



## Land Use & Natural Resources Committee

March 27, 2014

### Working Landscapes Initiative

**Issue:** SACOG has launched an effort to identify the environmental services and related environmental and market opportunities for open lands. The work complements the agricultural economics results from the Rural-Urban Connections Strategy (RUCS).

**Recommendation:** None. This item is for information only.

**Discussion:** As part of the 2012 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS), the SACOG board approved policies and strategies related to open space conservation and environmental sustainability, which are included in Attachment A. The MTP/SCS also included a RUCS Appendix, which identifies ways that SACOG can work with open space stakeholders to improve the region's understanding of and planning for resource conservation and enhancing environmental services (see Attachment B). Such open space work compliments the agricultural economics work of RUCS and forms a broader, more comprehensive understanding of the full range of agricultural and environmental services market opportunities provided by open land. Together, these opportunities form the basis for what has become known nationally as "working landscapes."

As part of the overall request for grant funds via The California Strategic Growth Council's 2011 Sustainable Communities Planning Grant and Incentive Program, SACOG was awarded \$50,000 to conduct a comprehensive, stakeholder directed scoping effort as a first step to implementation of a working landscapes initiative. In January 2013, SACOG released an RFQ for consulting services to address a broad portfolio of natural resources work, including the oversight of SACOG's working landscapes initiative. In February 2013, Stacey McKinley was awarded the contract to conduct this work. In July, the first meeting of open space stakeholders was held (stakeholder list provided as Attachment C) to begin scoping the working landscapes initiative. A survey was submitted to the stakeholders (Attachment D) and two subsequent joint meetings were hosted in addition to several one-on-one interviews. The focus of these efforts was designed to better determine (with appropriate deference to the aforementioned MTP/SCS documents) the scope of the overall working landscapes initiative with key recommendations and implementation actions defined. Ms. McKinley is completing interviews with stakeholders and beginning to write the scope of work, which will be brought to the committee in May for review. Ms. McKinley endeavors to create consistency with the Statewide working landscapes effort and to that end will be utilizing a template of recommendations recently presented at the California Economic Summit (see Attachment E). The first recommendation from the Working Landscapes Action Team is to fund the statewide expansion of the UrbanFootprint model and SACOG's RUCS project.

Approved by:

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Attachments

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# MTP/SCS Policies and Strategies Related to Regional Working Landscapes Effort

**1. Policy: Provide information, tools, incentives and encouragement to local governments that have chosen to grow consistent with Blueprint principles.**

1.4. **Strategy:** Create and invest in a rural strategy and program to improve transportation systems that affect the economic viability of rural areas located in jurisdictions that implement good growth patterns, consistent with the Blueprint Principles, the Rural-Urban Connections Strategy, or other rural initiatives.

**2. Policy: SACOG intends to educate and provide information to policymakers, local staff, and the public about the mutually supportive relationship between smart growth development, transportation, and resource conservation.**

2.10 **Strategy:** Provide technical analysis and education to inform policy and decision makers, local staff, and regional stakeholders about the benefits of strategic growth management on the region's open space resources and the economic and environmental benefits they provide.

**6. Policy: SACOG encourages local governments to direct greenfield developments to areas immediately adjacent to the existing urban edge through data-supported information, incentives and pursuit of regulatory reform for cities and counties.**

6.5. **Strategy:** Encourage local jurisdictions to use RUCS data and tools to analyze possible impacts to agriculture and natural resources from the urban growth footprint.

**7. Policy: Implement the Rural-Urban Connection Strategy (RUCS) which ensures good rural-urban connections and promotes the economic viability of rural lands while also protecting open space resources to expand and support the implementation of the Blueprint growth strategy and the MTP/SCS.**

7.1. **Strategy:** Use research, data and modeling to inform a stakeholder-driven process to conceptualize approaches to sustainable rural land use policies encompassing, at a minimum, issues such as agricultural practices, natural resource and agricultural land conservation, economic development and market influences (including markets for energy, carbon sequestration and other environmental services), rural development practices (including methods to encourage jobs-housing fit and minimize the impact of rural development on agriculture), and infrastructure needs.

7.2. **Strategy:** Ensure consistency between the RUCS and local Habitat Conservation Plans and Natural Communities Conservation Plans.

7.3. **Strategy:** Ensure that the RUCS is coordinated with the Blueprint and MTP/SCS to support each of these planning efforts individually, as well as collectively.

7.4. **Strategy:** Conduct analysis on how various rural land use strategies affect vehicle miles of travel, mode share and air emissions, as well as rural economic viability and environmental sustainability.

7.5. **Strategy:** Invest in transportation projects that help implement the RUCS recommendations. Investment recommendations may include agritourism-related and goods movement projects and funding rural road improvements between cities when the county implements growth patterns consistent with the Blueprint.

7.6. **Strategy:** Support improved farm-to-market access, including investments along key rural truck corridors and cost-effective short-line railways and connectivity improvements to the Port of West Sacramento.

7.7. **Strategy:** Continue to refine SACOG funding criteria to ensure that they adequately recognize the unique needs of rural areas and provide proper incentives to reward rural land use and transportation practices that benefit the region and local areas.

**9. Policy: Use the best information available to implement strategies and projects that lead to reduced Greenhouse Gas (GHG) emissions.**

9.4 **Strategy:** Create an alternative fuel vehicle and infrastructure toolkit for local governments, create a public education program on individual transportation behavior and climate change, and create a regional open space strategy that is informed by RUCS.

# MTP/SCS RUCS Appendix Related to Regional Working Landscapes Effort

## **Environmental Services: Understanding and enhance environmental sustainability**

As mentioned throughout this report, the rural landscape not only produces food and fiber, but also provides a range of recreation and environmental services including: carbon sequestration, energy production, flood protection, groundwater recharge, habitat, and a wide range recreational uses. The RUCS objective is to work with stakeholders to develop strategies that enhance economic viability and environmental sustainability. Much of the RUCS work to date has focused on policies and plans that protect rural lands and support the agricultural and forestry industries. This work is helping the region improve the economic viability of rural industries which, coupled with smart urban growth strategies, is a critical component for conserving land. It is being accomplished through understanding challenges and opportunities, and using technical tools to assess current and future conditions and compare scenarios. This same approach will be applied to environmental services topics. While some of the environmental work has been included in RUCS accomplishments to date, SACOG intends to work with stakeholders to develop a richer understanding of the parks and open space challenges and opportunities and build data and modeling tools that help the region use better information for better decision making.

SACOG envisions providing the wealth of existing information developed through RUCS and future research to all stakeholders to identify regional goals and objectives, as well as strategies for achieving them. The land use section of this report includes such an objective as an innovation for addressing land conservation and environmental sustainability. Three examples of similar efforts are cited in that discussion and could provide a framework for how a similar effort in the SACOG region could be structured. With Board direction, SACOG could be a member of this collaborative and offer its range of planning and technical capacities to support it.

To support any new regional objectives, an inventory of existing data on recreational and open space lands could be assembled and analyzed for gaps. A recent example of such an effort is the Six County Aquatic Resource Inventory, which gathered aquatic resource data in the region and then identified where more data is needed to inventory resources. A similar effort can be conducted for other resources. Some possible data include:

- Groundwater recharge areas
- Riparian areas that contribute to floodplain protection

- Carbon storage
- Habitat connectivity/critical linkages
- Soils
- Vegetation data
- Habitat values for terrestrial and aquatic species
- Climate adaptation (measure of stress or vulnerability)
- Recreation (parks, trails and open space)
- Protected areas and priority conservation lands (habitat and working lands)

Where possible, these data could be integrated with the RUCS modeling platform to perform analysis of not only agricultural viability, but also environmental sustainability. Particularly where there are market opportunities for environmental services, these data and modeling results can help stakeholders and policy makers understand and promote resource conservation opportunities.

A rich set of information on the current and prospective uses for recreational and open space lands combined with goals and strategies could help the region secure and leverage state, federal and private funds to identify and invest in key areas that serve multiple benefits, such as flood protection, groundwater recharge, recreation, and natural resources and agricultural preservation. Some possible sources of funding include:

- Mitigation funds from development and infrastructure projects
- State water bonds (current and potential future)
- Private philanthropic dollars
- AB 32 auction revenues (or other sources) for conservation actions that sequester carbon and/or avoid conversion that releases carbon

As opportunities arise, SACOG will continue to work with stakeholders to capitalize and leverage any opportunities to achieve the rural economic and environmental sustainability objectives of the RUCS project.

SACOG Rural-Urban Connections Strategy/Working Landscapes Effort

***Stakeholder Entity List:***

Academia – UC Davis

Agricultural interests

Builders/Developers

Conservancies

Environmentalists

Federal and State Natural Resource Agencies

Flood Control

Forestry

HCCP/NCCP Project Managers

RCD's

Recreation Interests

Water supply and Water Quality Interests

**SACOG RUCS Working Landscapes Questionnaire**

As a key stakeholder to the Rural Urban Connections Strategy/Working Landscapes effort your answers to the following questions will help to shape the overall vision, strategy and work plan of this project.

Rural-Urban Connections Strategy/Working Landscapes Questionnaire  
July 26, 2013

1. What is the primary focus of your organization or work? In what industry do you work?
2. What is the geographic area of your work? Please include sourcing, production and distribution if you provide a product.
3. Is the focus of your work contained to this geographic area? If not, do other organizations do similar work in an adjacent jurisdiction?
4. What major plans or documents related to agriculture, open space, natural resources, habitat, ecosystem services, et cetera has your organization or company created?
  - a. Were there any gaps in the theoretical aspects of this plan or document that could have been expanded with more time, resources, data, et cetera?
  - b. Were there gaps in the geographic scope of this plan or document? Would it benefit from being scaled up or down to the regional perspective (SACOG's six counties)?
5. Have you created or encountered any reports or plans that use an economic or market-based approach to conserving or enhancing resources? (I.e: mitigation requirements, environmental quality incentives program, et cetera.) Please describe the geographic scope and what markets or resources they provided.
6. There are 3 million acres of non-urbanized land in the six-county SACOG region. What services, benefits, resources, amenities, or assets do these non-urbanized landscapes provide? Please list. For examples, parks provide recreation and health benefits; forests provide carbon sequestration; agricultural lands provide food, habitat and educational opportunities.

- a. Which of these resources can be quantified today? Perhaps in the future?
  - b. Which of these can be monetized?
  - c. What are other ways to consistently value these resources?
7. What challenges or threats face these non-urbanized landscapes?
8. What are challenges that you have faced when working with these lands?
  - a. Regulatory?
  - b. Policy/Process?
  - c. Other?
9. In your opinion, what would be the best outcome(s) of SACOG's "Working Landscapes" effort? For example, a regional working landscapes plan, inventory, or data clearinghouse.
10. In your opinion, what concerns should SACOG be aware of as it embarks on this effort?
11. What else should have been asked in this questionnaire? Any other comments?
12. Who else should receive this questionnaire (please see list of invited stakeholders to date)?

# WORKING LANDSCAPES

California’s economy, people and environment are hugely dependent on working landscapes, which include farmland, ranches, forests, wetlands, mines, water bodies and other natural resource lands, both private and public.

Working landscapes are a crucial part of California’s triple bottom line by:

- Producing jobs and healthy economies through agriculture, energy production, fisheries, forestry, mining, recreation and tourism – PROSPERITY;
- Providing health and nutrition, natural materials, recreation, culture and heritage as well as scenic/aesthetic qualities of life – PEOPLE; and
- Delivering environmental services such as wildlife habitat, clean air, clean water, carbon sequestration, adaptability and more – PLANET.

## PROBLEM STATEMENT

Working landscapes are undergoing major changes and there are not adequate tools or processes to address these changes. Lack of good data, smart policy, civic stewardship, access to capital, poor regulatory alignment and effective collaboration threaten to inhibit the state’s ability to make effective management and regulatory decisions about working landscapes.

## GOAL STATEMENT

Design and implement policy and programs that balance all potential values of working landscapes – reflecting true costs and benefits provided to both urban and rural communities – today and for future generations. Ensure that recommended policy and actions build upon the work of earlier initiatives and that all stakeholders are engaged.

### WHAT Recommendations

- 1 Data-Based Modeling**  
Develop statewide data and spatial modeling capacity to provide a range of economic and environmental indicators and metrics to assess strategies that protect and enhance working landscapes. This essential tool will provide policy makers, public agencies and the private sector new information and enable better decisions.

### HOW Implementation Actions

- **Fund the expansion of open-source software and resources planning efforts** – such as Urban Footprint and the Sacramento Area Council of Government’s Rural-Urban Connections Strategy (RUCS) project – to provide working lands modeling and planning that enhances both environmental services analysis and resource-based industries.
- **Ensure that this toolkit is available throughout California;** that users can easily customize it to suit their needs and that enhancements can be readily shared with other users.
- **Utilize this analysis capacity to bring an array of stakeholders to the table** and facilitate meaningful conversations and better decision making about working landscapes.

**WHAT**  
Recommendations

**HOW**  
Implementation Actions

2

**Policy Integration**

Integrate desired outcomes of various policy frameworks – including but not limited to AB 32, SB 375, farmland protection and watershed management, etc. – to define cohesive and realistic goals for balancing the needs to accommodate urban growth with the needs to conserve and enhance working landscapes.

Many policies are implemented in uncoordinated and inconsistent fashion, burdening land managers without producing a corresponding benefit. An integrated policy framework – with flexibility for regional variance in climate, watershed function, species mix, economic activities, etc. – would change this dynamic and enhance the economic and ecological bounty of California’s working landscapes while helping to provide a high quality of life in urban areas.

- **Develop regional objectives for land and water management** and enlist appropriate stakeholders to take responsibility for each objective; this should also facilitate responsible stewardship of leased lands and mixed ownership.
- **Seek balanced solutions to urban and rural land-use planning** that are economically efficient in providing services, infrastructure and quality of life amenities.
- **Remove barriers that limit participation in programs**, including but not limited to availability of relevant science and/or methodology, policy analysis, cost barriers, and conflict between overlapping regulatory regimes.
- **Coordinate the goals and objectives of OPR, Strategic Growth Council, LAFCO, DOC, CDFA and other agencies;** encourage inclusion of environmental and economic metrics.
- **Link SB 375 (Sustainable Community Strategy and Metropolitan Transportation Plans) goals, funding and implementation** to actions supporting working landscapes, goods movement and city-centered growth.

**WHAT**  
Recommendations

**HOW**  
Implementation Actions

3

**Market-Based Incentives**

Develop and test market-based incentives to reward land stewardship that enhances ecosystem services and demonstrates societal benefits of resource management. Establish verification measures that provide confidence to landowners, investors and policy makers.

- **Implement recommendations from the CRAE report** (“Guidelines for Creating Effective Ecosystem Services Incentive Programs and Policy” 2012).
- **Support initiatives to quantify and document the value of ecosystem services – an integral step towards developing future markets** – such as AB32 Carbon Credits and the California Department of Food and Agriculture’s Ecosystem Services Database.
- **Seek upper-watershed improvements** that increase water supply and quality, improve habitat and reduce forest fire damage.
- **Develop a new program for upstream watershed management** in conjunction with the 2014 California Water Bond, Bay-Delta Conservation Plan, Central Valley Flood Protection Plan, etc.
- **Replicate innovative ratepayer-based, upstream water management opportunities** to support water quality and quantity for all towns and cities.
- **Advance policies, programs and regulations that provide regulatory certainty and predictability for land owners/managers** to incentivize proactive management that enhances water quality and quantity, soil conservation, threatened and endangered species, marketable resources and other environmental services.
- **Utilize safe-harbor agreements in more instances**, and fully implement the so-far unused state SHA program created by SB 448.
- **Collaborate with efforts to reform CEQA that offer positive support for working landscapes** and explore options to reduce frivolous litigation.
- **Expand grant and loan programs for projects that enhance environmental services**, including but not limited to directing state cap-and-trade revenues to working landscapes and developing land-banking programs.

**WHAT**  
Recommendations

**HOW**  
Implementation Actions

**4**

**Capital Investments**

Align public and private investments to create a competitive advantage in markets and industries connected to working landscapes and rural communities; target capital to viable natural-resource-dependent enterprises.

- **Reorient economic development and workforce programs to support regional industry clusters** – emphasizing rural and urban collaboration; develop data and analysis to identify clusters, target policy, and track performance.
- **Establish a grants program** to address gaps in cluster performance.
- **Pursue industry-based partnerships and leverage private and public resources.**
- **Support and expand** entrepreneur-training programs, apprentice opportunities and business services.
- **Improve support and services** to businesses interested in local, national, and international markets.
- **Increase investment in rural and natural resource-based economies.**
- **Link capital to entrepreneurs, well-managed businesses, infrastructure and clusters.** Create regional investment funds and innovations like crowdfunding and microloans.
- **Increase investment in key infrastructure** (roads, bridges, flood control, water storage/conveyance, broadband, etc.).
- **Utilize restoration of natural resources and enhanced experiences on publicly accessible lands** to provide jobs and develop vibrant resource-based economies.
- **Develop state and regional goods-movement strategies;** ensure rural needs are met.
- **Organize collaboration** of state’s technology clusters, academic and research resources.
- **Improve transfer of research** to commercialized technology and implementation tools.
- **Establish vibrant intercommunity information and innovation dissemination methods.** Foster an entrepreneurial culture and “eco-system” including for the ag cluster.

**WHAT**  
Recommendations

**5**

**Communication and  
Collaboration**

Build coalition to promote understanding of the value of working landscapes.

**HOW**  
Implementation Actions

- **Educate policymakers, landowners and the public** about the economic and environmental benefits of working landscapes.
- **Develop curriculum for K-12 as well as adult education** concerning the connections between urban economies and working landscapes.
- **Where conversion of working landscapes is inevitable, work with policymakers** to ensure adequate mitigation is required, including funding for conservation easements.

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