California Climate Investments

Department of Forestry and Fire Protection

Forest Health Program
Grant Guidelines 2018-2019

Updated: January 24, 2019

Updates are highlighted.

Proposals Due: 3 p.m. January 29, 2019

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FOREST HEALTH PROGRAM SUMMARY

CAL FIRE's Forest Health Grant Program funds partners to complete land management activities that achieve the goals of the Forest Carbon Plan[1], California's Natural and Working Lands goals[2], and California's climate goals[3] as defined by the Global Warming Solutions Act.

A summary of these goals is to conserve forests and restore forest health by significantly increasing fuels reduction, fire reintroduction, treatment of degraded areas and conservation of threatened forests with landscape-scale projects developed and led by regionally-based efforts. These projects must have calculated climate benefits that account for reduced greenhouse gas emissions (GHG) from 1) treatment activities, 2) avoided future wildfire and fossil fuel use, and/or 3) sequestering carbon through reforestation or increased growth and yield of remaining vegetation. Benefits must be validated using the Forest Health Quantification Methodology and Calculator developed by CAL FIRE and the California Air Resources Board.

The Forest Health Program will fund the following activities:

- Forest fuels reduction
- Prescribed fire
- Pest management
- Reforestation
- Biomass utilization for bioenergy and wood products
- Conservation
- Research

From the Budget Act of 2018, SEC. 18. Item 3540-001-3228, up to $155 million will be awarded to eligible applicants through CAL FIRE's Forest Health and Fire Prevention activities. Allocation between the two programs will be determined based on priority and need. Additionally, up to $2.5 million will be awarded to research-only applications through the Forest Health Program. More information about the Fire Prevention Program, including grant guidelines and application materials can be found at: http://calfire.ca.gov/fire_prevention/firepreventiongrants.

The Forest Health Program is part of California Climate Investments (CCI), a statewide program that puts billions of Cap-and-Trade dollars to work reducing GHG emissions, strengthening the economy, and improving public health and the environment–particularly in disadvantaged communities. The Cap-and-Trade program also creates a financial incentive for industries to invest in clean technologies and develop innovative ways to reduce pollution. CCI projects include affordable housing, renewable energy,

[1] http://resources.ca.gov/wp-content/uploads/2018/05/California-Forest-Carbon-Plan-Final-Draft-for-Public-Release-May-2018.pdf
[2] http://resources.ca.gov/climate/natural-working-lands/
[3] https://arb.ca.gov/cc/cc.htm

public transportation, zero-emission vehicles, environmental restoration, more sustainable agriculture, recycling, and much more. At least 35 percent of these investments are located within and benefiting residents of disadvantaged communities, low-income communities, and low-income households across California. For more information, visit the California Climate Investments website at: www.caclimateinvestments.ca.gov.

ELIGIBLE ACTIVITIES

No single management activity is going to solve the wide range of threats to California's forests. It is going to take a balanced approach using a variety of available tools, including: fuel reduction, pest management, reforestation, utilization of biomass in wood products and energy, conservation (See Appendix A - Forest Legacy), and research (See Appendix B – Forest Health Research). Projects that implement a mix of these activities with multiple, experienced partners will be given priority. Projects may include organizational and business capacity-building and infrastructure development as a ~~co-benefit~~ component of proposed projects but those activities should not be a main objective of the project.

The following categories of activities are eligible for funding through the Forest Health Program:

a. **Forest Fuels Reduction** - Eligible activities must focus on treating understory trees and brush with a goal of reducing fire hazards, improving tree growth, stabilizing carbon in retained trees, and increasing forest resilience. Forest thinning activities can be manual or mechanical and must be designed to change stand structure to concentrate carbon storage in widely-spaced and larger trees that are more resistant to wildfire, drought, and insect attacks and reduce the likelihood of wildfire transitioning into the forest canopy. Commercial harvesting activities should focus on promoting carbon storage in remaining trees and must be compatible with achieving resilient forests with stable carbon storage and co-benefits such as fish and wildlife habitat, increased biodiversity and wildlife adaptation to climate change. Pre-commercial and brush removal activities are also eligible. All revenues collected as a result of activities paid for, in full or in part, with Forest Health Program grant funds must be re-invested into the project.

b. **Prescribed Fire** – Prescribed burns may be completed with private or public burn crews. Prescribed burning activities must be designed to reduce surface and ladder fuel loads to reduce expected flame lengths, thereby reducing the risk of a stand-replacing wildfire, and achieve the goals of the Forest Health Program as stated throughout these guidelines.

c. **Pest Management** – Eligible activities must address pest control, related forest health improvement, reducing pest-related mortality, improving tree growth, stabilizing carbon retained in trees, and increasing forest resilience. Activities may include forest thinning and/or brush removal. Forest thinning activities (manual or

mechanical) should change stand structure to increase carbon storage in more widely-spaced trees that are more resistant to wildfire, drought, and insect attacks. Harvesting activities should focus on removing dead, diseased, suppressed, or slow-growing trees for the purpose of promoting carbon storage in remaining trees and must be compatible with achieving resilient forests with stable carbon storage and co-benefits such as fish and wildlife habitat, increased biodiversity, and wildlife adaptation to climate change.

d. **Reforestation** – Eligible activities should establish a diverse, native forest, which will result in stable carbon sequestration and storage, watershed functions, and forest resilience. Species selection must be appropriate for the site and may be used to address climate adaptation.

e. **Biomass Utilization** – Eligible activities must 1) utilize woody biomass for wood products (dimensional lumber, plywood, etc.), which allows for continued carbon storage, or 2) generate energy though combustion or gasification, which displaces carbon-intensive fossil fuel-based energy. Other forms of utilization are eligible when paired with another eligible activity that removes small diameter material, especially surface fuels and ladder fuels, as well as dead trees, to help develop markets for beneficial uses of the material, including, but not limited to, animal bedding, biochar, cross-laminated timber, mulch, oriented strandboard, pulp, post, shredding, and veneer products.

f. **Conservation** – Conservation activities are eligible as a component of a larger Forest Health project, or as a stand-alone conservation project. Eligible activities include the purchase or donation of conservation easements or fee title of productive forest lands threatened with conversion to non-forest uses, such as subdivision for residential or commercial development. Proponents of these projects need to apply using the Forest Legacy Program application (See Appendix A). As with all Forest Health Program grants, all conservation projects must also demonstrate the potential for GHG emission reduction benefits.

g. **Research** – Research activities are eligible either as a component of a larger Forest Health project, or as stand-alone research under the Forest Health Research Program.

   All eligible research activities should seek to improve scientific understanding of issues related to the objectives of the Forest Health Program, CCI, and the California Forest Carbon Plan. Priority will be given to research that addresses one or more of the priority topics identified for the current round of funding (See Appendix B). Priority topics may change in subsequent funding rounds.

   Research proposed as part of a larger Forest Health project should not be the primary focus of the project but may be a component that contributes to the common goals of the project.

Stand-alone research projects, where the research is the sole or primary objective, will be evaluated for funding separately from other Forest Health projects and will be required to submit additional materials with their application, as described in Appendix B. Additionally, research-only project agreements must be executed by June 30, 2019 and must be completed by March 31, 2024. Final invoices for research-only projects must be received by April 30, 2024.

PROJECT ELIGIBILITY

All applications will be screened for eligibility. Applications must be complete and submitted by an eligible applicant. Projects must result in GHG emissions benefits, be within size and funding limits, and be able to be completed within the statutory time limits. Applications that do not meet these criteria will not be scored against the selection criteria and will not be eligible for award.

Eligible Organizations and Partners

CAL FIRE will grant to local and regional state and federal agencies including federal land management agencies (excluding conservation easements), Native American tribes, private forest landowners, resource conservation districts, fire safe councils, land trusts, landowner organizations, conservation groups, and non-profit 501(c)(3) organizations.

Applicants should work cooperatively with local partners and implement projects in a coordinated and expedited manner. Collaboration and support is demonstrated by private and public involvement in the planning, funding, and implementation of the project. The goal is to leverage resources to achieve an outcome that is larger than the sum of the individual projects that may have been undertaken by each partnering organization independently. Applicants should take care to clearly indicate what work will be completed with funds from this solicitation.

Greenhouse Gas Emissions Reductions

Forest Health projects must further the regulatory purposes of Division 25.5 (commencing with Section 38500) of the Health and Safety Code. The California Air Resources Board (CARB), in its statutory role, has worked cooperatively with CAL FIRE and other experts to develop the Forest Health Quantification Methodology for individual forest treatment activities, and an accounting strategy for combining the effects of individual treatment activities and their synergistic effects, at the landscape level.

Applicants will be required to include a quantitative estimate of the net GHG benefit in terms of metric tonnes of carbon dioxide equivalent (CO_2e) per the FY 2018-19 quantification methodology approved by CARB (www.arb.ca.gov/cci-quantification). GHG benefit per Forest Health program funds requested must be included in the Project Application as $MTCO_2e$/$. Planning and research activities that are not covered in the Forest Health Quantification Methodology need to be qualitatively described.

The quantification methodology compares outcomes of a business-as-usual scenario with that of project implementation over the quantification period. The baseline for a project will be the normal land management activities that could be expected to occur in the absence of the project. Project applicants will be required to demonstrate that activities funded through the grant award are activities that would not otherwise occur in the baseline scenario. Forest Health projects most often will consist of a collection of individual activities spread over a large landscape. Each activity, however, must be part of a logical plan to reduce GHG emissions at the project level. Projects may not have an existing offset project within the project boundary. However, future offset projects are allowed as long as they facilitate GHG reductions and meet all statutory and regulatory requirements.

Some activities, such as planning, research, or education, may not have a measurable GHG emissions benefit. In this case, applicants must provide a justifiable qualitative description of how the activity will ultimately result in emissions reductions, further quantitative assessment of GHG impacts, or improve management actions or policy.

Project Scale

With the exception of single-owner conservation easements and stand-alone research, projects must focus on large, landscape-scale forestlands composed of one or more landowners, which may cover multiple jurisdictions. Large landscapes will usually mean sub-watersheds, firesheds, or larger logical management units. The total project area should be no less than 1,000 acres in size. Project activities must be completed be in, or adjacent to, State Responsibility Areas (SRAs).

Funding Limits

Eligible Forest Health projects must be large capacity, landscape-scale, and multiple benefit projects. The minimum grant amount requested for management activity projects should be no less than $750,000.

Applications requesting more than $10 million should have substantial and compelling reasons for the amount requested and will likely not compete well when considering the suite of projects that will be funded in this solicitation.

Project Readiness

Eligible projects, except research-only projects, must be able to complete grant-related work by March 31, 2022. Research-only project work must be complete by March 31, 2024.

Preference will be given to projects that have environmental compliance (CEQA, NEPA, etc.) completed before the project application is submitted (See Appendix D). Applicants must agree to complete all needed environmental compliance work within one year of award and must demonstrate progress toward completing the work within six months of award. CAL FIRE will begin to review all awarded projects in January 2020 to consider

reallocation of awarded funds by July 2020 to a different grantee if progress cannot be demonstrated.

APPLICATION SCORING

CAL FIRE is no longer requiring concept proposals as part of the application process. Projects will be selected through a competitive, single-phase application process.

Applicants will submit a complete Project Application including a detailed scope of work with project timeline, a detailed budget including any matching funds, project maps and digital spatial data, calculated estimates of GHG emission reductions, and additional supporting documents as listed in the project application package described below.

Upon close of the application period, applications will be reviewed to determine if the project meets eligibility requirements. Those that do will be scored to determine how well the project fits the purpose and objectives of the Forest Health Grant Program using the following Grant Selection Criteria.

Grant Selection Criteria

Grant Applications will be scored as to how well the project fits the purpose and objectives of the Forest Health Grant Program, including how it meets the following criteria. Additional criteria apply for projects with conservation activities (see Appendix A) and research activities (see Appendix B).

The number of points listed after each criteria represents the total amount possible for that criteria. Reviewers will determine how many points each application can be awarded for the criteria, up to the total amount possible.

1. **Forest Health – 5 points**

   The Project is a good fit for the Forest Health Grant Program.

2. **Scope of Work – 5 points**

   The Project is appropriate for the program with clear, complete articulation of intended work. The Scope of Work is appropriate for the amount requested and time available.

3. **Budget – 10 points**

   The Project budget clearly shows how grant funds will be spent. Costs are reasonable in proportion to the proposed deliverables and Scope of Work. The budget must include the cost of the grant minus any income received from the sale of forest products or other goods. Except for research-only grants, requested funds shall be no less than $750,000 and likely not more than $10 million.

4. **Net Greenhouse Gas Benefit – 10 points**

   The Project's greenhouse gas (GHG) benefits are compelling and clearly demonstrated. The project results in a substantial net GHG benefit using the CCI Quantification Methodology and Calculator Tool for FY 2018-19. The net GHG benefit clearly justifies how the project will further the objectives of AB 32. The numerical calculations can be reviewed and validated and all materials needed for verification have been provided. GHG benefit per Forest Health program funds requested must be included in the Project Application as $MTCO_2e$/$.

5. **Priority Landscapes – 5 points**

   The Project addresses forestlands where there is a demonstrated need for treatment and where projects will have significant benefit.

   CAL FIRE's Fire and Resource Assessment Program recently developed or updated four actions that can be taken to reduce risk to a forest asset and mapped the high priority areas for those actions: 1) Reducing Wildfire Risks to Ecosystem Services, 2) Restoring Fire Damaged Areas, 3) Restoring Pest Damaged Areas, and 4) Reducing Wildfire Threat to Communities. Priority landscapes have been made available to view online, and may be accessed from the Forest Health website or here: https://tinyurl.com/y8u2qesv . Applicants should describe which priority area(s) they will be working in and describe how work will reduce risk to the asset in that area.

   Projects that do not occur in high priority areas as defined above may describe how they will affect a priority area as determined by another authority. Examples include areas with elevated levels of tree mortality or wildfire threat, recently burned areas, areas with large carbon storage potential or opportunity for biomass use, and areas that are designated in local or regional management plans as a priority for conservation or restoration.

6. **Co-Benefits – 5 points**

   A description of the co-benefits of the Project and how they are substantial, maintained and promoted over time is included. Preferred co-benefits include, but are not limited to, socio-economic benefits, public health, air quality, water quality and/or yield, fish and wildlife habitats, native plant values and other environmental co-benefits. Applicants must incorporate measures to avoid adverse impacts to fish, wildlife and native plant resources in project design and development.

7. **Disadvantaged and/or Low Income Community Benefit – 10 points**

   The Project 1) provides direct, meaningful, and assured benefits to a disadvantaged community (DAC), a low-income community, or low-income households, and 2) meaningfully addresses an important community need, as summarized in CAL FIRE's Evaluation Criteria for Providing Benefits to Priority Populations. AB 1550 defines "low-income communities" as those census tracts

with: 1) median household incomes at or below 80 percent of the statewide median income, or 2) median household incomes at or below the threshold designated as low-income by Department of Housing and Community Development's State Income Limits (HCD State Income Limits). CalEPA identified census tracts that satisfy either of these definitions as "low-income" for the purpose of AB 1550 investments. Maps that show the disadvantaged community census tract boundaries are available at http://www.calepa.ca.gov/EnvJustice/GHGInvest.

8. **Local Fire Plan & Other State Plan Compatibility – 5 points**

   The Project is part of other planning processes including the State's Fire Plan, CAL FIRE Unit fire plans, or Community Wildfire Protection Plans. Projects should demonstrate how their activities are consistent with or in support of landscape conservation efforts and other state (e.g. Habitat Conservation Plans, Natural Community Conservation Plans, CA Wildlife Action Plan, Water Action Plan, Safeguarding California and the Forest Carbon Plan).

9. **Collaboration, Community Benefit and Local Support– 5 points**

   The Project shows broad community support, partnerships or collaborative efforts to achieve the net GHG benefit. Collaboration and support is demonstrated by private and public partnership involvement in the planning, funding, and implementation of the Project. CAL FIRE will favor those projects that provide a direct benefit to a community and meaningfully addresses an important community need. Preference will be given to entities that have implementable plans for multi-landowner, landscape-level projects.

10. **Project Inclusion of Multiple Forestry Practices – 5 points**

    The Project utilizes a diverse mix of management actions that follow industry standards and are appropriate activities for the project landscape. CAL FIRE will favor those projects that include multiple effective forestry practices and involve multiple activities combined into a landscape level approach to healthy forest management. This may include conservation easements and fee title acquired through CAL FIRE's Forest Legacy Program.

11. **Grantee's Past Forest Management History and References – 10 points**

    The Applicant has demonstrated forest management experience with similar landscape level projects and demonstrates a high potential for completing the project. Greater consideration will be given to organizations with a proven record of success in delivering projects similar to that proposed in the application.

12. **Readiness and Legal Requirements – 5 points**

    The Applicant is ready to implement the project and has capability to begin ground disturbing activities on the project within 12 months of the grant award. The Project is ready to implement, because all required documents and legal

requirements (e.g., CEQA, NEPA, ancillary contracts, agreements, MOUs, etc.) are in place (excluding Forest Legacy Program Applications). All environmental permitting must be completed within one year of the grant agreement (See Appendix D). A Registered Professional Forester or NASP-Certified Silviculturist must design vegetation treatments, oversee vegetation removal, and may calculate the net GHG benefit.

13. **Involvement of CAL FIRE Unit and Other Local Expertise – 5 points**

    The Project uses local government, local fire districts, UC extension, (or appropriate non-governmental organizations) for coordination and oversight. The Applicant has briefed the local CAL FIRE unit(s) on the project.

14. **Permanence – 5 points**

    The Project is designed to ensure climate benefits are as permanent as possible. Applicants must include a description of future long term forest management goals specific to practicing uneven-age forest management, and how the proposed project will increase average stem diameter and provide other site-specific improvement to forest complexity, as demonstrated by the expansion of the variety of tree age classes and species persisting for a period of at least 50 years. Grant recipients will be encouraged to implement creative methods for maintaining treatment efficiency over time. CARB requires a 10-year monitoring provision for forestry projects.

15. **Long Term Forest Management Goals – 10 points**:

    CAL FIRE will give funding priority to landowners who agree to long-term forest management goals. CAL FIRE will give funding priority to landowners who practice uneven-age forest management with a resilient forest of diverse age, size, and species class within the boundaries of the project and whose activities are conducted pursuant to an approved timber harvest plan, nonindustrial timber management plan, or working forest management plan.

Application Process

Step 1 – Request Project ID: Prior to applying, interested entities will need to request a Project Tracking ID number.
Send email to: CALFIRE.Grants@fire.ca.gov, including:

- Name of organization applying
- Name of the CAL FIRE Unit in which the project or activity will be located
- Name of the project (if available).
- Name of the grant program (Forest Health or Forest Legacy)

Applicants should request this information at the beginning of the grant application process. Requests that are made less than one week prior to the due date may not be considered.

Step 2 – Submit Electronic Application:
Email a complete Project Application package to CAL FIRE at: calfire.grants@fire.ca.gov **by 3 p.m. PST on January 29, 2019**. *Due to file size limitations allowable by email servers, the attachments may need to be broken up into multiple emails. Be sure to list the Project ID in the subject line of every email submitted.*

Please note:

- Late submissions will be rejected. No exceptions. Late is defined as: after 3:00 PM PST on the due date according to CAL FIRE's email system.

- Please include yourself as a cc: on the email submission as proof of submittal prior to the deadline and as a receipt for your records. Due to the volume of grant submittals, CAL FIRE staff will not respond with an email receipt.

A completed Project Application package must include the following:

1. Attachment A: Project Application (Emailed in fillable PDF format only. Do not modify the application form. This includes adding more text than the space allows or adding an electronic signature)

2. Attachment B: Additional pages, only as specifically allowed in the Project Application

3. Attachment C: Maps of Project Area (Sized to 8 ½" x 11")

4. Attachment D: GIS data for the project area in shape KMZ or GDB format, compiled into one ZIP file

5. Attachment E: Project Budget in two formats including any matching funds (not required for Forest Legacy Applicants) – See Appendix E

6. Attachment F: Completed CARB Forest Health GHG Calculator Tool (available from https://ww2.arb.ca.gov/resources/documents/cci-quantification-benefits-and-reporting-materials) in Microsoft Excel format.

7. Attachment G: Data and documentation that support applicants entries into the CARB Forest Health Calculator Tool (appropriate data and documents are listed in the CARB Forest Health Program Quantification Methodology, available from https://ww2.arb.ca.gov/resources/documents/cci-quantification-benefits-and-reporting-materials). Multiple data files and documents should be compiled into one .zip file for transmittal. If one .zip file is too large to email, data may be broken up into multiple .zip files and emailed separately. If data is still too large, contact CAL FIRE for alternative methods of submittal at least one week prior to due date.

8. Attachment H: Signed letters of participation from primary partners listed in "4. Cooperator Information" of the Project Application. Letters should be addressed to: Chief Helge Eng, CA Dept. of Forestry and Fire Protection

9. Attachment I: A signed resolution by the Applicant's governing body, which allows the grantee to sign agreements and amendments for a specific project (See Appendix F). *Resolutions are required only from non-profit and local agency Applicants.*

10. Attachment J: Articles of Incorporation including the Seal from the Secretary of State*. Only required from non-profit Applicants.*

11. Attachment K: State of California Non-Discrimination Compliance (Std. 19) – See Appendix G

12. Attachment L: State of California Drug-Free Workplace Certification (Std. 21) – See Appendix G

13. Attachment M: State of California Payee Data Record form (STD. 204) – See Appendix G

14. Attachment N: CAL FIRE Environmental Compliance Worksheet

15. Attachment O: Environmental compliance documents (NEPA/CEQA) – See Appendix D *Submit as electronic files only.*

16. Attachment P: Forest Legacy Application (if applicable)

17. Attachment Q: Additional materials for stand-alone research projects and activities (See Appendix B)

18. Attachment R: If claiming a benefit to priority populations, attach the relevant table(s) used to determine that benefit: Evaluation Criteria for Providing Benefits to Priority Populations

Attachments should be named using the assigned Project Tracking ID in the following format:

Attachment	Electronic File Name
A: Project Application Form	18-CCI-FH-XXXX[1]-UUU[2]-Application.pdf
B: Additional pages for Application Form	18-CCI-FH-XXXX-UUU-SOW.doc
C: Project Maps	18-CCI-FH-XXXX-UUU-Maps.pdf
D: Project GIS Data	18-CCI-FH-XXXX-UUU-GIS.zip
E: Project Budget	18-CCI-FH-XXXX-UUU-Budget.xls
F: GHG Calculator Tool	18-CCI-FH-XXXX-UUU-GHG_Calculator.xlsx
G: GHG Calculator Data & Documentation	18-CCi-FH-XXXX-UUU-GHG_Data.zip
H: Letters of Participation	18-CCI-FH-XXXX-UUU-Partners.pdf or .zip
I: Governing resolution	18-CCI-FH-XXXX-UUU-Resolution.pdf
J: Articles of Incorporation – non-profits	18-CCI-FH-XXXX-UUU-Nonprofit.pdf
K: Non-Discrimination Compliance	18-CCI-FH-XXXX-UUU-STD19.pdf
L: Drug-Free Workplace Certification	18-CCI-FH-XXXX-UUU-STD21.pdf
M: Payee Data Record form STD 204	18-CCI-FH-XXXX-UUU-STD204.pdf
N: Environmental Compliance Worksheet	18-CCI-FH-XXXX-UUU-Compliance.xlsx
O: Environmental compliance docs	18-CCI-FH-XXXX-UUU-Environment.pdf or .zip
P: Forest Legacy Application	18-CCI-FH-XXXX-UUU-FTP.pdf or .zip
Q: Additional Research Information	18-CCI-FH-XXXX-UUU-Research.pdf
R. Evaluation Criteria, Priority Populations	18-CCI-FH-XXXX-UUU-PriorityPops.pdf

1. Replace XXXX in the file name with the Project Tracking ID Number.
2. Replace UUU in the file name with the 3-letter identifier for the CAL FIRE Unit where the project is located. Unit identifiers are listed in the Item #1 drop down list in Project Application and are listed in this map: http://frap.fire.ca.gov/data/frapgismaps/pdfs/admin_units_09.pdf.

Step 3 – Submit Hard-copy Application:

Submit a hard copy of the Project Application package **by 3 p.m. PST on January 29, 2019** to:

Department of Forestry and Fire Protection
Grants Management Unit – CCI FH
P.O. Box 944246
Sacramento, CA 94244-2460

The hard copy should include all application materials submitted with the electronic version, *except* GIS data, GHG calculator tool, GHG calculator data and documentation, and environmental compliance documents.

The documents must be printed single-sided on 8½ x 11 paper and should not be bound together. The Project Application must contain original signatures in ink (not electronically).

Application Review and Awards

A list of applications received will be posted on the Forest Health website within 10 business days of application due date.

CAL FIRE will review completed Applications that meet the Program Eligibility Criteria. Eligible Applications will be scored by CAL FIRE staff and an inter-agency panel against the Grant Selection Criteria. Final awards will be determined based on project scores, program need, and relative fit of the awarded projects to each other both geographically and with respect to proposed activities.

CAL FIRE reserves the right to fund projects in total or in part, whichever best serves the objectives of the Forest Health Grant Program. Project applicants that are selected to receive partial funding will be provided additional information on their revised funding amount and any other changes to their application as needed.

Project applicants will be notified by mail and email if they have, or have not been, selected to receive funding.

Successful applications will be summarized and posted to CAL FIRE's Forest Health website (http://www.fire.ca.gov/resource_mgt/resource_mgt_foresthealth_grants) within two weeks of the decision to fund. Applications will be treated in accordance with the Public Records Act requirements, and certain information, subject to those requirements, may be publicly disclosed.

GENERAL GRANT CONDITIONS AND PROJECT ADMINISTRATION

Project Performance Period

- The Project Performance Period is from the time the Grant Agreement is fully signed to the Agreement termination date. Only eligible costs incurred during the Project Performance Period will be paid by the State.
- CAL FIRE will execute all grant Agreements as soon as feasible and no later than June 30, 2020 for land management projects. Research only projects must have grant Agreements executed by June 30, 2019.
- **All project work related to Forest Health grants must be completed by March 31, 2022. All project work related to *research-only* grants must be completed by March 31, 2024.**
- Final invoices for grant-related work must be submitted to CAL FIRE no later than April 30, 2022 for Forest Health projects and April 30, 2024 for *research-only* projects.

Project Reporting

Grant awardees will be required to provide a method, schedule, and reporting mechanism for pre- and post-project monitoring of site conditions and project results.

Grantees of funded projects will be required to track and report progress to CAL FIRE throughout the grant term consistent with the required project-type specific reporting requirements in, including but not limited to, statute and CARB's Funding Guidelines. Information to be submitted includes project description, project location, CCI dollars allocated, matching funds, acres of land treated, activities completed, number of trees planted and acres planted, bone dry tons of biomass delivered to a renewable energy facility, tons of biomass delivered to a sawmill, renewable energy produced, net GHG benefit, job or job training information, and other co-benefits achieved, and benefits to disadvantaged and/or low income communities (see http://www.calepa.ca.gov/EnvJustice/GHGInvest). Such reports will be provided consistent with CARB Funding Guidelines, for the duration of the performance period, throughout the life of the project agreements. A subset of funded projects will be required to report results of the project and permanence conditions for ten years after project completion in accordance with the CARB Funding Guidelines.

Grantees will also be required to provide project information to CAL FIRE for entry into CAL MAPPER, CAL FIRE's geo-spatial database that facilitates mapping and monitoring of CCI and other CAL FIRE vegetation treatment projects. Information from grantees will include shapefiles or feature class of project boundary (use Esri Arc GIS, Esri ArcView geodatabase, or Google Earth KMZ file types), project type, grantee contact information, project activities and costs, and other information. CAL MAPPER information from grantees will be required at specific times throughout the effective period of the grant, including at initial grant award and at periodic invoice billing submissions. Some reported

project information will be publicly available on the CARB website and/or CAL FIRE website.

Grantees are required to report on progress toward completion of the Scope of Work included in the Grant Agreement with each invoice, or quarterly, whichever is more frequent, using the Forest Health Progress Report template.

Changes to an Approved Project

A grantee wishing to change the scope of work, budget, or project performance period of an approved project must submit the proposed change in writing to CAL FIRE for review and approval. Any change must be consistent with the statutes, regulations, and guidance governing the program. Requested budget changes may not increase the amount of funds awarded, unless such changes are initiated by CAL FIRE. A change in the scope of work, budget, or project performance period may require the Project Agreement to be amended. CAL FIRE reserves the right to reject proposed changes to an approved project and/or budget.

Project Amendments and Termination

Once signed, a Grant Agreement may only be amended with advanced written consent of CAL FIRE and the grantee. A Grant Agreement may only be terminated by CAL FIRE or the grantee upon 30 days advanced written notice to the other party. Further details on this process will be provided in the Grant Agreement.

Accounting Requirements

The grantee must maintain an accounting system that accurately reflects fiscal transactions. The accounting system must provide an adequate audit trail, including original source documents, such as receipts, progress payments, invoices, purchase orders, time cards, cancelled checks, etc. The accounting system must document the total cost of the project. The grantee must maintain accounting records for one year following the duration of the Project Performance Period or after final disposition of any disputed audit findings. Grantees are required to keep source documents for all expenditures related to each grant for at least three years following Project completion and one year following an audit.

Loss of Funding

CAL FIRE reserves the right to withdraw funding award if stated requirements are not met. The following are examples of actions that may result in a grantee's loss of funding. This is not a complete list and is intended only to show examples.

1. Grantee fails to obtain an executed Grant Agreement by June 30, 2020.
2. Grantee has not satisfied all legal requirements (e.g., CEQA, NEPA, ancillary contracts, agreements, MOUs, etc.) necessary to initiate ground disturbing project work within 1 year of grant agreement execution or by January 1, 2020.

3. Grantee fails to use all the grant funds.
4. Grantee withdraws from the grant program.
5. Grantee fails to complete the funded project.
6. Grantee fails to submit all documentation within the time periods specified in the Grant Agreement.
7. Grantee fails to submit evidence of California Environmental Quality Act and/or National Environmental Policy Act compliance within one year of the execution of the Agreement, as required by the Grant Agreement.
8. Grantee changes the Project Scope of Work without CAL FIRE's prior written approval.
9. Grantee or CAL FIRE terminates the Agreement.
10. Any activity that would lead to the project not achieving a GHG reduction.

Eligible Costs

Project costs must be consistent with the approved Project Application and incurred during the Project Performance Period as specified in the Grant Agreement. With the exception of stand-alone research, project elements that do not produce a direct GHG benefit (e.g., education, planning, etc.) must be linked with on the ground activities that do, or they will not be eligible costs.

Budget Item	Eligible Cost	Required Documentation
Salaries and Wages	Salaries and wages of employees employed by the grantee who are DIRECTLY engaged in the execution of the grant project. Limited to actual time spent on the grant project. Examples of expenditures include time related to site visits and project monitoring, and completion of reporting related to the grant project. Staff time related to accounting, business services, etc. are allowed only if those functions are not included in the grantee's overhead cost.	Timesheets or similar documentation detailing days and hours worked on the project. Payroll documentation should show a nexus between time worked on the project and wages paid to the employee after the fact.

Benefits	Employer contribution share of fringe benefits associated with employees (paid from salaries and wages Budget Item) who are directly engaged in the execution of the grant project. This will include Social Security, Medicare, Health Insurance, Pension Plan costs, etc. as applicable for the specific employee.	Same documentation as Salaries and Wages. Payroll documentation showing wages and hours paid to the employee and associated fringe benefits.
Contractual	Direct consultant and contractual services necessary to achieve the objectives of the grant. Examples of contractual costs will be RPF supervision/certification, professional/consultant services (the costs of consultant services necessary for project planning and implementation), fire prevention contractor, etc. Procurement of contractual services should be documented to ensure selection on a competitive basis and documentation of price analysis.	Invoices from Consultant/Contractor identifying expenditure, services performed and period of services. Documents related to consultant/contractor selection analysis shall be kept by the grantee but available for audit purposes.
Supplies	Supplies that are used in the direct support of the project are allowable. Supplies exceeding $500 per unit cost shall be documented to ensure procurement of supplies on a competitive basis and documentation of price analysis.	Receipts identifying items purchased, cost and date of purchase. Documentation related to cost analysis of procurement of supplies exceeding $500 shall be kept by the grantee but available for audit purposes.
Travel	Travel cost associated with travel to and from project sites, meetings, etc. directly related to the grant project and must be considered reasonable and necessary for the completion of the project. Reimbursement rates shall be consistent with the grantee's written travel policy. Absent a written policy, per diem shall not exceed the California Standard Per Diem Rate allowable by the U.S. General Services Administration. http://www.gsa.gov/portal/category/100120 Mileage rates shall not exceed the rates allowable by IRS. http://www.irs.gov/Tax-Professionals/Standard-Mileage-Rates	Receipts identifying travel cost (i.e. lodging, rental cars). Mileage must be documented by either employee travel claims that are signed by the employee or vehicle mileage logs for vehicles owned by the grantee. Per Diem must be documented by employee travel claims.

Equipment	Equipment is an item exceeding $5,000 or more per unit cost and has a tangible useful life of more than one year. Cost to lease equipment to use in the grant project may be charged to the grant. Use of equipment owned by the grantee may be charged to the grant at a rate set by the California Department of Transportation "Labor Surcharge and Equipment Rental Rate" guide (http://www.dot.ca.gov/hq/construc/equipment.html). A cost-benefit analysis to justify the cost of purchasing equipment versus leasing must be provided. Procurement of equipment must be done on a competitive basis and include documentation of price analysis. Grantee must include in the application package the proposed use and maintenance plans for equipment after the performance period of the grant. Disposition of equipment beyond the project performance period is subject to CAL FIRE approval.	Cost of leased equipment charged to the grant must be substantiated with receipts identifying equipment leased, dates equipment was leased, lease rate and total cost. Usage of grantee equipment must be substantiated with an equipment usage log, equipment used, rate and total rental cost. Cost of equipment purchased shall be substantiated by purchase receipt. Documentation related to price analysis of procurement of equipment shall be kept by the grantee but available for audit purposes. Disposition of the equipment must be approved by CAL FIRE in writing at the end of the grant term.
Other	Other costs that do not fit in any of the above categories. Cost must be directly related to the grant project. A cost (such as rent, utilities, phones, general office supplies, etc.) that must be apportioned to the grant is considered indirect cost unless written justification is submitted and approved by CAL FIRE.	Invoices or receipts identifying the item and cost charged to the grant.

Indirect Costs	Indirect Costs are costs associated with doing business that are of a general nature and are incurred to benefit two or more functions within the grantee organization. These costs are not usually identified specifically within the grant agreement, project, or activity, but are necessary for the general operation of the organization. Examples of overhead costs include salaries and benefits of employees not directly assigned to a project; functions such as personnel, accounting, budgeting, audits, business services, information technology, janitorial, and salaries of supervisors and managers; and rent, utilities, supplies, etc. Functions included as direct versus indirect costs must be applied consistently for all activities within the grantee organization, regardless of fund source. The maximum allowable indirect charge for this grant program is 12%.	Applied on a percentage (%) basis on direct costs <u>except for equipment.</u>

Ineligible Costs

The following are ineligible for reimbursement under the grant:

1. Costs incurred before or after the Project Performance Period.
2. Cost of preparing the Project Application or other grant proposals.
3. Late fees, penalties and bank fees.
4. Any activity that would lead to the project not achieving a GHG reduction.
5. Any practice or activity that, in CAL FIRE's judgment, is not a best management practice or that is, or could be, harmful to the forested landscape.
6. Any indirect costs based on percentage of equipment costs (see above).

Payment of Grant Funds

Funds will be disbursed only once there is a fully executed Grant Agreement between CAL FIRE and the grantee. **Payments will be made on a reimbursement basis** (i.e., the grantee pays for services, products or supplies; invoices CAL FIRE for the same; and the State reimburses the grantee upon approval of the invoice). No work prior to or after the grant period will be reimbursable. Advance funds may be provided (see Advances below) in lieu of reimbursement.

The grantee will submit to CAL FIRE an invoice form consistent with invoice guidance in Appendix H when requesting payment of any type and to include appropriate

documentation to support the costs (e.g., paid vendor receipts, payroll documents, other back-up documentation of expenses). An invoice template is available here: http://www.fire.ca.gov/grants/downloads/Grants_Invoice_Template.xlsx

A Forest Health Grant Project Progress Report or Final Report shall accompany all requests for payment CAL FIRE may conduct a spot inspection to verify that work invoiced has been satisfactorily completed. The invoice will then be forwarded to Sacramento Headquarters for review and subsequent approval of payment. **Expect payment to take six to eight weeks from the time an invoice is submitted**. If an invoice is incomplete or non-reimbursable, it will be returned to the grantee.

Advances

Advance payments may be considered for nonprofit organizations, local agencies, special districts (including RCDs), private forest landowners, and Native American Tribes. Advance payments are solely at CAL FIRE's discretion and eligibility expires January 1, 2024.

A written request must be submitted identifying how funds may be used over a six-month period. No single advance payment shall exceed 25% of the total grant award. Advances must be fully utilized within a six-month period unless additional time is approved by CAL FIRE. No additional advances may be requested until acceptable documentation is received by CAL FIRE that the previous advance has been fully exhausted on eligible expenses. In addition, an accountability report must be submitted to CAL FIRE every four months upon receipt of funds.

CAL FIRE processes for approving and managing grant advances are subject to change.

State Audit

Upon completion of the project, the State may audit the project records. A project is considered complete upon receipt of final grant payment from the State. The purpose of the audit is to verify that project expenditures were properly documented. The audit would be requested by the State after the final payment request has been received and all project transactions have been completed.

If your project is selected for audit, you will be contacted at least 30 days in advance to the audit commencing. The audit should include all books, papers, accounts, documents, or other records of the grantee, as they relate to the project for which State funds were granted. Projects may be subject to an audit at any time over the Project Performance Period and three years following Project completion.

In an effort to expedite the audit, the grantee shall have the project records, including the source documents, and cancelled warrants readily available. The grantee shall also provide an employee having knowledge of the project and the accounting procedure or system to assist the State auditor. The grantee shall provide a copy of any document, paper, record, or the like as requested by the State auditor.

All project records must be retained by the grantee for a period of not less than one year after the State audit or after final disposition of any disputed audit findings. Grantees are required to keep source documents for all expenditures related to each grant for at least three years following Project completion and one year following an audit.

APPENDIX A – FOREST LEGACY PROGRAM

This Appendix addresses procedures for applying for CCI funding for the California Forest Legacy Program (FLP). Projects that include conservation activities will need to complete the Forest Legacy Program and specified sections of the Forest Health Program application. The combined process is described in more detail below.

The FLP will use CCI funds and potentially other funds to secure conservation easements to protect environmentally important forestland threatened with conversion to non-forest uses. All projects funded by this program must demonstrate the potential for a greenhouse gas (GHG) emission reduction benefits.

Purpose

The purpose of the FLP is to protect environmentally important forest land threatened with conversion to non-forest uses. Protection of California's forests through this program ensures they continue to provide such benefits as sustainable timber production, wildlife habitat, recreation opportunities, watershed protection and open space. Intact forests also contribute significantly to the storage and sequestration of carbon.

Under this competitive grant program, CAL FIRE purchases or accepts donations of conservation easements or fee title of productive forest lands to encourage their long-term conservation.

This program is entirely voluntary. Eligible properties include those with working forest and rangelands, where the property is managed for the production of forest products and traditional forest uses are maintained. Landowners who wish to participate may sell or transfer particular rights, such as the right to develop the property or to allow public access, while retaining ownership of the property and the right to use it in any way consistent with the terms of the conservation easement and management plan.

Applicant Eligibility

Below is a partial list of applicant eligibility; a complete list of eligibility and conditions are found in the Public Resource Code §12200-12276 and the California Code of Regulations (CCR), Title 14, Division 1.5, Chapter 9.9,§1570-76.

1. Eligible participants are "landowners" as defined in 14 CCR §1571 meaning an individual, partnership, private, public, or municipal corporation, Native American Tribe, state agency, county, or local government entity, educational institution, or association of individuals of any kind that own private forest lands or woodlands.

2. The area eligible for funding is non-federal forest lands as defined in 14 CCR §1571.

3. To be eligible for funding under this program, a project must further the goals of AB 32 and include a quantitative estimate of the net GHG benefit in terms of metric tonnes of carbon dioxide equivalent per the FY 2018-19 quantification methodology approved by CARB. The FY 2018-19 quantification methodology are available at https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm.

   The quantification methodology will compare outcomes of a business-as-usual baseline scenario with that of project implementation over the quantification period. The baseline for a project will be the normal land management activities that could be expected to occur in the absence of the project. Project applicants must demonstrate that activities funded by the GGRF are activities that would not otherwise occur in the baseline scenario. Forest health projects most often will consist of a collection of individual activities spread over a large landscape. Each activity however, must be part of a logical plan to reduce GHG emissions at the project level.

4. California Forest Legacy projects funded through this solicitation will have to comply with Section 815.11 of the Civil Code:

   > For any conservation easement purchased with state funds on or after January 1, 2019, wherein land subject to the easement includes some forest lands, or consists completely of forest lands, to the extent not in conflict with federal law, the terms of any applicable bond, or the requirements of any other funding source, the landowner shall agree, as part of the easement management plan, to maintain and improve forest health through promotion of a more natural tree density, species composition, structure, and habitat function, to make improvements that increase the land's ability to provide resilient, long-term carbon sequestration and net carbon stores as well as watershed functions, to provide for the retention of larger trees and a natural range of age classes, and to ensure the growth and retention of these larger trees over time.

5. **All project work related must be completed by March 31, 2022.**

Conveyances

There are several options to convey lands or interests in lands to the FLP:

- **Full Donation:** A landowner gives the interest entirely to the FLP
- **Facilitated Donation:** The FLP pays for the due diligence incurred by the landowner in making the donation. This could include cost of developing the easement, cost of developing the management plan, legal costs, surveys, title work, etc.
- **Purchase:** The FLP may purchase the land with any combination of federal, state and private funding, including partial donation by the landowner.

Funding Options

There are a variety of State funding sources that may also be available. All other funding sources have their own application process. Please discuss the various options with your Land Trust Representative or the State FLP coordinator.

Forest Legacy Application Process

Forest Legacy applicants will go through the same competitive application process as all other Forest Health applicants however, they will need to complete only designated sections of the Forest Health Project Application. In addition, Forest Legacy applicants will need to submit a full Forest Legacy Project Application: http://calfire.ca.gov/Grants/downloads/ForestHealth/GGRF_FH-FLP_Application.pdf. The application will include information pertinent to the conveyance and management of the property, e.g., non-industrial management plan, timber harvesting plan, draft conservation easement (if the applicant is applying for funding for a conservation easement), and preliminary title report.

The Project Application must be received by CAL FIRE no later than **3:00 p.m. PST on January 29, 2019.**

A field visit will be scheduled with the landowner if one has not already been done. The field visit gives the FLP Coordinator an opportunity to ask additional questions and further explain the program to the landowner. It also provides the landowner with a chance to get to know the FLP Coordinator and ask questions about the program. This is also a good time for the landowner to discuss the legal aspects if s/he has not discussed this with an attorney. The FLP Coordinator will advise the landowner that if we proceed with the application s/he is advised to seek legal counsel if s/he has not already done so.

Contact Stewart McMorrow, Forest Legacy Program Director at:

(530) 379-5085 Stewart.McMorrow@fire.ca.gov or Brook Darley, Forest Legacy Coordinator, at: (530) 224-1420 (office), (916) 704-6074 (cell) Brook.Darley@fire.ca.gov for more information or with questions.

Project Selection Process

Applications will be evaluated using the California Forest Legacy Scoring Guide posted on the Forest Health grant webpage.

CAL FIRE will review the Project Applications for completeness and fulfillment of the scoring criteria, which are based on Federal Forest Legacy scoring criteria. The Selection Process involves ranking projects by the State representatives. Potential projects are ranked in accordance with Public Resource Code §12200- 12276 and the California Code of Regulations Title 14 §1570-76. The ranked list of potential projects will be sent to the Director of CAL FIRE for final approval.

Project applicants will be notified by mail if they have or have not been selected to receive funding.

Project Funding Process

1. In order for a Project to close the Project must go through a number of additional steps to ensure that the monies have been spent wisely and to comply with State laws and regulations.

    - A current **appraisal** must be conducted by an approved appraiser to State standards.

    - The **appraisal must be reviewed** and approved by the Department of General Services review appraisers. No appraisals should be started without instructions from both the State and the review appraiser.

    - If applicable, a **final conservation easement must be** approved. *(Note: a draft conservation easement must accompany the Project Application for it to be considered complete).*

    - Preliminary **Title Report-** if the title report shows exceptions that would not allow the State to take title (such as surface mineral rights owned by a third party) those exceptions must be removed from title before the purchase of the property interest. This may add years to project completion. *(Note: a preliminary title report is required for all Project Applications).*

    - A **Baseline**, documenting the current property conditions must be done to state standards. This needs to be done within six months of closing on a Project.

    - The property must have an approved and current **Forest Stewardship/Management Plan** or equivalent (e.g., Non-Industrial Timber Management Plan or Ranch Management Plan).

    - Any conservation easement must address requirements in Section 815.11 of the California Civil Code.

    - A **Monitoring Plan** must be developed to State Standards.

    - **A Property Acquisition Agreement** is signed.

    - **Escrow instructions must be** given to the title company.

2. Once all the above have been satisfied an escrow account is opened at a title company and all documents and funds are transferred there.

3. Upon signature of the Deed of Conservation Easement or Grant Deed and other necessary documents, money is disbursed to the Grantor.

APPENDIX B – FOREST HEALTH RESEARCH PROGRAM

This Appendix addresses procedures for applying for funding from the Forest Health Research Program. Projects that include research activities, either as a part of a larger Forest Health project, or as stand-alone research projects, must complete the full Forest Health Program application process, as well as supplying additional information specific to research projects. The combined process and requirements are described herein.

Purpose

The Forest Health Research Program (hereafter "Research Program") was established as part of CAL FIRE's plan for implementing the California Forest Carbon Plan: (https://www.fire.ca.gov/fcat/downloads/CaliforniaForestCarbonPlaFinal.pdf). It is one of several CAL FIRE programs funded through the California Climate Investments (CCI) program, Greenhouse Gas Reduction Fund. The intent of the program is to identify outstanding questions, prioritize needs, and fund sound scientific studies that support forest landowners, resource agencies, and fire management organizations in California, and to further the goals of the California Forest Carbon Plan, CCI, and AB 32 Global Warming Solutions Act.

Award Information

The Research Program operates in conjunction with the Forest Health Program. Research activities can be proposed as a part of larger Forest Health projects, or as stand-alone research projects. However, all research activities will be evaluated by the additional criteria noted in this appendix, and independent of other proposed Forest Health project activities. Research activities attached to a larger Forest Health project may get funded along with that project or may be funded separately.

Research activities that are funded separately, as well as stand-alone research projects, will be funded from the Research Program budget, which is independent of the larger Forest Health program budget. The following information applies to independently funded projects only, for FY 2018-19:

Estimated Total Research Program Funding: $2,500,000

Research Program funding will be allocated to projects in one of three categories:

	Project Type	Budget Allocation	Expected Number of Awards
1	Projects on any land in CA relevant to the Forest Carbon Plan	50%	2-6
2	Projects on Demonstration State Forests	40%	2-5
3	Graduate student projects	10%	2-5

Research grants that exceed two years in length may be funded across more than one fiscal year. However, this will require grant applicants to develop projects in 2 phases. Phase 1 would be funded out of the current fiscal year and cover years (1 and 2). Phase 2 would be funded out of the following fiscal year and covers years (3 – 5). Applicants with projects greater than two years in length are encouraged to develop proposals in two phases as follows: Phase 1 for work to be completed prior to March 31, 2021; Phase 2 for work to be completed between April 1, 2021 and March 31, 2024.

Current Priorities

The following topics have been identified as priorities for study for FY 2018-19. Proposed research must address one or more of these priority topics.

1. Implementation, effectiveness and impacts of increased pace and scale of fuel reduction and forest health treatments
2. Public health and ecological implications significantly increased use of prescribed fire
3. Post-wildfire impacts and recovery
4. Improved utilization of forest residues and forest products from treatment
5. Future forest resilience in an altered climate
6. Co-benefits of managing for stable forest carbon

Applicant Eligibility

Except where noted, the Eligibility Criteria for the Forest Health Program also apply to all applicants proposing research. Please note the following additional eligibility criteria and information for research activities:

Greenhouse Gas Emissions Reductions
Research activities need not demonstrate a direct or immediate GHG benefit on their own, but applicants must provide sound justification for how the knowledge gained will ultimately result in emissions reductions, improve quantitative assessment of GHG impacts, or improve management actions or policy related to the Forest Carbon Plan. For research projects and activities that CAL FIRE deems may have significant GHG impact, or that physically manipulate carbon on more than 500 acres of ground, applicants may be required to quantify their impact following the CARB-approved methodology, as described in the Forest Health Program guidelines. If funded, CAL FIRE will contact and work with designated grantees to quantify GHG impacts.

Project Scale
Research activities need not be physically of “landscape-scale” or meet the minimum project size under the broader Forest Health Program. However, the information derived must be relevant and ultimately applicable to land management at these scales.

Funding Limits
There are no funding limits for Research Activities. However, please see the information about funding allocation in the "Award Information" section above.

Project Readiness
All environmental permitting, including fulfilling CEQA/NEPA requirements, must be completed within one year of executing grant agreement (Appendix D). Eligible research-only projects must be able to complete grant-related work by March 31, 2024.

Scientific Transfer and Outreach
Research activities must result in relevant and applicable scientific information that is useful for landowners, resource agencies, and fire management organizations in achieving long-term forest health and the objectives of the Forest Carbon Plan. Research projects and activities proposed must include a plan for scientific knowledge transfer, including but not limited to: preparation of refereed scientific journal publications, CAL FIRE or other governmental publications, websites, and workshops.

Scientific Integrity
Scientific integrity is vital to all CAL FIRE activities under which scientific research, data, summaries, syntheses, interpretations, presentations, and/or publications are developed and used. Failure to uphold the highest degree of scientific integrity will result not only in potentially flawed scientific results, interpretations, and applications but will damage CAL FIRE's reputation and ability to uphold the public's trust. All work performed must conform to the highest standards of scientific integrity, as well as all Federal, State and municipal laws. Suspected violations of scientific integrity will be investigated by CAL FIRE staff and may result in cancellation of grant agreement.

Application Process and Grant Selection

All applicants proposing research activities must complete the Forest Health Program application process. Except where noted in the application form or this appendix, all information requested therein must be supplied.

In the general Forest Health application, applicants proposing research activities should take note of special requirements described in this Appendix. Additional materials for which there is not a place provided in the general Forest Health Program application should be included in the Project Application as Attachment Q.

Submittal
Please follow all instructions outlined in the Forest Health Program Guidelines.

Selection Criteria
Except where noted, the Selection Criteria for the Forest Health Program also apply to projects proposing research. Please note the following additional considerations for research activities, and address them appropriately in the application:

- *Forest Health Research – 10 points*
  The project is a good fit for the Forest Health Research Program. Research Program priorities (as listed above) to be addressed by the project should be

identified, and a plan for addressing these priorities should be clearly articulated.

- *Scope of Work - 20 points*
  The Scope of Work is critical for evaluating proposed research. The Scope of Work for proposed research activities must include a clear and concise problem statement, as well as description of research questions, hypotheses, experimental design, and intended analytics. The methods proposed must be scientifically rigorous and should provide publishable results. The Scope of Work should include a timeline, list of deliverables, and a plan for knowledge transfer and/or outreach. Scope of work for research projects need not conform to the three-additional page limit.

- *Budget – 5 points*
  Project budget clearly shows how grant funds will be spent. Costs are reasonable in proportion to the proposed deliverables and Scope of Work. The budget must include the cost of the grant minus any income received from the sale of forest products or other goods.

- *Greenhouse Gas Benefit – 10 points*
  Application should provide sound and compelling justification for how the knowledge gained will directly or ultimately result in emissions reductions, further quantitative assessment of GHG impacts, or improve management actions or policy.

- *Priority Landscapes – 10 points*
  Applicants for research activities should evaluate their proposed study areas against the CAL FIRE-FRAP Priority Landscape Maps: tinyurl.com/y8u2qesv. Applications should include a clear description of whether the study area occurs within high-priority areas, and/or how it addresses one or more of the issues identified in the Priority Landscapes maps. Additional consideration will be given for projects that either take place within one or more high priority landscapes, or address issues of concern identified therein.

- *Co-Benefits – 5 points*
  Research activities need not directly achieve co-benefits, but the application should address how the proposed activities relate to co-benefits associated with the topic of study. Co-benefits include, but are not limited to, socio-economic benefits, public health, air quality, water quality and/or yield, fish and wildlife habitats, native plant values and other environmental co-benefits. While scientific rigor is paramount, research activities themselves must not significantly degrade ecosystem health, function or services over large areas. Applicants must incorporate reasonable and legally required measures to avoid adverse impacts to fish, wildlife and native plant resources in project design and development.

- *Disadvantaged or Low-Income Community Benefit*
  Research activities need not directly provide disadvantaged or low-income community benefits.

- *Local Fire Plan & Other State Plan Compatibility – 5 points*
  Research activities need not have been identified in planning processes such as the State Fire Plan, CAL FIRE Unit Fire Plans, or Community Wildfire Protection Plans. However, applications should demonstrate how their activities will ultimately support the objectives and implementation of the California Forest Carbon Plan, or other landscape conservation efforts (e.g. HCPs, Natural Community Conservation Plans, CA Wildlife Action Plan, Water Action Plan, Safeguarding California).

- *Collaboration, Community Benefit and Local Support – 5 points*
  Research activities need not be collaborative, but Applicant should demonstrate that cooperation has been established, agreed upon and is supported by any landowners and partners relevant to the proposed project.

- *Project Inclusion of Multiple Forestry Practices*
  Not applicable to research activities.

- *Grantee's Past Performance History and References – 10 points*
  Applicants should demonstrate a strong past history of scientific investigation, as demonstrated by successful completion of past projects, grants and peer reviewed publications. Applications should include *Curriculum Vitae* for all primary project staff, as well as letters of support and references. Please include CV's in Application Attachment Q.

- *Readiness and Legal Requirements – 5 points*
  Applicant should demonstrate the capacity to begin work on the project within 12 months of the grant award, and to complete grant-related work by March 31, 2024. Preference will be given toward projects that have completed required environmental compliance (CEQA, NEPA, etc.) before the project application is submitted. Any ancillary agreements, sub-awards, MOU's or other documents should be in place prior to commencement of work. A Registered Professional Forester or NASP-Certified Silviculturist must design vegetation treatments, oversee vegetation removal, and may calculate the net GHG benefit.

- *Involvement of CAL FIRE Unit, Demonstration State Forest, or other Local Expertise – 5 points*
  Applicant should demonstrate established cooperation with and support of local land managers and experts. For projects that are proposed to occur on Demonstration State Forests or other state-owned lands, preference will be given to projects that involve CAL FIRE Unit staff and/or forest managers, and for projects that address research needs identified in Demonstration State Forest management plans or identified by Forest Manager.

- *Permanence – 5 points*
  Applicant should demonstrate how the research activities will contribute to our understanding of how to achieve and maintain GHG emissions reductions and other forest health benefits over the long-term, especially under threats such as increasing wildfire activity and climate change.

- *Long-term Forest Management – 5 points*
  Applicant should demonstrate how the project contributes to long-term forest management strategies that consider multiple objectives, including carbon sequestration, forest resilience, watershed health, wildlife habitat, and others.

General Grant Conditions and Project Administration

All general conditions and requirements for project administration under the Forest Health Program also apply to the Research Program.

APPENDIX C – EXPLANATION OF TERMS

TERM	EXPLANATION
Agreement	A legally binding agreement between the State and another entity.
Amendment	A formal modification or a material change of the agreement, such as term, cost, or scope of work.
Application	The form identified as Attachment A and supporting attachments for grants required by the enabling legislation or program, or both.
Authorized Representative	The designated position identified in a resolution as the agent to sign all required grant documents including, but not limited to, grant agreements, application forms (Attachment A) and payment requests.
CEQA	The California Environmental Quality Act is a law establishing policies and procedures requiring agencies to identify, disclose to decision makers and the public, and attempt to lessen significant impacts to environmental resources that may occur as a result of a proposed project.
Contractor	An entity contracting with the grantee for services and generally receives a Form 1099 for tax purposes.
Employee	Individuals employed directly by the grantee and generally receives a W-2 for tax purposes.
Forestland	As in Public Resources Code § 4793, land at least 10% occupied by trees of any size that are native to California.
Indirect Costs	Expenses of doing business that are of a general nature and are incurred to benefit at least two or more functions within an organization. These costs are not usually identified specifically with a grant, grant agreement, project or activity, but are necessary for the general operation of the organization. Indirect costs include salaries and benefits of employees not directly assigned to a project, which provide functions such as personnel, business, information technology or janitorial services, and salaries of supervisors and managers. Indirect costs may only be applied as a % of direct costs within the agreement.
Modification	An informal agreement that moves dollars in the line-item and task budgets not to exceed 10% of the budget line item total grant amount, changes deliverable due dates, or makes a minor change in the work of a grant agreement. It does not require a formal amendment of the grant agreement.
Net GHG Benefit	The sum of the GHG emission reductions and sequestration less any GHG emissions resulting from project implementation.
Non-profit Organization	Any California corporation organized under Section 501(c)(3) of the Federal Internal Revenue Code.

Operating Expenses (Direct Cost)	Any cost that can be specifically identified as generated by, and in accordance with, the provisions or activity requirements of the grant agreement.
Payee Data Record (Std. 204)	A form required for non-governmental entities to establish a vendor number for payment and to have funds encumbered.
Project Performance Period	The Project Performance Period is from the time the Grant Agreement is fully signed to the Agreement termination date. Only eligible costs incurred during the project performance period will be paid by the State.
Project	The activity, activities, or work to be accomplished utilizing grant and matching funds (if applicable).
Project Scope of Work	The detailed description of the proposed tasks identified as Attachment B, as described in enabling legislation and detailed in the grant agreement.
Project Budget Detail	The proposed detailed budget plan identified as Attachment E.
Resolution	A signed resolution by the grantee's governing body, which allows the grantee to sign agreements and amendments for a specific project.

APPENDIX D – ENVIRONMENTAL COMPLIANCE

CEQA Compliance

1) If the applicant or a willing project partner is a public agency, they will assume the role of lead agency. For these projects, CAL FIRE will be a responsible agency and as such will review the lead agency's CEQA documents and any supporting documentation in order to develop its own CEQA findings and make a discretionary decision for a project.

2) If the applicant or any project partner is not a public agency, CAL FIRE will assume the role of lead agency. For these projects, the GRANTEE will be required to work with CAL FIRE and provide information as necessary to ensure compliance with CEQA. This includes following CAL FIRE processes and using CAL FIRE forms to determine what type of environmental document will be required.

For more detailed info on CEQA for CAL FIRE grants, please see "CAL FIRE Forest Health Environmental Compliance" on the Forest Health website.

NEPA Compliance

Project work completed on Federal lands must comply with NEPA.

If the requirements of Public Resources Code section 4799(d) are met, CEQA should not apply to the project. This means that prescribed fire, thinning, or fuel reduction on federal lands to reduce the risk of high-severity wildfire may not need to comply with CEQA.

APPENDIX E – PROJECT BUDGET

The Project Budget should be provided in the following format. An Excel template is available of the Forest Health website; both worksheets need to be filled and submitted. Forest Legacy applicants need not submit this budget but must complete the budget in the Forest Legacy Program Application. CAL FIRE reserves the right to fund only a portion of the proposed budget items. Up to 12% of the total direct costs, *excluding equipment costs*, is allowable as indirect costs.

Worksheet #1: Grants Info

CAL FIRE Forest Health Program California Climate Investments

(Please submit both sheets)

Worksheet 1: Grant Info

Budget Item	Description	Cost Basis	CAL FIRE Grant Share	Program Income	Grantee Match	Total
A. Salaries and Wages			-	-	-	-
						-
						-
						-
						-
B. Employee Benefits			-	-	-	-
						-
						-
						-
						-
C. Contractual			-	-	-	-
						-
						-
						-
						-
D. Travel			-	-	-	-
						-
						-
						-
						-
E. Supplies			-	-	-	-
						-
						-
						-
						-
F. Equipment			-	-	-	-
						-
						-
						-
						-
G. Other			-	-	-	-
						-
						-
						-
						-
TOTAL DIRECT COSTS			-	-	-	-
INDIRECT COSTS	*(12% max for CAL FIRE Grant Share and Program Income, excluding equipment)*		-			-
TOTAL GRANT PROPOSED COSTS			-	-	-	-

Worksheet #2: Program Info

Applicant:

Application ID:

List only one ownership type and only one treatment type per row. You may need to list a treatment area more than one time.

Add more rows if needed. All treatment areas must be included. ***Not required for Forest Legacy projects.***

Treatment Area	Ownership Type	SRA / FRA / LRA	Number of Acres	Treatment type	NEPA complete? (yes / no)	CEQA complete? (yes / no)	Total CCI funds to be spent on treatment
	Total		0	0			0

APPENDIX F – SAMPLE RESOLUTION

A signed resolution, similar to this sample, will be required prior to the signing of a Grant Agreement. Applicants are encouraged to submit a draft resolution with the Project Application. Resolutions are not required for for-profit institutions.

RESOLUTION (non-profit applicants must have resolution signature notarized)

NOTE: DO NOT CHANGE THE FORMAT OR VERBIAGE IN THIS RESOLUTION FORMAT WITHOUT WRITTEN APPROVAL OF CAL FIRE STAFF.

Resolution No.:_____

RESOLUTION OF THE _____(**Title of Governing Body/City Council/ Board of Supervisor/Board of Directors**) OF _____ **(City/County/District/Not-for-Profit/etc.)** FOR FUNDING FROM THE FOREST HEALTH GRANT PROGRAM AS PROVIDED THROUGH THE GREENHOUSE GAS REDUCTION FUND.

WHEREAS, the Governor of the State of California in cooperation with the California State Legislature has enacted State of California Greenhouse Gas Reduction Funding, which provides funds to the State of California and its political subdivisions for forest health programs; and

WHEREAS, the State Department of Forestry and Fire Protection has been delegated the responsibility for the administration of the program within the State, setting up necessary procedures governing application by local agencies, non-profit organizations, and others under the program, and

WHEREAS, said procedures established by the State Department of Forestry and Fire Protection require the applicant to certify by resolution the approval of application before submission of said application to the State; and

WHEREAS, the applicant will enter into an agreement with the State of California to carry out a forest health project;

NOW, THEREFORE, BE IT RESOLVED that the **(Title of Governing Body):**

1. Approved the filing of an application for "State Greenhouse Gas Reduction Funding" forest health grant program funds; and

2. Certifies that said applicant has or will have sufficient funds to operate and maintain the project; and,

3. Certifies that funds under the jurisdiction of **(Governing Body)** are available to begin the project.

4. Certifies that said applicant will expend grant funds prior to **March 30, 2022**.

5. Appoints **(Position Title)**, or a designee, as agent of the **(Governing Body)** to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the aforementioned project.

Approved and adopted the _____day of _____, 20_____. I, the undersigned, hereby certify that the foregoing Resolution, number_____ was duly adopted by the following roll call vote:
(City Council/Board of Supervisor/Board of Directors)

Ayes: _____Noes: _____ Absent: _____ _____(Clerk) Notarized Seal:

SAMPLE

APPENDIX G – FORMS

These standard forms are required prior to the signing of a Grant Agreement. Applicants are encouraged to submit these forms with the Project Application to expedite the process should the grant be awarded.

Payee Data Record form (STD. 204): CAL FIRE utilizes this form internally for all grantees. This form is required for all applicants, including local governments, despite the language on the form. http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf

Nondiscrimination Compliance Statement form (STD. 19) – Required at time of Grant Agreement:
http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std019.pdf

A Drug-Free Workplace Certification form (STD. 21) – Required at time of Grant Agreement:
http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std021.pdf

APPENDIX H – SAMPLE INVOICE

All Grantees will be required to submit regular invoices in a format similar to this sample.

Grantee Name
Street Address
Street Address2
City, ST ZIP Code

INVOICE

Submit invoice and supporting documentation to:
California Department of Forestry & Fire Protection (CAL FIRE)
ATTN:
ADDRESS
CITY, STATE, ZIP CODE

DATE: MM/ DD/YYYY
INVOICE #:

Grant Number: 8XX17XXX
Grant Period: MM/DD/YYYY to MM/DD/YYYY
Project Name:

Invoice Period: MM/DD/YYYY to MM/DD/YYYY
Payment Type: ☐ Advance Request ☐ Interim Payment ☐ Final Payment

BUDGET ITEM	BUDGETED AMOUNT	CURRENT COST	EXPENDED TO DATE	CURRENT MATCH	MATCH TO DATE
Salaries and Wages					
Employee Benefits					
Contractual					
Travel					
Supplies					
Equipment					
Other					
Indirect Cost 10%					
TOTAL	-	$ -	$ -	$ -	$ -
Less Outstanding Advance					
Less Program Income					
	CURRENT DUE	$ -			

Check all those that apply:
☐ Supporting documentation attached (required for Interim & Final Payment)
☐ Project Progress Report (Interim) or Project Completion Report (Final)

Direct questions to:

Name
XXX-XXX-XXXX Ext. XXXX
Email address

CERTIFICATION: I certify that I have the full authority to execute this payment request on behalf of the Grantee. I declare under penalty of perjury, under the laws of the State of California, that this request and accompanying documents for the above referenced grant is true and correct to the best of my knowledge, and represents actual allowable disbursements made for the work performed in accordance with the conditions of the grant.

Signature of Authorized Official Date Printed Name Title

CAL FIRE USE ONLY			
Payment approval signature (Unit/Field Staff)		Title	Date
Payment approval signature (Program Manager)		Title	Date
Payment approval signature (Grants Management Unit)		Title	Date
CAL FIRE Coding:	FY Index Object	PCA Amount	Vendor #