



# CalCAN

CALIFORNIA CLIMATE &  
AGRICULTURE NETWORK

Secretary Karen Ross  
California Department of Food and Agriculture  
1220 N Street  
Sacramento, CA 95814

February 27, 2017

Dear Secretary Ross,

With the development of the Healthy Soils Program, you and your staff have advanced a groundbreaking and pragmatic vision of government partnering with farmers and ranchers to respond to the greatest challenge of our time – a changing climate – while forwarding solutions aimed at the long-term viability of our farms and ranches.

In our review of the Healthy Soils program, many of our findings mirror those highlighted by CDFA staff. Overall farmer interest in the program was high, demonstrated by the hundreds of growers who took time off on short notice during harvest season to learn about the program. However, the conversion of farmers' interest into completed and successful applications this first round was too low, resulting in the undersubscription of the program.

We offer the following recommendations based on feedback from farmers and technical service providers. We have an exciting opportunity with the next rounds of Healthy Soils funding to improve application period timing and duration, streamline the application, remove unnecessary program barriers, and support more effective outreach and technical assistance.

A farmer we know likes to say: "Good farmers are always experimenting on the edges." While the core of the program – incentives and demonstration projects – will remain the same, we hope you and your staff will see these recommendations as an opportunity to be responsive to our trusted partners in the field and to continue your own experimentation on the edges of this momentous program.

As always, we look forward to working with you and your staff in the coming months.

Onward!

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cc: Undersecretary Moffit, Dr. Gunasekara, Dr. Joshi, CDFA  
Edie Chang and Matt Botill, ARB

## **Memo Re: Healthy Soils Program Recommendations**

**February 2017**

**Brian Shobe**

**Jeanne Merrill**

California leads the nation in advancing sustainable agricultural solutions to climate change. In 2017, the California Department of Food and Agriculture (CDFA) launched the latest Climate Smart Agriculture initiative, the Healthy Soils Program – the first of its kind in the country. The initial 85 grant awards incentivize farmers and ranchers to adopt soil health practices that deliver climate benefits alongside a multitude of benefits to our farms and communities.

We must rapidly scale these benefits up to meet the complex challenges of the 21<sup>st</sup> century, among them: climate change, constrained water resources, air and water pollution, and maintaining viable agricultural communities. Moreover, soil carbon sequestration across vast acreages and reduced greenhouse gas emissions from agriculture are necessary to meet California's 2030 greenhouse gas (GHG) emissions target.

With those goals in mind, how did this first round of the program fare in catalyzing farmer and rancher interest in Healthy Soils?

Farmer demand for the program was high. Farmers and ranchers turned out at record rates for workshops on the program during the peak of the growing season in late August and early September. CDFA funded 32 workshops across the state in which 295 farmers and ranchers attended in-person and another 101 attended online.

But despite high workshop attendance, relatively few farmers and ranchers actually completed applications. Of the 272 applications started online, only 96, or one in three, were completed.

What were the barriers that prevented so many interested farmers and ranchers from applying? And how could the program improve farmer and rancher participation?

To help us answer these questions, we sought feedback and recommendations for the program from the people most intimately involved with outreach and application assistance to farmers – technical assistance (TA) providers, including Resource Conservation Districts, Cooperative Extension and nonprofits. We spoke with thirteen of the fourteen technical assistance providers funded by CDFA, plus four additional TA providers funded through outside funders. We summarize their feedback and recommendations below.

### **Program Feedback**

*“Based on our experience with potential grant applicants for the Incentives program, without a radical overhaul of the RFP, there's very little chance that a significant number of small farmers will be capable of carrying out projects (much*

*less assembling the proposals to receive an award), that address the goals and outcomes of the Healthy Soils program.” – Technical Assistance Provider*

The comments we received on the program align with much of the feedback summarized by CDFA staff at the October 26, 2017 meeting of the Environmental Farming Act Science Advisory Panel. TA providers shared the following with us:

1. The **application period (6 weeks in August-September) was insufficient** for TA providers to do effective outreach and insufficient for farmers to finish the application, especially considering it was the busiest time of year for most farmers. This prevented many farmers from even considering applying.
2. **Farmers found the application’s complexity and length very challenging.** Applicants must fill out an online application (equivalent to 10 pages in PDF form) with multiple open-ended questions, complete a minimum of 5 different worksheets/attachments, and obtain information from 1-3 external websites. The length and complexity of the application intimidated farmers and prevented many from applying or completing their applications, especially those with limited time, limited computer skills and/or limited English-language proficiency. Many of the application’s questions and forms are unnecessary to meet ARB’s requirements for GGRF programs and give an unfair advantage to farmers and ranchers who can afford outside consultants to complete their applications, who have strong English language and writing skills, and who have budgets for considerable administrative capacity.
3. **Farmers found the third-year cost-sharing requirement to be cost prohibitive.** Under the program requirements, all practices must be implemented for three years, but CDFA only offers two years of funding because of Greenhouse Gas Reduction Fund expenditure plan requirements. As a consequence, CDFA required awardees to contribute matching funds or in-kind contributions worth approximately one third of the overall project budget, including all costs incurred in the third year. For projects with high first-year costs and lower third-year costs (e.g. perennial tree and shrub plantings), this caused confusion about when and how to meet the match requirement. But regardless of the project type, the high costs associated with the third year of required match funding were simply cost prohibitive for many farmers.
4. **Farmers were confused and frustrated by the soil management practice requirement.** CDFA required applicants to plan to adopt or maintain at least one of five “soil management” practices for three consecutive years in the same field in order to be eligible to apply for any of the other ten Healthy Soils practices. In other words, if a farmer or rancher wanted to plant a hedgerow, riparian buffer, or windbreak (all of which sequester carbon and prevent soil erosion, but were *not* deemed “soil management” practices), they would first have to commit to adopting or maintaining one of the five “soil management” practices for three consecutive years. Farmers and ranchers rightly saw all fifteen practices eligible under the program as soil management practices, with obvious benefits for carbon sequestration, soil health and soil erosion prevention, and had legitimate reasons for not wanting to adopt or maintain one of the five arbitrarily

designated “soil management” practices for three consecutive years on the same field. This requirement especially limited ranchers – whose only applicable “soil management” practice was compost application, which many felt was either cost-prohibitive or impractical on their rough terrain – and innovative farmers – whose dynamic operations already utilize many of the “soil management” practices, but not always on the same fields in consecutive years – from applying.

5. **Some practice standards were too inflexible and some practice reimbursement costs were too insufficient.** For example, many wine grape and vegetable growers wanted to add compost or grow cover crops in a multi-year or multi-field rotation based on soil, plant, or production schedule needs, but the current program guidelines do not allow this. The program guidelines require practices to be implemented on the same field for three consecutive years, which many farmers and ranchers considered impractical and therefore decided not to apply. Moreover, many farmers and ranchers considered the payment rates too low to act as an incentive for certain practices. This was especially true for applicants interested in compost application, as the reimbursement rate did not account for regional differences in compost prices or sufficiently cover hauling and application costs. Making matters worse, the compost application practice standard deemed on-farm compost ineligible, preventing farmers and ranchers from using the cheapest and, in some areas, *only* source of compost available.
6. **The Demonstration Project requirement that 120 unique farmers or ranchers visit the demonstration site during the 3-year project period is impractical** for some agricultural regions. A number of farmers and TA providers told us that in their rural regions, where farmers have to travel long distances to attend events, having a dozen or more farmers attend their events is considered a success. Thus, they considered the 120-farmer attendance requirement unrealistic and decided not to apply, despite having strong candidates for demonstration sites.
7. **Farmers and TA providers considered workshops inadequate for application assistance.** Most TA providers felt the workshops held for the program could only reasonably be expected to serve as an outreach tool. The vast majority of applicants needed one-on-one project development and application assistance to complete their application, but some TA providers felt they did not have adequate resources (time or money) to meet the need for one-on-one assistance.
8. The **absence of promotional materials and sample applications** (in English, Spanish, or other languages spoken by California farmers) forced individual TA providers to either create their own or go without, which was an inefficient use of resources and especially limited outreach and TA to farmers with limited English proficiency.
9. The **response to applicants’ and TA providers’ questions was too slow.** When applicants or TA providers submitted questions about the application or program guidelines, they would receive an automatic response saying an answer to their question would be included in a “Questions & Answers” document posted to CDFA’s website on one of two dates during the 6-week application period. This process resulted in applicants

and TA providers often times waiting a week or more for a response, significantly slowing down progress on applications. Questions submitted after the second date were simply not answered, resulting in farmers and TA providers not having the ability to get questions answered during a critical period for finishing applications before the deadline.

10. The **disadvantaged community (DACs) criteria confused applicants and TA providers** and led some applicants whose projects are in DACs and/or are themselves residents in DACs to pass over the opportunity to get DAC status. The application asked applicants to answer and provide supporting documentation for seven DAC eligibility questions; however, no examples of supporting documentation were provided. Moreover, some of the criteria established by ARB for DAC determination does not make sense for Healthy Soils projects (e.g. hosting a community meeting to get local input on project design; letters or emails as documentation of community support). Such criteria were developed by ARB for much larger-scale, community-level projects and projects that have potential adverse impacts on disadvantaged communities. The DAC criteria that are relevant to the Healthy Soils program are: 50% of the project is located in a DAC, 25% of work hours are performed by DAC residents, and the practices implemented will reduce dust exposure. Rather than have the applicants determine if they are meeting DAC requirements, the reviewers or CDFA staff can determine this by using the project sites' and applicants' residential addresses and determining which Healthy Soils practices reduce dust exposure.

## **Recommendations**

### **Improve Application Period Timing and Duration**

- Open the application period between November and April, when farmers generally have more time and capacity to work on grant applications.
- Allow for a 12-week application period to give TA providers sufficient time to do effective outreach (e.g. outreach at agricultural community events, personal phone calls, advertising through agricultural supply stores, and mailings), project planning, and application assistance.

### **Streamline the Incentives Program Application**

- Make the application available as an off-line fillable PDF to accommodate farmer applicants with less technological proficiency and to allow easier saving and sharing with TA providers.
- Eliminate all open-ended essay questions for the application. Use check-boxes instead.
- Reduce the number of attachments required (e.g. integrate the work plan template into the application – more below – and combine the budget and cost-sharing attachments).
- Replace the work plan with a check-box approach for the applicant's desired new practices and add drop-down textboxes to fill in the APNs, Field Numbers, Acreages, and Start and End Dates for each practice selected.
- Resolve the confusing and burdensome Disadvantaged Community Criteria section on the application by working with ARB to create better program-aligned criteria, including consideration of whether an applicant identifies as a Socially Disadvantaged Farmer. To

the extent possible, have CDFA staff assess applications for DAC status (using addresses and OEEHA tools) after the eligibility phase of the review process.

### **Remove Unnecessary Program Barriers**

- Resolve the third-year requirement of the program by either working with administration and legislative budget staff to extend the GGRF expenditure plan requirements for CDFA from two years to three years or eliminate the third-year requirement altogether for the program.
- Eliminate the soil management practice requirement.
- Drop the 120-farmer participation requirement for demonstration projects and instead hold applicants accountable to SMART (Specific, Measurable, Ambitious, Realistic, Time-bound) goals.
- Allow practices to be rotated among fields (e.g. cover crops in rotation).
- Allow practices to be applied once or every other year and pay for them accordingly (e.g. one-year rangeland compost, every other year vineyard compost, every other year mulch application).
- Allow on-farm compost, provided it was produced using best management practices.
- Allow cover crop mixes (e.g. legumes and non-legumes) in the cover crop practice.

### **Prioritize One-on-One Technical Assistance to Get the Most Out of Limited Funding**

- Prioritize funding for one-on-one technical assistance and adequately reimburse TA providers for their outreach and assistance on the program.
- Recognize that effective outreach can be done in ways that don't involve a workshop.

### **Support Outreach and Technical Assistance with Multilingual Promotional Materials, Sample Applications, and Real-Time Application Q&A**

- Create promotional and application assistance materials for the program (e.g. flyer/brochure, fact sheet, FAQ, sample application)
- Translate all program materials (outreach and application) into Spanish. Make translation services available for other languages upon request.
- Allow for real-time responses to questions during the application period all the way through the deadline; post responses to the program webpage on a weekly basis.

### **Institute Feedback Process and Program Evaluation for Equity Considerations**

- Re-evaluate payment rates based on feedback from TA providers and applicants
- Seek feedback from 1<sup>st</sup> round TA providers on revised application and program guidelines
- Survey 1<sup>st</sup> round award recipients 12 months into the project period to receive feedback about how to improve future rounds
- Add a socially disadvantaged farmer/rancher (as defined in Section 510-514 of the Food and Agricultural Code) checkbox to the application so that CDFA can monitor program participation by socially disadvantaged farmers/ranchers and make recommendations to improve participation per the requirements of the Farmer Equity Act

## **Ensure Demonstration Project Research Contributes to COMET Planner and Refines Program**

- Establish methodology standards and an open data management plan to ensure that demonstration project GHG research results will be useful in refining the COMET Planner GHG quantification tool and other climate and ag models and research.

## **Conclusion**

With 22 Healthy Soils demonstration projects kicking off this spring and word spreading about the program, we anticipate even greater farmer interest by the time the next round of funding is announced.

To ensure that interest results in farmers completing vastly more applications and the full subscription of the program, CDFA must improve the program guidelines, application period and timing, application process, and outreach and technical assistance strategy.

Many of the hundreds of farmers and ranchers, who started but did not complete applications in the first round, will consider applying again if they learn there has been significant improvements to the program guidelines and application. We owe it to them to do so.

Farmers and ranchers, researchers, advocates, and government leaders around the country and world are eagerly watching the development of this program to see if it is a successful model for others to follow. To be successful – to scale up both the producer demand for and critical benefits of the program at the rate we know we must – the program must be responsive to the needs of farmers and ranchers.

Now is the time to act. CDFA has the opportunity to demonstrate its responsiveness to partners in the field, improve program delivery and further enshrine the legacy of this administration as a leader in agricultural solutions to a changing climate.