CDFA Conservation Agriculture Planning Grant Program (CAPGP) Summary and Responses to Public Comments Received

Public comments for the first CAPGP draft Request for Proposals were accepted between May 13, 2021 and June 15, 2021.

Organization/Entity	Summary of Comments	Response to Comment
G&Js Little Farm, LLC		Farmers and ranchers will be made eligible applicants. They will have to provide qualified experts which will be reviewed and evaluated by CDFA. Certified professionals (including, but not limited to: Pest Control Advisors, Certified Crop Advisors, and Certified Rangeland Managers) could be eligible applicants.
	- Include plans that verify a grower is using practices that improve soil health, sequester	Organic system plans are part of USDA NRCS CAP 138. CDFA will not be verifying practices specified in plans or any other implementation aspect of the plans. This program is solely designed to fund the development of the plans.
	3. Payment Structure	The Program is consistent with USDA NRCS on standard payment rates. Standard payment rates consistent with NRCS are used across several CDFA Climate Smart agricultural programs.
Kitchens For Good	 Farmers and ranchers should be eligible to receive funds and select TA providers of their choice. State-certified crop and pest management advisors should be eligible for funding. Eligible Plans Make standalone organic system plans eligible. Include plans that verify a grower is using practices that improve soil health, sequester carbon, and/or protect biodiversity and pollinator health (Sustainability in Practice, Bee Better certifications). <u>Payment Structure</u> 	Farmers and ranchers will be made eligible applicants. They will have to provide qualified experts which will be reviewed and evaluated by CDFA. Certified professionals (including, but not limited to: Pest Control Advisors, Certified Crop Advisors, and Certified Rangeland Managers) could be eligible applicants. Organic system plans are part of USDA NRCS CAP 138. CDFA will not be verifying practices specified in plans or any other implementation aspect of the plans. This program is solely designed to fund the development of the plans. The Program is consistent with USDA NRCS on standard payment rates. Standard payment rates consistent with NRCS are used across several CDFA Climate Smart agricultural programs.
Audubon	 <u>Eligible Plans</u> Include Audobon's Habitat Management Plan and other plans related to improving habitat for wildlife on agricultural land as eligible for funding. (support State Wildlife Action Plan and Gov's EO N-82-20) 	The Habitat Management Plan does not meet all the steps required to be an eligible plan. It maybe covered under another plan under the plans listed in the RFP.
DISTRICT	-	Water Conservation Districts are eligible as long as they are a non-profit or meet one of the other eligibility criteria.

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	 Indirect Rates Indirect Rates Allow approved indirect rates over 20%. (RCDs should be included with UC and CSU to claim their established indirect cost rate) 	Indirect rates for technical assistance have already been established through the Environmental Farming Act Science Advisory Panel (EFA SAP). Establishing higher indirect rates is a larger policy discussion not appropriate at the EFA SAP and programmatic level.
CA Association of Resource	 <u>Payment Structure</u> Do not use a payment rate reimbursement system; instead use a budget and invoicing process to cover all costs (including administrative costs). (proposed payment rates don't reflect actual costs) 	The Program is consistent with USDA NRCS on standard payment rates. Standard payment rates consistent with NRCS are used across several CDFA Climate Smart agricultural programs.
Conservation Districts	3. <u>Critical Project Review Language</u> - Remove language that grantee must return funds if the project is canceled	CDFA would like to ensure there is accountability associated with these funds. No adequate reasons have been provided why this would not be possible.
	4. <u>Award Term</u> - Grant agreement should be longer the 18 months. (should be at least 24 months)	The grant agreement will now be 24 months.
	 <u>Application Process</u> Applications should be received on a rolling basis. 	Since this is the first time CDFA is establishing this program, a competitive set period for submitting applications with a cut-off date has been established. A rolling application process will be evaluated for future new solicitations and take into account the oversubscription rate.
	1. <u>Indirect Rates</u> - Allow approved indirect rates over 20%.	Indirect rates for technical assistance have already been established through the Environmental Farming Act Science Advisory Panel (EFA SAP). Establishing higher indirect rates is a larger policy discussion not appropriate at the EFA SAP and programmatic level.
Sonoma Resource Conservation District	 <u>Payment Structure</u> Do not use a payment rate reimbursement system; instead use a budget and invoicing process to cover all costs (including administrative costs). 	The Program is consistent with USDA NRCS on standard payment rates. Standard payment rates consistent with NRCS are used across several CDFA Climate Smart agricultural programs.
	 <u>Critical Project Review Language</u> Remove language that grantee must return funds if the project is canceled. 	CDFA would like to ensure there is accountability associated with these funds. No adequate reasons have been provided why this would not be possible.
	4. <u>Award Term</u> - Grant agreement should be longer the 18 months.	The grant agreement will now be 24 months.

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CCOF	 <u>Eligible entities</u> Allow farmers and ranchers to be eligible. Allow state-certified crop advisors and pest management advisors to be eligible. 	Farmers and ranchers will be made eligible applicants. They will have to provide qualified experts which will be reviewed and evaluated by CDFA. Certified professionals (including, but not limited to: Pest Control Advisors, Certified Crop Advisors, and Certified Rangeland Managers) could be eligible applicants.
	 <u>Eligible Plans</u> Allow standalone organic systems plans and other types of plans (beyond NRCS Conservation Activity Plans including Sustainability in Practice, Bee Better Certified and others). (NRCS CAP 138 goes beyond an organic system plan, creating obstacles for growers who want to develop a standalone organic system plan) 	Organic system plans are part of USDA NRCS CAP 138.
	 <u>Payment Structure</u> Allow all costs to be reimbursable rather than the proposed payment rate structure. 	The Program is consistent with USDA NRCS on standard payment rates. Standard payment rates consistent with NRCS are used across several CDFA Climate Smart agricultural programs.
	 <u>Program Name</u> Rename program the "Climate Smart Agriculture Planning Grant Program" to align with the CSA programs. (clarifies connection between the planning grants and preparing growers for other CSA programs; also in line with Gov. Newsom's state climate smart coordination) 	All incentive programs under the Office of Environmental Farming and Innovation (OEFI) are considered "Climate Smart Agriculture Programs," therefore "CSA" is not used in front of each name. This program will be called the Conservation Agriculture Planning Grant Program since the plans are all conservation plans and the sector is the agriculture sector.
CA Climate Action Network	 <u>Eligible entities</u> In addition to the option of planners applying for funding, allow farmers and ranchers to apply for funding and select the technical service provider of their choice. "Include tribal governments and organizations in the list of eligible recipients." Include certified crop and pest advisors as eligible TA providers. 	Farmers and ranchers will be made eligible applicants. They will have to provide qualified experts which will be reviewed and evaluated by CDFA. Certified professionals (including, but not limited to: Pest Control Advisors, Certified Crop Advisors, and Certified Rangeland Managers) could be eligible applicants.
	 2. <u>Payment Structure</u> "Compensate TA providers for the full cost of developing plans based on their actual time and travel expenses rather than utilizing a fixed payment schedule that favors large farms; most TA providers are used to tracking their hours and expenses." "Allow farmers to be compensated for their time in developing the plans." 	The Program is consistent with USDA NRCS on standard payment rates. Standard payment rates consistent with NRCS are used across several CDFA Climate Smart agricultural programs.
	 <u>Application Process</u> Use a competitive grant selection process and give priority for socially disadvantaged farmers and ranchers (SDFRs). 	A competitive set period for submitting applications with a cut-off date has been established. Awardees must use their funds to assist at least 25% of SDFRs.
	 4. <u>Pathway to Implementation of Plans</u> -Allow TA providers to help farmers identify and access funding to implement their plans. 	CDFA will only fund the plans and not verify its implementation, since plans can be implemented after the contract end date (may be up to several years later).
	 <u>Eligible Plans</u> Include a standalone organic system plan (OSP) as an eligible plan (prepared by a certified crop and pest control advisor). 	Organic system plans are part of USDA NRCS CAP 138.

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	 <u>Eligible Entities</u> Confirm that dairy operations are eligible by including a reference to dairy operations in the definition of an agricultural operation. 	Dairy operations are specified as included in the definition of "agricultural operation."
	 <u>Advance Payments</u> Advance payments should only be allowed if the awardee identified, within their application, the agricultural operations and conservation plans that are to be developed with the advance payment. 	Advanced payments are a standard payment process to assist with early development of the project and do not have any requirements attached with it other than the advanced payment must be exhausted prior to submission of any new invoices. CDFA has language in the RFP that any awardees not meeting the Planning Grant Program requirements must return the funds to CDFA.
CA Farm Bureau Federation	3. <u>Grower Privacy</u> -Maintain confidentiality of agricultural operation-specific information. Proprietary information including but not limited to herd size, yields, use of resources should be considered sensitive information and should not be made public through Public Records Acts requests. (ex where this is done: State Water Board ESJ WDR)	CDFA works with Departmental Legal Office to ensure grower privacy information is maintained with all PRAs.
	4. <u>Eligible Plans</u> CDFA should have consistent standards for the inclusion of plans into the program. Plans should have demonstrated GHG reductions, minimum plan criteria, and specific data about payment rates. Carbon Farm Plans currently do not have a corresponding USDA NRCS approved plan and including these plans in the program sets a precedent for the inclusion of other plans that have not been thoroughly evaluated and vetted Wait to include Carbon Farm Plans until allowed for public comment on minimum plan criteria, payments and demonstrable carbon seq rates	CDFA is aligning with USDA NRCS because standards have already been developed for the plans. CDFA will work to develop standards for the Carbon Farm Plan. USDA NRCS is working on standards as well at the present time.
	5. <u>Regulatory Requirements</u>	CDFA is only funding the development of the plans and does not have the authority to ensure
	- Provide a pathway for farmers and ranchers to use the developed plans to satisfy regulatory requirements.	plans are implemented. The current plans may be used for regulatory requirements such as the Nutrient Management Plan for Dairy Operations (USDA NRCS CAP 104)

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Carbon Cycle Institute	 <u>Grant Term</u> "the lead-in time be extended to at least 3 years, and the disbursement period be extended to an additional 3 years beyond that to allow time for essential training of additional TSPs and conservation planners." Grant recipients should have up to 24 months from the date the contract is signed to complete plans; Grant recipients should be reimbursed at least quarterly; Advance payments of up to 50% should be allowed. 	The grant agreement will now be 24 months. Given timelines associated with funding, this program is unable to accommodate the requested timeframes. Advanced payments are limited to 25% as pre state guidelines.
	 2. <u>Evaluation of Applicant Qualifications</u> Clarify the process for vetting providers that have not been certified as NRCS TSPs Explore opportunities to align with efforts at universities around training of conservation planners Provide funding for training of planners (to local and regional partnerships) 	CDFA will review the qualifications for those that are not NRCS TSPs to ensure they have adequate experience and knowledge to complete the plans proposed in their application. CDFA will explore potential training opportunities for TSPs in collaboration with USDA NRCS.
	 3. <u>Pathway to Implementation of Plans</u> - CDFA should clearly explain the pathway from the plan development to funding of the implementation of the plan. - CDFA should coordinate with NRCS to determine pathway for implementation funding and consider whether or not this is impacted by the status of the planner as an NRCS TSP. - "provide language explicitly connecting the draft program directly to both NRCS and CDFA implementation programs". 	CDFA will only fund plan development and not implementation. Additional language has been added to the RFP. CDFA meets on a regular basis with USDA NRCS to ensure alignment on programs. The CDFA Program connects to USDA NRCS by using the CAP #s and requirements.
	 4. <u>Eligible Plans</u> -Include NRCS Resource Management System-level Conservation Plans in the list of eligible plans. - Focus CDFA planning funds on plans with carbon/climate focus. - Add language to the RFP to justify plan choices in a climate context; require that the plans articulate nexus to climate. 	Resource Management System-level (RMS) plans involves many of the plans CDFA will be incentivizing through the Conservation Agriculture Planning Grant Program. RMS is not feasible for, and goes beyond the scope of, this RFP. RMS is encouraged in all categories of planning, but based on funds available, the Conservation Agriculture Planning Grants Program will focus on strategically planning for resource concerns. As a climate smart agriculture program, the Conservation Agriculture Planning Grants Program promotes climate-friendly practices. Text was added to the RFP noting that all plans are required to include greenhouse gas quantification.

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	 <u>Indirect Rate</u> The indirect rate should not be included in the maximum award per agricultural operation. Allow planners to collect indirect on top of the maximum award. (Clarify if the \$20,000 maximum payment per ag operation supports stacking multiple plan types for a single operation) 	The RFP was edited to clarify that the total award includes indirect costs.
	 <u>Application Cycles</u> -Establish one or more non-rolling deadlines within the year as opposed to a rolling first- come, first serve approach. (may exclude applicants that need more time) 	Since this is the first time CDFA is establishing this program, a competitive set period for submitting applications with a cut-off date has been established. A rolling application process will be evaluated for future new solicitations and take into account the oversubscription rate.
Carbon Cycle Institute (cont.)	7. <u>Carbon Farm Plans</u> - Define Carbon Farm Plan: "A carbon farm plan is based upon the NRCS RMS Conservation Planning process, but places carbon at the center of the plan. The CFP process involves a whole-farm assessment of carbon capture and sequestration opportunities, and uses the USDA-NRCS COMET tools (COMET-Planner, COMET-Farm) and other greenhouse gas quantification tools as appropriate, to quantify the GHG benefits, particularly carbon sequestration benefits, of the plan over time. A CFP can be developed for any type of agricultural operation, at any scale."	See RMS comments above. CDFA will be coordinating with USDA NRCS. Technical information will be shared prior to actual release for applications. The RFP has added language to require plans to use GHG quantification tools.
	8. <u>Payments</u> "provide a range of funding per Carbon Farm Plan, based upon the type of operation that would be inclusive of the costs associated with technical support required for CFPs, as follows: \$19,455 for Dairy operations; \$14,995 for Rangeland grazing systems; \$14,169 for Orchards; \$13,355 for Diversified operations; \$12,121 for Vineyards; and \$11,566 for Annual Cropland operations."	CDFA has reached out to gather line item information for the costs submitted. CDFA will cover approximately 80% of the plans consistent with the USDA NRCS payment rates.

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	 Identifying Resources and Funding The developed plans should identify incentive funding that support implementation of plans. Almond guidance documents that outline best practices should be made available as a resource for grantees of the program. Almond Board funding has led resources available on a range of topics related to conservation agriculture. CDFA should align efforts with the existing California Almond Sustainability Program. 	CDFA will only fund the plans and not verify its implementation, since plans can be implemented after the contract end date (may be up to several years later). CDFA is coordinating, and is consistent, with USDA NRCS programs. Farmers may use plans to contribute to the California Almond Sustainability Program.
	 <u>Carbon Farming</u> Almond growers can focus on three areas of practices to contribute to sequestering carbon: practices around soil organic matter and N, 2) reducing reliance on fossil fuels, including in irrigation and fertilization, 3) contributing co-products to a bioeconomy carbon plans that are oriented towards facilitating the development and support of private ecosystem markets 	There are plans for each of the requested plans included in the RFP.
Almond Board	 <u>Eligible Plans</u> Plans that help farmers to plan for on-farm recharge and other practices related to SGMA should be included. 	There are currently no plans with USDA NRCS specific for groundwater recharge. It should be noted that some of the plans could help a producer comply with water allocations such as a IWM plan. Also, NRCS has developed and will be evaluating some interim standards specific to groundwater recharge.
	 4. <u>Inclusivity of Specialty Crops</u> Ensure that the program is inclusive of specialty crops by supporting planning and practices that consider the unique needs and challenges of specialty crops. (ex: food safety can limit types of practices that can be adopted) 	Plans offered are applicable for specialty crops.
	 <u>Evaluate trade-offs</u> Consider trade-offs and synergies when incentivizing changes in agricultural management practices. 	Such trade-offs should be covered in the plans.

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San Mateo Resource Conservation District	others." - "The actual cost of the work should be fully reimbursed rather than on a set payment rate." -"Administrative costs related to project management, tracking of the budget and	The Program is consistent with USDA NRCS on standard payment rates. Standard payment rates consistent with NRCS are used across several CDFA Climate Smart agricultural programs. Indirect rates for technical assistance have already been established through the Environmental Farming Act Science Advisory Panel (EFA SAP). Establishing higher indirect rates is a larger policy discussion not appropriate at the EFA SAP and programmatic level. Administrative costs are considered indirect costs.
	 <u>Grant Term</u> The grant award term should be longer than 18 months. (recommend at least 24 months) <u>Critical Project Review Language</u> 	The grant agreement will now be 24 months.
	- The requirement to return funds if milestones are not met is not fair and should be removed or revised.	CDFA would like to ensure there is accountability associated with these funds. No adequate reasons have been provided why this would not be possible.
Pesticide Reform	 <u>Eligible entities</u> Add California farmers as ranchers as eligible to receive funding. Add state certified crop and pest management advisors as eligible to receive funding. 	Farmers and ranchers will be made eligible applicants. They will have to provide qualified experts that meet the eligibility criteria (non-profit organization) which will be reviewed by CDFA. Certified professionals (including, but not limited to: Pest Control Advisors, Certified Crop Advisors, and Certified Rangeland Managers) will be made eligible applicants.
	 <u>Eligible Plans</u> Offer funding for a standalone organic systems plan. (especially to lower barriers for socially disadvantaged and beginning farmers) 	Organic system plans are part of USDA NRCS CAP 138. CDFA will not be verifying practices specified in plans.
	 Payment structure Payment structure Reimburse farmers, ranchers and TA providers for the full cost of planning. 	The Program is consistent with USDA NRCS on standard payment rates. Standard payment rates consistent with NRCS are used across several CDFA Climate Smart agricultural programs.
	 <u>Program Name</u> Rename program the "Climate Smart Agriculture Planning Grant Program" to align with the CSA programs. 	All incentive programs under the Office of Environmental Farming and Innovation (OEFI) are considered "Climate Smart Agriculture Programs," therefore "CSA" is not used in front of each name. This program will be called the Conservation Agriculture "Planning Grant Program.

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	 Indirect Rates Indirect Rates Accept indirect cost rates that been vetted and approved by cognizant agencies rather than limit everyone to 20% 	Indirect rates for technical assistance have already been established through the Environmental Farming Act Science Advisory Panel (EFA SAP). Changes to this would require significant CDFA discussion.
	 <u>Critical Project Review Language</u> Revise Critical Project Review requirements to repay CDFA if milestones are not met 	CDFA would like to ensure there is accountability associated with these funds. No adequate reasons have been provided why this would not be possible.
Coast San Luis Resource Conservation Distric	 <u>Payment Rate</u> Reimburse for actual cost of the work rather than on a set payment rate Include administrative costs related to project management, tracking of the budget and deliverables, and regular invoicing and reporting as an allowable expense 	The Program is consistent with USDA NRCS on standard payment rates. Standard payment rates consistent with NRCS are used across several CDFA Climate Smart agricultural programs. Administrative costs are considered indirect costs.
	 <u>Grant Term</u> Consider extending the duration of the grant agreement at least 24 months to ensure time to get it right 	The grant agreement will now be 24 months.
	 <u>Application Process</u> Applications should be received on a rolling basis. (doesn't force planning into an arbitrary window) 	Since this is the first time CDFA is establishing this program, a competitive set period for submitting applications with a cut-off date has been established. A rolling application process wil be evaluated for future new solicitations and take into account the oversubscription rate.
Xerces	 <u>Pathway to Implementation</u> connect the program to funding for implementation of the plans (for example the Healthy Soils Program). 	CDFA will only fund the plans and not verify its implementation, since plans can be implemented after the contract end date (may be up to several years later).
	 2. <u>Application Process</u> The first come, first serve approach seems problematic considering that each applicant is limited to one application. Allow organizations (ex: non profit) to submit multiple apps/a separate application for each agricultural operation they intend to assist. 	Since this is the first time CDFA is establishing this program, a competitive set period for submitting applications with a cut-off date has been established. A rolling application process wil be evaluated for future new solicitations and take into account the oversubscription rate.
	 <u>Payment Rate</u> The payment rates seem low for large operations; consider a per acre payment rate or incremental rate increase with size The payment rate for Pollinator Habitat Plans looks appropriate. 	Payment rates are consistent with USDA NRCS payment rates that cover approximately 80% of the plan. No matching funds are required.
	4. <u>Eligible Entities</u> - Include urban farms as eligible.	Urban farms have not been excluded.
	5. <u>Eligible Plans</u> - Include Organic Systems Plans and Bee Better Certified Farm Plans as eligible	Organic system plans are part of USDA NRCS CAP 138. The Bee Better Certified Farm Plan does not meet all the steps required to be an eligible plan however, it may be eligible under one of the existing plans.

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	I- Support additional planning approaches rather than only the NR(S (APS (which is	The Program is consistent with USDA NRCS on standard payment rates. Standard payment rates consistent with NRCS are used across several CDFA Climate Smart agricultural programs.
Full Belly Farm	 <u>Eligible Entities</u> Support farmers and ranchers in hiring organic consultants (not just NRCS-certified TSPs for CAP 138 - currently only 2 exist for CA) to complete Organic Systems Plans. 	Organic consultants may be hired if they meet the eligibility criteria.
	I - Explicitly encourage implementation of funded plans to be consistent with UFFI mission. To	CDFA will only fund the plans and not verify its implementation, since plans can be implemented after the contract end date (may be up to several years later).