



LandFlex

World Ag Expo Workshop

presented by

Western United Dairies & Almond Alliance

February 14th , 2023





LandFlex

LandFlex was developed in response to the Governor's - California's Water Supply Strategy, Adapting to a Hotter, Drier Future.

Objectives of LandFlex:

- To protect vulnerable drinking water wells in drought-stricken communities.
- To limit groundwater pumping in areas near communities reliant on vulnerable drinking water wells before they go dry.
- Eliminate long-term unsustainable groundwater pumping.

Funding Summary



LandFlex

Available Funding = ~ \$25 million

- DWR Administrative Costs = 5% (\$1.25M)
 - Technical Assistance Providers (4 NGOs) = \$460,000
 - **Remaining Available Funding for Applicants = ~\$23.3M**
- Total of 3 awards maximum for this solicitation provided to GSA's via block grant
 - Additional funding may be available based FY Budget Needs
 - Applicant grant awards will have an approximate range between \$7.7M to \$11.6M per GSA



Program Summary

Farmers receive incentives for the following actions:

- **Provide Immediate Drought Relief by fallowing land for 1 year.** For each acre-foot of water saved in the ground, a farmer will receive up to a cap of \$350 per acre-foot – final amount to be determined by local GSA dependent on local conditions
- **Long-Term Elimination of Groundwater Overdraft.** A farmer will receive \$1,000/ per acre-foot to permanently eliminate each acre-foot of annual pumping that exceeds locally determined levels of groundwater sustainability. Alternatively, an appropriate amount may be determined by a GSA and a farmer
- **Transition to more climate-resilient ag practices.** Depending on current land uses, the farmer could receive between \$250-\$2,800/acre for the removal of permanent tree crops, purchasing upcycled ag waste for dairy feed replacement, and planting cover crops that use natural rainfall to grow

Program Summary



LandFlex

- Enrolled acreage - up to a total of 40 acres or 25% of total acreage, whichever is greater
- Scoring based on proximity to reported dry wells and at risk communities
- Individual applicants must include a Fallowing Plan or equivalent (e.g., land repurposing plan).
Scope of Work (fallowing) is for activity done in WY 2023, ending September 30, 2023
- GSA must use ET or groundwater well metering as a form of accounting methodology
- Eligible Costs: December 9, 2022 – September 30, 2023

Definitions

Payment Components

- **Domestic Well Drought Relief**
- **Sustainable Yield Acceleration**
- **Transition**



Definitions

Overdraft

- **Overdraft Allocation** – total overdraft greater than sustainable yield
- *Quantified amount of groundwater pumping allocation that exceeds the sustainable or native yield (ac-ft/acre) and is contributing to conditions of long-term overdraft. Overdraft allocations are being used as growers transition to the sustainable yield allocations to meet groundwater sustainability goals. Overdraft allocations are not transferable or bankable within or outside of the basin and under LandFlex must be permanently eliminated*



Program Schedule

Milestone or Activity	Tentative Schedule
Grant Solicitation Begins	January 17, 2023
Applicant Workshop (Eligible GSAs)	January 19, 2023
Grant Solicitation Closes	February 3, 2023
Final Awards Announced	February 20, 2023
Farmer Portal Opens	February 21, 2023

Eligible Costs: December 9, 2022 – September 30, 2023



Eligibility Criteria For GSA's

Eligible Applicants

- GSAs, Member agencies of a GSA, or agencies with an approved Alternative to a GSP

Eligibility Criteria, *applicant must:*

- **Be located within a critically overdrafted (COD) basin (per Bulletin 118).**
- **Have a groundwater allocation plan in place and have implemented during WY 2022 (October 2021-September 30, 2022)**
- **Have a quantified volume of allowed annual overdraft pumping available**
- **Have implemented a remote sensed evapotranspiration (ET) accounting method (e.g., OpenET, LandIQ, or similar) or demonstrate use of an equivalent alternative accounting method (e.g., groundwater well metering)**



GSA Resources for Dry Wells Information

Density of Dry Wells: DWR's SGMA

Data Viewer website:

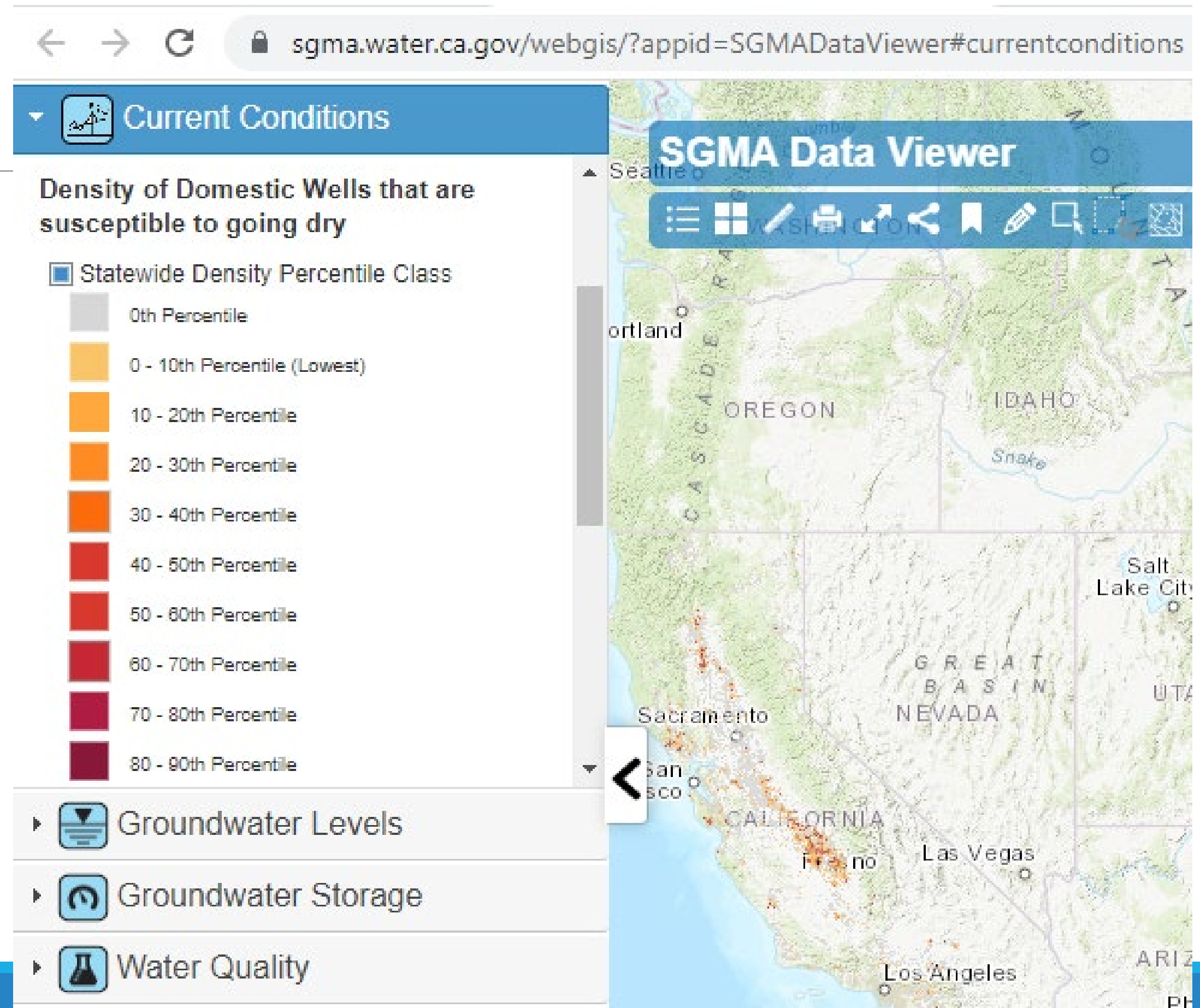
<https://sgma.water.ca.gov/webgis/?appid=SGMADataViewer#currentconditions> (under Current Conditions).

Dry Well Susceptibility and Dry Wells

Reported: DWR's California

Groundwater Live Dashboard

<https://storymaps.arcgis.com/stories/f2b252d15a0d4e49887ba94ac17cc4bb>.



GSA Scoring Criteria

TABLE 4 – APPLICATION EVALUATION CRITERIA			
Section Name	Questions	Possible Points	Scoring Guidance
Dry Wells	What is the total number of high density (>80 th percentile) sections of domestic wells susceptible to going dry within a GSA boundary (e.g., Public Land Survey System section which equals 1 square mile)?	15	<ul style="list-style-type: none"> 15pts – >20 high density sections 10pts – 10-19 high density sections 5pts – 5-9 high density sections 1pt – <4 high density sections
Dry Wells	What is the number of domestic wells in the GSA boundary that are susceptible to running dry?	15	<ul style="list-style-type: none"> 15pts – >500 wells 10pts – 200-499 wells 5pts – 100-199 wells 1pt – <99 wells
Dry Wells	What is the number of reported dry wells located within the GSA boundary in the past 24 months?	15	<ul style="list-style-type: none"> 15pts – >200 wells 10pts – 100-199 wells 5pts – 50-99 wells 1pt – <50 wells
CEP	Does the applicant have a Communication and Engagement Plan (CEP) that includes identifying, outreaching, and engaging URCs (e.g., Tribes, DACs, SDACs, small farmers, or other URCs) that includes identifying and addressing the URC's needs, risks, and vulnerabilities with respect to the implementation of SGMA?	10	<ul style="list-style-type: none"> 10pts – CEP identifies and addresses all URCs needs, risks, and vulnerabilities 7pts – CEP identifies some URCs and addresses those needs, risks, and vulnerabilities 5pts – CEP identifies URCs but does not address any URCs needs, risks, or vulnerabilities 1pts – CEP but does not identify any URCs
Fallowing Plan	Does the applicant provide plans that identifies the use of cover crops, regenerative/indigenous farming, or similar methods that ensure the fallowed land will not increase in air quality or water quality degradation as a result of fallowed land? Or applicant has an equivalent plan (e.g., land repurposing plan) that identifies the above information for fallowed land.	10	<ul style="list-style-type: none"> 10pts – has a plan and is implementing in other areas of basin 7pts – has a plan but has not implemented the plan 5pts – plan has started but is not completed 1pts – applicant has just begun developing a plan but will require similar methods on fallowed land 0pts – applicant has not started a plan and does not intend to require
Multi-Benefits Reporting	Did the applicant provide a method(s) to identify and quantify benefits achieved with the implementation of the grant agreement? Have the proposed monitoring methods been proven to provide the actual benefits claimed?	10	<ul style="list-style-type: none"> 10pts – monitoring methods proven and will provide post-implementation data 5pts – monitoring methods are not proven but seem reasonable to provide post-implementation data 0pts – methods unproven and not reasonable to provide post-implementation data
Total Range of Possible Points		0-75	
Total Points Overall Project:			
TOTAL FUNDING RECOMMENDED:			\$



An aerial photograph of a vast, green agricultural field, likely corn, with a tractor visible in the distance on the left side. The field is divided into rows, and the perspective is from a high angle looking down. The right side of the image transitions into a dark green background where the text is located.

Funding for Farmers

LandFlex will provide financial incentives to farmers for each enrolled acre

To ensure small and mid-sized farms have access to the program, eligibility is limited to farmers with a 3-year average **Adjusted Gross Income of \$2.5 million** or less

A single entity may enroll **up to 25% of their total acreage or 40 acres - whichever is greater**

No individual grant will be greater than \$2.5 million

Farmers are identified based on their proximity to drinking water wells that have gone dry or are in jeopardy of going dry

Farmers will need to submit the following:

- FSA Form 578 and FSA 1123 for years 2021 and 2022
- CCC Form 941 for those not having FSA documentation
- Copy of lease (if applicable)
- Any other documentation that demonstrates crop planting pattern if FSA documents are not available



Is LandFlex for me?

- In a LandFlex Grant awarded GSA? - YES
- Land in proximity to reported dry wells/at risk water communities? - YES
- Considering following land? - YES
- Looking to adhere to or plan for SGMA? - YES



Is Landflex For Me?

- 40 Acres of Alfalfa

- ET = 3AF per Acre

- GSA Sustainable Yield Allocation = 1 AF per Acre

Domestic Well Relief Payment: 40 acres x 3AF x \$350 =\$42,000

Sustainable Yield Acceleration: 40 acres x 1 AF x \$1000=\$40,000

Transition Payment: 40 acres x \$2000/acre=\$80,000

Total: \$162,000

Under this scenario, a farmer and his GSA determines that there is 1 AF of overdraft to sell, and that the domestic well relief payment is the maximum of \$350 per AF



Is Landflex For Me?

- 40 Acres of Almonds
- ET = 3.5AF per Acre
- GSA Sustainable Yield Allocation = 1 AF

Domestic Well Relief: $40 \text{ acres} \times 3.5\text{AF} \times \$350 = \$49,000$

Sustainable Yield Acceleration: $40 \text{ acres} \times 1 \text{ AF} \times \$1000 = \$40,000$

Transition Payment: $40 \text{ acres} \times \$2800/\text{acre} = \$112,000$

Total: \$201,000

Under this scenario, a farmer and his GSA determines that there is 1 AF of overdraft to sell, and that the domestic well relief payment is the maximum of \$350 per AF



Payment Miscellaneous

Once GSA's are selected, a local average ET number will be provided to assist with estimating payment

Cover cropping is expected as part of the contract

Cover crop ET needs to be estimated at time of contract and deducted as part of overall savings

Domestic well relief payment/ET savings will be a contract for one year

Following year of fallowing, property may return to production within the confines of the GSA's sustainable yield



Questions?

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Technical Assistance Providers (TAP)