

# 2017 Healthy Soils Program Demonstration Projects – Second Solicitation

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

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

Released: March 6, 2018

Applications Due:  
By 5:00 p.m. PDT on April 13, 2018  
No late submissions accepted



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## 1. BACKGROUND AND PURPOSE

The California Department of Food and Agriculture (CDFA), in coordination with the California Air Resources Board (CARB), is pleased to announce that funding is available through a competitive grant process for 2017 Healthy Soils Program (HSP) Demonstration Projects second solicitation. Applications will be reviewed and awarded funding in the order received subject to the minimum requirements for the competitive technical review process, as described in [section 10 Review and Evaluation Process](#), below. CDFA will award proposals until all available funds have been allocated, or the application deadline has passed, whichever comes first.

The 2017 HSP Demonstration Projects is part of the HSP, which is funded by the Greenhouse Gas Reduction Fund (GGRF), and stems from the [California Healthy Soils Initiative](#), which is 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 farmers 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 Demonstration Projects addresses Objectives 2 and 3. Objective 1 is addressed in the 2017 HSP Incentives Program. Request for Applications for both the HSP Incentives Program and HSP Demonstration Projects are available on the HSP website:

<https://www.cdfa.ca.gov/oefi/healthysouils/>.

## 2. FUNDING AND DURATION

The HSP will provide up to \$500,000 to HSP Demonstration Projects. CDFA will fund projects that implement selected eligible agricultural management practice(s) and conduct outreach to other farmers and ranchers at on-farm demonstration sites. Projects must showcase conservation management practices that mitigate GHG emissions and increase soil health, helping to create a platform promoting widespread adoption of conservation management practices throughout the state. Program requirements:

- Maximum grant award is \$100,000
- Grant funds cannot be expended before May 1, 2018 or after December 31, 2019.
- Cost sharing (matching funds or in-kind contributions) must be obtained for approximately one third of the anticipated project costs (See: [8.4 Project Term and Cost Sharing](#)). Grant

recipients must expend matching funds during January 1, 2020 – December 31, 2020.

- CDFA reserves the right to offer an award different than the amount requested.
- The HSP Demonstration Projects funds may be combined with other funds from public and private sources as matching funds for the same project.

### 3. ELIGIBILITY AND EXCLUSIONS

#### 3.1 ELIGIBILITY

- Not-for-profit entities, University Cooperative Extensions, Federal and University Experiment Stations, Resource Conservation Districts (RCDs), Federal and California Recognized Native American Indian Tribes, and, farmers and ranchers in partnership with one of the aforementioned entities are eligible to apply.
- A project must include at least one farm (privately or university/government owned) to fulfill demonstration requirements.
- Projects must result in net positive GHG benefits 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 [8.7 GHG Reductions Estimation](#)).
- CDFA will award a maximum of two applications submitted by the same applicant, but each application should be for a unique project.
- There is no limit to the number of applications which a single organization can be a collaborator.
- More than one farm may be included in a single application; however, the same farms cannot be listed on multiple applications.
- Applicants must lease, own or otherwise control the Assessor's Parcel Numbers (APNs) where project activities are proposed to occur for the entirety of the project duration. If leasing land, applicants must have documented landowner approval to implement proposed practices(s) from May 1, 2018 through December 31, 2020. If the applicants are leasing property on which practices will be implemented, the applicant is responsible for obtaining the consent of the lessor and ensuring that project implementation does not violate the lease agreement.
- If selected for funding, applicants must be able to execute a grant agreement within 30 days of receiving a notice of award.

## 3.2 EXCLUSIONS

- HSP Demonstration Projects funds cannot be used to implement management practices that are not listed as [Eligible Agricultural Management Practices](#) in this grant solicitation.
- HSP funds cannot be used to fund fields or APNs with existing and ongoing implementation of any agricultural management practices listed under [Section 6. Eligible Agricultural Management Practices](#), including APNs for which a HSP Demonstrations or Incentives project was previously awarded.
- Awards made through the HSP Demonstrations Projects cannot be used as matching funds for awards made through the HSP Incentives Program.
- Compost Application Practices must not be implemented on APNs consisting of soils with soil organic matter content greater than 20% by dry weight (in top 20 cm or 8-inch depth).
- HSP funds cannot be used for projects that use potted plants or other plant growth media.

## 4. TIMELINE

The application period begins March 6, 2018. The deadline to submit a grant application is April 13, 2018 at 5:00 p.m. (PDT). *No exceptions will be granted for late submissions.*

<b>Invitation to Submit Grant Applications</b>	March 6, 2018
<b>CDFA Grant Application Workshops and Webinar</b>	March 13 - 21, 2018
<b>Applications Due (in 6 weeks)</b>	5:00 p.m. PDT, April 13, 2018, 2018
<b>Review Period</b>	April – May, 2018
<b>Award Announcement</b>	May, 2018
<b>Project Implementation Begins</b>	May, 2018

## 5. APPLICATION ASSISTANCE WORKSHOPS

CDFA will conduct two workshops and two webinars on the 2017 HSP Second Solicitation grant application process. For information about the CDFA Grant Application Workshops, including the schedule and locations, visit the HSP Demonstration Projects website:

<https://www.cdfa.ca.gov/oefi/healthypoils/DemonstrationProjects.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 one or more of the following management practices on APN(s) where it has not been implemented previously (See [3.1 Eligibility](#)). An applicant must include the APN(s) of the field(s) where the eligible management practice(s) will be implemented. Applicants may 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:

### **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 (CDFA)
  - 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](#))
- Riparian Herbaceous Cover ([USDA NRCS CPS 390](#))
- Filter Strip ([USDA NRCS CPS 393](#))
- Vegetative Barriers ([USDA NRCS CPS 601](#))
- Herbaceous Wind Barrier ([USDA NRCS CPS 603](#))

### **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

- To estimate the net GHG benefits due to a practice implementation, the expected life of the practice is as follows:

Eligible Agricultural Management Practice	Practice Lifespan*
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:

Crop Type	Compost Type	Dry Tons/Acre*
<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 [8.7 GHG Reductions Estimation](#)) to estimate project GHG reductions. A methodology to convert feet of practice implementation to acres is included in [Appendix II, Document 1: Feet-To-Acre Conversion for Implemented Practices](#).

## 8. PROGRAM REQUIREMENTS

Eligible agricultural management practices can be implemented alone or in combinations on one APN or several APNs. Specific fields within each APN where agricultural management practice(s) will be implemented should be named Field 1, Field 2, Field 3, etc. All fields must have the selected agricultural management practices implemented each year for the duration of the project. Implementations must begin prior to the end of each project year.

## 8.1 PRACTICE IMPLEMENTATION REQUIREMENTS

For the purpose of this program, a Treatment field (**T**) is defined as a field where at least one of the [Eligible Agricultural Management Practices](#), that has not been implemented previously, will be implemented; a Control field (**C**) is defined as a field which includes the current management practices being implemented on the project site, to serve as a comparison to **T**.

- A Project must include at least one of the [Eligible Agricultural Management Practices](#) to be implemented on **T** where it has not been implemented previously.
- A Project must also include **C** to serve as a comparison to **T**.
- **T** and **C** should be located side-by-side, and differ from each other with respect to the presence (or absence) of new management practice(s) implementation while keeping all other field activities the same as much as possible.
- When selecting locations in the APN to layout **T** and **C**, ensure field conditions such as soil properties, drainage, landscape, and cropping and management histories and size are as similar as possible.
- **T** and **C** must not be changed to a different location within the APN during the complete project term, (i.e., May 1, 2018 through December 31, 2020).

## 8.2 DATA COLLECTION REQUIREMENTS

The following data collection will be required for both **T** and **C** in each APN identified in the project (and [14.3 Project Reporting Requirements](#)):

- Soil organic matter from each APN that is part of the project:
  - 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).
  - Additional data on soil health<sup>1</sup>, co-benefits, and/or ecosystem services are encouraged.

## 8.3 OUTREACH REQUIREMENTS

A minimum of 120 different individual farmers and/or ranchers for three years from May 1, 2018 through December 31, 2020 (i.e., 40 per year) must attend the demonstration project site(s) so the project awardees can showcase the project benefits and co-benefits and share information on the implemented management practice(s). CDFA encourages creative approaches (e.g., holding outreach events multiple times in a year) to attract new individuals and support those already familiar with [Eligible Agricultural Management Practices](#) to the sites in order to share knowledge and benefits of eligible agricultural management practices. Approaches such as using [SMART](#) (Specific, Measurable, Achievable, Relevant and Time-bound) goals are encouraged.

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<sup>1</sup> To determine what kinds of data may be considered indicators of soil health, please see Table 2.02 in the Comprehensive Assessment of Soil Health: The Cornell Framework (2017) at <http://www.css.cornell.edu/extension/soil-health/manual.pdf>. Additional soil health data are also listed in [Appendix II, Document 3: Soil Sampling Protocol for Soil Organic Matter Analysis](#)

Project awardees will be required to provide documentable outreach and attendance records as part of the project reporting to CDFA (See [14.3 Project Reporting Requirements](#)). Failure to meet outreach and education requirements may be considered grounds for termination of the CDFA HSP Demonstration Projects Grant Agreement. Projects that fail to meet outreach and education obligations will not be considered for future HSP Demonstration Project funding.

In addition, project awardees will be required to designate a project representative whose contact information will be published on CDFA’s HSP website. The designated project representative will be responsible for managing public inquiries about the demonstration site, including attendance of interested parties at outreach events, and ensuring sufficient availability of the demonstration site to meet the outreach and education requirements of the program.

#### 8.4 PROJECT TERM AND COST SHARING

The HSP Demonstration Projects will provide funds for implementation of [Eligible Agricultural Management Practice\(s\)](#) beginning May 1, 2018 to December 31, 2019 (Project Years 1 and 2).

Project awardees will be required to continue implementing eligible agricultural management practice(s) from January 1, 2020 through December 31, 2020 (Project Year 3) with cost share. Cost share can be in the form of matching funds or an in-kind contribution. Matching funds refers to dollar amount committed to a project from a source other than the HSP Demonstrations Project. An in-kind contribution is the estimated dollar value of any time, property, or supplies donated to a project including costs associated with labor for work involved in the implementation of the proposed project. (See: [Timeline table](#) below).

Applicants will be required to provide documentation of the cost sharing secured for Project Year 3. 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: [8.8 Certification of Project Completion](#) and [16. Project Verification](#)).

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

<b>Project Year</b>	<b>Duration of Project Year</b>	<b>Implementation Must Begin No Later Than</b>	<b>Reimbursement Schedule</b>
1	May 1, 2018 –December 31, 2018	November 30, 2018	May 1, 2018 – March 31, 2019
2	January 1, 2019 – December 31, 2019	November 30, 2019	April 1, 2019 – March 31, 2020
3	January 1, 2020 – December 31, 2020	November 30, 2020	None; covered by cost share.

## 8.5 ALLOWABLE AND UNALLOWABLE COSTS

### 8.5.1. Allowable Costs

Project costs must be itemized and clearly support implementation of eligible agricultural management practices including supplies, equipment, labor, and any other allowable costs necessary for project implementation. Project costs must be reasonable and consistent with costs paid for equivalent work on non-grant funded activities or for comparable work in the labor market.

Examples of allowable costs include but are not limited to:

- Cost of implementation of proposed eligible agricultural management practices.
- Cost of data analyses for soil organic matter content, other soil health data, ecosystem service and/or yield data.
- Costs of meals/snacks/refreshments may be allowed when reasonable and necessary for hosting an official demonstration of the project's eligible agricultural management practices (excluding travel meal costs). Expenses must be reasonable and appropriate for the purpose and nature of the meeting. Allowable costs should follow the applicant organization's established policies or [California State Human Resources \(CalHR\) policy](#).
- Cost of materials needed for outreach activities (e.g., printed handouts or brochures).

### 8.5.2. Unallowable costs

Unallowable costs include but are not limited to:

- Costs incurred outside of the grant agreement term (i.e., May 1, 2018 – December 2020).
- Training costs to obtain professional certification and certification costs for project award recipients.
- Costs covered by another State or Federal grant program.
- Pre-development costs for project design, grant application preparation, and other activities that occur prior to May 1, 2018.
- General purpose equipment which is not required for research, scientific, or technical activities (e.g., office equipment and furnishings).
- Expenditures for purchasing or leasing land or buildings.

## 8.6 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 (January 2015 – January 2018) in all APN(s) included in the application.
- Management practice history in the past three years (January 2015 – January 2018) 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 compost application 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 organic matter content data sourced from Web Soil Survey at <https://casoilresource.lawr.ucdavis.edu/gmap/> (copy and paste this link into your browser) for the specific APNs where project implementation will occur to confirm that soil organic matter content of APNs in the project site does not exceed 20 percent by dry weight for a 20 cm or 8-inch depth. Instructions to use Web Soil Survey are provided in [Appendix II, Document 2: Step-by-Step Instructions to Determine Soil Organic Matter Content Using Web Soil Survey](#).

## 8.7 GHG REDUCTIONS 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 CARB (See: [6. Eligible Agricultural Management Practices](#)). 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. The QM is subject to change however the current version of the QM is available at <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/cdfahsfinalqm16-17.pdf>.

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). The Tools are subject to change however the current version of the Comet-Planner Tool is available at <http://comet-planner-cdfahsp.com/>, and the current version of the Compost-Planner Tool is available at <http://www.compost-planner.com/>.

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) are selected. One COMET-Planner Carbon Sequestration and GHG Estimation Report is required if any of the other eligible NRCS practice(s) 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.

## 8.8 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 (December 31, 2020) using the cost sharing obtained for this purpose (See: [8.4 Project Term and Cost Sharing](#)).

## 9. APPLICATION PROCESS

### 9.1 HOW TO APPLY

The second solicitation for 2017 HSP Demonstrations Projects will utilize a fillable application file that can be completed using Microsoft Word. Applicants must submit their application cover page and checklist, application file, and all mandatory and applicable attachments electronically to the secure [CDFA Web Server Upload site](#) by 5:00 PDT on April 13, 2018. Application documents must be submitted as a single submission, which include uploading of multiple files. All documents must be titled using the following naming convention:

Demo\_[Applicant Organization's Name]\_[Last 4 of taxID]\_[Document Name]

*Example:* Demo\_Experiment Station\_6789\_Application File

**No spaces should be allowed in the file name.**

## 10. REVIEW AND EVALUATION PROCESS

### 10.1 REVIEW PROCESS

Projects will be selected for award on a first-come-first-served basis, so long as the application meets the minimum criteria set forth below. 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.
2. The second level review is a technical review by The HSP Technical Advisory Committee, comprised of a group of experts affiliated with state and federal agencies. The technical reviewers will evaluate grant applications based on the overall expected success of the project including sufficient data generated to demonstrate the expected benefits on GHG emissions reduction, carbon sequestration, soil health improvement, and dissemination of the information to a wide audience.

## 10.2 EVALUATION CRITERIA

Applications are evaluated based on the following criteria. To qualify for award, a project must score a minimum of 80 points.

Criteria	Maximum Points
Project Merit <ul style="list-style-type: none"><li>Demonstration Component</li><li>Outreach Component</li></ul>	10 30
Project Timeline and Implementation Plan	10
Project Team Qualifications	10
Project Budget and Justification	15
GHG Emission Reduction Benefits	15
Additional Considerations	10
Total	100

### 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:

- Project Assessor's Parcel Numbers (APNs) located in the following counties for which a state of emergency was declared in 2017 or 2018 due to wildfires under Governor Edmond G. Brown, Jr.'s executive orders [B-41-17](#), [B-45-17](#), [B-46-18](#) and [B-47-18](#):  
Butte, Lake, Los Angeles, Mariposa, Mendocino, Napa, Nevada, Orange, Santa Barbara, Sonoma, Ventura, Yuba.
- Soil management practices may vary with climatic regions, soil conditions, and crop production systems. Therefore, projects with greater regional and crop production representation may be given additional consideration in order to achieve widespread adoption of the management practices in the state.
- Projects providing benefits to disadvantaged communities<sup>2</sup> (DACs) by targeting outreach to farmers located in DACs and/or providing translation services for languages other than English.

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<sup>2</sup> 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 disadvantaged communities. 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.

## **11. ASSISTANCE AND QUESTIONS**

CDFA has posted Frequently Asked Questions (FAQ) on the HSP Demonstration Projects website: <https://www.cdfa.ca.gov/oefi/healthysoils/DemonstrationProjects.html>. CDFA will post additional questions and answers on March 27, 2018 to provide responses to questions received during the workshops and webinars. CDFA cannot assist in the preparation of individual grant applications.

## **12. NOTIFICATION**

All applicants will be notified regarding the status of their grant application no later than May 13, 2018, 30 days after the application deadline.

## **13. DISQUALIFICATIONS**

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

- Incomplete grant applications: applications with one or more unanswered questions necessary to 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 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 Office 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 Demonstration Projects Second Solicitation 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, project reporting, 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.

Implementation must begin on or after May 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 soil organic matter content data before implementing proposed practice(s), mid-year and annual progress reports during the grant agreement term (January 1, 2018 – December 31, 2020) and a final report in the third year. Financial records and other project documentation may be required to ensure HSP funds are used in compliance with the Grant Agreement terms and conditions.

- Soil organic matter content for each APN before practice implementation.
- Mid-year progress report due every June should include:
  - Status of project implementation including all work completed and any reportable data.
  - Plan for next six months.
- Annual progress report due every December should include:
  - Management practice implementation activities and impacts.
  - Soil organic matter data.
  - Co-benefits and ecosystem services (*optional*).
  - Outreach activities and impacts.
  - Demonstration and outreach plan for next year.
- Final report due in December, 2020 should include:
  - Summary on project implementation activities, barriers encountered and overcome, and recommendations for successful implementation.
  - Summary on outreach activities and impacts, including:
    - Recommendations on forms and methods for effective outreach events.
    - Changes in participants' number, knowledge, and depth of involvement.
    - Adoption of demonstration practices by farmers and/or ranchers.
    - Improvement in soil health and/or co-benefits, ecosystem service including quantitative (e.g., soil organic matter content) and qualitative description of impacts from 3-year implementation of the practices.

## 15. PAYMENT PROCESS

CDFA will provide the grant recipient with the necessary grant award and invoicing documents.

Grant recipients will be required to submit invoice at least quarterly, but no more frequently than

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monthly for reimbursement of actual expenses incurred to support the approved project activities. Invoice must include documentation to support reimbursement requested. Grant Recipients 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 10 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 the project will continue to completion as part of the verification process and to receive funds withheld (See: [16. Project Verification](#)).

## **16. PROJECT VERIFICATION**

Applicants will be subjected to verification that the eligible agricultural management practices were 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 May 1, 2018 through December 31, 2020.

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, i.e., from May 1, 2018 through December 31, 2020.

Recipients may be required to submit financial records and project related documentation (such as receipts for payment of services/goods) to ensure HSP Demonstration Projects 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.

## **17. POST-PROJECT COMPLETION REQUIREMENTS**

Execution of the Grant Agreement is conditional upon agreement to post-project completion requirements. Project awardees are required to maintain implementation of practices incentivized through this program for a minimum of three years. However, practices are expected to be maintained, and improved soil health and its associated environmental co-benefits and ecosystem services are expected to be achieved, for 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 the HSP funded

project, 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.

CDFA will contact a randomly selected 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 APPLICATION DOCUMENTS**

All required application documents must be uploaded to the secure web server upload site by the deadline specified in this solicitation. In addition to the mandatory and optional attachments each applicant will provide, applicants must download, complete and upload the following templates.

- Cover Sheet and Application Checklist  
Accessible at:

<https://www.cdfa.ca.gov/oefi/healthysoils/2017SecondSolicitationDocs/HSPDemoCoverSheet.docx>

- Application Template  
Accessible at:

[https://www.cdfa.ca.gov/oefi/healthysoils/2017SecondSolicitationDocs/HSPDemo2ndSolicitation\\_ApplicationTemplate.docx](https://www.cdfa.ca.gov/oefi/healthysoils/2017SecondSolicitationDocs/HSPDemo2ndSolicitation_ApplicationTemplate.docx)

The mandatory and applicable attachments include:

- Landowner Agreement (if applicable)
- Letters of Support
- Resumes/CVs
- Cooperator/Collaborator letters
- Compost-Planner Report (if applicable)
- COMET-Planner Report (if applicable)
- Soil Test (if applicable)

## **APPENDIX II: REFERENCE DOCUMENTS TO ASSIST PREPARATION OF APPLICATION**

Document 1: Feet-to-Acre Conversion for Implemented Practices

Accessible at: [https://www.cdfa.ca.gov/oefi/HealthySoils/docs/2017-HSPDemo\\_FeetAcre.xlsx](https://www.cdfa.ca.gov/oefi/HealthySoils/docs/2017-HSPDemo_FeetAcre.xlsx)

Document 2: Step-by-Step Instructions to Determine Soil Organic Matter Content Using Web Soil Survey

Accessible at: [https://www.cdfa.ca.gov/oefi/HealthySoils/docs/HSP\\_SoilSurvey.pdf](https://www.cdfa.ca.gov/oefi/HealthySoils/docs/HSP_SoilSurvey.pdf)

Document 3: 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 4: Application Submission Instructions

Accessible at:

<https://www.cdfa.ca.gov/oefi/HealthySoils/2017SecondSolicitationDocs/ApplicationSubmissionGuidelines.pdf>