



# COUNTY OF SAN DIEGO

## LAND USE AGENDA ITEM

### BOARD OF SUPERVISORS

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First District

JOEL ANDERSON  
Second District

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Third District

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Fourth District

JIM DESMOND  
Fifth District

**DATE:** May 24, 2023

**07**

**TO:** Board of Supervisors

### SUBJECT

**ADOPT A RESOLUTION TO APPLY FOR AND ACCEPT GRANT FUNDS FROM THE CALIFORNIA DEPARTMENT OF CONSERVATION FOR THE CLIMATE SMART LAND MANAGEMENT PROGRAM: CAPACITY BUILDING AND TECHNICAL ASSISTANCE; FIND THE ACTIONS ARE EXEMPT UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (DISTRICTS: ALL)**

### OVERVIEW

On August 3, 2011 (1), the Board of Supervisors (Board) directed the development of the Purchase of Agricultural Conservation Easements (PACE) Program as part of the comprehensive update to the County of San Diego's (County) General Plan. The PACE Program promotes the long-term preservation of agricultural land in the unincorporated area. Voluntary property owners are compensated for placing permanent easements on their agricultural property, limiting future uses to only agricultural operations, and ending future development potential. As a result, the agricultural land is preserved, and the property owner receives compensation making the land's continued use for agriculture more viable. Additionally, on August 31, 2022 (6) the Board directed the Chief Administrative Officer to develop a Pilot Carbon Farming Program to encourage adoption and local scalability of carbon farming practices that account for greenhouse gas emissions reductions and promote soil health. The direction also included a return to the Board with options for program implementation, including a list of identified pilot projects. As directed, Planning & Development Services (PDS) staff are in the program development process for the Pilot Carbon Farming Program. Both programs are key components of the County's sustainability efforts.

Staff have identified the California Department of Conservation Climate Smart Land Management (CSLM) Program: Capacity Building and Technical Assistance as a funding source for the PACE and Pilot Carbon Farming Program. The funds may be used to streamline and automate the existing PACE Program, which would allow for greater accessibility to the public and allow for the processing of a greater numbers of applications. The grant will fund expanded PACE outreach and engagement efforts to increase the number of agricultural producers participating in the program. Additionally, the funds may be used to continue to develop and implement the Pilot Carbon Farming Program and help cover costs associated with technical requirements (e.g., soil testing) of the program, thereby removing potential cost burdens for farmers interested in participating. Carbon farming refers to a suite of different farming techniques that increase the rate at which carbon is sequestered into the soil and plants.

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The overarching goal of the CSLM Program is to build the capacity of local, tribal, regional, and Statewide partners to increase the pace and scale of climate action on California's natural and working lands in a socially, ecologically, and geographically equitable manner. The grant is specifically interested in supporting partners in implementing the nature-based solutions in the State's Natural and Working Lands Climate Smart Strategy and Pathways to 30x30: Accelerating Conservation of California's Nature. Both of these documents reference the value of supporting local agriculture as a nature-based climate solution and specifically refer to climate smart agriculture, which can include farming practices that remove greenhouse gases from the atmosphere and store it in the soil or plant biomass.

This is a request for the Board of Supervisors to adopt a Resolution that authorizes the County to apply for and accept a CSLM Program grant. If the County is selected for an award, it also authorizes the Director of PDS or a designee to execute all related documents.

## **RECOMMENDATION(S)**

### **CHIEF ADMINISTRATIVE OFFICER**

1. Find that the proposed actions are exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3), Section 15301, and Section 15304 of the California CEQA Guidelines.
2. Adopt a Resolution entitled: RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING DIRECTOR, PLANNING & DEVELOPMENT SERVICES, TO APPLY FOR AND ACCEPT GRANT FUNDS FROM THE CALIFORNIA DEPARTMENT OF CONSERVATION CLIMATE SMART LAND MANAGEMENT PROGRAM: CAPACITY BUILDING AND TECHNICAL ASSISTANCE GRANT (Attachment A).
3. Authorize the Director, Planning & Development Services, or their designee, to execute all required grant documents pertaining to the CALIFORNIA DEPARTMENT OF CONSERVATION CLIMATE SMART LAND MANAGEMENT PROGRAM: CAPACITY BUILDING AND TECHNICAL ASSISTANCE, including, but not limited to, applications, agreements, annual extensions, revisions, payment requests, and/or any agreements and/or memorandums of understanding with other entities as co-applicants, participants, and/or partners in the application and spending of grant funds received, that do not materially impact or alter the services or funding level and may be necessary for completion of the grant deliverables.
4. Waive Board Policy B-29, *Fees, Grants, Revenue Contracts – Department Responsibility for Cost Recovery*, which requires full cost recovery for services provided under grants.

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### **EQUITY IMPACT STATEMENT**

Application to the Climate Smart Land Management (CSLM) grant will allow continued financial support to develop and implement the Purchase of Agricultural Easements (PACE) and Pilot Carbon Farming Programs in San Diego County. The grant will help cover costs associated with technical requirements (e.g., soil testing) of the Pilot Carbon Farming Program thereby removing potential cost burdens for farmers interested in participating. Additionally, the grant will fund outreach and engagement efforts and an automated online system for both the Pilot Carbon Farming Program and the PACE Program. Funding elements of the two programs will also increase program reach and accessibility. Furthermore, the Pilot Carbon Farming Program will utilize an equity-driven approach by emphasizing support to socially disadvantaged farmers and ranchers as defined by the United States Department of Agriculture.

### **SUSTAINABILITY IMPACT STATEMENT**

The Purchase of Agricultural Easements (PACE) Program is part of the 2018 Climate Action Plan, and both the PACE Program and Pilot Carbon Farming Program align with the Climate Action Plan Update that is in process. Additionally, land conservation and carbon farming are referenced in the Natural Climate Solutions and Other Land Use Considerations chapter of the Regional Decarbonization Framework's Technical Report. If awarded, the Climate Smart Land Management grant will provide funding to continue the development of the Pilot Carbon Farming Program and the PACE Program, thereby positively impacting the environment and the County's commitment to sustainability.

### **FISCAL IMPACT**

Funds for this request are not included in the Fiscal Year 2023-24 CAO Recommended Operational Plan Change Letter in the Department of Planning & Development Services (PDS). If approved and the grant is awarded, this could result in estimated costs and revenue of up to \$1,000,000 over the grant term (three years) in Fiscal Years 2023-24 through Fiscal Year 2025-26. If the grant is awarded to PDS, at a later date funds will be included in a future quarterly adjustment. The funding source is the California Department of Conservation, appropriated by the Budget Act of 2022 (AB 179, Ch. 249, Stat. 2022). There will be no change in net General Fund cost and no additional staff years.

### **BUSINESS IMPACT STATEMENT**

N/A

### **ADVISORY BOARD STATEMENT**

N/A

### **BACKGROUND**

On April 13, 2011, the Board of Supervisors (Board) directed staff to develop the Purchase of Agricultural Conservation Easements (PACE) Program. The County of San Diego's (County) PACE Program promotes the long-term preservation of agricultural land in the unincorporated

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area. Voluntary property owners are compensated for placing perpetual easements on their agricultural property, limiting future uses to only agricultural operations, and ending future development potential. As a result, the agricultural land is preserved, and the property owner receives compensation making the land's continued use for agriculture more viable. Additionally, on August 31, 2022 (6) the Board directed the Chief Administrative Officer to develop a Pilot Carbon Farming Program to encourage adoption and local scalability of carbon farming practices that account for greenhouse gas emissions reductions and promote soil health. The direction also included a return to the Board with options for program implementation, including a list of identified pilot projects. As directed, Planning & Development Services staff are in the planning process for the Pilot Carbon Farming Program. Both of these programs are key components of the County's sustainability efforts and are also in alignment with the Regional Decarbonization Framework and the goals of the Office of Sustainability and Environmental Justice.

Staff have identified the California Department of Conservation Climate Smart Land Management (CSLM) Program: Capacity Building and Technical Assistance as a funding source for the PACE and Pilot Carbon Farming Program. The funds may be used to streamline and automate the existing PACE Program, which would allow for greater accessibility to the public and allow for processing of a greater numbers of applications. Additionally, the funds may be used to continue to develop and implement the Pilot Carbon Farming Program and help cover costs associated with technical requirements (e.g., soil testing to verify the carbon sequestration potential of the carbon farming techniques) of the program thereby removing potential cost burdens for farmers interested in participating in the Pilot Carbon Farming Program. Carbon farming refers to a suite of different farming techniques that increase the rate at which carbon is sequestered into the soil and plants.

The overarching goal of the CSLM Program is to build the capacity of local, tribal, regional, and Statewide partners to increase the pace and scale of climate action on California's natural and working lands in a socially, ecologically, and geographically equitable manner. The grant is specifically interested in supporting partners in implementing the nature-based solutions in the State's Natural and Working Lands Climate Smart Strategy and Pathways to 30x30: Accelerating Conservation of California's Nature. Both of these documents reference the value of supporting local agriculture as a nature-based climate solution and specifically refer to climate smart agriculture, which can include farming practices that remove carbon from the atmosphere and store it in the soil or plant biomass.

On March 30, 2023 the California Department of Conservation released final guidelines for the CSLM Program. The program is funded by the Budget Act of 2022 (AB 179, Ch. 249, Sat. 2022), which appropriated \$10 million to the Department of Conservation for grants to implement projects or develop plans that increase climate action (e.g., actions that reduce or remove greenhouse gases from the atmosphere) on California's natural and working lands and are consistent with the State's Natural and Working Lands Climate Smart and Pathways to 30x30 strategies.

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The Natural and Working Lands Climate Smart Strategy is intended to help implement the Governor's Executive Order N-82-20, which calls for restoring nature and landscape health to deliver on climate change goals. The document identifies priority nature-based climate solutions within eight different landscapes. Avoiding the conversion of existing croplands to other land uses and implementing climate smart cropland management to increase carbon sequestration are highlighted as nature-based climate solutions promoted by the State. The document specifically calls out scaling up carbon farming practices and the importance of easements.

Similarly, the Pathways to 30x30: Accelerating Conservation of California's Nature is the result of the Governor's Executive Order N-82-20, and the document lays out steps to achieve the State's goal of conserving 30% of California land and coastal waters by 2030. Increasing voluntary conservation easements (i.e., PACE) while integrating complementary climate change benefits to expand carbon sequestration and storage (i.e., Pilot Carbon Farming) are included as potential strategies. Therefore, the County's proposals to fund activities associated with the Pilot Carbon Farming Program and the PACE Program are in alignment with the CSLM grant guidelines and their pursuit for supporting programs and projects that implement the strategies outlined in the Natural and Working Lands Climate Smart Strategy and the Pathways to 30x30 documents.

The proposed grant application includes creating and implementing an automated online system for agricultural landowners to use when applying to the PACE Program and the Pilot Carbon Farming Program that is being developed. Additionally, the grant will fund expanded PACE outreach and engagement efforts to increase the number of agricultural producers participating in the program. Both automation and additional outreach align with the County's goals to create more equitable and community-informed processes. To further improve County operations, the grant application will also include integration between the PACE Program and the Pilot Carbon Farming Program. Beyond program integration, the Pilot Carbon Farming Program funds will also go towards implementing demonstration projects which will inform overall program development and administration. Additionally, funds will be used to develop a methodology to verify greenhouse gas emissions reductions resulting from carbon farming activities in the unincorporated area. This work will be helpful in incorporating the Pilot Carbon Farming Program into the County's Climate Action Plan Update and is in alignment with opportunities referenced in the Natural Climate Solutions and Other Land Use Considerations chapter of the Regional Decarbonization Framework's Technical Report.

This is a request for the Board of Supervisors to adopt a Resolution that includes an authorization for the County to apply for and accept a Climate Smart Land Management Program grant. If the County is selected for an award, it also authorizes the Director of Planning & Development Services (PDS) or a designee to execute all related documents.

## **ENVIRONMENTAL STATEMENT**

Today's proposed actions to adopt a resolution authorizing application for and acceptance of a grant and implementation of demonstration projects are exempt from the California Environmental

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Quality Act (CEQA). Pursuant to Section 15061(b)(3) of the CEQA Guidelines, CEQA only applies to projects that have the potential to cause a significant effect on the environment. Applying for and receiving grant funds, and demonstration carbon farming projects focused on greenhouse gas emissions reductions and soil health will not have a significant effect on the environment. In addition, Section 15301 of the CEQA Guidelines exempts the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. Section 15304 exempts minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees except for forestry and agricultural purposes. The demonstration projects would involve only minor alterations in topographical features and in the condition of the land, water, or vegetation, and would not include removal of healthy, mature, scenic trees except for agricultural purposes. Implementing carbon farming practices is comparable to new gardening or landscaping, which is described as a specific example of an exemption under Section 15304.

**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's proposed actions support the Sustainability, Equity, and Community Initiatives in the County of San Diego's 2023-2028 Strategic Plan by pursuing grants to implement projects that will actively combat climate change, advance opportunities for economic growth, and facilitate meaningful conversations and grant opportunities to maximize resources through community partnerships to benefit the region.

Respectfully submitted,



SARAH E. AGHASSI  
Deputy Chief Administrative Officer

**ATTACHMENT(S)**

Attachment A - Resolution of The Board of Supervisors of The County of San Diego Authorizing Director, Planning & Development Services, To Apply for and Accept Grant Funds From the California Department of Conservation Climate Smart Land Management Program: Capacity Building and Technical Assistance  
Attachment B – Categorical Notice of Exemption