summary Template  
Accessible at: [https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives\\_CostShare.doc](https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives_CostShare.doc)

## Appendix II: Reference Documents to Assist Preparation of Application

- Document 1: Application Check List  
Accessible at: [https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives\\_CheckList.pdf](https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives_CheckList.pdf)
- Document 2: FFAST Grant Application Questions  
Accessible at: [https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives\\_FFASTQs.pdf](https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives_FFASTQs.pdf)
- Document 3: Management Practice Payment Rates  
Accessible at: [https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives\\_Payments.pdf](https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives_Payments.pdf)
- Document 4: Feet-to-Acre Conversion for Implemented Practices  
Accessible at: [https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives\\_FeetAcre.xlsx](https://www.cdfa.ca.gov/oefi/healthysoils/docs/2017-HSPIncentives_FeetAcre.xlsx)
- Document 5: Soil Sampling Protocol for Soil Organic Matter Analysis  
Accessible at: [https://www.cdfa.ca.gov/oefi/healthysoils/docs/HSP\\_SoilSampling.pdf](https://www.cdfa.ca.gov/oefi/healthysoils/docs/HSP_SoilSampling.pdf)

- Document 6: Step-by-Step Instructions to Determine Soil Organic Matter Content Using Web Soil Survey  
Accessible at: [https://www.cdfa.ca.gov/oeffi/healthysoils/docs/HSP\\_SoilSurvey.pdf](https://www.cdfa.ca.gov/oeffi/healthysoils/docs/HSP_SoilSurvey.pdf)