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**Agenda Item: 6**  
**Meeting Date: August 10, 2005**

## **BAY-DELTA PUBLIC ADVISORY COMMITTEE**

### **RECOMMENDATION THAT THE CALIFORNIA BAY-DELTA AUTHORITY AUTHORIZE THE DIRECTOR, OR DESIGNEE, TO PROCEED WITH THE PREPARATION AND RELEASE OF THE ECOSYSTEM RESTORATION PROGRAM'S 2005 PROPOSAL SOLICITATION PACKAGE FOR PROJECTS THAT ASSIST FARMERS IN INTEGRATING AGRICULTURAL ACTIVITIES WITH ECOSYSTEM RESTORATION CONSISTENT WITH THE SOLICITATION GUIDELINES**

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**Summary:** The California Bay-Delta Authority will be asked at its August 11 meeting to authorize the Authority Director, or designee, to proceed with the preparation and release of the Ecosystem Restoration Program's Proposal Solicitation Package for projects that assist farmers in integrating agricultural activities with ecosystem restoration consistent with the Solicitation Guidelines outlined in this report.

**Recommended Action:** The Bay-Delta Public Advisory Committee recommends that the Authority authorize preparation and release of the Proposal Solicitation Package.

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## **BACKGROUND**

The Ecosystem Restoration Program (ERP) implements its annual Program Plan in part by awarding grants to ecosystem science and restoration projects that meet ERP priorities. Proposals to address these priorities are solicited through periodic Proposal Solicitation Packages (PSP) that outline program priorities and grant application processes.

Proposition 50 (Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002), provides \$180 million for CALFED Bay-Delta Program ERP implementation, of which, "not less than twenty million dollars (\$20,000,000) shall be allocated to assist farmers in integrating agricultural activities with ecosystem restoration." Consistent with the ERP's Multi-Year Program Plan (MYPP) for Years 6-9, ERP it is anticipating funding \$17.9 million in grants and directed actions. Approximately \$9 million is targeted initially for this focused solicitation. The MYPP also allocates \$930,000 to technical assistance for the integration of agricultural activities with ecosystem restoration.

Funds from other sources, including the Central Valley Project Improvement Act (CVPIA), or Natural Resource Damage Assessment Settlement Funds, may also be available to carry out projects consistent with this provision.

Proposed priorities have been prepared by Authority staff, the ERP's implementing agencies (Department of Fish and Game (DFG), U.S. Fish and Wildlife Service, and NOAA Fisheries), and other CALFED agencies. These priorities reflect the findings of the assessment of the progress towards the milestones of the Multi-Species Conservation Strategy (MSCS), and prioritize benefits to anadromous fish and other wetland dependent species that can be addressed through agricultural management activities. These priorities and criteria have been presented to the Bay-Delta Public Advisory Committee's (BDPAC) Ecosystem Restoration and Working Landscapes Subcommittees.

Authority ERP staff has worked closely with DFG and the Federal ERP implementing agencies to develop the Guidelines for this focused solicitation. The intent of a focused solicitation is to address the ERP priorities that can be achieved on private working lands while also building a model to better integrate State private land conservation efforts with related Federal programs. In meeting with the Secretary of Resources, the Secretary of Food and Agriculture, and the Director of DFG, the Authority Director has committed to using the ERP's unique position to initiate this pilot effort in cooperation with DFG. Any future phases will likely be implemented by DFG.

## **SOLICITATION GUIDELINES FOR PROJECTS THAT ASSIST FARMERS IN INTEGRATING AGRICULTURAL ACTIVITIES WITH ECOSYSTEM RESTORATION**

The following section summarizes the proposed Guidelines for this solicitation, including eligibility requirements, priorities, review process and the criteria proposed to evaluate proposals, along with the solicitation schedule currently anticipated.

### **Eligibility**

Any public agency or non-profit organization (as defined in Water Code Section 79505(g)) with an interest in ecosystem restoration and who is capable of entering into a contract with the State or Federal Government may apply. This includes, but is not limited to: (1) local agencies; (2) private non-profit organizations, as statutorily defined; (3) tribes; (4) universities; (5) State agencies; and (6) Federal agencies. Proposition 50 (Water Code Section 79505(g)) defines a nonprofit organization as a nonprofit corporation formed pursuant to the Nonprofit Public Benefit Corporation Law (Division 2 commencing with Section 5000) of Title 1 of the Corporations Code) and qualified under Section 501(c)(3) of the United States Internal Revenue Code. Private for-profit entities, nonprofits formed pursuant to other statutes or qualified under other tax code provisions, and private landowners are not eligible to receive funds from Proposition 50, the primary fund source for this PSP, and should not apply.

## **Priorities**

The goal of this solicitation is to support projects that assist farmers in addressing the priorities of the CALFED Ecosystem Restoration Program, with a particular emphasis on benefiting species for which CALFED has a recovery or contribute to recovery obligation under the MSCS. Priorities include: projects that develop and implement agricultural activities that benefit MSCS-covered wildlife and fish; pilot implementation and research projects conserving giant garter snakes; restoration permit coordination or regulatory assurances for agricultural activities benefiting MSCS species; projects that protect farmland habitat and buffer previous conservation investments; and targeted research and demonstrations of integrating agricultural activities with ecosystem restoration. A fuller description of the priorities is included in Attachment 1.

These priorities were assembled by staff of the Authority and ERP Implementing Agencies based on reviews of program plans and accomplishments, including the Year 4 milestones assessment.<sup>1</sup> In addition, these priorities reflect stakeholder input from BDPAC's Working Landscapes Subcommittee.<sup>2</sup>

## **Review Process**

The solicitation will be managed using a website through which proposals and reviews are submitted and viewed. A toll-free telephone answer line will be available to assist applicants. Potential applicants without internet access will receive help in submitting proposals.

The proposal review process involves seven steps (Attachment 2). All completed proposals will undergo administrative review, external scientific, regional and technical review prior to initial consideration by the Selection Panel. The Selection Panel will consider comments from local governments, tribes, applicants and others in making its final funding recommendations to the Authority and other funders.

ERP relies on many experts to review ecosystem restoration proposals. ERP implementing agency and Authority staff conduct administrative reviews. Seven to twelve regional experts, drawn from resource agencies, stakeholders, and local research institutions, serve on the four Regional Panels: Sacramento Valley, San Joaquin Valley, Delta and Eastside Tributaries, and Bay-Suisun Marsh. External reviewers are experts in the subject areas of the proposal. The Technical Panel will consist of experienced scientists whose expertise spans the range of topics covered by submitted proposals. The Selection Panel will be recognized scientists and resource managers covering a broad range of expertise. They are familiar with the Bay-Delta watershed, well connected with others, and represent different fields.

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<sup>1</sup> USFWS, NMFS, CDFG, *Reinitiation of Consultation: Assessing Progress Towards Milestones and the Efficacy of the Environmental Water Account* (August 2004).

<sup>2</sup> See BDPAC Working Landscapes Subcommittee, "Framework for Project Development and Selection," May 22, 2003.

## Criteria

Proposals will be evaluated on these criteria:

- **Administrative Review.** Performance on previously funded projects, if applicable; next phase funding; environmental compliance; and budget evaluation.
- **Regional Review.** Applicability to ERP goals; links with other restoration activities; feasibility based on local circumstances; local involvement; and local value.
- **External Scientific Review.** Clarity, relevance, and justification for project; approach; technical feasibility; appropriate performance measures; value of products; capabilities; and cost/benefit.
- **Technical Review Panel.** The Technical Review Panel considers and integrates all prior reviews and desirable project features in an unambiguous qualitative rating of each proposal's technical merits.
- **Selection Panel.** The Selection Panel will make a qualitative ranking of projects, selecting for funding high quality proposals that meet these criteria: strategic benefit; ERP implementation plan priority; ecological benefit; compatibility with prior investments; value of products to decision makers and stakeholders; and public support and implementability. The Selection Panel will also apply the Record of Decision's commitments regarding acquisitions and agriculture to any projects that propose buying interests in land or rights of way.

Attachment 3 describes the criteria more fully.

## Outreach

Concurrent with the release of the solicitation, Authority and CALFED agency staff will hold at least two public workshops to announce the availability of the solicitation and answer questions. Additional workshops may be held during the solicitation period to further explain the application process and address questions.

Preliminary funding recommendations will be presented to the public at a publicly noticed workshop, followed by a public comment period. CALFED Program staff will directly notify local governments, tribes, and applicants of the initial recommendation and guidelines for providing comments. Local governments and tribes will be asked to comment on local feasibility concerns. Applicants may provide clarifying comments, but not new information. The Selection Panel considers these comments in making its final recommendations.

## Funding Recommendations

The Selection Panel's final recommendations will be forwarded to the appropriate funding agency. When those are CALFED Bay-Delta Program agencies, they will present their proposed funding actions to the California Bay-Delta Authority for its review and recommendation prior to making their final funding decisions. Grants for projects to be funded by the California Bay-Delta Authority will be approved directly by the Authority.

## Anticipated Schedule

The anticipated schedule for this process is as follows:

September 2005	Final Proposal Solicitation Package released
September/October 2005	Public workshops held to explain PSP
November 2005	Proposals due
March 2006	Initial recommendations
April 2006	Public comment period on initial recommendations
May 2006	Final recommendations
June 2006	Recommendations presented to the Authority and other funding agencies; initiate contracts

The release of the PSP is subject to the final approval by the Authority Director with the concurrence of ERP implementing agencies. The September release date is provisional based on current staffing expectations; Authority staff plan to work closely with CALFED agencies to coordinate the efficient development of the remaining portions of this solicitation, and conduct outreach.

## Fiscal Information

**Funding Source:** Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002

**Total Amount:** Up to \$17.9 million will be available for grants and directed actions under this provision. Approximately \$9 million is targeted initially for this solicitation.

## List of Attachments

- Attachment 1 – Solicitation priorities
- Attachment 2 – Solicitation process
- Attachment 3 – Selection criteria
- Attachment 4 – Letters of support for focused PSP approach

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**Contact**

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## SOLICITATION PRIORITIES

The goal of this solicitation is to support projects that assist farmers in addressing the goals of the CALFED Ecosystem Restoration Program (ERP). Priority projects will address the goals in the CALFED Multi-Species Conservation Strategy (MSCS) in a fashion that is scientifically rigorous and which can be used to support future projects seeking to enhance habitat in an agricultural landscape. Projects may address one or more of the following priorities:

- **Projects that develop and implement agricultural activities that benefit MSCS-covered wildlife and fish.** Projects should provide financial and technical assistance to implement activities benefiting species for which the CALFED MSCS goal is “recovery” or “contribute to recovery”. Activities should enhance habitat, restore ecosystem functions, or reduce ecosystem stressors. *Priority agricultural management practices or enhancement activities that address the objectives of this solicitation are outlined in Table 1.*
- **Pilot scale implementation and research projects that conserve giant garter snakes (GGS) and assess how water transfers from croplands affect wetland dependent species.** Projects should assess the impacts of cropping patterns and crop idling/shifting on GGS, and/or demonstrate the efficacy of conservation practices on GGS and other wetland dependent species. *Agricultural management practices or enhancement activities that are anticipated to address the objectives of this priority are outlined in Table 1.*
- **Projects that facilitate permitting and/or regulatory assurances that support agricultural activities benefiting MSCS-covered wildlife and fish.** Projects should: coordinate and/or assist landowners with acquisition of restoration permits (such as permit assistance and permit coordination); develop regulatory assurances (such as “safe harbor” agreements and biological evaluations/opinions); or develop good neighbor policies that underpin agricultural activities benefiting species with CALFED MSCS goals of “recovery” or “contribute to recovery” in an agricultural landscape.
- **Projects that protect farmland that benefits MSCS-covered species and provide a buffer for restored habitats from adverse effects of encroaching incompatible development.** Projects should secure long term protection (utilizing easements, acquisitions, or management agreements) of agricultural lands that buffer important habitat areas from incompatible land uses while continuing agricultural practices beneficial to wildlife and fish with CALFED MSCS goals of “recover” or “contribute to recovery” on those protected lands.

- **Projects that contribute to our understanding of the relative effectiveness of different conservation-based farming practices and systems, and their contribution to restoration at a landscape scale.** Such projects can include targeted research and pilot scale demonstrations of practices that integrate agricultural activities with ecosystem restoration. Topics for further study include assessments of: (1) economic, agronomic, social, and environmental benefits and costs associated with agricultural activities benefiting wildlife and fish, (2) assessments of locations within the ERP focus area where agricultural practices can provide the greatest benefits to wildlife and fish, and (3) assessments of potential effects of adopting these practices on a large scale.

***Proposed geographical focus:***

The following are the geographical priorities for the solicitation. They consist of (1) priority areas identified for conservation actions in the draft Recovery Plan for the giant garter snake, and (2) other priority areas identified by staff analyses and in key documents that establish objectives for agricultural activities benefiting wildlife and fish.<sup>3</sup> Proposals that benefit species through agricultural practices in these areas – or others identified in ERP planning documents – are considered priorities for this solicitation.

**Proposed Priority Areas for Projects that Assist Farmers in Integrating Agricultural Activities with Ecosystem Restoration.<sup>4</sup>**

Priority areas for the giant garter snake:

- Butte Basin
- Colusa Basin
- Sutter Basin, and
- American Basin

Other priority areas:

- Sacramento River between Keswick Dam and Verona;
- Cosumnes River;
- North Delta;
- Yolo Basin;
- Tuolumne River;
- Merced River;
- West San Joaquin Basin (including the San Joaquin River between Gravelly Ford and Vernalis);
- Napa River, and
- Petaluma River

<sup>3</sup> These plans include the Ecosystem Restoration Program Plan, the MSCS and the MSCS milestones assessment, the Draft Stage 1 Implementation Plan, "Signature Opportunities" identified in the Addendum to the ERP's Multi-Year Program Plan for Years 4-7, and Recovery Plans for MSCS species.

<sup>4</sup> Described in terms of ERP Ecological Management Zones or Ecological Management Units (See CALFED Bay-Delta Program, Ecosystem Restoration Program Maps, Final Programmatic EIS/EIR Technical Appendix, July 2000)

Other features we seek:

- Matching funds: While matching funds are not required, projects that use Bay-Delta Program funds to leverage Federal, state and other conservation funds – particularly funds available to growers pursuant to the U.S. Department of Agriculture's (USDA) Farm Bill conservation programs – are high priorities. Similarly, projects that encourage the investment of private funds, or utilize market mechanisms that capitalize on ecosystem benefits are priorities. Projects should seek to cover more than half of their overall project costs through other programs or mechanisms.
- Durable projects: Projects that can demonstrate benefits to species on a long-term basis are priorities. In general, this will require applicants to provide evidence – such as enforceable agreements – that investments will be sustained to a length that will provide a demonstrable benefit for targeted species. Management activities undertaken on lands protected by conservation easements or by contracts with USDA agencies are examples of investments that may be considered durable.
- Appropriate scale. Projects that can address ecosystem restoration goals on a scale commensurate with the proposed ecological restoration objective – such as multiple landowners addressing a common resource concern on adjacent properties – are priorities. Examples of projects that can be undertaken at appropriate scales include the implementation of a watershed management plan or coordinated resource management plan, or the development and implementation of a Conservation Reserve Enhancement Program.
- Locally-based partnerships that benefit private landowners: Projects that rely on local collaborations of multiple entities such as Resource Conservation Districts (RCDs), universities/agricultural extension, the USDA, and other agencies and NGOs that can harmonize ERP goals with agricultural practices and local economic sustainability. Projects should directly support, to the maximum amount possible, the conservation work of landowners or farm operators.
- Multiple objectives: Projects that provide multiple benefits by enhancing habitat for MSCS species, improving the viability and sustainability of landowners' use of their lands, and enhancing local economic conditions via value-added land and water improvements are considered priorities.

No one project is expected to have all these attributes. Projects should incorporate them where appropriate to their proponents' needs and capabilities.

\* \* \*

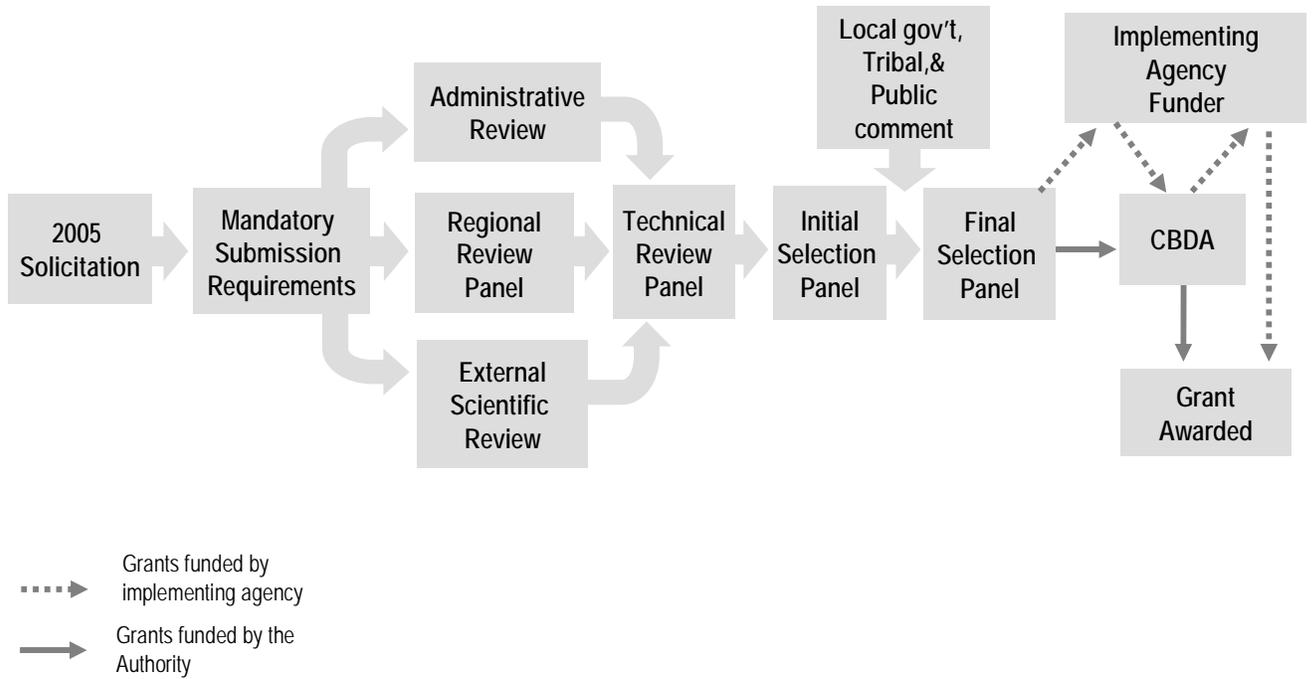
**Table 1: Priority Management Practices, Descriptions, and Benefits**

The table below links categories of management practices with associated ecosystem, species and agricultural benefits. This list is for reference to management practices that are anticipated to address the objectives of this solicitation; actual project descriptions and estimated benefits should be determined and described on a project-specific basis.

<b>Practice</b>	<b>Description</b>	<b>Ecosystem benefit &amp; landscape attributes</b>	<b>Potential species benefits</b>	<b>Potential agricultural benefits</b>
Semi-permanent wetlands and shallow water areas for wildlife	Seasonally flood wetlands to provide habitat.	Restore fresh emergent wetlands, seasonal wetlands, other floodplain habitat.  Support a mix of seasonal and permanent wetlands and associated uplands; prioritize at risk species.	Giant garter snake and other wetland dependent species	Provide waterfowl habitat; potential income diversification through hunting.  Reduce financial liability of cropping on marginal lands.
Post harvest flooding	Flood active cropland following harvest to provide habitat.	Support a mix of seasonal and permanent wetlands and associated uplands; prioritize at risk species.  Seasonally (post harvested) flooding of agricultural fields to provide wetlands benefits for special status species requiring shallow-water habitat.	Giant garter snake and other wetland dependent species  Sacramento splittail and other native estuarine and anadromous fish	Provide waterfowl habitat; potential income diversification through hunting.  Help break down stubble and speed decomposition of crop residue.  May contribute to groundwater recharge.  May help control weeds; may contribute nutrients.
Tailwater return ponds/habitats	Construct earthen pond that collects runoff irrigation water or other winter runoff water and provides habitat.	Encourage farming practices that favor wildlife and reduce the runoff of pollution to nearby waterways.  Support a mix of seasonal and permanent wetlands and associated uplands; prioritize at risk species.	Native estuarine and anadromous fish  Giant garter snakes and other wetland dependent species	Potential for topsoil recovery and reuse.  Achieve water quality benefits/meet requirements  Potential to reduce ditch maintenance.  Provides stored water for firefighting.
Irrigation management	Manage irrigation water to provide benefits for wildlife and fish. Design and install efficient irrigation systems to benefit water quality.	Encourage farming practices that favor wildlife and reduce potential water quality impairments from runoff.	Giant garter snake and other wetland dependent species  Native estuarine and anadromous fish	Water conservation, reduced expenditures for irrigation water.  Achieve water quality benefits/meet requirements

Erosion control	Design and install practices that control soil erosion into waterways.	Reduce loadings and concentrations of toxic contaminants in all aquatic environments in the Bay-Delta and watersheds.  Reduce fine sediment loadings from human activities into rivers and streams to levels that do not cause adverse ecological effects.	Native estuarine and anadromous fish  Giant garter snake	Conserve topsoil  Achieve water quality benefits/meet requirements.
Integrated pest management	Develop and implement an IPM program that provides local habitat benefits.	Provide water quality improvements through reduced inputs of fertilizers, insecticides, herbicides.  Provide wildlife benefits through reduced exposure to fertilizers, insecticides, herbicides.	Water quality benefits for native estuarine and anadromous fish  Reduce pesticide impacts on valley elderberry longhorn beetle	Reduced fertilizer, herbicide, equipment and labor costs.
Riparian and floodplain restoration in agricultural landscape	Install and manage native riparian vegetation, including planting and establishment, weed control and potentially fencing to establish and promote the establishment and protection of riparian vegetation.	Restore expanses of riparian habitats and sufficient connectivity among habitats in the Central Valley.	Native estuarine and anadromous fish  Valley elderberry longhorn beetle  Giant garter snake	Achieve water quality benefits/meet requirements.  Help reduce crop losses due to flooding.  Potential income diversification through hunting.
Vegetated filter strips, hedgerows and other wildlife buffers including ditch bank plantings and maintenance.	Establish permanent perennial vegetation on borders of farmed fields, including along irrigation ditches or levee slopes. Alter ditch maintenance schedules to benefit habitat.	Manage agricultural lands in ways that are favorable to birds and other wildlife.  Provide multiple benefits including erosion control, wildlife habitat, water infiltration, and pest control.	Valley elderberry longhorn beetle  Giant garter snake  Native anadromous and estuarine fish	Reduce expenses related to weed maintenance on farm edges.  Attract beneficial insects, including native pollinators.  May stabilize soil, and in the case of ditch plantings, reduce maintenance costs.
Altered cropping or harvesting patterns, set-aside fields, cover cropping.	Apply one of several techniques – changed cropping patterns, delayed harvest, fallowing, set aside fields – that provide habitat benefits.	Manage agricultural lands in ways that are favorable to birds and other wildlife.	Giant garter snake and other wetland dependent species requiring upland cover.	May provide game habitat and hunting opportunities.

# Review process



## PROPOSAL REVIEW AND SELECTION CRITERIA

A. **Administrative Review.** Summary evaluation information will be provided for each proposal, using these criteria:

- Past performance, including effective management of grants, if any, previously received from CALFED or CVPIA programs;
- Next-phase funding (proof of earlier phases' progress is shown);
- Environmental compliance (accurate identification of potential environmental compliance or access issues);
- Budget evaluation (clarity and consistency of budget and budget justification; availability of matching funds, where applicable); and
- Land and easement acquisition summary, where necessary (see Land and Easement Acquisition Selection Criteria).

B. **Regional Review.** The regional panels will review projects based on these regional criteria:

- Applicability to ERP goals, the MSCS (including addressing specific objectives in the milestones assessment), Draft Stage 1 Implementation Plan, and CVPIA priorities;
- Linkages with other restoration activities in that region, such as ongoing implementation projects, watershed or regional planning efforts;
- Feasibility based on local circumstances (e.g., are there local constraints on the project's ability to move forward in a timely and successful manner?);
- Local involvement, such as participation by farmers and other landowners, county agricultural commissioners, resource conservation districts (RCDs), agricultural extension, farm organizations, and other community organizations.
- Local value, including extent to which the project will improve fish and wildlife habitat and support replicable agricultural activities that contribute to local or regional environmental and economic sustainability..

Comments on technical quality are appropriate but are a secondary output of this review.

C. **External Scientific Review.** The External Scientific Reviewers will be asked to review proposals based on the following criteria:

- Clearly stated goals, objectives, and hypotheses of the proposed project;
- Justification for project, including conceptual model;
- Approach, including study design, methods, information richness, and value of information to farmers, cooperating agencies/NGOs, and decision makers;
- Technical feasibility and likelihood of success;
- Appropriate performance measures;
- Value of the proposed outcomes, including contributions to ecosystem health and agriculture, contribution to our understanding of agricultural activities benefiting wildlife, and applicability of results to future projects
- Capabilities (project team qualifications and track record, appropriateness of interdisciplinary team, ability of project team to complete the project); and.

- Cost/benefit comments (Is the budget reasonable and adequate for the work proposed?).

D. **Technical Review Panel.** The Technical Review Panel will consider all previous criteria and reviews in its overall evaluation of the proposals. Its role is to evaluate and provide a qualitative but unambiguous rating of each proposal's technical quality to the Selection Panel. The panel will evaluate proposals on the external scientific criteria, while taking the regional and administrative review criteria and reviews into consideration and also considering the extent to which the project addresses desirable project features including matching funds, the durability of the project benefits, appropriate scale, locally-based partnerships that benefit landowners, and multiple objectives. The desired end result of these discussions is a panel rating of the technical quality of the proposals, along with clear evaluation statements for each review criterion.

E. **Selection Panel's Initial Selection Process.** The Selection Panel will make recommendations for funding based on the evaluations conducted at all previous levels of review. The Selection Panel will be comprised of technical and resource-management experts covering a broad range of expertise. Authority staff in conjunction with the Lead Scientist or designee will choose panel members, considering nominations from the ERP Science Board and others. Panel membership will be balanced among practicing scientists and science managers or advisors knowledgeable about agency and stakeholder concerns. The lead scientist, or designate, will serve as a non-voting chairman for the panel with primary responsibility for assuring that the discussion is balanced, fair, and comprehensive. As a body the Selection Panel should be recognized and experienced, well-connected with others in their respective fields, represent different specialties within these fields, and be familiar with the issues and ongoing activities in the Bay-Delta watershed.

The Selection Panel will provide a check on earlier reviews, but its primary purpose is to make strategic funding recommendations from among the high quality proposals based on the following criteria (in order of priority):

- Strategic benefit toward accomplishing ERP and CVPIA goals, including focus on high priority areas or species or widely replicable restoration actions
- Draft Stage 1 Implementation Plan priority
- Ecological benefit
- Compatibility with prior investments (complements previous program actions, builds on prior program funding, or sustains essential efforts)
- Value of products to decision makers and stakeholders
- Public support and implementability

The first bullet represents the overall evaluation criterion. The second and fourth are listed to emphasize that proposals meeting them will have a higher priority for funding. The third, fifth, and sixth bullets are the selection criteria outlined in the *Strategic Plan for Ecosystem Restoration*. The fourth emphasizes the priority of

building on previous Program investments. There is overlap among these criteria but they are presented here so that all will be considered and addressed by the Selection Panel.

**Land and Easement Acquisition Selection Criteria.** Proposals that include land acquisition will be subject to the following additional review criteria. These criteria reflect the commitment made by CALFED Bay-Delta Program agencies in the ROD to minimize the impact of ERP implementation on agricultural land, and to utilize publicly owned lands and land already acquired with CALFED Bay-Delta Program funds in prior years, when feasible, prior to acquiring new private property. Summary information for the following criteria will be compiled by Authority staff and provided to the Selection Panel.

- Availability of public lands that alternatively would meet the project's needs.
- Willing seller;
- Consistency with county/city general plan or evidence of local government support;
- Prioritization of land not mapped as Prime, of Statewide Importance, or Unique Farmland, or maintain agricultural uses on such lands currently in agricultural use;
- The process and timing of notification of interested members of the public and local governments;
- Other measures taken to minimize impacts on agricultural land pursuant to the Record of Decision; and
- Preliminary management plans are included for all properties to be acquired, including an overview of existing conditions (including habitat types in the affected project area), the expected ecological benefits, preliminary cost estimates, and implementation schedules.

**Public Comment Period.** Local governments and tribes will be asked to comment on local feasibility concerns. Applicants may provide clarification comments on proposals submitted, but no new information, additional supporting documentation, or additional justification of a proposal will be accepted.

**Selection Panel's Final Selection Process.** The Selection Panel will meet again after the public comment period to consider written comments on technical aspects and local feasibility. The Selection Panel may revise its preliminary recommendation based on comments received.

The Panel may recommend that projects be funded, in whole or in part. Conditions of funding may be recommended to address issues raised during the proposal review. The panel may also identify projects that are high priorities and that should be considered for funding as directed actions if they are revised to address shortcomings identified during the reviews.

March 22, 2005

Gary Hunt, Chair  
Bay Delta Public Advisory Committee  
650 Capitol Mall, 5th Floor  
Sacramento, CA 95814

Dear Chairman Hunt,

On behalf of the Bay-Delta Public Advisory Committee's Working Landscapes Sub-committee I urge BDPAC to support grantmaking this year by the Ecosystem Restoration Program for projects that assist farmers in integrating agricultural activities with ecosystem restoration. (Authorized by Proposition 50, Chapter 7.)

Proposition 50 funding to the CALFED Bay-Delta Ecosystem Restoration Program states that "...not less than twenty million dollars (\$20,000,000) shall be allocated for projects that assist farmers in integrating agricultural activities with ecosystem restoration." It is our understanding that the ERP plans to move forward with a Proposal Solicitation Package under this provision. The Working Landscapes Sub-committee encourages it to do so, using the Framework for Project Development and Selection, submitted to BDPAC on June 5, 2003, as a guide for a focused Proposal Solicitation Package (PSP).

ERP grants should support projects that:

- Address the goals of both agriculture and the Ecosystem Restoration Program throughout the ERP's geographic scope;
- Benefit species in a working agricultural landscape. Projects may include riparian buffers, wetland and perennial grassland restoration, as well as beneficial practices on cropped acreage that are implemented in manner beneficial to species but compatible with existing farming and ranching operations;
- Further the knowledge of wildlife friendly agriculture benefits for habitats, farmers, and agricultural communities, consistent with the goals of the ERP;
- Protect farmlands that benefit species and provide buffering from incompatible development;
- Facilitate efficient regulatory compliance for beneficial projects, and regulatory assurances for landowners that benefit species (including "safe harbor" agreements and similar provisions for private farmers and ranchers who enhance the environmental and habitat value of their land); and
- Maximize program benefits by leveraging other federal and state conservation program funds.

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Chairman Hunt  
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These recommendations are consistent with stakeholder recommendations from the Working Landscapes Subcommittee. If implemented, this PSP provides an unprecedented opportunity to foster key partnerships that benefit natural resources and farm communities by enhancing the economic viability of privately owned and operated farms and ranches that participate in programs of environmental restoration and enhancement.

Sincerely,



Denny Bungarz  
Chair, Working Landscapes sub-committee

**Audubon California \* California Waterfowl Association \*  
Community Alliance with Family Farmers \* Defenders of Wildlife**

July 1, 2005

The Honorable Fran Pavley  
California State Assembly  
State Capitol  
Sacramento, CA 95814

The Honorable Lois Wolk  
California State Assembly  
State Capitol  
Sacramento, CA 95814

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CALIFORNIA STATE ASSEMBLY  
SACRAMENTO, CALIFORNIA

**Re: Proposition 50 Working Landscapes funding**

Dear Assemblymember Pavley and Assemblymember Wolk:

We are writing in response to a letter you sent to Governor Schwarzenegger regarding funding for CALFED, dated May 12, 2005. In this letter, you urged the Governor to concentrate Ecosystem Restoration Program funding on projects that directly improve conditions for the Delta's native fish.

We appreciate the urgency of addressing the health of the Delta fisheries, particularly the Delta Smelt, but the fish and Delta waterways depend on the health of the larger ecosystem, including surrounding agricultural lands. Proposition 50, Chapter 7, recognized the importance of agricultural activities when it required spending "not less than \$20 million . . . for projects that assist farmers in integrating agricultural activities with ecosystem restoration." While we support targeting ERP funding to protect and restore fisheries in the Delta, we urge the Legislature not to ignore the requirements of Chapter 7 or the larger ecosystem upon which the fish and many other species depend,

Stakeholders, including the Central Valley Joint Venture ("CVJV") and the CALFED Working Landscapes Subcommittee ("WLS Subcommittee"), have invested years of work in designing a "wildlife friendly" agriculture approach through the ERP and its agencies. Attached is a letter from the management board of the CVJV to the Bay Delta Public Advisory Committee which provided a set of recommendations on how this funding should be used to meet the goals of the ERP and promote "wildlife friendly" agriculture. Also attached is a letter from the CALFED Working Landscapes Subcommittee reiterating the same points regarding how to best integrate ecosystem restoration with agricultural activities. The recommendations from the CVJV and the WLS Subcommittee would not only benefit native fish, but would also benefit agriculture and wildlife while leveraging federal Farm Bill funds.

We strongly urge that as the Proposition 50 ERP funding moves forward that the Legislature and Administration continue to work to ensure that the funding not only benefit the health of native fisheries, but also that it complies with Chapter 7 and meets the "wildlife-friendly" recommendations set forth in the attached letters.

We look forward to working with you on this important issue.

Sincerely,



Kim Delfino  
California Program Director  
Defenders of Wildlife

Bill Gaines  
Director, Governmental Affairs  
California Waterfowl Association

Julia Levin  
State Policy Director  
Audubon California

Pete Price  
Community Alliance with Family Farmers

Cc: Sen. Sheila Kuehl  
Sen. Wesley Chesbro  
Assemblymember John Laird  
Ryan Brodderick, Director, Department of Fish and Game  
Joe Grindstaff, Acting Director, California Bay-Delta Authority  
Tim Ramirez, Ecosystem Restoration Program, California Bay-Delta Authority

June 10, 2005

Mr. Tim Ramirez, Deputy Director  
Ecosystem Restoration Program  
California Bay Delta Authority  
650 Capitol Mall, 5th Floor  
Sacramento, CA 95814

Dear Mr. Ramirez:

On behalf of the Bay-Delta Public Advisory Committee's Working Landscapes Subcommittee (hereinafter "Subcommittee"), thank you for the opportunity to comment on the draft 2005 Ecosystem Restoration Program (ERP) Multi-Year Program Plan (MYPP) dated May 19, 2005.

We recognize this planning effort occurs at a time when the ERP is facing uncertainty about the future scope and focus of the program. In light of the recent directions from the Legislature's budget committees instructing ERP to "focus the ecosystem restoration program on restoration of native delta fisheries and anadromous fisheries," the Subcommittee directs its comments to a discrete aspect of ERP implementation in the MYPP: agricultural activities that benefit wildlife and fish. Our four discrete recommendations follow:

***Recommendation 1: Move forward with projects that assist farmers in integrating agricultural activities with ecosystem restoration.***

In spite of the urgent near-term challenges, we believe that previous commitments—particularly those that were adopted by the voters with the passage of Proposition 50—must be honored in a timely fashion. Chapter 7 of Proposition 50 required the Ecosystem Restoration Program to invest "...not less than \$20 million for projects that assist farmers in integrating agricultural activities with ecosystem restoration." The Subcommittee believes that there is strong stakeholder and agency agreement over the technical and practical feasibility of implementing this provision in the near term. We therefore request that this provision be implemented in 2005-2006 (Year 6).

***Recommendation 2: Use a PSP as the primary mechanism to award funds for assisting farmers in integrating agricultural activities with ecosystem restoration.***

Previous ERP MYPPs have stated that the Working Landscapes Subcommittee's "framework" recommendations would form the basis of a PSP for assisting farmers in integrating agricultural activities with ecosystem restoration. The Subcommittee re-affirmed its support for the PSP process in a March 22, 2005 letter to Gary Hunt, Chair of the Bay Delta Public Advisory Committee (attached) and suggested that a PSP move forward in the coming year. We now ask the ERP to explicitly state in its MYPP that it intends to move forward with a PSP in the coming year for the bulk of the \$20 million to assist farmers in integrating agricultural activities with ecosystem restoration. We further call on ERP implementing agencies to allocate the requisite staff resources to release a PSP in September 2005.

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**Recommendation 3: *Clarify the relationship between component parts of ERP's efforts to integrate agricultural activities with ecosystem restoration.***

We support the MYPP's proposal to expend funds to benefit the giant garter snake, and believe that funds dedicated to this effort should be expended primarily to further the on-the-ground conservation work with farmers consistent with Chapter 7 of Proposition 50. While we recognize the need for research and planning to promote GGS conservation, we believe any GGS research supported by Proposition 50 AFI funds should directly further the capacity of farmers, conservation groups and agencies to work together on the agricultural landscape towards agricultural sustainability and species conservation. Whereas the May 1, 2005 spreadsheet entitled "ERP Priority Needs for Projects and Activities through Stage 1" appears to separate GGS activities from other "assisting farmer" activities, we recommend incorporating solicitations for GGS conservation actions within the broader solicitation for solicitation for projects that assist farmers in integrating agricultural activities with ecosystem restoration.

The Subcommittee supports the MYPP's allocation of funds to support technical assistance partnerships to integrate agricultural activities with ecosystem restoration. Such partnerships would facilitate improved local, federal and state partnerships to implement species-benefitting projects in key agricultural areas drawing on multiple fund sources.

**Recommendation 4: *Release PSP guidelines for public review as soon as possible.***

We urge the ERP to release draft PSP guidelines as soon as possible. We understand that ERP implementing agency and CBDA staff have been developing draft PSP guidelines, and feel that that it is time for the Ecosystem Restoration and Working Landscapes Subcommittees, and soon thereafter the larger public, to review and comment on these guidelines. As stated above, our goal and timeline is the issuance of a final PSP in September, 2005, in large part because this date coincides with the federal fiscal year and planning for FY 06 federal conservation programs.

The Subcommittee believes that agricultural conservation activities will provide direct benefits to native fisheries, as well as other species that are important to on going operations of the Bay Delta program while building critical linkages between the agricultural community and CALFED program agencies. We are encouraged by the progress made to date by the ERP on this topic and would like to meet with you to discuss the implementation of this important provision.

Thank you for the opportunity to comment on the MYPP elements addressing integrating agricultural activities with ecosystem restoration.

Sincerely,



Vance Russell

Vice Chair, Working Landscapes Subcommittee

Enclosure

cc: Diana Jacobs, Deputy Director, Department of Fish and Game  
Dave Harlow, Assistant Field Supervisor, U.S. Fish and Wildlife Service  
Michael Aceituno, Sacramento Supervisor, National Marine Fisheries Service



## CENTRAL VALLEY JOINT VENTURE

### North American Waterfowl Management Plan

March 22, 2005

California Waterfowl  
Association

Defenders of Wildlife

Ducks Unlimited, Inc.

National Audubon  
Society

The Nature Conservancy

The Trust for Public Land

PRBO  
Conservation Science

Mr. Gary Hunt, Chair  
Bay Delta Public Advisory Committee  
650 Capitol Mall, Fifth Floor  
Sacramento, CA 95814

Dear Mr. Hunt:

I am writing on behalf of the Central Valley Joint Venture (CVJV) Management Board to express our support of the Ecosystem Restoration Program's (ERP) efforts to move forward this year with a proposal solicitation package to benefit wildlife friendly agriculture.

As you know, Proposition 50 provided ERP with funding to implement its programs, not less than \$20 million of which was allocated "to assist farmers in integrating agricultural activities with ecosystem restoration." The CVJV believes that these funds can best benefit habitat in agricultural landscapes if they are used to:

- Provide technical and financial assistance to landscape-scale habitat establishment and maintenance – such as permanent and seasonal wetlands, riparian buffers, and grassland communities – in an agricultural landscape.
- Provide regulatory permit coordination and assurances where those permits create a barrier to private lands conservation activities.
- Support improved documentation of the benefits of wildlife friendly agriculture.
- Support agricultural/habitat easements that buffer key habitat areas from incompatible development.
- Leverage funds such as those in the federal 2002 Farm Bill, which annually underwrite wetland, farmland, and habitat enhancements in an agricultural landscape.

These recommendations are consistent with those previously put forward by the BDPAC's Working Landscape Subcommittee, on which CVJV members participate.

The CVJV has long been a partner in CALFED implementation, and its 17 member organizations have worked with a great number of agricultural landowners in the Central Valley to improve habitat conditions for migratory birds and other wetland dependent species on working farms and ranches. Currently, we are finalizing an update to our 1990 Implementation Plan, expanding our objectives to include breeding and wintering waterfowl, breeding and wintering shorebirds, riparian birds, and waterbirds. This document, slated for release in fall 2005, is the result of numerous working groups throughout the Central Valley, representing a variety of State and Federal agencies and private conservation organizations, and landowners. It reflects the commitment of the Joint Venture partners to a science-based approach focusing on “all bird conservation” mission and benefits entire ecosystems.

Grantmaking under Proposition 50 will provide an important opportunity to demonstrate the wildlife – and landowner – benefits that can be accomplished in a working agricultural landscape. We look forward to the opportunity to work with the ERP agencies to make that program a success.

Sincerely,

A handwritten signature in cursive script that reads "Fritz Reid".

Fritz Reid  
Chairman

cc: Mike Chrisman, Secretary, CA Resources Agency  
A.G. Kawamura, Secretary, CA Department of Food and Agriculture  
Central Valley Joint Venture Board