Healthy Soils Program (HSP) & State Water Efficiency and Enhancement Program (SWEEP) Block Grants

Draft Application Guidelines

Released: January 20, 2026

Public Comments Due: February 18, 2026, by 11:59 pm

OARS invites public comments on draft application guidelines for the Healthy Soils Program and State Water Efficiency and Enhancement Program Block Grants. Some detailed elements of the application process, such as templates, are still under development. Dates and precise funding levels are tentative or "To Be Determined." OARS will provide detailed instructions for grant administration in the Grant Award Procedures (GAP), which will be available to prospective applicants.

California Department of Food and Agriculture

Office of Agricultural Resilience and Sustainability

1220 N Street

Sacramento, CA 95814

The Office of Agricultural Resilience & SUSTAINABILITY

Contents

Opportunity at a Glance 4
Funding Available 4
Funding Source and Purpose 4
Awards and Duration 4
Public Disclosure 5
Background 5
Healthy Soils Program 5
State Water Efficiency and Enhancement Program 6
Block Grant Participants and Eligibility 6
Block Grant Recipient (BGR) 6
BGR Eligibility 7
Technical Assistance Provider (TAP) 7
Technical Assistance 7
TAP Lead Organization Eligibility 7
Grant Beneficiary (Beneficiary) 8
Grant Beneficiary Eligibility 8
Common Objectives 8
Phase 1. Outreach and On-Farm Project Selection 8
Phase 2. On-Farm Project Implementation and Outcomes 8
State and Lead Applicant Goals 9
State Goals 9
Applicant-Identified Goals 9
Block Grantee Requirements 9
Grant Beneficiary Requirements 10
Concept Proposal 12
Technical Assistance for Block Grant Applicants – UC ANR 12
Question and Answer (Q&A) Process 12
Preview of Concept Proposal Questions 14
Statement of Need 14
Project Proposal 15

DRAFT

Alignment with Climate Bond 16
Capacity and Partnerships 17
Concept Proposal Review 18
Portfolio Balancing 18
Notification and Feedback 18
Full Proposal 20
Full Proposal Consultations 20
Preview of Full Proposal *(Subject to Change)* 20
General Information (Not Scored) 20
Applicant Goal, Performance Indicators, and Targets (20 points out of 100) 20
Support of State Goals and Initiatives (15 points of 100) 22
Qualifications (25 points out of 100) 23
Workplan (20 points of 100) 24
- Completed Workplan Template (required) (under development) 25

Budget and Budget Narrative (20 points of 100) 25
Full Proposal Review 25
Administrative Review 25
Technical Review 26
Risk Review 26
Funding Recommendations 27
Notification and Feedback: 28
Award Process 28
Grant Agreement Execution 28
Overview of Grant Management 29
Appendix A: Common Objectives and Performance Measurement Framework 30
Appendix B: Definitions and References for Climate Bond Terminology 33
Appendix C: Concept Proposal Scoring Criteria and Rubric 35
Appendix D: Full Proposal Scoring Criteria and Rubric 40
Appendix E: Block Grant Budget Development 47

DRAFT

Opportunity at a Glance

The California Department of Food and Agriculture (CDFA) Office of Agricultural Resilience and Sustainability (OARS) is pleased to announce funding availability for the Healthy Soils Program (HSP) and State Water Efficiency and Enhancement Program (SWEEP) - Block Grants. These grants of $2 - $4 M will fund organizations to provide technical assistance to producers, select on-farm projects for financial support, and to manage those projects over an implementation period of up to three years. Lead Applicants will propose a project that addresses the resource needs of their service area while aligning with the purpose of the funding. OARS will award grants through a competitive two-phase application process.

These application guidelines provide an overview of the HSP and SWEEP application process and requirements. Each program will host a separate solicitation.

Funding Available

Funding Source and Purpose

Voters approved Proposition 4 (the Climate Bond) on November 5, 2024. The Climate Bond authorizes:

- **HSP**: $65 million for grants that promote practices on farms and ranches that improve soil health or accelerate atmospheric carbon removal or soil carbon sequestration.
- **SWEEP**: $40 million to promote on-farm water use efficiency with a focus on multiple-benefit projects that improve resilience to climate change and save water on California agricultural operations.

Awards and Duration

Through this solicitation process, OARS anticipates awarding approximately $50M for HSP Block Grants and approximately $34M for SWEEP Block Grants.

OARS will offer grant awards of $2M to $4M apiece. Of each grant award budget:

- At least 80% must fund on-farm practices
- Up to 20% will fund Project Administration, the costs to achieve the Common Objectives

DRAFT

OARS reserves the right to offer an award different than the amount requested. OARS will make all payments to the Block Grant Recipients. BGRs will be responsible for further disbursement of funds to Subrecipients, contractors and grant beneficiaries. The Grant Award Procedures (GAP) manual contains important information about the payment process and the grant management procedures that all block grant recipients must follow.

The expected grant term is a maximum of four years (48 months).

Public Disclosure

OARS is responsible for reporting on the status and use of Climate Bond funds. The California Natural Resources Agency (CNRA), which administers the Bond, may require OARS to report any or all the data collected from the program.

OARS will post summary information about the applications submitted to these programs, the projects awarded, and outcome information, including project final reports.

Data associated with these grant programs are subject to public disclosure through the California Public Records Act (CPRA). The CPRA states that every citizen has the right to inspect and/obtain a copy of any public record. Certain records are exempt from disclosure under the CPRA. The CDFA Legal Office shall determine if a record is exempt from disclosure.

Background

CDFA's Ag Vision (2023), a plan led by the State Board of Food and Agriculture to guide CDFA's work for the next decade, contains a strategic priority to "Foster climate-smart, resilient and regenerative food systems," which can be measured by how well we "increase the number of acres in which Climate Smart Agriculture practices are utilized."

OARS is the group within CDFA that administers climate smart agriculture grant programs. OARS' mission is to use the best available science and knowledge from the agricultural community to design and implement practical solutions to California's natural resource challenges that improve the environmental and economic sustainability of producing nutritious food, fiber, and energy. OARS' HSP and SWEEP both incentivize practices that reduce greenhouse emissions and build resilience to climate change impacts.

Healthy Soils Program

The Healthy Soils Program (HSP) stems from the California Healthy Soils Initiative, a collaboration of state agencies and departments that convened in 2015 to

DRAFT

promote healthy soils on California's farmlands and ranchlands. In 2025, CDFA finalized a definition for regenerative agriculture that recognizes building soil health as an important outcome. The state defines regenerative agriculture as an integrated approach to farming and ranching rooted in principles of soil health, biodiversity, and ecosystem resilience, while maintaining or improving productivity. Since 2017, HSP has provided incentives to farmers and ranchers for a suite of on-farm practices known to promote carbon sequestration and greenhouse gas reductions.

State Water Efficiency and Enhancement Program

California first developed the SWEEP in 2014 in response to severe drought. SWEEP promotes the use of water and energy efficient irrigation systems to conserve water and to reduce greenhouse gas (ghg) emissions associated with irrigation, helping farms become more resilient to California's highly variable water supply. Through the program producers receive financial and technical assistance to implement a custom project including improvements to the irrigation and energy components of their farm.

Block Grant Participants and Eligibility

Organizations such as Resource Conservation Districts (RCDs), Tribal Governments, non-profits and local agencies are positioned within agricultural communities and have existing relationships with producers. OARS wishes to leverage and strengthen these connections through Block Grants, providing flexibility to organizations to address local resource needs and build capacity and expertise. OARS strongly encourages partnerships involving multiple organizations to leverage expertise and networks and increase a project team's ability to conduct the project over a service area of several counties.

A block grant project will have three required types of participants: Block Grant Recipients (BGRs), Technical Assistance Providers (TAPs), and Grant Beneficiaries. The required participants, their roles and their eligibility are defined below.

Members of the public, including farmers and ranchers, may also directly benefit from a block grant project through technical assistance including training sessions, workshops and demonstration events.

Block Grant Recipient (BGR)

The Lead Applicant will apply for and, if awarded, receive the Block Grants. This organization will enter into an agreement with CDFA to disburse funds to producers (Grant Beneficiaries) for on-farm projects. These entities will select Grant Beneficiaries and assist them with project implementation and

DRAFT

verification. BGRs and/or their partner Technical Assistance Providers (TAPs), will provide technical assistance to the Grant Beneficiaries to select, design, and implement eligible management practices.

BGR Eligibility[1]: Public agencies, Local Agencies, 501(c)(3) Nonprofit organizations, Special Districts, Joint Powers Authority, Public Utilities, Local Publicly Owned Utilities, Mutual Water Companies, and California Native American Tribes are eligible.

Tribal Set Aside: OARS will offer a tribal set aside through the SWEEP solicitation of up to $4M for projects that are led by California Native American Tribes or tribal non-profits affiliated with a Tribal government.

While Tribes are eligible to apply for an HSP Block grant through this solicitation, OARS expects to offer a separate HSP solicitation for a tribal set aside of up to $4M, with the specifications for that funding developed through a tribal engagement process.

Technical Assistance Provider (TAP)

Technical assistance providers will assist producers/Grant Beneficiaries with project design and implementation. They are organizations that have demonstrated expertise in the design and implementation of agricultural management practices.

Technical Assistance is defined in the Canella Act as "outreach, education, training, conservation agricultural planning, project planning, project design, grant application assistance, grant writing, matching funds coordination, translation and interpretation, project implementation support, facilitating environmental compliance, grant management assistance, project completion verification, outcome monitoring, case study development, and project reporting assistance".

TAP Lead Organization Eligibility: BGRs may serve as the TAP Lead Organization if they are identified in the Canella Act. The Canella Act identifies Resource Conservation Districts (RCDs), University of California Cooperative Extension, California public colleges and universities, Nonprofit organizations, Groundwater Sustainability Agencies, and Irrigation Districts as entities eligible for technical assistance funding.

If a Lead Applicant is ***not*** one of the organizations that are identified above as a TAP lead organization, they must partner with one of those organization types to lead the technical assistance activities for the project.

[1] Defined in the Climate Bond (Public Resource Code § 90110)

Grant Beneficiary (Beneficiary)

Individuals or entities that either own or control the agricultural land where HSP practices /SWEEP projects will be implemented. Grant Beneficiaries' projects will be referenced as "on-farm projects".

Grant Beneficiary Eligibility: Persons (sole proprietors, or lessees, or Single Member LLCs) occupied as farmers or ranchers managing lands in California, of at least 18 years of age; Agricultural Business Entities that lease or own agricultural land in California, California Native American Tribes, Nonprofit organizations working as agriculture operations.

Common Objectives

All Block Grant Recipients (BGRs) will complete eight Common Objectives to achieve their goal(s) and the State's goal(s). The Common Objectives lay the foundation for the Performance Management Framework (Appendix A).

During the Full Proposal phase of the application process, Lead Applicants will provide details about the activities that they will undertake to fulfill the objectives and provide a timeline for completing activities and deliverables. The Objectives are as follows:

Phase 1. Outreach and On-Farm Project Selection

1. **Develop a Process for Selecting On-Farm Projects-** In collaboration with OARS, create a fair, transparent and goal-aligned selection process.
2. **Perform Outreach-** Widely advertise the funding opportunity to the service area identified in the Scope of Work, with a focus on reaching growers who will help the project meet identified goals.
3. **Provide Application and Project Design Technical Assistance-** Work closely with producers to gather necessary application information and prepare an eligible project design.
4. **Select On-Farm Projects-** Complete on-farm project selection.

Phase 2. On-Farm Project Implementation and Outcomes

5. **Obtain Grant Beneficiary Commitments -** Develop written agreements with producers that lay out the responsibilities of both the Beneficiary and the BGR in implementing the on-farm project.
6. **Provide Implementation Technical Assistance and Facilitate On-Farm Project Completion-** Maintain technical assistance throughout the on-

farm project implementation with a commitment to the best possible outcomes for beneficiaries, including recurring site visits as appropriate.

7. **Amplify Project Outcomes-** During the grant term host at least one demonstration field event and develop case studies and media materials to document the outcomes of on-farm projects.
8. **Disburse Funds to Grant Beneficiaries in a Timely Manner-** Provide advances and/or reimbursements in a timely manner as on-farm projects progress and are verified as complete.

State and Lead Applicant Goals

BGRs will track progress toward State of California goals, as well as self-identified goals.

State Goals

Through Executive Order N-16-22, the State of California articulated a goal to advance equity and right historic wrongs. In service toward this goal, the Climate Bond has a strong focus on serving Socially Disadvantaged Farmers and Ranchers (SDFRs), Severely Disadvantaged Communities (SDACs), and Disadvantaged Communities (DACs) (see Appendix B for definitions). While each block grant recipient does not have to individually meet the targets below, the most competitive applications will demonstrate readiness to support the following targets set in the Climate Bond:

- Target 1: 40% of Climate Bond funds must provide "direct and meaningful benefits" to DACs, SDACs and vulnerable populations (which includes SDFRs and Tribes).
- Target 2: 10% of Climate Bond funds must provide direct and meaningful benefits to SDACs.

Additionally, CDFA also has a requirement under the Canella Act to dedicate 25% of technical assistance funding for HSP and SWEEP to supporting SDFRs.

- Target 3: 25% of technical assistance funds will support SDFRs

Applicant-Identified Goals

In the application process, OARS will require Lead Applicants to articulate the needs of their intended service area and identify a goal to address those needs, with associated performance indicators and targets.

Block Grantee Requirements

DRAFT

OARS will provide BGRs with a Grant Award Procedures (GAP) manual that outlines requirements and restrictions and how to comply with them in detail. Below is a high-level summary to help applicants assess their capacity to comply. The Block Grant project team:

- Must keep a public webpage with information on how producers can apply for on-farm projects and access technical assistance.
- Must not charge fees to producers for any services funded by this program.
- Must dedicate at least 25% of technical assistance funding to serving SDFRs and TAPs must prioritize assistance to SDFRs and farms and ranches that are 500 acres or less.
- Must visit each farm and review the farmer's proposed plan and eligibility with them prior to funding an on-farm project.
- Must keep documentation to justify program expenditures and produce that documentation upon request.
- Must attend monthly check-in calls with program staff.
- Must visit each project site at least once during the on-farm project implementation (HSP) or at the completion of the on-farm project (SWEEP).
- Must attend in-person OARS-led onboarding trainings and follow-up virtual trainings.
- Must collaborate with OARS to send an exit survey to all grant beneficiaries at the close of the project.
- On request, must provide CDFA with all records related to on-farm beneficiaries and their projects, including contact information.

Grant Beneficiary Requirements

OARS will assist BGRs in assessing eligibility of on-farm projects by screening to ensure the same project is not funded across multiple BGRs.

- SWEEP Grant Beneficiaries may only have **one** on-farm project using 2025 SWEEP Solicitation program funds of up to $200,000.
- HSP Grant Beneficiaries may only have **one** on-farm project using 2025 HSP Solicitation program funds of up to $150,000 with a cap of $75,000 per practice.

DRAFT

- The signatory for a Beneficiary that is an Entity cannot be a Beneficiary of another project.

Grant Beneficiaries must quantify their climate benefits and/or water conservation benefits using established program quantification tools.

Review How to Participate in the Healthy Soils Program: Guidance for Producers Interested in HSP Funding to understand the types of projects that can be funded, where they can be funded, and the necessary documentation.

Review How to Participate in the SWEEP: Guidance for Producers Interested in SWEEP Funding to understand the types of projects that can be funded, where they can be funded, and the necessary documentation.

DRAFT

Concept Proposal

OARS recognizes the considerable time investment that organizations place in developing grant applications. To mitigate this workload, OARS is hosting a two-phase application process. During the first phase, Lead Applicants will submit a brief Concept Proposal for review. Lead Applicant organizations may not act as the Lead Applicant on more than one Concept Proposal.

Technical Assistance for Block Grant Applicants – UC ANR

OARS has partnered with the University of California Agriculture and Natural Resources (UC ANR) to provide technical assistance to block grant applicants and recipients through the CDFA–UC ANR Joint Climate Smart Agriculture Program. Community Education Specialists (CESs), distributed around California, will support projects that provide direct and meaningful benefits to disadvantaged communities (DACs) and vulnerable populations. CESs will be available for consultation and project development support to block grant applicants.

Furthermore, organizations that are awarded a block grant may continue to utilize CES support to advance project implementation. As capacity allows, CESs may serve in administrative and technical assistance roles on block grant project teams, including supporting outreach strategies, application processes, project review, producer technical assistance, and documentation of outcomes.

Question and Answer (Q&A) Process

During the Concept Proposal Phase, OARS will host two informational webinars to provide an overview of program guidelines and application materials. OARS will post registration links and details about the webinars on the HSP and SWEEP webpages.

Potential applicants may also submit general questions regarding the solicitation process to the HSP (cdfa.hsp_tech@cdfa.ca.gov) and/or SWEEP (cdfa.sweeptech@cdfa.ca.gov) email inboxes. OARS will post responses on the program webpages according to the following schedule.

Questions Received By	Responses Provided By
TBD	TBD
TBD	TBD

DRAFT

TBD is the final deadline to submit questions. To maintain the integrity of the competitive grant process, OARS is unable to assist individuals with specific grant application questions during the Concept Proposal process. OARS will only answer questions of a general nature through the Q&A Process.

DRAFT

Preview of Concept Proposal Questions

Lead Applicants will submit their Concept Proposal through an online form available on the program websites when the solicitations open. OARS will post a summary of the submitted Concept Proposals on the website during the Concept Proposal review period.

General Information

Project Title:

Concisely describe the project in 15 words or less, with a unique and descriptive title.

Lead Applicant Organization:

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

Type of Organization:

Drop Down of Eligible Organization Types

Required Documents for Evidence of Eligibility of Lead Applicant (if applicable) (attachments)

Subrecipient (Partner) Organization(s):

Provide the legal name of any organization(s) that will be a Subrecipient in the project.

Submitter Name:

Enter the first and last name of the individual submitting the Concept Proposal.

Submitter Email Address:

Enter the email address of the individual submitting the Concept Proposal.

Funds Requested:

Indicate the total amount of funds requested for the project, between $2 and $4M. Refer to Awards and Duration for guidance on the use of funds.

Statement of Need (15 Points of 50)

In this section of the Concept Proposal, make a case for why the proposed project's geographic service area has a relevant and significant need for this program funding. In responding to the following questions, describe the community's needs that can be measurably improved through this funding

DRAFT

opportunity. To the extent possible, identify populations within the service area and describe how they are impacted by the local resource concerns. Cite data and statistics (e.g., USDA Ag Census, county crop reports, policy briefs or regional information) to demonstrate the need and reference any regional plans or strategies (for example, local Climate Action Plan or Groundwater Sustainability Plan) that might illustrate that the issue is regionally important.

Examples of resource and social challenges for HSP may include language barriers to healthy soils practice adoption, loss of habitat for pollinators and other beneficial species, lack of access to soil amendments.

Examples of resource and societal challenges for SWEEP may include severe groundwater overdraft, lack of diverse water supplies, regional water quality impacts related to agricultural nutrients.

1. Service Area:

   Drop down - Select all counties that would be included in the service area.

2. Service Area clarification:

   Clarify any parts of the counties indicated above that would be excluded from the service area.

3. Describe the HSP/SWEEP-relevant resource and societal challenges that impact agricultural producers and the community in the service area. Cite references to illustrate urgency or severity of the challenges. (300-word max)

4. Describe the people (community or populations) that are negatively impacted by the resource concerns, explaining the consequences of the challenges. Explain their access (or lack thereof) to financial and technical support, now and historically. (200-word max)

5. Explain how funding from the SWEEP/HSP block grant can be harnessed to improve the situation, addressing the opportunity for both technical and financial assistance to make measurable positive changes. (200-word max)

Project Proposal (10 Points of 50)

OARS aims for wide disbursement of on-farm project funding. To achieve this, outreach, technical assistance and on-farm project selection processes should reflect values of equity, access, and service. Technical assistance and on-farm project selection strategies that balance the applicant's high-level goal with

transparency and inclusiveness for all producers in the service area will be more competitive than projects that serve a narrow subset of producers.

In this section, describe a high-level goal, drawing a connection to the issues outlined in the Statement of Need. Goals will not include numerical targets at the Concept Proposal phase but should be specific enough to show that they are tailored to the distinct needs of the service area. Lead Applicants that progress to the Full Proposal stage will develop quantifiable indicators and targets for their goal. Goals could include, but are not limited to, addressing specific natural resource issues, increasing adoption of specific practices, reaching particular producer populations, etc., and should reflect a strategy to increase the climate resilience of the service area.

Examples of Goals for an HSP grant: "Establish native plant standings that serve diverse purposes in the broader ecosystem", "Bring experience in compost application to small farmers who have not been using it." "Provide seasonal monarch habitat along their flyway", "Communicate across social and language barriers to increase adoption of cover crops by non-English-speaking producers".

Examples of Goals for a SWEEP grant: "Facilitate access to surface water supplies to reduce overdraft in the groundwater basin", "Increase the number of producers using subsurface drip irrigation to conserve water and fine-tune nutrient applications", "Support flexible irrigation systems that allow small-scale diversified vegetable growers to adapt to changing markets".

1. Propose a high-level project goal that is relevant to HSP/SWEEP and that addresses the challenges that were outlined in the Statement of Need. Justify the goal, explaining how progress towards meeting the goal will benefit the service area. 200-word max
2. Describe an approach to providing technical assistance that would advance the goal. Touch on the types of technical assistance that the project team would provide and an outreach strategy. 200-word max
3. At a high-level describe how the project team will solicit and select on-farm projects. Touch on whether the selection process will be competitive or in another format and what criteria your team will use for selecting the projects. 200-word max

Alignment with Climate Bond (15 Points of 50)

The Climate Bond has a strong focus on serving Socially Disadvantaged Farmers and Ranchers (SDFRs), Severely Disadvantaged Communities (SDACs), and

DRAFT

Disadvantaged Communities (DACs). Specifically, CDFA must spend 40% of Climate Bond funds to provide "direct and meaningful benefits" to DACs and vulnerable populations (which includes SDFRs and Tribes), with 10% to provide direct and meaningful benefits to SDACs. In this section, explain how the proposed project will advance meeting the Bond funding targets. Applicants should carefully review Appendix B: Definitions and References for Climate Bond Terminology before developing responses.

1. Discuss the service area in terms of the opportunity to benefit DACs/SDACs and vulnerable populations (including Tribes and SDFRs). Address the demographics of the agricultural producers in the service area and discuss the opportunity to select on-farm projects that provide direct and meaningful benefits to these groups. 200-word max
2. Reference the criteria for "direct and meaningful benefits" and provide an explanation of how the proposed project would meet all the criteria, identifying the expected benefits. 200-word max
3. Identify several specific project strategies or activities related to outreach, technical assistance, and on-farm project selection that would support meeting Climate Bond funding targets. 200-word max

Capacity and Partnerships (10 points of 50)

In this section, provide details about the proposed project team, demonstrating the team's capacity to administer the funding and provide technical expertise and assistance to producers. OARS strongly encourages partnerships involving multiple organizations to assemble a team that has the necessary expertise and administrative experience, in addition to extending service to a multi-county region that can be realistically served. Partners that are identified in the Concept Proposal are likely Subrecipients. Subrecipients are partners that are involved in the planning and strategy of the project and hold responsibility for completing a portion of the grant workplan. More information on how partners are classified will be detailed in the GAP manual.

1. Describe the experience of the Lead Applicant and partners (Subrecipients) in managing a large project. Provide examples of past projects and reflect on the project team's capacity to administer a block grant. 200-word max
2. Describe the qualifications of the project team related to technical expertise in conservation agriculture technical assistance (soil health and or irrigation water management). Provide the names, if possible, of the expert(s) that will lead technical assistance and describe their anticipated

role and availability to support the project for the duration of a block grant. 300-word max

3. Describe existing networks of organizations or individuals that the project team would rely upon to support the project (for example, through outreach, or through mentorship and consultation). 200-word max

Concept Proposal Review

OARS' administrative staff will screen Concept Proposals for eligibility. OARS will notify ineligible Lead Applicants of disqualification.

A Technical Review Committee (TRC), composed of experts in grant program administration, farming, soil health, agricultural water use and technical assistance, will score eligible applicants' proposals and provide written feedback on the proposals. Reviewers will consider both the completeness and competitiveness of responses relative to other applicants. See Appendix C: Concept Proposal Scoring Criteria and Rubric. During a consensus meeting, reviewers will discuss the proposals, finalize scoring, and submit recommendations to OARS.

Portfolio Balancing

The TRC and OARS may use a portfolio balancing approach to making recommendations. Portfolio balancing factors are those where a distribution or range of activities is desirable across projects within a solicitation and across solicitations for each CDFA program over time. Portfolio balancing may result in OARS advancing projects not strictly according to ranking by the Technical Review Committee, but all funded projects must still meet high standards for quality. For example, if the top scoring projects according to the TRC are all based in the Central Valley, the TRC or OARS may recommend funding some projects that are valuable but did not score as well as the Central Valley projects so that the program can serve producers across the state. Portfolio balancing factors may include, but are not limited to:

1. Service area covered
2. Farming systems
3. Practice types
4. Applicant organizations' capacity
5. Resource-based or ecological goals

Notification and Feedback

DRAFT

All applicants will receive a summary of reviewer feedback on their proposal. OARS will invite the top scoring proposals, totaling approximately 150% to 200% of available funding, to submit a Full Proposal. OARS may also consider geographic distribution and other Portfolio Balancing factors when inviting organizations to submit a Full Proposal. OARS may encourage organizations to form partnerships with other applicants for the Full Proposal.

DRAFT

Full Proposal

Full Proposal Consultations

OARS will offer a half-hour consultation to each Lead Applicant preparing a Full Proposal. During the consultation, Lead Applicants may seek clarity on the Full Proposal scoring criteria and ask questions related to the feedback that was provided by the TRC on the Concept Proposal. Due to the competitive nature of this funding opportunity and the committee review process, OARS will be unable to provide commentary on the specific proposal's merits or value. To make the most of the time, Lead Applicants are encouraged to submit a list of questions in advance of the consultation.

Preview of Full Proposal *(Subject to Change)*

General Information (Not Scored)

- Organization Name:
- Organization Type: drop down
- Documents required for Financial Review (Attachments)
- Subrecipient Organization Name(s):
- Subrecipient Organization Type: drop down
- Technical Assistance Provider Organization Name (indicate either the Lead Applicant or a Subrecipient)
- Partnership Letters (Attachment)
- Project Title: 15 words
- Project Description: 1-3 paragraphs
- Service Area: county drop down
- Previous Project(s): applicant indicates any previous OARS block grants and gives a brief explanation of how the proposed project will serve a new or expanded audience of producers.
- Declaration of Potential Conflicts of Interest (Attachment – template to be provided)

Applicant Goal, Performance Indicators, and Targets (20 points out of 100)

Scope: The Lead Applicant will document in detail the self-identified Project Goal from the Concept Proposal and specify indicators and targets for the

DRAFT

purpose of tracking progress throughout the grant term. See Appendix A for definitions. The goal, performance indicators and targets should be tailored to address the community needs that were identified in the Concept Proposal. Indicators and targets will help measure and evaluate the project's success in addressing or improving the need. Applicants will identify up to five performance indicators and targets for their self-identified goal.

Applicants may also propose deliverables that support their goal or will prolong the impact of their project. Proposing additional deliverables is not required but could make the project more competitive if the deliverable is highly relevant to the goal and would increase the positive impact of the project.

If awarded funding, OARS will incorporate the goal, performance indicators and targets into the Performance Management Framework for this specific project, in addition to the State Goals.

HSP Example:

Goal: Move the region's agricultural food system towards circular economies of bioresources.

- Performance Indicator 1: On-farm project funding spent on biomass applications to soil (e.g., mulch, compost)
    - Target 1: Utilize 25% of the project funding to support biomass applications to soil.
- Performance Indicator 2: Increase exports of excess nutrients from dairies.
    - Target 2: Fund at least 3 different projects for on-farm composting using dairy manure as a principal feedstock.
- Performance Indicator 3: Technical assistance hours helping farmers or ranchers anticipate the impacts of biomass applications on soil nutrient and/or water cycling.
    - Target 3: 100 hours spent in 1-1 consultations and performing assessments based on the field's current conditions.

SWEEP Example:

Goal: Increase the regional groundwater sustainability through increased water use efficiency and diversification of water resources.

- Performance Indicator 1: Percent of on-farm projects that establish new surface water turnouts at previously groundwater-dependent locations.

DRAFT

    - Target 1: 20% of on-farm projects involve connection of a groundwater-dependent farm to a surface water turnout.
- Performance Indicator 2: Percent of on-farm projects that receive one-on-one technical assistance to fine tune irrigation scheduling.
    - Target 2: 80% of on-farm projects will receive one-on-one training related to their available irrigation scheduling tools and the maintenance of their irrigation system.

Prompts

- Project Goal: Describe the overarching goal for the project that addresses a community and/or regional need. The goal should align with the concept proposal but may be further refined here based on reviewer feedback.
- Performance Indicator(s): Describe data that will assist the Lead Applicant and OARS in assessing performance of the project relative to the Project Goal. Describe how and when the lead applicant will collect the data.
- Target(s): Identify and justify a target related to each Performance Indicator. Explain why the target is ambitious but achievable.
- Optional Deliverable(s): Describe any discrete products the team will produce and justify how their development will support the goal. Indicate when the deliverables will be complete and if they will be utilized during the grant term to further the work on the project, and/or if they will have an impact beyond the grant term. These are in addition to the required deliverables that are identified in the Workplan Template

Documentation

- Letters of Support (optional): Letters of support from individuals or organizations representing communities whose members would benefit from the project and its specific goal can provide evidence of need and relevance of the goal. Letters of Support are unscored themselves, but the Technical Review Committee may consider them as justification for the goal (see Technical Review).

Support of State Goals and Initiatives (15 points of 100)

Scope: The Lead Applicant will explain how the project goal will advance or support State Goals and Initiatives, citing references. The Lead Applicant will address alignment with the State Goals outlined in the Climate Bond, OARS Mission, and any other state-led initiative that can be advanced through implementation of the proposed project.

Prompts

- Alignment with the Grant Program: Describe the Lead Applicant's mission and, if applicable, the Subrecipient's mission, identifying synergies with CDFA, OARS and HSP/SWEEP.
- Climate Bond Funding Targets: Estimate the percentage of funding that will support the Climate Bond funding targets of providing direct and meaningful benefits to disadvantaged communities, severely disadvantaged communities and vulnerable populations.
- Other State Initiatives: Discuss any other state initiatives that will be advanced by the proposed project, providing citations and describing how the project will benefit the initiative(s).

Qualifications: Key Personnel and Organizational Capacity (25 points out of 100)

Scope: The Lead Applicant must identify the following Key Personnel. An individual may fill multiple roles. If a project is selected for an award, key personnel may only be changed with approval from OARS through a grant agreement amendment.

- Grant Project Manager: Manager of the project. This should be the person leading the work of the grant and serves as the point of contact to OARS for performance tracking.
- Authorized Official: A person designated by the Lead Applicant to make decisions, sign contracts, or take actions on behalf of the Lead Applicant.
- Financial/Fiscal Contact: The person who will compile and submit invoices and supporting documents to OARS.
- Technical Assistance Lead: The person that will lead technical assistance efforts and has the technical qualifications to advise on on-farm practices. This individual must be employed by a *TAP-eligible entity*.
- Publicity Lead: Point of contact for OARS to collaborate with on project publicity.

Role	Name	Organization	Email	Phone Number
Authorized Individual				
Grant Project Manager				
Fiscal Contact				

DRAFT

Role	Name	Organization	Email	Phone Number
Technical Assistance Lead				
Publicity Lead				

Prompts

- Experience in Sustainable Agriculture: Discuss the project team, providing a summary of each key personnel member's qualifications. Address their experience with conservation agriculture technical assistance and working directly with the agricultural community including SDFRs, and farms of 500 acres or less.
- Administrative Capacity and Experience: Discuss the Lead Applicant and, if applicable, the Subrecipient's experience with project management, grant management and/or accounting.
- Capacity Building and Training Opportunities: Describe the potential for this grant to build capacity within the organization and in building the skills of individuals working on projects. Does the project team need to hire or train to support successful implementation of the proposed project? If so, what hiring or training is necessary? If hiring, describe key qualifications for the role.

Documentation

- CVs or Resumes for all Key Personnel (required)

Workplan (20 points of 100)

Scope: The workplan template will require the applicant to list the activities that will be completed to fulfill the program's Common Objectives while addressing the Applicant's and State's Goals, Indicators and Targets. The applicant will identify responsible key personnel for each Objective and Activity and the expected start and end dates of each activity. The workplan template also indicates deadlines for key deliverables and completion of objectives.

To assist applicants in developing their workplan, OARS developed a list of examples of Administrative and Technical Assistance Activities (included in the Workplan instructions). The list represents activities that may be supportive of completing the Common Objectives and is broken down into Administration and Technical Assistance to guide applicants in meeting the requirement to

DRAFT

spend at least 25% of the grant technical assistance funds to provide technical assistance to SDFRs.

Documentation

- Completed Workplan Template (required) (under development)

Budget and Budget Narrative (20 points of 100)

Scope: Lead Applicants and Subrecipients will submit detailed itemized budget templates outlining tasks and costs associated with each task. Applicants will indicate estimated expenses related to Project Administration (including technical assistance) and on-farm projects. In developing the budget, applicants should consult Appendix E for important guidance on indirect rates, calculating indirect costs, identifying allowable and unallowable costs, including detail about hourly pay rates for key personnel and planning for Cost-of-Living Adjustments (COLAs).

Please note that the total Project Administration cost must not exceed 20% of total funds requested. OARS will disqualify the Proposal if Project Administration costs exceed maximum limit.

Documentation

- Completed Budget Template (required) (under development)
- Indirect Cost Rate Memo/supporting documentation

Full Proposal Review

Full Proposals will go through several levels of review including administrative review, technical review and risk review.

Administrative Review

The purpose of the administrative review is to determine whether the Full Proposal meets the grant application requirements. The Administrative Review will occur after the Full Proposal due date.

Disqualifications

During the Administrative Review, the following will result in the disqualification of a grant application:

1. The applicant is not an eligible entity.
2. The application includes activities with dates outside the allowable grant duration.
3. The funding amount requested is less than the minimum award amount allowable or exceeds the maximum award amount allowable.

DRAFT

4. The application is incomplete, including an application with one or more unanswered questions or missing, blank, or unreadable attachments.
5. The application includes unallowable costs or activities.
6. The application does not meet the purpose as defined in the Request for Proposal.
7. The application would provide an improper benefit if funded.
8. The application is submitted after the submission period has ended.

Appeal Rights

An applicant may appeal a disqualification decision by OARS to CDFA's Office of Hearings and Appeals Office within 10 days of receiving notice of disqualification from OARS. The appeal must be in writing and signed by the responsible party's name on the grant application or their authorized agent. It must state the grounds for the appeal and include any supporting documents and a copy of the CDFA decision the applicant is challenging. The applicant must e-mail the submission to CDFA.LegalOffice@cdfa.ca.gov (preferred) or send a physical copy to the California Department of Food and Agriculture, Office of Hearings and Appeals, 1220 N Street, Sacramento, CA 95814. If CDFA does not receive the submission within the timeframe provided above, CDFA will deny the appeal.

Applicants can only appeal disqualifications.

Technical Review

The Technical Review Committee (TRC) will evaluate the merits of the application. OARS will assign TRC members a subset of applications to review individually and score. Once the TRC members complete individual reviews, the TRC will meet as a full group to finalize scores for each application and reach a consensus recommendation to OARS. OARS will assess the TRC recommendation along with Risk Review (below) and Portfolio Balancing to make a final recommendation to the CDFA Secretary. See Appendix D: Full Proposal Scoring Criteria and Rubric.

Risk Review

Past Performance

CDFA may take into consideration the past performance of applicants in OARS' Climate Smart Agriculture Programs during development of funding recommendations. Past performance criteria include timely and satisfactory completion of funded activities and reporting requirements, productive

DRAFT

communication and responsiveness, and success in addressing the programs' funding priorities.

Financial Review

Top scoring applications will undergo financial review to flag any findings related to experience and capacity. CDFA's Audit Office will complete a financial review questionnaire using the financial documents provided by the Lead Applicant and Subrecipients. The Audit Office will rate each proposal according to financial soundness and capacity of the organization to administer a grant award of the size requested. Proposals must receive a rating of "FAIR" or better for OARS to include them in the program's final funding recommendations to the Secretary.

OARS **requires** applicants to provide the following documents:

- Three most recent independent CPA Auditor's Report for Lead Applicants **and** Subrecipients

Or

- Three most recent federal tax returns and accompanying schedules of Lead Applicant **and** Subrecipients

AND

- Partnership letter or agreement – (required when more than one organization will perform the project), with the Lead Applicant and one or more Subrecipient(s)
- Board Resolution or Letter of support from Lead Applicant's board or governing body

OARS **encourages** applicants to provide other appropriate documentation that demonstrates the organization's financial stability and capacity, such as:

- Bank Statements (including those related to operating and payroll, and lines of credit if applicable)
- Cost-Reimbursement policy
- Payroll Ledger/General Ledger showing pay rates of project personnel
- Federal indirect rate documentation

Funding Recommendations

OARS staff will develop funding recommendations for review and approval by CDFA's Secretary. OARS will take into consideration the Technical Review

DRAFT

Committee score, the Portfolio Balancing process, and the Risk Review when developing the funding recommendation.

Notification and Feedback:

OARS will notify successful applicants of their selection for the grant award through email and will enter the grant agreement execution process. OARS will provide feedback to Lead Applicants that were not selected for funding within 60 days of the award announcement. OARS will publish information on the programs' websites regarding the applications received at least 10 days before awarding grant funds. After the Secretary approves the project selection and successfully executes each agreement, OARS will post an updated list of awarded projects. OARS will treat applications in accordance with Public Records Act requirements and may have to disclose certain information, subject to those requirements.

Award Process

Grant Agreement Execution

OARS will initiate the Grant Agreement process with successful applicants. The process of executing a grant agreement may take several months. An OARS staff member will contact each awardee to schedule a pre-project consultation to confirm project information, make any necessary adjustments to the scope and/or budget, and discuss implementation plans. OARS will review submitted budgets to confirm costs are allowable. Awardees will receive a Grant Agreement package with instructions regarding award requirements, including information on project implementation, reporting, and payment process. Communication during the grant execution process is done primarily via email and OARS will provide deadlines for each step in the process. CDFA reserves the right to rescind an award due to lack of response from an applicant selected for award. Once OARS and the BGR complete a grant package it may take CDFA's Office of Grants Administration up to 90 days to fully execute the grant agreement.

Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order (EO) N-6-22 regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. By submitting a bid, proposal, or application, Bidder/Applicant represents that it is not a target of Economic Sanctions. Should

DRAFT

the State determine Bidder/Applicant is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for rejection of the Bidder's/Applicant's bid/proposal/application any time prior to contract/agreement execution, or, if determined after contract/agreement execution, shall be grounds for termination by the State.

Overview of Grant Management

Successful applicants will receive a Grant Award Procedures (GAP) Manual with instructions on grant administration. The GAP Manual outlines detailed processes and policies for financial management, performance management, grant beneficiary relationships, and requested changes to the grant agreement.

DRAFT

Appendix A: Common Objectives and Performance Measurement Framework

Definitions

- Goal: Strategic desired outcomes achieved through the grant.
- Objective: A workstream that advances progress toward goals.
- Activities: Specific actions within a workstream.
- Performance Indicator: A continuous measurement that indicates progress toward a goal or objective.
- Target: A specific performance indicator value that demonstrates success.
- Deliverable: A discrete product that demonstrates progress toward or completion of an objective.

Framework

Applicants will use the program's Goals and Common Objectives to build their workplan with specific activities. Each of the Common Objectives requires deliverables and/or performance indicators as outlined below. As part of their application, the Lead Applicant will develop additional performance indicators, associated targets, and/or deliverables to demonstrate progress toward their self-identified goal. The Lead Applicant may also identify additional objectives if the Common Objectives do not represent some of their proposed activities. OARS will use the goals, objectives, indicators, targets and deliverables, collectively known as the Performance Management Framework, to follow and assess performance, provide targeted technical assistance to BGR's, and support storytelling about the program's impact. To support applicants in developing their budget and completing their workplan, Objectives are categorized below as Administration or Technical Assistance.

The baseline Performance Measurement Framework is as follows:

Phase 1. Outreach and On-Farm Project Selection

Objective 1: Develop the Process for Selecting On-Farm Projects (Administration)– In collaboration with OARS, create a fair, transparent and goal-aligned selection process.

- Deliverable: Selection Process Design (template provided)

DRAFT

Objective 2: Perform Outreach (Technical Assistance) - Widely advertise the funding opportunity to the service area identified in the Scope of Work, with a focus on reaching growers who will help the project meet identified goals.

- Deliverable 1: Outreach Plan and Schedule (template provided)
- Deliverable 2: Website (minimum standards provided)

Objective 3: Provide Application and Project Design Technical Assistance (Technical Assistance) - Work closely with producers to gather necessary application information and prepare an eligible project design.

- Deliverable: Technical Assistance Delivery Summary (template provided), including breakdown of funds spent on DAC/SDAC/SDFR

Objective 4: Select On-Farm Projects (Administration) – Complete on-farm project selection.

- Deliverable: On-Farm Project Selection Summary (template provided), including breakdown of funds obligated to DAC/SDAC/SDFR

Phase 2. On-Farm Project Implementation and Outcomes

In Phase 2, OARS will provide a template for BGR's report on performance indicators quarterly and provide narrative context. BGRs submit deliverables as indicated for each item.

Objective 5: Obtain Grant Beneficiary Commitments (Administration)- Develop written agreements with producers that lay out the responsibilities of both the Beneficiary and the BGR in implementing the on-farm project.

- Performance Indicator: Percent of on-farm funding obligated to specific projects

Objective 6: Provide implementation Technical Assistance and Facilitate On-Farm Project Completion (Technical Assistance) – Maintain technical assistance throughout the on-farm project implementation with a commitment to the best possible outcomes for beneficiaries, including recurring site visits as appropriate. The target for each Performance Indicator is 100%.

- Performance Indicator 1: Percent of projects on schedule
- Performance Indicator 2: Percent of projects verified completed
- Performance Indicator 3: Percent of projects receiving an in-person pre-project site visit (before or after beneficiary agreement and application)

DRAFT

- Performance Indicator 4: Percent of projects receiving in-person or remote implementation technical assistance this project year
- Performance Indicator 5: Percent of SDFR projects receiving in-person or remote implementation technical assistance this project year
- Performance Indicator 6: Percent of technical assistance funds spent providing assistance to SDFRs.
- Performance Indicator 7 (SWEEP Only): Percent of projects receiving a post-project verification in person.
- Quarterly Deliverable: Update of On-farm Project Details (template provided)

Objective 7: Disburse funds to Grant Beneficiaries in a timeline manner (Administration) – Provide advances and/or reimbursements in a timely manner as on-farm projects progress and are verified as complete.

- Performance Indicator 1: Average reimbursement time from submission of invoice and/or verification documents

Objective 8: Amplify Project Outcomes (Technical Assistance) – During the grant term host at least one demonstration field day and develop case studies and media materials to document the outcomes of on-farm projects.

- Deliverable 1: Demonstration Day Summary (template provided, submitted according to workplan schedule)
- Deliverable 2: Three case studies from funded on-farm projects (minimum template provided, submitted according to workplan schedule)

DRAFT

Appendix B: Definitions and References for Climate Bond Terminology

Disadvantaged Community (DAC): A community with a median household income of less than 80 percent of the area average or less than 80 percent of statewide median household income.

Severely Disadvantaged Community (SDAC): A community with a median household income of less than 60 percent of the area average or less than 60 percent of statewide median household income.

To identify DACs and SDACs use the Disadvantaged Community Mapping tool. Select the census tract map layer. DACs are shown in dark brown, SDACs are shown in lighter golden brown.

Vulnerable Population: A subgroup population within a region or community that faces a disproportionately heightened risk or increased sensitivity to impacts of climate change and that lacks adequate resources to cope with, adapt to, or recover from such impacts. Note: Tribes are considered vulnerable populations. OARS also identifies Socially Disadvantaged Farmers and Ranchers as vulnerable populations.

Socially Disadvantaged Farmers and Ranchers (SDFRS): defined in the 2017 Farmer Equity Act as a farmer or rancher who is a member of a socially disadvantaged group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. These groups include all the following:

- African Americans
- Native Indians
- Alaskan Natives
- Hispanics
- Asian Americans
- Native Hawaiians and Pacific Islanders

Direct and Meaningful Benefits: In order for a project to provide a direct and meaningful benefit it must meet all four of the following criteria:

1. Ensures the creation of direct, tangible, and substantial benefits to individuals of the (S)DAC or vulnerable population that would not have

materialized without its implementation. The benefits are not incidental, indirect, or speculative, and can be articulated.

2. Protects or enhances a (S)DAC or vulnerable population's resources and quality of life by building climate resilience, such as reducing risks to the community or population from climate hazards, protecting resources threatened by climate change (e.g., drinking water supply/quality, urban tree canopy, critical infrastructure, etc.), or creating/enhancing community or population assets (e.g., wetlands, resilience centers, etc.).
3. Directly responds to the (S)DAC's or vulnerable population's expressed need or desired benefit, either through direct project input or as part of a larger planning or engagement effort. The project is inherently designed to meet needs that have been identified by the (S)DAC or vulnerable population and that project scoping, development, and implementation integrated (S)DAC or vulnerable population input to the maximum extent feasible.
4. Does not result in a long-term degradation or reduction of any (S)DACs' or vulnerable populations' resources identified in (2). Benefits should not be provided to one community or population at the expense of or burdening another – harms should be avoided and minimized. If the project has the potential to reduce or degrade community resources, then predefined mechanisms or commitments for remediation are in place to avoid these harms.

DRAFT

Appendix C: Concept Proposal Scoring Criteria and Rubric

Criteria	Reviewer Questions	Points	Scoring Rubric
Statement of Need The applicant will address: • Geographic Service area • Resource Concern or Challenges to be Addressed (*specific*) • Community (People) to Be Served • The potential opportunity for an award of funds to make measurable improvements	1. Did the applicant clearly describe HSP/SWEEP-relevant resource and/or social/economic challenges within the service area that impact production and the resilience of the agricultural sector? 2. Did the applicant identify any specific communities/people in the service area and explain how the challenge impacts them? Have their needs been expressed as well as the consequences of not addressing these needs? 3. Has the applicant explained how financial and technical assistance can make a measurable, positive change that will affect factors such as farmers' livelihoods or the resilience of their agricultural production?	15	11-15: (Exceptional) The applicant clearly describes a relevant local resource problem and the community that needs financial and technical support to address that problem. The applicant identifies the geographic service area and cites relevant facts, statistics, and references that indicate community support or strategy (e.g., local plans). The applicant makes a compelling case that the need has urgency/seriousness and can be addressed by the project. 6-10: (Standard) The applicant broadly describes a relevant local resource problem and the community that needs financial and technical support to address the problem. The applicant identifies the geographic service area and cites some facts, statistics, and references that indicate community support or strategy (e.g., local plans). The applicant makes a sufficient case that the need has urgency/seriousness and can be addressed by the project. 1-5: (Poor) The applicant poorly describes a relevant local resource problem and the community that needs financial and technical support to address the problem. The applicant poorly identifies the geographic service area and cites few if any facts, statistics, and references that indicate community support or strategy (e.g., local plans). The applicant makes an inadequate case that the

DRAFT

			need has urgency/seriousness and can be addressed by the project. 0: (Not Addressed) The applicant fails to describe a relevant local resource problem and the community that needs financial and technical support. The applicant poorly identifies, or fails to identify, the geographic service area and cites no facts, statistics, or references that indicate community support or strategy (e.g., local plans). The applicant makes no case that the need has urgency/seriousness nor that it can be addressed by the project.
Project Proposal The applicant will address: • A relevant goal • Technical Assistance Approach • On-farm Project Selection Approach	• Does the applicant's goal logically address the challenge(s) and opportunity for improvement that were described in the Statement of Need? • Did the applicant describe an on-farm project selection process that would help them to meet their goal while also being open and transparent to all producers in their service area? • Will the technical assistance plan meet the needs and communication styles of the targeted community and farmers?	10	8-10: (Exceptional) The applicant's goal is strongly related to the challenges that they described in the Statement of Need. The goal is very practical and feasible within the structure of the HSP/SWEEP block grant program. The applicant's technical assistance approach is well thought out and the approach for selecting on-farm projects will clearly address the Statement of Need and be open and transparent. 4-7: (Standard) The applicant's goal is sufficiently related to the challenges that they described in the Statement of Need. The goal is reasonably practical and feasible within the structure of the HSP/SWEEP block grant program. The applicant's technical assistance approach is somewhat thought out and the approach for selecting on-farm projects has the potential to address the Statement of Need and to be open and transparent.

DRAFT

			1-3: (Poor) The applicant's goal is not clearly related to the challenges that they described in the Statement of Need. The goal is unclear but could be practical and feasible within the structure of the HSP/SWEEP block grant program. The applicant's technical assistance approach is poorly thought out and the approach for selecting on-farm projects vaguely identifies how it will address the Statement of Need and be open and transparent. 0: (Not Addressed): The applicant's goal is not related to the challenges that they described in the Statement of Need. The goal is not practical and feasible within the structure of the HSP/SWEEP block grant program. The applicant's technical assistance approach is not at all thought out and the approach for selecting on-farm projects does not identify how it will address the Statement of Need or be open and transparent.
Alignment with Climate Bond The applicant will address: • Opportunity to serve DACs and SDACs and vulnerable populations, including SDFRs and Tribes • A strategy that will reach DACS/SDACS/VP (including SDFRs) • How the project will address the four standards of "direct and meaningful benefits"	1. Does the Applicant demonstrate there is sufficient opportunity to assist SDFRs in the service area and provide benefits to DACs/SDACs/VP? 2. Does the Applicant's proposed approach to providing technical assistance and selecting projects represent a realistic opportunity to serve SDFR/VP, SDAC, and DAC communities and meet bond and CDFA funding targets? 3. Will the projected activities help the project team to meet the four standards of "direct and meaningful benefits"?	15	11-15: (Exceptional) The applicant demonstrates that there will be exceptional attention to ensuring participation of SDFRs and providing direct and meaningful benefits to DACs/SDACs and Vulnerable Populations. The applicant's responses show that they clearly understand how to gauge whether a project provides direct and meaningful benefits. The applicant makes a compelling argument that their service area and proposal will provide ample opportunity for meeting the Bond's and CDFA funding targets. 6-10: (Standard) The applicant demonstrates that there will be acceptable attention to ensuring participation of SDFRs and providing direct and meaningful benefits to

DRAFT

			DACs/SDACs and Vulnerable Populations. The applicant's responses show that they broadly understand how to gauge whether a project provides direct and meaningful benefits. The applicant makes an acceptable argument that their service area and proposal will provide sufficient opportunity for meeting the Bond's and CDFA funding targets. 1-5: (Poor) The applicant demonstrates that there will be insufficient attention to ensuring participation of SDFRs and providing direct and meaningful benefits to DACs/SDACs and Vulnerable Populations. The applicant's responses show that they poorly understand how to gauge whether a project provides direct and meaningful benefits. The applicant makes a lackluster argument that their service area and proposal will provide an opportunity for meeting the Bond's and CDFA funding targets. 0: (Not Addressed) The applicant fails to demonstrate that there will be any attention to ensuring participation of SDFRs and providing direct and meaningful benefits to DACs/SDACs nor Vulnerable Populations. The applicant's responses show that they do not understand how to gauge whether a project provides direct and meaningful benefits. The applicant makes no argument that their service area and proposal will provide any opportunity for meeting the Bond's and CDFA funding targets.
Capacity and Partnerships The applicant will address: • Administrative capacity	1. Does the applicant describe significant and successful experience in administering similar grants?	10	8-10: (Exceptional) The applicant demonstrates a high level of organizational administrative and technical expertise, through them or their partners. The applicant demonstrates that they have an expansive network and

DRAFT

• Technical Expertise and availability • Networks to further the impact	2. Does the project team have sufficient technical expertise to support this project and have they indicated that they have the availability and capacity to do so throughout the grant term? 3. Have they identified any existing networks, outside of the project team, that they could utilize to further their goal?		experience serving producers. The applicant clearly displays that they have the availability to administer the grant or outlines a plan to grow that availability. 4-7: (Standard) The applicant demonstrates a sufficient level of organizational administrative and technical expertise, through them or their partners. The applicant demonstrates that they have some network and experience of serving producers. The applicant broadly displays that they have the availability to administer the grant or outlines a plan to grow that availability. 1-3: (Poor) The applicant demonstrates a poor level of organizational administrative and technical expertise, through them or their partners. The applicant demonstrates that they have little to no network and experience serving producers. The applicant poorly displays that they have the availability to administer the grant or outlines a plan to grow that availability. 0: (Not Addressed) The applicant fails to demonstrate a level of organizational administrative and technical expertise, through them or their partners. The applicant does not demonstrate that they have network and experience serving producers. The applicant does not display that they have the availability to administer the grant nor do they outline a plan to grow that availability.
Total		**50**	

DRAFT

Appendix D: Full Proposal Scoring Criteria and Rubric

Criteria	Reviewer Questions	Points	Scoring Rubric
Applicant-Identified Need, Goal, Performance Indicators and Targets The applicant will address: A goal with a strong connection to the Statement of Need, explaining how progress towards the goal will benefit the broader community Performance indicators and targets to track progress during the grant term AND evaluate the success of the project at meeting the goal. A high-level strategy for outreach and on-farm project selection that advances the project goal, balancing it with broad access for producers in the service area	Do the goal, performance indicators, and targets relate strongly to the Statement of Need? Has the applicant provided evidence that the community will value the outcomes of the project? Has the applicant proposed indicators and targets that are quantifiable and meaningful, reflecting the intended results? Does the goal leave opportunity for inclusion of diverse types of producers within the service area (e.g., all commodities)?	20	14-20: (Excellent) The applicant's goal has a high potential to address the need of their service area and they provide strong evidence of community support. The applicant proposes several performance indicators and targets that will both enable tracking performance during the grant term and quantitatively measure the success of the project towards the goal. The outreach and on-farm project selection strategies are thoughtfully designed to advance the goal while still allowing ample opportunity for participation by all producers in the service area. 7-13: (Standard) The applicant's goal will likely address the need of the service area and they provide some evidence for community support. The applicant proposes several performance indicators and targets that will support tracking performance during the grant term and measure the success of the project toward the goal. The outreach and on-farm project selection strategies are expected to advance the goal while still allowing some opportunity for participation by all producers in the service area. 1-6: (Poor) The applicant's goal is unlikely to address the need of the service area and they fail to provide evidence of community support. The applicant proposes several performance indicators and targets that do not clearly support tracking performance during the grant term and measure the success of the project toward the goal. The outreach and on-farm project selection

DRAFT

			strategies are not specific enough to advance the goal and may exclude some producers in the service area. 0: (Not Addressed) The applicant's goal does not address the need of the service area and does not provide evidence of community support. The applicant proposes several performance indicators and targets that won't support tracking performance during the grant term nor measure the success of the project toward the goal. The outreach and on-farm project selection strategies are very unlikely to advance the goal and will exclude some producers in the service area.
Ability to Meet State Goals and Targets The applicant will address: Organizational mission An estimate of funding that will provide direct and meaningful benefits to DACs and Vulnerable Populations Project goal's synergy to support State initiatives	Are the Goal, Indicators and Targets aligned with HSP's/SWEEP's purpose and the mission of OARS? Has the applicant estimated a percentage of funds that will provide direct and meaningful benefits to DAC/SDACs and VPs that is supported/feasible and illustrates an understanding of Climate Bond goals? Did the applicant make a compelling case that advancing their goal would also have a beneficial impact on state goals and initiatives, including the Climate Bond funding targets?	15	11-15: (Excellent) The lead applicant and proposed subrecipients express organizational missions that are closely aligned to the mission of OARS. The applicant indicates that providing direct and meaningful benefits to DACs/SDACs and VPs will be a strong focus in administering project funds. The applicant identifies more than one state initiative that can be advanced through the administration of the proposed project and provides a convincing explanation of how the project will support the state's initiative. 6-10: (Standard) The lead applicant and proposed subrecipients express organizational missions that are relevant to the mission of OARS. The applicant indicates that providing direct and meaningful benefits to DACs/SDACs and VPs will be a focus in administering project funds. The applicant identifies one state initiative that can be advanced through the administration of the proposed project and provides a clear explanation of how the project will support the state's initiative.

DRAFT

			1-5: (Poor) The lead applicant and proposed subrecipients express organizational missions that are indirectly related to the mission of OARS. The applicant indicates that providing direct and meaningful benefits to DACs/SDACs and VPs will be a marginal focus in administering project funds. The applicant identifies one state initiative that can be advanced through the administration of the proposed project and provides a weak explanation of how the project will support the state's initiative. 0: (Not Addressed) The lead applicant and proposed subrecipients express organizational missions that are unrelated to the mission of OARS. The applicant indicates that providing direct and meaningful benefits to DACs/SDACs and VPs will not be a focus in administering project funds. The applicant doesn't identify any state initiative that can be advanced through the administration of the proposed project.
Key Personnel Expertise & Organizational Capacity (Qualifications) The applicant will address: Key personnel qualifications Organizational experience Partnerships and networks that will enhance the project Opportunity for building expertise and experience through training or hiring	Are the expertise and experience of the individuals on the project team adequate to address the proposed goal and support producers in developing and implementing on-farm projects? If the organization is hiring for a key personnel role, have they identified the desired qualifications, applicant pool, and hiring timeline that will help the project be successful? Do the partnerships contribute to filling out the team, such as by expanding service area and/or filling gaps in expertise?	25	18-25: (Excellent) The applicant identifies highly qualified and experienced individuals to serve in each key personnel role. The lead applicant and proposed subrecipients provide examples of successful administration of past similar projects. The proposed subrecipient organizations contribute meaningfully to the project team through the expansion of service area and by bringing critical expertise. The application describes a network that will provide significant support to the project. If the applicant identifies an opportunity to utilize the funding for capacity building or hiring, the request is specific and will benefit the project implementation.

DRAFT

	Does the lead organization describe a network going beyond the subrecipients that can amplify outreach and provide support and mentorship to the project team? Does the Lead applicant and, to a lesser extent, any proposed subrecipients have experience and success in administering similar projects?		9-17: (Standard) The applicant identifies sufficiently qualified and experienced individuals to serve in each key personnel role. The lead applicant and proposed subrecipients indicate successful administration of past similar projects, but without examples. The proposed subrecipient organizations contribute to the project team through the expansion of service area or by bringing critical expertise. The application describes a network that will provide some support to the project. If the applicant identifies an opportunity to utilize the funding for capacity building or hiring, the request is adequately clear and may benefit the project implementation. 1-8: (Poor) The applicant identifies marginally qualified and experienced individuals to serve in each key personnel role. The lead applicant and proposed subrecipients do not describe successful administration of past similar projects. The proposed subrecipient organizations do not contribute to the project team through expansion of service area nor through contribution of critical expertise. The application does not describe a network that will provide support to the project. If the applicant identifies an opportunity to utilize the funding for capacity building or hiring, the request is vague and is unlikely to benefit the project implementation. 0: (Not Addressed) The applicant identifies unqualified and inexperienced individuals to serve in key personnel roles. The lead applicant and proposed subrecipients do not describe successful administration of past similar projects. The proposed subrecipient organizations do not contribute to the project team through the expansion of

DRAFT

			service area nor through contribution of critical expertise. The application does not describe a network that will provide support to the project (e.g., through outreach or mentorship). If the applicant identifies an opportunity to utilize the funding for capacity building or hiring, the request is unrelated to the project and is unlikely to benefit the project implementation.
Workplan The applicant will address: Activities that will tailor the Common Objectives to the goal of the project. Self-identified Objectives or Deliverables that will advance the project goal, supported by their own activities The estimated timeframe and personnel that will complete Objectives and Deliverables	Does the workplan include sufficient details on each of the objectives and activities so that each objective can be fulfilled? Are the activities strategic and practical, likely leading to efficiency in meeting the goal of the project? Will the timeline within the workplan be able to support full on-farm project terms (2 years for SWEEP, 3 for HSP)? Are the activities that support the first phase of Objectives focused and timely so that there is sufficient time to complete the second phase (on-farm project implementation)?	20	14-20: (Excellent) The workplan is thorough and logically addresses the goal. The activities reflect a tailored strategic approach to completing the Objectives. Any self-identified Objectives and Deliverables will contribute in a meaningful way to the success of the project. The estimated timeframes for completing specific objectives and deliverables provide adequate time within the grant term for dependent activities. 7-13: (Standard) The workplan is complete and logically addresses the goal. The activities reflect a straightforward approach to completing the Objectives. Any self-identified Objectives and Deliverables will contribute somewhat to the success of the project. The estimated timeframes for completing specific objectives and deliverables provide enough time within the grant term for dependent activities. 1-6: (Poor) The workplan is sparse and unconnected to the goal. The activities reflect a minimal approach to completing the Objectives. Any self-identified Objectives and Deliverables will contribute little to the success of the project. The estimated timeframes for completing specific objectives and deliverables provide inadequate time within the grant term for dependent activities.

DRAFT

			0: (Not Addressed) The workplan is incomplete and does not address the goal. The activities reflect an undeveloped approach to completing the Objectives. Any self-identified Objectives and Deliverables will not contribute to the success of the project. The estimated timeframes for completing specific objectives and deliverables do not provide adequate time within the grant term for dependent activities.
Budget The applicant will address: Completion of a detailed budget template for the Lead Applicant and any sub-awardee partners Anticipated payrates for personnel, including COLAs Indirect cost rate Budget narrative that describes/justifies the anticipated costs. Training costs that will benefit the project and build capacity	Are costs/pay rates reasonable? Consider factors such as the geographical service area and skills and qualifications of the individual identified within the key personnel section. Does the budget breakdown reflect efficient and responsible use of Bond funding? Do the costs (equipment, supplies, software, etc.) identified in the budget have use cases identified in the workplan and are those reasonable expenses to support that workplan activity? If training or capacity building costs are identified in the budget, are they reasonable and will they benefit the project? Does the budget include all likely significant costs?	20	14-20: (Excellent) The lead applicant and subrecipient submitted very detailed budgets that outline reasonable projected costs (pay rates and COLAs for key personnel, contracts, supplies and equipment). The projected costs align closely with the activities identified in the workplan. The budget narrative thoroughly justifies the projected costs. If the organization anticipates using some funding for capacity building or training, specific training or other costs are identified. 7-13: (Standard) The lead applicant and subrecipient submitted adequately detailed budgets that outline reasonable projected costs (pay rates and COLAs for key personnel, contracts, supplies and equipment). The projected costs align with the activities identified in the workplan. The budget narrative adequately justifies the projected costs. If the organization anticipates using some funding for capacity building or training, estimated training or other costs are identified. 1-6: (Poor) The lead applicant and subrecipient submitted minimally detailed budgets that contain some unreasonable projected costs (pay rates and COLAs for key personnel, contracts, supplies and equipment). The projected costs are not aligned with the activities

DRAFT

			identified in the workplan. The budget narrative poorly justifies the projected costs. If the organization anticipates using some funding for capacity building or training, training or other costs are vaguely identified. 0: (Not Addressed) The lead applicant and subrecipient submitted incomplete budgets that contain irresponsible projected costs (pay rates and COLAs for key personnel, contracts, supplies and equipment). The projected costs are mismatched with the activities identified in the workplan. The budget narrative does not justify the projected costs. If the organization anticipates using some funding for capacity building or training, training or other costs are not identified.
Total		100	

DRAFT

Appendix E: Block Grant Budget Development

Instructions

Use the budget template provided with the Request for Grant Applications (RGA). The Office of Agricultural Resilience and Sustainability (OARS will disqualify applicants using other templates). To modify the template to add additional rows to any category, please reach out to EMAIL.

There can only be one Lead Applicant on each application, and that applicant can identify subrecipients and/or contractors that receive pass-through funding to support the work (see below). **Subrecipients must submit their own budget template.** Contractors do not need to submit a budget template; however, OARS encourages applicants to submit preliminary bids as part of their budget's supporting documentation.

The proposed budget should represent all anticipated expenses and reasonable estimates for those expenses. Complete all categories on the template even if they reflect a "$0.00" budget, and all expenses require a brief description/justification within the template.

The Technical Review Committee (TRC) will evaluate budgets for reasonableness relative to the proposed workplan. The TRC may recommend modifications to the budget prior to award execution. BGRs may request changes to their budget after award execution, but OARS retains the right to deny requests if they substantively alter the BGR's ability to fulfill the expectations of their competitively-selected project.

Cost Categories

Direct Costs: Costs that can be identified specifically with a particular grant award and can be directly attributable to grant award activities relatively easily with a high degree of accuracy. Typical direct costs include but are not limited to compensation (salaries and fringe benefits) of employees who work directly on the award, travel that is necessary to further the objectives of the grant award, and equipment and supplies used solely to further the objectives of the grant award. OARS oversees the use of direct costs funds.

Indirect Costs: Costs incurred for common or joint objectives that cannot be specifically identified with a particular project, program, or organizational activity. Typical indirect costs include but are not limited to rent, utilities and internet service, cellular and land-line telephone service, general office supplies, and insurance. OARS provides for indirect costs as a percentage of the award but does not oversee the use of these funds.

OARS reimburses indirect costs based upon the Modified Total Direct Costs, which is the sum of all costs subject to the indirect rate. On-farm project costs are not included in the Modified Total Direct Costs. Applicants may include up to $50,000 of each subaward or contract in the Modified Total Direct Costs.

Applicants may request the following indirect cost rates, as allowable in the Climate Bond Legislation:

- The *de minimis* federal indirect cost rate of 15%
- A previously negotiated indirect cost rate, pursuant to a Primary Applicant/Subrecipient(s) agreement with CDFA *(Supporting Documentation Required)*
- A rate negotiated by the Primary Applicant/Subrecipient(s)in the last 5 years with another state agency *(Supporting Documentation Required)*
- A rate proposed by the grantee in the grantee's program application with the administering state agency if the grantee does not have an existing state rate *(Justification Required. The TRC and OARS will evaluate the request and justification in the context of the proposal's scope and budget)*.

Expense Types

The budget template requests information on the following expense types. When assessing whether an expense is allowable, refer to CDFA's Grant Regulations (Section 330: Allowability of Costs) and the supporting guidance document referenced in the regulations: *Allowable an Unallowable Items of Cost*, as well as the Application Guidelines. Account for the following expenses in the Project Administration budget:

- **Contractors:** See "Categorizing Subrecipients and Contractors" below. Contractors do not submit their own budget template.
- **Equipment**: Tangible personal property having a useful life of more than one year and a per-unit acquisition cost of $10,000 or more (excluding on-farm project equipment). The acquisition cost includes the cost of any necessary accessories and all incidental costs incurred to put the asset into place and ready for its intended use.
    - Special purpose equipment is used only for research, scientific, or other technical activities. For example, electron microscopes, spectrometers, and dairy digesters are special purpose equipment.
    - General purpose equipment is not limited to research, scientific or other technical activities. For example, office equipment and

furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles are general purpose equipment.

- **Miscellaneous:** Projected costs falling in the "miscellaneous" category should be rare but may include expenses like honorariums for review committee members or people who are not formally part of the project team but lend their expertise to demonstration days, such as farmers and researchers.
- **Personnel:** *Actual* salary/pay rate and fringe benefit information for all Key Personnel and any Other Personnel (as applicable). When calculating out years, include anticipated Cost of Living Adjustments (COLAs) and planned salary increases. For new personnel, provide a reasonable estimate based on prior experience or research. Once new staff onboards, OARS will ask BGRs to update their budget to reflect actual costs.
- **Subrecipients:** See "Categorizing Subrecipients and Contractors" below. Subrecipients must submit their own budget template.
- **Supplies:** Items with an acquisition cost less than $10,000 per unit that are used exclusively for the objectives of the project. Categorize the types of supplies to be purchased. General use office supplies (e.g., paper, printer ink, pens, etc.), facilities costs (telephone, internet, etc.), and administrative costs are considered "indirect" and should not be included under "Supplies".
- **Travel:** Funds for transportation, meals and incidental, lodging, event registration, refreshments for outreach events, and other necessary costs for furthering the objectives of the grant award. For these projects, BGRs will primarily use funds to travel to project sites and provide technical assistance. Make sure to account for at least two in-person visits to each on-farm project site. Applicants may also request funds for training activities directly related to the project's goals and objectives. Applicants may request funds to support the mandatory 2-day BGR Onboarding Training in Sacramento. International travel is not allowed and OARS must approve out-of-state travel. BGRs must follow CDFA's grant regulations (Section 322), which provide information on specific allowable expenses, reimbursement rates, and documentation.

Additionally, Lead applicants will estimate the funding they will distribute to farmers and ranchers.

DRAFT

- **On-Farm Projects:** Funds for implementation of on-farm practices or installation of infrastructure on agricultural land in accordance with program requirements.

Budget Rules

- The total budget must be within $2,000,000 to $4,000,000
- The Project Administration Budget, which includes all costs to achieve the Common Objectives less the on-farm project costs, cannot exceed 20% of the total budget
- Use at least 25% of the awarded funds for technical assistance expenses to provide technical assistance to socially disadvantaged farmers or ranchers
- Subaward and Contract costs cannot exceed 30% of the Primary Applicant's Project Administration budget

Matching Funds

The Technical Review Committee will not factor matching funds into application scores as that practice can disadvantage low-resource organizations in the process of building capacity. OARS collects matching funds information, however, to communicate instances in which a BGR can leverage state funds for a broader impact and to account for all project costs.

Categorizing Subrecipients and Contractors

The Lead Applicant is responsible for determining whether a support/partner organization is a subrecipient or a contractor. Generally speaking, subrecipients contribute to a grant in a more open-ended and flexible way, while contractors provide specific deliverables and services. While OARS does not have a direct relationship with either type of support organization, they require different oversight. Due to the flexible nature of subrecipient work, OARS is responsible for monitoring a grantee's oversight of a subrecipient. OARS is not responsible for monitoring a grantee's oversight of a contractor, and instead relies on written procurement policies and procedures, as well as the strength of the contract itself. Applicants should review CDFA's Grant Administration Regulations, Section 319 for requirements related to contracting.

The partnership is a sub-award if the answer is "yes" to four or more of the following questions:

- Is the work plan or a portion of the work plan assigned to the partner significant to planning processes or strategy development? (As opposed to executing something designed or directed by primary awardee)
- Will the partner's performance be measured against whether whole objectives, rather than discrete tasks from an objective, of the project are met?
- Does the partner have responsibility for programmatic decision-making? (The partner is responsible for independently making decisions that support the objectives)
- Will the partner assume responsibility for adherence to applicable CDFA program compliance requirements?
- Is the partner uniquely suited to perform the work?
- Could the partner's work result in intellectual property development or publishable results (including co-authorship)?

The partnership is a contract if the answer is "yes" to four or more of following questions:

- Does the partner provide similar goods or services to many different purchasers?
- Does the partner provide the goods and services within its normal business operations?
- Does the partner operate in a competitive environment?
- Does the partner contribute only to discrete tasks?
- Will the partner provide goods or services that are ancillary to the operation of the primary applicant?
- Will the primary applicant own the work product of the partner?
- Will the partner be carrying out the work solely at the instruction of the primary applicant? (This does not include following research requirements from the primary applicant)
- If problems arise, can the primary applicant substitute this partner with another similar one for the same tasks?

The Lead Applicant *must* identify specific subrecipients during the application phase. The Lead Applicant *may* identify specific contractors during the application phase. It is reasonable for Block Grant Recipients to begin a competitive procurement process after confirmation of a successful application. OARS must, however, assess each project for capacity and reasonableness of budget at the time of the application and Lead Applicants relying on unidentified contractors must justify their tactics and budget to be competitive.

DRAFT