Consideration of Sacramento-San Joaquin Delta Conservancy General Grant Guidelines
Staff Report

This agenda item requests Board approval of a final draft of the Sacramento-San Joaquin Delta Conservancy General Grant Guidelines.

RECOMMENDATION
Staff recommends Board approval of the Sacramento-San Joaquin Delta Conservancy General Grant Guidelines.

DESCRIPTION
The proposed General Grant Guidelines will guide the Conservancy in granting funds in the absence of the need for alternative grant guidelines that incorporate provisions required by a particular funding source, policy, or mandate. For example, the Conservancy has grant guidelines for the Ecosystem Restoration and Water Quality Grant Program and a different set of guidelines for the Community and Economic Enhancement Grant Program, with each set of guidelines containing provisions specific to the requirements of the bonds that fund those programs.

The immediate needs for these guidelines is to enable the Conservancy to provide grants using the $5,250,000 appropriated to the Conservancy from the General Fund from Natural Resources Packages added to the 2021 Budget Bill by Senate Bill 170 (Skinner, Budget Act of 2021) to support climate, conservation, and public access projects, and the $10,000,000 of General Funds provided to the Conservancy by the Department of Water Resources to support implementation of the Delta Drought Response Pilot Program. Both Governor Newsom and Secretary of Natural Resources, Wade Crowfoot, have placed a priority on implementing actions to address the critical needs for which this funding was appropriated.

Beyond the immediate need, the Conservancy will also use the General Grant Guidelines to provide grants that do not have specialized requirements. The General Grant Guidelines provide guidance for grants that advance environmental protection and the economic well-being of Delta residents, priorities for the Conservancy as specified by the Legislature in Public Resources Code Section 32322. The General Grant Guidelines are designed to provide guidance that is applicable for a variety of grants to address those priorities and ensure that funds are administered and expended appropriately. The draft General Grant Guidelines were developed by adapting Proposition 1 Grant Guidelines, which have proven effective.

At the October 27, 2021 meeting, the Board discussed and approved a Public Draft of the guidelines. The guidelines were posted for public comment from November 4, 2021 through December 5, 2021. No comments were received.
The following minor edits made to the draft for public review approved by the Board.

- Land access agreements are required at the discretion of the Conservancy rather than in all instances in which the grantee is not the landowner. Requiring recording of land access agreements is also at the discretion of the Conservancy. These changes were made based on past experience, which has shown that there are some instances in which a land access agreement may not be necessary or may not need to be recorded. Language was also added indicating that the Conservancy may require recording of a landowner access agreement prior to disbursing grant funds. Edits were made to page 15.

- The requirement to maintain capital assets for 15 years has been changed to be at the discretion of the Conservancy. There are some instances in which 15 years may not be the appropriate timeframe for maintenance or in which there is not a need for a specified maintenance period. Edits were made to pages 4, 14.

- A provision was added to prohibit related-party contracts and the need to demonstrate aspects of the budget was clarified. This change was made upon the recommendation of the Department of Finance provided during an audit of the Proposition 1 Ecosystem Restoration and Water Quality Grant Program. Changes were made to page 17.

- A correction was made to clarify that indirect expenses may not be included in the hourly rate for personnel services. The change was made to page 19.

BACKGROUND
The Sacramento-San Joaquin Delta Conservancy has statutory authority to provide grants to state agencies, local public agencies, and nonprofit organizations to further the goals of the Conservancy (Pub. Resources Code, § 33264.5).

SUGGESTED MOTION LANGUAGE
Move that the Board approve the Sacramento-San Joaquin Delta Conservancy General Grant Guidelines for use in granting funds that do not have specific bond related requirements.

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