



Land Use & Natural Resources Committee

November 26, 2014

Specialty Crop Block Grant Application

Issue: SACOG staff is seeking approval to submit proposals to the California Department of Food and Agriculture (CDFA) for the 2015 Specialty Crop Block Grant program.

Recommendation: That the Land Use & Natural Resources Committee recommend that the SACOG Board authorize staff to submit a concept proposal and full application for the CDFA Specialty Crop Grant program.

Discussion: The CDFA expects that up to \$19 million in block grants from the U.S. Department of Agriculture (USDA) will be made available this year to increase the competitiveness of specialty crops by creating or expanding markets and forming partnerships. Specialty crops are defined as fruits, vegetables, tree nuts, dried fruits, horticulture, and nursery crops. These crops account for 52 percent of U.S. farm gate value according to the USDA and make up much of California's agricultural production.

Staff is considering two proposals and currently working with partners on concept proposals and budgets. The first proposal will focus on water resources management for expansion of specialty crop production in the Sacramento Valley. The work will examine the economic and environmental considerations of expanding specialty crop production and how the use of irrigation technologies can support that expansion while minimizing increased demand for water. The work will also assess scenarios that consider cropping patterns and irrigation schemes that support specialty crop expansion, but also target strategic areas for irrigation practices that help recharge aquifers.

The second proposal is to develop production studies for specialty crops that are prime candidates for expansion in the Sacramento Valley. While the UC Cooperative Extension (UCCE) regularly conducts research on production costs, those studies are limited mainly to key crops in a given region. Since the diversity of specialty crops grown in the Sacramento Valley is limited, there are few UCCE studies available to help farmers, bankers, ag commissioners, economic development staff, planners, etc. understand the potential to diversify cropping patterns to take advantage of new market opportunities.

Concept proposal are due on December 5. CDFA will announce invitations for full grant proposals in February and applications will be due on March 22, 2015. Staff is seeking approval to submit a full application if the conceptual proposals are accepted. If successful, work on these projects would begin in late 2015.

Approved by:

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Chief Executive Officer

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