

Background:

NOTE: Citizens Advisory Committee Memo - Responses to Feedback, and the Notice of Exemption are on file with the Clerk of the Board

Since its inception in 1990, the District has worked with the County's nine cities, County departments, local agencies and non-profit organizations in a unique partnership - the Competitive Matching Grant Program ("Program"). The Program builds on local capacity to protect, preserve and enhance urban open spaces, and to provide recreational opportunities to residents. To date, the Program has provided nearly \$29 million toward projects. Examples of successful projects include a town green for the Town of Windsor, the Prince Memorial Greenway in the City of Santa Rosa, and the 250-acre expansion of lands along the Petaluma River for public access and habitat enhancement adjacent to Shollenberger Park in the City of Petaluma.

District staff is continually exploring ways to improve the effectiveness and success of the Program. Since the Program revisions brought to the Board in 2009, District staff has determined the need for additional updates and clarification to Program administration, the application document, and the Program guidelines. The District sent out the proposed Program revisions to a broad group of local entities and organizations, including both government and non-profit representatives for comment, and subsequently presented the revisions to the District's Citizens Advisory Committee for input. The District has reviewed and incorporated the feedback into the proposed revisions that follow.

Upon adoption of the proposed revisions, the District will initiate the 2011/12 Program cycle, hosting two workshops for Program applicants and opening the application period at that time. The District has allocated \$2,000,000 in funding for this program cycle.

Revisions

Program Administration

District staff has determined that to ensure a more efficient and effective Program, the Program should be offered every other year. A biennial cycle allows for the time and resources required to administer the Program and to successfully complete selected projects within each grant cycle. It takes approximately eight months to conduct outreach, to hold a sufficient application period, and to review and recommend new projects. In addition, it takes up to 16 months to finalize the project structure, negotiate the conservation easement and matching grant agreement, receive final approvals, and begin project implementation. This Program administration timeframe correlates with the new mandatory timelines for project completion proposed in the guideline revisions.

Program Application

The application has been reorganized to more clearly outline applicant requirements, and thereby help streamline the application review process.

Program Guidelines

The following key changes are proposed for the Program guidelines:

Land Ownership Requirements/Co-Application: The guidelines identify new requirements for projects in which the applicant is not the property owner (such as a non-profit proposing to undertake restoration work on city property). In such situations, the owner of the property will be required to co-sign the application and provide other assurances that there are no impediments to the project related to property ownership. (Section D)

Project Authorization: The guidelines require a resolution or statement from the applicant's governing body that ensures the applicant's authority to submit the application. (Section D)

Non-Profit Requirements: The guidelines require additional documentation from non-profit applicants to ensure their capacity for the proposed project. (Section D)

Project Evaluation Criteria: The guidelines include revised and expanded criteria for project evaluation. As a result, applicants will have a better understanding of what the District considers in evaluating projects, and the District will be better able to ensure that the projects selected are those that best meet the intent of the Program. The revised criteria were developed by reviewing existing criteria and examining the key characteristics of successful matching grant projects. They are designed to be objective and transparent. (Section E)

Match Requirement: The guidelines provide greater flexibility and clarity regarding what may qualify as an applicant’s match contribution. Of particular interest, the District will consider two additional match sources; costs associated with project management (both staff and actual costs) and anticipated profit or income obtained from uses and activities occurring on a project property, to the extent that those profits and income are applied directly to implementation of the project. No more than 10% of the overall match can come from either of these two new sources. (Section F)

Implementation Timing: The guidelines set forth new time requirements for project implementation, intended to ensure the timeliness of project completion. Specifically, the District has established time limitations for expending the District’s grant, expending the matching contribution, and implementing the project. Under the new guidelines, grant funds must be expended within three years for real property acquisitions, and within five years for restoration and park development projects. All matches must be met and all projects completed within five years. The timelines start on the date the Board accepts the project into the Program. The new time requirements for expending the District grant funding will also apply to projects accepted in the 2008 Program cycle and before, with the timelines starting on the date the revised guidelines are adopted. (Section F)

Below is a chart of active projects affected by the new time requirements, as well as a brief update on each of the project’s status.

| Name, Applicant, Program Cycle | Type | Supervisorial District | Grant Amount |
|--|------------------------------------|------------------------|--------------|
| Colgan Creek Park and Preserve, City of Santa Rosa, 2004 | Acquisition | 3 | \$336,940 |
| Colgan Creek Restoration (Phase 2), City of Santa Rosa, 2007 | Acquisition | 3 | \$2,000,000 |
| Crane Creek Regional Trail, City of Rohnert, Regional Parks and County of Sonoma Public Works Dept. 2007 | Restoration/Recreation Development | 1 & 3 | \$711,270 |
| East Washington Park, City of Petaluma, 2007 | Restoration/Recreation Development | 2 | \$2,000,000 |
| Bayer Neighborhood Park & Gardens Site Development, Land-Paths and City of Santa Rosa, 2008 | Restoration/Recreation Development | 5 | \$215,000 |
| La Cresta Ridge and Ravine, City of Petaluma and La Cresta Ridge & Ravine Coalition, 2008 | Acquisition | 2 | \$2,000,000 |
| Paula Lane Open Space Preserve (PLAN), City of Petaluma and Paula Lane Action Network, 2008 | Acquisition | 2 | \$1,000,000 |
| Riverfront Regional Park, Phase 3, Sonoma County Regional Parks, 2008 | Restoration/Recreation Development | 4 | \$252,000 |

- **Colgan Creek Park and Preserve:** The City of Santa Rosa has completed acquisition of the property. The Board has approved the project and reimbursement will occur once the matching grant agreement and conservation easement are finalized.
- **Colgan Creek Restoration(Phase 2):** The City of Santa Rosa has completed a portion of the acquisition proposed for the project. The Fiscal Oversight Commission has reviewed the appraisal, and this item will come before the Board for approval.
- **Crane Creek Regional Trail:** The City of Rohnert Park, Regional Parks and Sonoma County Water Agency are working to acquire lands necessary to complete construction of the trail. Timing of trail construction will depend on acquisition of necessary acreage.
- **East Washington Park:** The City of Petaluma has completed design for Phase 1 of park development. Phase 1 represents the highest use/highest need portion of the project. The District is working with the City to provide grant funds toward completion of Phase 1 improvements. The City estimates completion of Phase 1 by 2013.
- **Bayer Neighborhood Park & Gardens Site Development:** LandPaths has constructed interim access improvements and has been providing interim access to the Bayer property. The District will be bringing this project before the Board for approval in December. Once approval is received the District will reimburse LandPaths for costs incurred in development of interim access.
- **La Cresta Ridge and Ravine:** The City, in conjunction with the La Cresta Ridge and Ravine Coalition, is working on negotiating the purchase of the property. The District's Fiscal Oversight Commission reviewed an appraisal for the property; however, a purchase price has not been agreed upon by the City and the landowner. District staff has met with the City and the Coalition to discuss possible funding strategies.
- **Paula Lane Open Space Preserve:** The City has a purchase agreement with the landowner as well as a draft agreement with Paula Lane Action Network (PLAN) to operate programs and maintain the property. The District is working with the City and PLAN on negotiating a matching grant agreement and conservation easement. Acquisition of the property is expected to occur in 2012.
- **Riverfront Regional Park, Phase 3:** Regional Parks is working on revising planned access to the Russian River while improving natural resource protection and enhancement. Regional Parks is securing the additional funding necessary to complete planned Phase 3 improvements. A revised project will be implemented as additional funding is secured and the project will be completed within five years.

Matching Grant Agreement Provisions: The guidelines have been revised to reflect provisions being added to the matching grant agreement, including reporting and accounting requirements. (Section F)

Payment of Grant Funds: The guidelines outline new preconditions for the disbursement of grant funds. The preconditions ensure that applicants have completed their due diligence, have complied with applicable statutes, and are making progress on their project prior to the disbursement of the grant award. (Section F)

Eligible Funding Components: The guidelines now provide a more thorough and better organized breakdown of the costs eligible for funding under the Program. Additionally, the District has expanded what may be funded under the Program, which will result in more flexibility for applicants. Most significantly, the District will now consider funding up to 25% of design costs (e.g. planning, permitting, CEQA). (Section G)

Ineligible Funding Components: The guidelines include examples of ineligible costs, i.e., those that will not be paid by the District. (Section G)

Requested Board Action

The General Manager requests that the Board of Directors approve the revised program and guidelines, and delegate authority to the District's General Manager to make future revisions as necessary or appropriate to ensure continuing effective and efficient management of the Program.

Attachments:

- 1) Revised Program Application
- 2) Revised Program Guidelines

On File With Clerk:

- 1) Citizens Advisory Committee Memo - Responses to Feedback
- 2) Notice of Exemption

CLERK OF THE BOARD USE ONLY

Board Action (If other than "Requested")

Vote:



MATCHING GRANT PROGRAM 2011-12 APPLICATION

APPLICATION INSTRUCTIONS

Grant application materials must be presented in the order indicated below. Clearly label each item and number all pages in sequential order. Sections 1-5 should be printed double sided, using 8½” x 11” paper. Section 6 documentation shall not exceed 11” x 17” paper. Please submit three bound, one unbound and one electronic file on CD. The electronic submittal must include all components in one pdf file plus one Word or excel version of the Project Summary Statement, Project Costs, Project Timeline and Project Discussion sections.

1. Application Form
2. Project Summary Statement
3. Project Costs
4. Project Timeline
5. Project Discussion
6. Supporting Documentation
 - a. Certified Authorizing Resolution from Governing Body
 - b. Location Map
 - c. Site Map
 - d. Parcel Map
 - e. Property Data
 - f. Photographs
 - g. Project Plans
 - h. Title Report
 - i. Land Ownership
 - j. Operations and Maintenance
 - k. Sub-Leases or Agreements
 - l. Willing Seller Letter
 - m. Appraisal
 - n. Matching Funds Commitments
 - o. Permits/Approvals
 - p. Environmental Compliance
 - q. Nonprofit Requirements
 - r. Audit Report
 - s. Resume of Project Manager

t. Letters of Support

1. APPLICATION FORM

Name of Agency/Organization requesting funding: _____

Mailing Address: _____

Project Manager representing Agency/Organization:

Name: _____ Title: _____

Signature: _____ Tel: _____

Email: _____

Authorized Person representing Agency/Organization(per Board resolution):

Name: _____ Title: _____

Signature: _____ Tel: _____

Email: _____

Name of Agency/Organization joining in request for funding (Co-Applicant):

Mailing Address: _____

Email: _____

Authorized Representative of Co-Applicant (per Board resolution):

Name: _____ Title: _____

Signature: _____ Tel: _____

Email: _____

Project Title: _____

Type of Project (acquisition, restoration and/or development): _____

Location: _____

Grant Funding Request: \$ _____

Matching Funds: \$ _____

Estimated Total Project Cost: \$ _____

2. **PROJECT SUMMARY STATEMENT**

Summarize the purpose and objectives of the proposed project, including a description of the nature and extent of the public access component.

3. **PROJECT COSTS**

Using the District's template, create a detailed line-item budget that identifies all tasks required to implement the project. Identify the funding source for each item, such as the District's Matching Grant Program, other grants, and in-kind and volunteer contributions. Identify which funding is secured and which is pending, including when the funding was or will be obtained.

4. **PROJECT TIMELINE**

Provide a project timeline that identifies the overall schedule for completing the project, including discrete milestones of project implementation, organized into phases if applicable.

5. **PROJECT DISCUSSION**

The following section is designed to solicit specific information to enable District staff to thoroughly evaluate the project against the project evaluation criteria. Responses must follow the order they are listed below.

A. **Project Need.** Applicants must demonstrate that the project fulfills a well-identified and high- priority need within the geographic area where the project is located.

1. Describe the need(s) this project fulfills and how significant the need is. Examples include protecting park space, providing a trail linkage, preserving ecological function, providing access.

2. Describe how the need(s) has/have been determined.

B. **Project Benefits.** Applicants must demonstrate that the project results in multiple benefits.

1. Benefits to community. Applicants must identify and describe benefits to the human community, which may result in:
 - Public health
 - Connections to accessible open space
 - Economic benefits
 - Educational opportunities
 - Protection of natural resources
2. Benefits to native plants and wildlife. Applicants must identify and describe the benefits the project will have to the native plants and wildlife, and specifically, what benefits the project will be to their habitat (e.g. nesting, foraging, movement or migration).
3. Describe any other project benefits.

C. Project Readiness. Applicants must demonstrate an ability and intent to complete the project within the timelines imposed by the guidelines. Refer to “Implementation Timing” under Section F of the guidelines for the specific timelines.

1. Provide the status of the following, as applicable:

For Acquisition projects:

- Negotiations with a willing seller
- Appraisal
- Agreements related to ownership, use, or maintenance
- Property restrictions and/or encumbrances
- Required approvals and permits
- CEQA compliance. If applicant is not the lead agency, discuss who is and what the status of compliance is.

For Restoration/Recreation Development projects:

- Design of project or completion of restoration/construction plans
- Property restrictions and/or encumbrances
- Agreements related to ownership, use, or maintenance
- Required approvals and permits
- Required review by other agencies
- CEQA compliance, including mitigation requirements if any. If applicant is not the lead agency, discuss who is and what the status of compliance is.

2. Explain any impediments to project completion and how they are or will be addressed. Examples include toxins on the property, and presence of significant cultural, historical, or archaeological resources.

3. Identify and describe steps that would be taken immediately following the project's acceptance into the Matching Grant Program.
 4. Identify factors that may affect the project's timeline. How will these factors be addressed?
- D. Project Design. Applicants must demonstrate that the project design bears a direct relationship to the stated project need(s) and will result in the intended benefits.
1. Describe the existing and historical uses of the property.
 2. Describe the physical details of the property and natural resources present, including vegetation communities, soils, hydrology, and wildlife resources of significance.
 3. Describe activities planned on the property and how they are consistent with and protect the natural resources.
 4. Describe how the public will access the site.
 5. If applicable, has the issue of competing interests between public access and natural resource protection been addressed? Explain.
 6. Describe how the project is in, or close to, population centers. Describe the various transportation methods that are available for the public to access the project, including streets and highways, public transportation, non-motorized trails or routes of travel and other access routes.
 7. Describe any anticipated limitations to public access such as parking, hours of operation, available staffing, user fees, seasonal restrictions or other ecological considerations.
- E. Project Funding. Applicants must demonstrate that the grant request combined with the match will be sufficient to provide for successful completion of the project. Responses must correspond to the line-item budget (see Section # 3 Project Costs).
1. Explain your method for estimating project costs.
 2. Explain match.
 - If operations and maintenance (O&M) has been identified as a match in the budget, detail how this amount has been calculated.
 - If the match includes any volunteer services, describe what the services are, who will provide those services, and how the dollar value of the services was derived.
 - If the match includes any in-kind contributions, describe how their dollar value was derived.

3. Describe what efforts have been made to identify and pursue funding from other sources, and the outcome of those efforts.
 4. If, for any reason, matching funds are ultimately not received, do you have a contingency plan or way to ensure the project will still be completed on time?
- F. Sound Planning. Applicants must demonstrate that adequate steps have been taken to ensure project implementation success.
1. Describe how the project furthers policies of applicable local and/or regional plans.
 2. Describe the process for creation and development of the project up to this point.
 3. How was the community involved in the planning/development of the project? If applicable, include a brief detail of how many meetings were conducted, format, location, etc.
 4. Describe any opposition to the project. If resolved, explain how. If not yet resolved, describe your plans to address the concerns of the opposition.
 5. Describe how you will provide for long-term management and maintenance of the project, including:
 - What is planned for long-term maintenance?
 - Who will perform long-term maintenance? Describe their experience in maintaining this type of project.
 - How will on-going maintenance be funded?
 6. How will the project be protected from deterioration and vandalism?
 7. How do you plan to measure and report project success?
- G. Public Support. Applicants must demonstrate that the project is reflective of the community's desires.
1. Summarize the local communities' commitment to the project.
 2. Summarize political support for the project.
- H. Demonstrable Experience. Applicants must demonstrate that they have the experience and ability to complete and maintain the project.
1. Describe your organization's experience in completing this type or similar project.
 2. Describe your organization's experience in maintaining this type or similar project.

3. Is the expertise needed for your project readily available within your organization? If not, how do you plan to acquire it?
4. Describe your partnerships with other entities and each entity's role in the project.
5. Briefly describe the qualifications of all anticipated project partners, consultants and/or subcontractors and explain their experience and capacity to perform the proposed tasks.

No additional response is needed for the following two criteria.

- I. Quality of Application. Applications must provide 1) all required information in the appropriate form; and 2) complete, clear, concise answers to all questions.
- J. Fiscal Capacity. Applicants must have adequate fiscal capacity to ensure project success, as shown in the submitted line-item budget and independent audit report.

6. SUPPORTING DOCUMENTATION

Please include the following required supporting documentation with your application.

- a. **Certified Authorizing Resolution from Governing Body**- Refer to Section D of the guidelines for specific resolution content requirements.
- b. **Location Map**- Map must clearly indicate project site in relation to major geographic features (e.g. cities, major highways or roads).
- c. **Site Map**- Ariel image of project site with all existing elements clearly marked (e.g. property boundary(s), access points, streets, waterways, proposed improvements).
- d. **Parcel Map**- Provide a photocopy from Assessor's Office (<http://www.sonoma-county.org/assessor/>), with project parcel(s) highlighted.
- e. **Property Data**- Provide the following information: property owner name and proof of ownership (e.g. grant deed), legal rights being acquired (fee title or conservation easement), parcel number(s), acreage, General Plan designation and zoning designation.
- f. **Photographs**- Provide up to four 8 1/2"x 11" pages filled with photos of the project site, reflecting its current condition and the surrounding area.
- g. **Project Plans**- For restoration and recreation development projects, provide any draft or final concept, master or management plans completed for the project. At minimum, provide a drawing showing proposed features that are identified in the project budget. If the grant request includes one or more building(s), note the function and approximate square footage of each.
- h. **Title Report**- Covering all project parcels.
- i. **Land Ownership**- For projects where the applicant is not the landowner, provide a copy of a long-term agreement authorizing the applicant to develop the property (e.g. land tenure agreement, lease, memoranda of understanding). Refer to Section D of the guidelines for specific content requirements for the agreement. If an agreement has not yet been executed giving permission to develop the property, a signed letter by the

landowner indicating their intent to enter into such an agreement is acceptable at time of initial grant application.

- j. **Operations and Maintenance-** If operations and maintenance will be performed by an entity other than the applicant, provide evidence that that entity has agreed to do so, such as through an operational agreement, letter of intent or memoranda of understanding signed by all parties.
- k. **Sub-leases or Agreements-** If applicable, provide a list of all other leases, agreements, memorandum of understanding, etc., affecting the project property or the project's operation and maintenance.
- l. **Willing Seller Letter-** For Acquisition projects, submit documentation, such as a letter of intent or a purchase agreement, demonstrating the willingness of the landowner to negotiate the sale of the property.
- m. **Appraisal (two copies and on electronic version) -** For Acquisition projects, a completed appraisal of the property conducted in accordance with the District's Guidelines and Standards. Refer to Section F of the guidelines for more information.
- n. **Matching Funds Commitments-** Provide supporting documentation for all matching funds identified in the budget as committed or secured. Examples include grant award letters and letters of commitment.
- o. **Permits/Approvals-** If applicable, provide copies of permits/approvals obtained in connection with the project.
- p. **Environmental Compliance (one copy only)-** If available, provide a copy of all documents that were filed pursuant to CEQA for this project (e.g. Notice of Exemption, Notice of Determination, Mitigated Negative Declaration, Environmental Impact Report).
- q. **Nonprofit Requirements-** Provide: 1) evidence that the corporation is qualified under Section 501(c) (3) of the Internal Revenue Service Code; 2) California Form 590 Withholding Exemption Certificate; 3) California Form 204 Payee Data Record; 4) copy of the Articles of Incorporation, and 5) copy of the By-laws.
- r. **Audit Report-** Provide most recent annual independent audit report.
- s. **Resume of Project Manager-** Provide resume of Project Manager identified on Application Form.
- t. **Letters of Support-** Provide letters of support from participating agencies/organizations. Do not provide letters of support from individual community members.



MATCHING GRANT PROGRAM GUIDELINES Adopted ____, 2011

Since 1990, the Sonoma County Agricultural Preservation and Open Space District (District) has provided funding to cities, the County, other public agencies and non-profit organizations for open space, community recreation, and public access projects through its Matching Grant Program(Program).

The Program offers funding for land acquisition, development of recreational amenities, and restoration of open space within or near urban areas. It requires applicants to provide at least one-half of the project's cost.

SECTION A: APPLICATION PROCESS

The Matching Grant Program operates on a two-year cycle. Applications are accepted during a designated application period (typically a six -week timeframe). Dates are announced on the District's website, www.sonomaopenspace.org, advertised in Sonoma County newspapers, and through direct solicitation by the District. Applications are available on the District's website, at the District office, and can be sent by mail upon request.

To kick off the application period, the District will hold two identical public information workshops. Each workshop will provide an overview of the Program including requirements, criteria, and a timeline for the process. **In order to be eligible to apply it is required that a representative of the project attend a workshop.**

- To request an application by mail, or for any questions, contact:
DeAnna Kamber
Phone: 707.565.7266
Email: DeAnna.Kamber@sonoma-county.org

SECTION B: PROJECT EVALUATION AND ACCEPTANCE INTO THE PROGRAM

Evaluation of applications may take up to six months, and includes the following steps:

- District staff conducts an initial review of all applications for completeness and eligibility. Incomplete or ineligible applications will not be evaluated further and will not be considered for funding.
- District staff and a subcommittee of the District's Citizens Advisory Committee review and evaluate eligible applications using the Project Evaluation Criteria (see Section E below). During this period, staff may request a site visit of the project property or more information from applicants.
- In consultation with the subcommittee, District staff recommends to the full Citizens' Advisory Committee selected projects to be accepted into the Program. The recommendations are presented and discussed at a public meeting of the Citizens Advisory Committee.
- District staff presents its recommendations, along with any comments or suggestions from the Citizens' Advisory Committee, to the District's Board of Directors. Based upon all information presented, the Board of Directors determines which projects are accepted into the Program. District will notify applicants regarding the status of their application at this time.

An application that is not accepted into the Program during one funding cycle may be resubmitted for consideration during a subsequent funding cycle.

It is also possible that projects may receive partial funding. If approved with funding less than the amount requested, the applicant will be asked to submit a revised budget and timeline.

SECTION C: PROJECT APPROVAL PROCESS

Following acceptance into the Program, the District works with applicants on execution of a Matching Grant Agreement and Conservation Easement (refer to Section F of these guidelines for more information) for each project. Once these documents are executed, the project will be presented to the District's Board of Directors for final grant approval. For projects involving land acquisition, review and acceptance of an independent appraisal must be obtained from the District's Fiscal Oversight Commission prior to Board of Directors approval. See attached flow chart for more detail.

SECTION D: PROGRAM OVERVIEW AND PROJECT REQUIREMENTS

All projects must meet the eligibility requirements explained in this section in order to be considered for the Program.

Eligible Applicants

Eligible applicants include Sonoma County's nine cities, the County, other public agencies, and non-profit organizations. The District encourages applications that include partnerships between or among cities, public agencies and non-profit organizations.

Eligible Projects

Projects eligible for the Program must include acquisition, restoration and/or development of real property for open space, agricultural, natural resource or recreational use, or a combination thereof. Projects must be located within or near incorporated areas or other urbanized areas of Sonoma County.

To ensure preservation of open space consistent with the District's voter-approved Expenditure Plan, projects involving site development may be subject to limitations on impervious surfaces. Gravel trails, grass fields and similar improvements that do not have impervious surfaces are not included in this calculation.

Acquisition Projects

Eligible acquisition projects include, but are not limited to, acquisition of open space for:

- Public access to open space and recreational amenities, such as urban parks, greenways, athletic fields, and trails.
- Preservation of land with significant natural habitats or resources, such as rivers, streams, wetlands, and uplands.
- Agriculturally-productive lands near urban centers for significant agricultural use (does not include acquisition of land solely for community garden(s)).

Basic requirements for acquisition projects include the following:

- The current property owner must be a willing seller. The applicant is responsible for landowner negotiations, including obtaining an appraisal that meets the District's Guidelines and Standards (refer to the Appraisal Guidelines and Requirements for Matching Grant Applicants, and the Guidelines and Standards for Preparation of Narrative Appraisal Reports, available at http://www.sonomaopenspace.org/Content/10119/matching_grants.html), securing a title report that covers all parcels in the proposed project, and performing all due diligence tasks.
- Acquisition of the property must be free of significant title defects and obstacles to use, such as restrictive deeds and/or easements, restrictive water rights issues, restrictive cultural or historical resources, hazardous conditions and/or materials, public use conflicts, and in-holdings or property boundaries that limit or preclude management options.

Restoration Projects

Eligible restoration projects include, but are not limited to, restoration, preservation and/or enhancement of significant natural areas, including oak woodlands, marshes, wetlands, uplands, riparian corridors, and other critical habitat areas.

Recreation Development Projects

Eligible development projects include, but are not limited to, development of:

- Site improvements necessary for, and which facilitate, opening of open space and parks for public access or recreational use.

- Development of trails, with preference given to those that are part of a regional trail system, provide connections between public parks or public lands, or provide linkages within and adjacent to urban areas.
- Construction of new or enhanced site improvements necessary for outdoor recreational facilities, including park amenities, trailheads, staging areas picnic areas, and athletic fields.

Basic requirements for both restoration and recreation development projects include the following:

- There must be a plan (e.g. master plan, management plan, restoration plan) developed for the project.
- Projects should be within two years of project construction at the time of application submittal.
- Projects must reflect restoration efforts/improvements that are long term in nature. Specifically, applicants must anticipate a project to be beneficial for at least 20 to 30 years.
- The property on which the restoration or development would occur must be free of significant title defects and obstacles to use, such as restrictive deeds and/or easements, restrictive water rights issues, restrictive cultural or historical resources, hazardous conditions and/or materials, public use conflicts, and in-holdings or property boundaries that limit or preclude management options.

Ineligible Projects

Projects that are not eligible for the Program include, but are not limited to:

- Projects that involve acquisition of property through the power of eminent domain.
- Projects that solely rehabilitate existing facilities.
- Projects that are intended to be used to fulfill mitigation requirements for a public or private development project.
- Acquisition of, or interest in, land that unlawfully restricts access to specific persons.

Eligible Funding Components

For eligible projects, specific components of the project may or may not be eligible for District funding. Examples of these components are listed in Section G of these guidelines.

Planning and Environmental Context

The project must be based on sound planning, as demonstrated by consistency with the applicable jurisdiction's general plan, any relevant specific plan, area plan, habitat plan, and other applicable planning documents. The project must comply with the federal Americans with Disabilities Act (ADA), the California Environmental Quality Act (CEQA), and all other local, State and federal environmental and permitting requirements. Any necessary approvals or permits must be able to be obtained in a timely manner.

Note: If a project involves development of, or change in, use of, a property, or if significant changes are proposed to existing improvements, applicants should check with all applicable jurisdictions (e.g. City, County, State) to determine in advance which land use entitlements or permits may be necessary to implement the project.

Community Support

There must be broad community support for the project as well as strong support from the affected public agencies.

Land Ownership Requirement/Co-Application

If the applicant is not the property owner, the property owner must sign as a co-applicant on the application, and must be willing to be a signatory of the Matching Grant Agreement and to convey to the District a Conservation Easement over the property. Additionally, there must be some form of an agreement (e.g. land tenure agreement, lease, or memorandum of understanding) between the applicant and property owner that, at a minimum, contains the following provisions:

- Term of the Agreement- The agreement should be long term in nature.
- Renewal Clause- The renewal clause should include an option for the applicant and property owner to renew the agreement beyond the original term.
- Termination- Any of the following are acceptable: 1) No termination clause; the agreement is irrevocable; 2) A termination clause that specifies that the agreement is revocable only for breach of the agreement or for cause; or 3) A termination clause that specifies that the agreement is revocable by mutual consent. A termination clause that allows the landowner to revoke the agreement without cause is not acceptable.
- Site Control Roles and Responsibilities- The agreement must give the applicant the authority to construct, operate, and maintain the project in accordance with the District's Matching Grant Agreement provisions.
- Roles and Responsibilities- 1) The agreement must authorize the applicant to proceed with the implementation of the project. It may allow the applicant to delegate implementation to other entities; 2) The agreement must give the applicant permission to operate the project. It may allow the applicant to delegate operational roles to other entities; and 3) The agreement must identify which entity is responsible for maintenance of the project property. Entities other than the applicant may be designated for this role.
- Signatures of both parties.

If an agreement hasn't been executed by the time the application is submitted, a signed letter by the landowner indicating their intent to enter into such an agreement will be considered acceptable.

Project Authorization

To be considered for the Program, all applicants must have the support of their governing body as evidenced in a formal resolution or formal statement. Resolutions or statements must include the following:

- A determination that the project is consistent with the jurisdiction's General Plan. For applicants representing a project in an unincorporated area of the County, a General Plan consistency determination by the County of Sonoma's Permit and Resource Management Department will be required.
- Authorization by the governing body for submission of the application to the Program.
- Acknowledgement that the applicant has or will have available the required match and sufficient funds to complete the project.
- Acknowledgement that the applicant has or will have sufficient funds to operate and maintain the project.
- Acknowledgement that the applicant has reviewed, understands, and agrees to the provisions contained in the Program guidelines.
- Delegation of an authority to conduct all negotiations and submit all documents, including but not limited to, application, matching grant agreement, conservation easement, amendments, reimbursement requests and so on, which may be necessary for completion of the project. (Note: If desired, the governing body may also delegate an authority to execute all documents as provided above.)

- Agreement to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.

Requirements for Non-Profits

Applicants or co-applicants that are non-profit organizations must submit the following to be considered for acceptance into the Program:

- IRS 501(c)(3) exemption letter
- California Form 590 Withholding Exemption Certificate
- California Form 204 Payee Data Record
- Articles of Incorporation
- By-laws

SECTION E: PROJECT EVALUATION CRITERIA

The Program is a competitive program. Once a project is deemed eligible for the Program, it will be evaluated for potential funding using the following criteria:

- A. **Project Need.** Does the project fulfill a well-identified and high-priority need within the geographic area where the project is located?
- B. **Project Benefits.** Does the project result in multiple benefits?
- C. **Project Readiness.** Does the applicant have the ability to complete the project within the timelines imposed by the guidelines (refer to Section F for specific timelines)?
- D. **Project Design.** Does the project design bear a direct relationship to the stated project need(s) and will it result in the intended benefits?
- E. **Project Funding.** Does the grant request, combined with the match, provide for successful completion of the project?
- F. **Sound Planning.** Have adequate steps been taken to ensure project implementation and success?
- G. **Public Support.** Is the project reflective of the communities' desires?
- H. **Demonstrable Experience.** Does the applicant have the experience and ability to complete and maintain the project?
- I. **Quality of Application.** Does the application provide 1) all required information in the appropriate form; and 2) complete, clear, concise answers to all questions?
- J. **Fiscal Capacity.** Does the applicant have adequate fiscal capacity to ensure project success, as shown in the submitted line-item budget and independent audit report?

Note that in any given year, the District receives more well-qualified applications than it has available funding. Applications that are not accepted into the Program in any one year may be resubmitted in a subsequent year.

SECTION F: PROGRAM REQUIREMENTS

Once a project is accepted into the Program, District staff and the applicant will work together to address and complete the following required Program components.

Match Requirement

The Program requires applicants to provide a matching contribution at a ratio of **one-to-one**. The match may include both direct contribution and in-kind services and materials; however, no more than 50 percent of the match can be satisfied through operations and maintenance (O&M).

The applicant must identify all matching funds, including all anticipated in-kind contributions, in the project budget submitted in the application. The matching funds must be currently available or receivable in a timely manner. Applicants will be required to provide supporting documentation for all matching funds represented as secure in the submitted budget (e.g. grant award letters, letters of commitment). If some or all of the matching funds are not yet secure, the applicant must indicate **when funding is anticipated to be secured**, and must promptly inform the District when those matching funds are received. For all projects, applicant's match must be secured and expended within five years of the project's acceptance into the Program (see Implementation Timing under Section F for more information).

Examples of What May Qualify as a Match:

- Acquisition of real property (e.g. purchase or donation of the project site), when acquisition is a project component.
- A monetary contribution from any source (such as a public or private grant or donation, or funds from an organization or agency's allocated budget).
- Costs expended that are functionally related to and directly supportive of project management/implementation, including those associated with project planning such as plan development, CEQA analysis, permitting and approvals. This component may include staff costs and is limited to no more than ten percent of the match.
- In-kind match in the form of, project materials, professional services (not by applicant), and labor for project implementation (not by applicant).
- On-going operation and maintenance costs to manage or steward the project. This component is limited to no more than 50 percent of the match.
- Anticipated profit/income for uses or activities related to project (funds must go back into the project). This component is limited to no more than ten percent of the match.
- A combination of the above.

Examples of What Does Not Qualify as a Match:

- Staff and consultant costs incurred before the application is submitted to the District.
- General non-project-related overhead costs, including salaries and rent.
- Costs for improvements not functionally related to, or directly supportive of, the proposed project.

Matching Grant Agreement

Prior to final grant approval, applicants accepted into the Program must enter into a Matching Grant Agreement with the District. The grant agreement must be approved by the District's Board of Directors.

Matching Grant Agreement provisions may vary depending on the type of project, however in general, they include:

- Agreement term
- Identification of respective responsibilities of parties (e.g. District, applicant, co-applicant)

- Requirement for Work Plan. The District requires that all applicants submit a work plan following execution of the Matching Grant Agreement and prior to any payment of grant funds. The work plan is used to assist the District in monitoring project progress toward completion.
- Requirement for conveyance/acceptance of a Conservation Easement
- Funding contribution/allocation and conditions for payment
- Invoicing and reporting requirements
- Signage requirements (to acknowledge District participation)
- Time periods within which certain tasks must be completed (e.g. expenditure of grant and matching funds, provision of public access, project implementation/completion)
- Audit/accounting/records retention requirements
- Assignment provisions (applicant cannot assign responsibilities of the matching grant agreement without district consent)
- Provisions for agreement termination
- Indemnification provisions
- Agreement for District access to the property for monitoring purposes

Conservation Easement

Prior to final grant approval, applicant or co-applicant must also convey a **Conservation Easement** to the District. The Conservation Easement encumbers all lands within the project in order to ensure preservation of the property's open space values. The Conservation Easement must be approved by the District's Board of Directors and recorded with the County Recorder.

In general, the Conservation Easement:

- Identifies the conservation values of the property.
- Sets forth the conservation purpose of the Easement.
- Restricts uses and activities on the property that are inconsistent with the conservation values and purpose.
- Assigns to the District all development rights associated with the property, except those rights that are specifically reserved by the applicant.
- Requires District review and approval of all project plans to ensure consistency with the conservation values and purpose.
- Requires preparation of baseline documentation of the condition, use, and features of the property through written description, photographs and maps.
- Allows the District to monitor the property to ensure that the requirements and conditions of the Conservation Easement are met.

In general, the process to record the Conservation Easement includes the following steps:

- Applicant secures a title report for all legal parcels that the easement will encumber.
- District reviews title report and title exceptions. The District must be satisfied that any title exceptions will not hinder the project or preclude the applicant or District from realizing the purpose of the grant.
- Applicant secures subordination of all liens affecting the property to ensure that the Conservation Easement has priority.
- County Surveyor reviews and approves the legal description for all project parcels.
- County Surveyor may review and approve property surveys. The District may require a survey if any boundary issues arise.

Property Appraisal

For **acquisition** projects, a property appraisal of the subject property must be completed to establish its fair market value. The District can only contribute funds up to the appraised fair market value of the property. For **restoration** and **recreation development** projects, an appraisal of the value of the Conservation Easement may be required.

It is preferable that the appraisal is completed before the application is submitted; however, this may result in the need for an update at a later date prior to final funding approval. Appraisals that are one year or older at the time the Fiscal Oversight Commission conducts its review, may be required to be updated. Typically, the applicant initiates and pays for the appraisal, and is responsible for coordinating the appraisal process. Appraisals must comply with the District's Appraisal Guidelines and Standards.

Implementation Timing

For **acquisition** projects, applicants are expected to acquire the project property and expend the District's grant funds within three years from the date the Board accepts the project into the Program. This timeframe accounts for the District's approval process, which includes:

- Appraisal recommendation by the District's Fiscal Oversight Commission
- Agreement on the terms of a Matching Grant Agreement and Conservation Easement
- Board approval of the project and expenditure of the grant funds

For **restoration** and **recreation development** projects, Applicants must expend the District's grant funds by no later than five years from the date the Board initially accepts the project into the Program. This timeframe accounts for the District's approval process, which includes:

- Agreement on the terms of a Matching Grant Agreement and Conservation Easement
- Board approval of the project and expenditure of the grant funds

For all projects, applicants must implement the proposed project, including expenditure of matching funds, and provision of any anticipated public use of the property, within five years from the date the Board initially accepts the project into the Program.

These time requirements will be set forth within the Matching Grant Agreement. The District may consider one request for extension of time requirements up to two years, only upon the applicant's demonstration of reasonable progress on the project and proof that the extension will result in successful completion of the project.

For all projects accepted as part of the 2008 Program or before, the time requirements related to expenditure of the District's grant funds as outlined above will apply, with the timeline starting on the date these guidelines are adopted by the Board.

Payment of Grant Funds

Acquisition Projects

Applicants are responsible for opening escrow account. The District and applicant each prepare their own escrow instructions. Once an applicant has met the conditions for disbursement of funds, funding will be deposited into the escrow account. Typically, this occurs prior to purchase; however, in certain cases, the District may reimburse the applicant for property acquisition. Typically, the acquisition is then completed in a single escrow in which the applicant takes fee title to the property and conveys a Conservation Easement to the District. Through escrow, the

applicant retains title policy insurance for the fee interest and the District retains title policy insurance for the Conservation Easement interest.

Conditions for disbursement of funds toward acquisition generally include:

- An appraisal for the property has been prepared, meets the District's Guidelines and Standards and has been favorably recommended by the District's Fiscal Oversight Commission.
- Project funding has been approved by the District's Board.
- A Matching Grant Agreement between the District and applicant has been executed.
- Applicant has executed a Conservation Easement over the property in favor of the District.
- A work plan has been submitted by the applicant and approved by the District.

Restoration Projects and Recreational Development Projects

Once an applicant has met the conditions for disbursement of funds, funding will be made available on a reimbursement basis.

Conditions for disbursement of funds toward restoration and/or development projects generally include:

- Project funding has been approved by the District's Board.
- A Matching Grant Agreement between the District and applicant has been executed.
- Applicant has conveyed a Conservation Easement over the property in favor of the District.
- A work plan has been submitted by the applicant and approved by the District.
- Applicant has provided the District with proof of required insurance.
- Applicant has provided evidence of its compliance with the District's procurement requirements.
- Applicant has provided evidence that it has obtained all permits and approvals necessary for project completion.
- CEQA compliance is completed.

Funding is provided through the following process:

- Applicant submits invoices to District. Invoices must be accompanied by supporting documentation showing that the costs have been reasonably and necessarily incurred for the project, and are consistent with the terms of the Matching Grant Agreement.
- Upon the District's satisfaction that the claims are complete, the District will process payments.

Accounting Requirements

Applicants must maintain an accounting system that is in accordance with generally accepted accounting procedures and standards, and as such:

- Accurately reflects responsible fiscal transactions, with the necessary controls and safeguards.
- Provides a solid audit trail, including original source documents such as purchase orders, receipts, progress payments, invoices, timecards, and evidence of payment.
- Provides accounting data so the total cost of the project and each individual component can be readily determined.

Reporting

Applicants will be required to submit performance reports demonstrating project progress or delay under the work plan and conformance with the requirements of the Matching Grant Agreement on a quarterly basis. Applicants will be required to submit a final report demonstrating project completion consistent with the requirements of the Matching Grant Agreement.

Fiscal and Project Monitoring

Projects under the Program will be subject to compliance monitoring by the District. The monitoring may include examination of books, papers, accounts, documents or other records of the applicant as they relate to the project for which the funds were granted.

Audit

The applicant is required to provide their most recent annual independent audit report with their application. Additionally, the applicant's annual audit report will be required for each year until project completion.

Records Retention

The project records and related financial records must be retained and accessible to the District for no less than five years after the project is completed.

SECTION G: FUNDING COMPONENTS

This section lists examples of costs that may be considered for funding by the grant.

Eligible Funding Components

The following specific project components are eligible for District funding:

Acquisition Projects

| Acquisition Costs | Examples |
|---|--|
| Purchase price of the property and other costs necessary to complete acquisition. The majority of the funds requested for an acquisition grant shall go towards the purchase price. | <ul style="list-style-type: none">• Purchase price (fee or conservation easement interest)• Appraisals• Surveys• Title report• Initial hazardous materials investigations (e.g. Phase 1)• Standard planning fees (e.g. voluntary merger, lot line adjustment)• Escrow/closing costs (e.g. title insurance fees, escrow fees) |
| Design Costs <i>(Maximum 25% of grant amount)</i> | Examples |
| Costs incurred during the planning, design and permitting phase of the project-before construction begins. | <ul style="list-style-type: none">• Conceptual plans• Construction drawings• Regulatory permits• City and County permit fees |

- Project management

Restoration/ Recreation Development Projects

| Design Costs <i>(Maximum 25% of grant amount)</i> | Examples |
|---|---|
| Costs incurred during the planning, design and permitting phase of the project-before restoration/construction begins | <ul style="list-style-type: none"> • Restoration plans, planting plans, irrigation plans • Conceptual plans • Construction drawings • Storm water pollution prevention plans • CEQA analysis • Regulatory permits • City and County permit fees • Insurance and bonds for construction • Surveys • Project management |

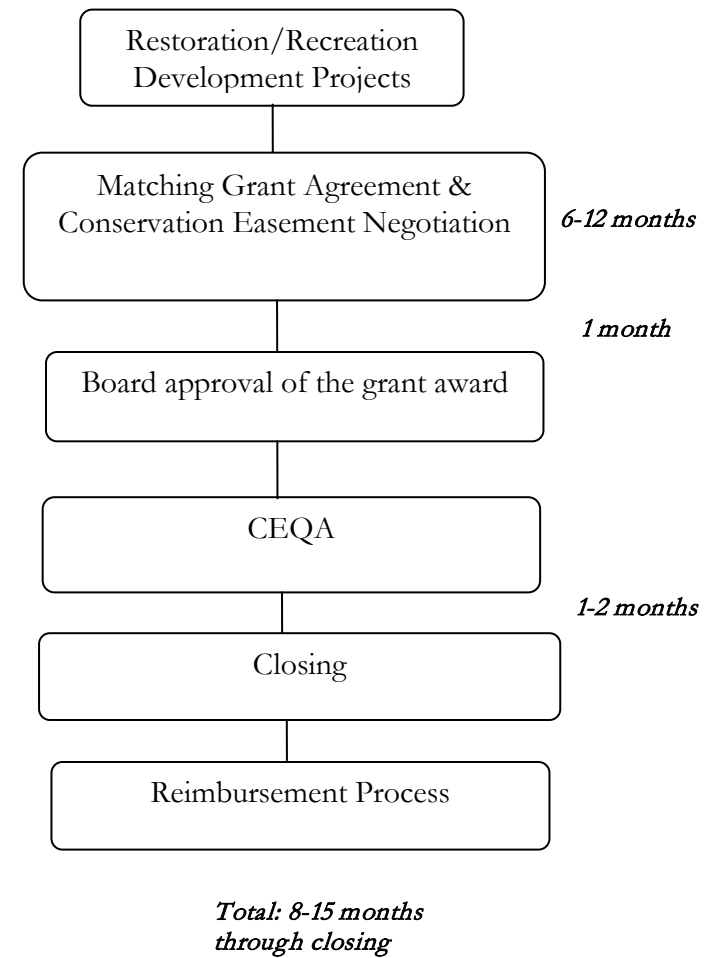
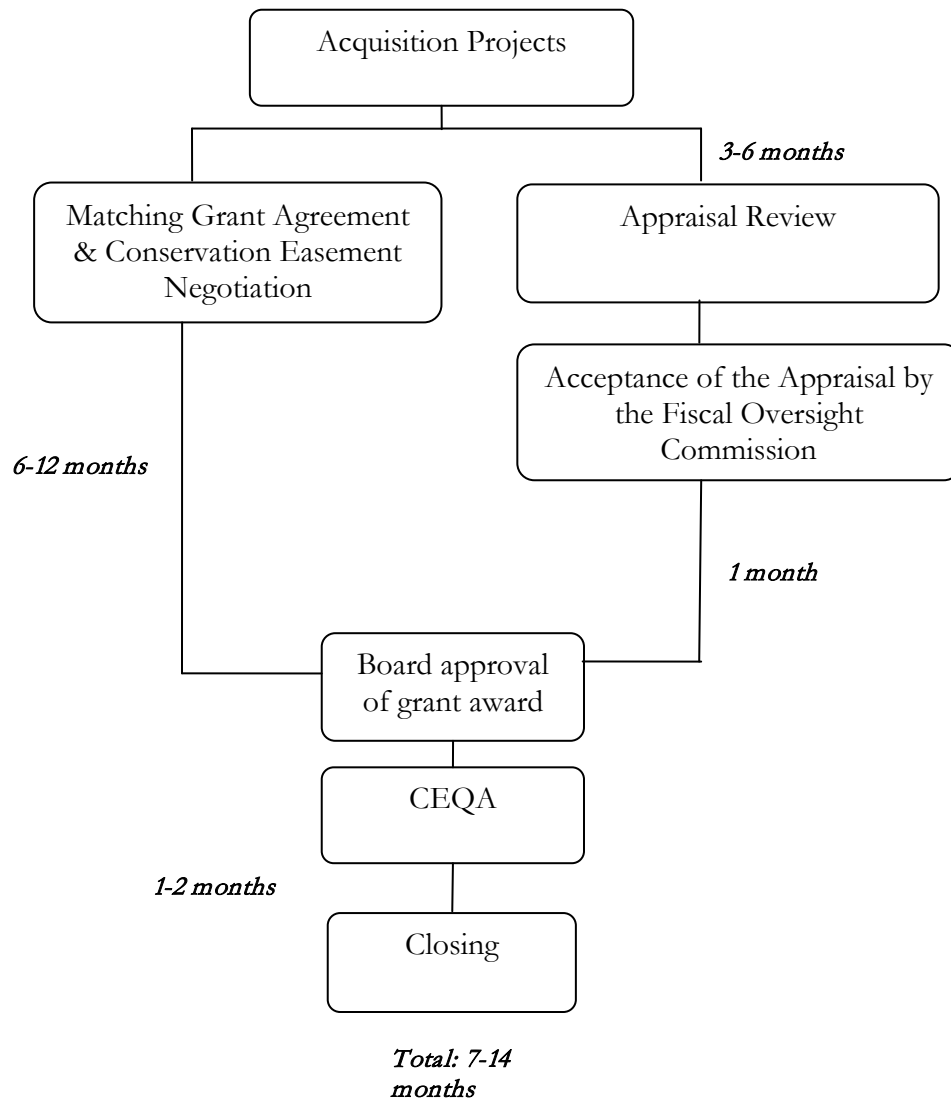
| Implementation Costs | Examples |
|--|---|
| <p><u>Restoration:</u> Costs incurred during the restoration phase of the project when restoration activities such as site preparation, site plantings, plant removal or habitat enhancement activities occurs</p> <p><u>Development:</u> Costs incurred during the construction phase of the project when ground breaking construction activities such as site preparation, grading or gutting occurs</p> | <ul style="list-style-type: none"> • Habitat restoration, including contractor labor, materials, plants, green waste/garbage pickup during restoration, utility infrastructure that supports the project (e.g. water hook-ups) • Invasive plant removal, including contractor labor, materials, green waste pickup during removal • Purchase and permanent installation of educational and interpretive elements such as signage, informational/educational kiosk, fences • Purchase and installation of related structures such as small sheds for storage of materials needed to maintain property, greenhouses • Monitoring and maintenance of plantings • Public access improvements such as walkways, trails, creek crossings, ADA accessible components (e.g. railing, ramps), parking improvements that facilitate access* • Purchase and permanent installation of outdoor recreation/park facility elements such as turf (natural or artificial), informational/educational features (e.g. interpretive signage, kiosks), fences, gates, benches, tables, signs, drinking fountains, bike racks, restrooms, and trash/recycling containers • Purchase and permanent installation of other features including: <ul style="list-style-type: none"> - landscaping and gardening elements such as small sheds and greenhouses, plants, soil, sod, irrigation and materials to build garden beds - water-related infrastructure such as fishing pier, boating dock, boat put-in <p><i>*A grant request cannot exclusively reflect costs to construct parking improvements.</i></p> |

Ineligible Funding Components

The following project components are **not** eligible for District funding:

- Construction or improvement of infrastructure outside of the project site boundaries
- Recreation facilities that include significant structural improvements (e.g. gymnasiums, swimming pools, water parks, skate parks, playgrounds, tot lots)
- Operations, maintenance, and management of the property
- Project tools and equipment (e.g. shovels, tractors)
- Office equipment (e.g. computers, furniture)
- Non-project-specific expenses (e.g. salaries, rent)
- Long-term leases
- Workshops
- Research
- Fundraising, including grant writing
- Broker/Agent fees
- Outreach activities and materials (e.g. videos, pamphlets)

Section C: Project Approval Process Flow Chart



LINE ITEM BUDGET
PROJECT COST

Matching Grant Program
Sonoma County Agricultural Preservation and Open Space District

| Item/Task | Requested | | Match A (<i>List the Source</i>) | | Match B (<i>List the Source</i>) | | Match C (<i>List the Source</i>) | | Total Item Cost |
|----------------------|-----------|------------|------------------------------------|-----------|------------------------------------|-----------|------------------------------------|-----------|-----------------|
| | District | % of Total | Amount | Status* | Amount | Status* | Amount | Status* | |
| | Amount | Item Cost | Amount | Item Cost | Amount | Item Cost | Amount | Item Cost | Cost |
| 1 | | | | | | | | | |
| 2 | | | | | | | | | |
| 3 | | | | | | | | | |
| 4 | | | | | | | | | |
| Total Project | \$ - | % - | \$ - | % - | \$ - | % - | \$ - | % - | \$ - |

*Expand Line Item Budget with additional Items/Tasks if needed.
For any personnel costs, use a separate Item Line for salary and for benefits.*

* Identify Match Status as "secured" or "anticipated by XX/XX/XX" (date).