

North Santa Clara Resource Conservation District An independent special district of the State of California

To: NSCRCD Board of Directors

From: Stephanie Moreno, Executive Director/District Clerk Subject: Staff Report for Item 7.1: Federal Executive Orders

Date: February 6, 2025

Executive Director Recommendation:

- 1. Create a new ad hoc committee to review District policies, programs, and initiatives for compliance with federal executive orders and policies.
- 2. Dissolve the ad hoc Environmental Justice Committee that was created on February 4, 2021 to ensure the District remains in compliance with the Brown Act given the definition of standing and ad hoc committees.
- 3. Establish the District's initial commitment to continue to offer services and incur expenditures for the Year 2 grant for the Farm and Ranch Resilience Program (FRRP) through at least April 1, 2025.
- 4. Request the Executive Director provide a financial report, including a cash flow analysis, for the March 6, 2025 Board meeting to inform Board action regarding continued commitment to fund FRRP beyond April 1, 2025.

Background:

The new federal administration has issued a large number of executive orders, several of which may impact the status of the diversity, equity, and inclusion programs and initiatives that were implemented prior to the new orders.

The District has a long history of proactive compliance with federal and state nondiscrimination policies, and a statement of nondiscrimination is included as a matter of practice in District documents. In 2020, adopted a Statement of Diversity and Inclusion and held a number of public discussions regarding diversity, equity, and inclusion. In the Statement, the Directors committed to:

- Doing the work as an organization to learn about justice, equity, diversity and inclusion, and how they relate to our mission.
- Seeking to expand diversity of our Board of Directors.
- Recruiting employees and consultants whose background and experience show a commitment to diversity and environmental justice.
- Ensuring diversity and environmental justice are key components of our strategic planning and programmatic work.
- Using our positions as conservation leaders to amplify diverse voices in the conservation movement.

In June 2021, the District adopted its Environmental and Social Justice Policy with the following objectives:

- Provide proper translation of any District plans and updates to the community which it impacts.
- Work with local agencies/community organizations to establish additional channels of communication regarding projects and initiatives related to the District's mission.
- Provide a variety of opportunities for the public to receive information, addressing the varying levels of information accessibility within underserved communities using different types of communication/mediums.
- Establish clear and attainable ways for the public to engage in discussions.
- Provide resources to the community for education regarding projects that may have a direct impact on their environment (for example, how to read an Environmental Impact Report (EIR)).
- Enable stakeholders to participate in environmental decision-making.
- Encourage community engagement with underrepresented stakeholders and community members via tailored outreach plans.
- Advocate on behalf of underrepresented or socially disadvantaged community members on local projects affecting the environment.
- Encourage the County Board of Supervisors to maintain the diversity of the Board of Directors.
- Recruit employees and consultants whose background and experience show a commitment to diversity and environmental justice.

The District has made meaningful progress in engaging with a wide range of constituents and communities, including those who are traditionally underrepresented with regards to agricultural and natural resources technical assistance and public education opportunities. Through our Farm and Ranch Resilience Program (FRRP), implemented in partnership with the Loma Prieta and San Benito RCDs, we have facilitated access to federal programs and fundings for nearly 100 agricultural growers who were not previously engaged in EQIP and FSA programs. We have been working on a grant proposal with County Parks, the Santa Clara Valley Habitat Agency, UCCE, and representatives from the local Cattlemen's Association in the hopes of securing funding to develop a permit streamlining program that will allow local ranchers to rehabilitate and enhance their stock ponds. Our community grant program has helped build the capacity of over a dozen nonprofit community organizations and Native American tribal governments, most recently through our free grant-writing technical assistance program, in which we have helped draft over \$900,000 in grant applications, with a total \$233,000 awarded so far – a success rate of over 25%. Our ZEN Pilot project with the City of San Jose has implemented climate friendly practices and hosted free workshops at community centers and in community gardens in the Santee neighborhood, and our District is now offering multilingual translation and interpretation services in English, Spanish, Mandarin, Cantonese, and Vietnamese not only for workshops and trainings, but as a service to other RCDs and public agencies in our region.

In addition to the recently issued executive orders regarding diversity, equity, and inclusion programs and initiatives, on January 27, 2025, the federal Office of Management and Budget issued a funding freeze on all grants and loans with an effective date of less than 24 hours. Although several court orders have been issued to require release of the funds, the federal government has not yet released the majority of funding. The impacts to the California Association of Resource Conservation Districts and many statewide RCDs have been significant. Many are shutting down their federally funded programs and considering the layoff of and/or reduction in hours for employees. It's hard to know what information we can rely on as to whether or not our own District's grants –\$150,000 in USDA-NRCS cooperative agreements funding two years of our FRRP – will eventually be released, although our funds

are not tied to the funding sources of the gravest concern to the federal government. Current expenditure status is as follows:

- \$55,967.40: Obligated Year 1 expenditures (obligated with FI Q3 2023; FI Q4 2023; FI Q1 2024; FI Q2 2024; claim awaiting USDA approval).
- \$4,605.90: Obligated Year 1 expenditures (obligated with FI Q3 2024; claim to be submitted 2/25)
- \$14,426.70: Unobligated Year 1 expenditures (to be obligated with FI Q4 2024 on 1/30/25; claim to be submitted 2/25).
- \$7,700.00: Unobligated Year 2 expenditures (estimated expenditures for January 2025; will be
 obligated along with February and March expenditures in the F1 Q1 2025 to be submitted
 4/30/25)
- ~ \$67,500.00: Unobligated Year 2 grant balance (estimated remaining for Year 2 ending 8/30/25).

The remainder of our awarded grants are State funded and do not appear to be affected by the federal freeze, although there are some other types of State grants that have pass-thru federal funding that could be impacted.

Discussion:

Given the swift changes that occurring in our country, I personally believe it is more important than ever that we work to ensure that ALL of our constituents have equal access to services. I believe that the language in our policies and documents are aligned with federal nondiscrimination policies, and that because we offer services to all without discrimination, our activities are compliant as well. However, out of an abundance of caution, it would be prudent to conduct a formal administrative and legal review of our policies, initiatives, and activities to ensure compliance with federal policy.

Regarding grant funding, I believe it would be a disservice to our constituents to suspend program and projects that are proactively supporting members of our community, especially as the other public agencies and community based organizations from whom many have been receiving services are likely feeling the same kinds of impacts. The Farm and Ranch Resilience Program is undoubtedly our most successful engagement and even without federal funding, I believe it is a program the District should continue.

We have approximately \$200,000 in designated reserve specifically for this kind of situation, although we would not want to completely deplete the fund as it has taken a number of years to build it up. I believe we have sufficient District funding to continue the FRRP through the end of FY 2025 (June 2025), if not beyond, in the event we are denied reimbursement of our existing expenditures, and I would like to see the District commit to that at least. However, I will need additional time to provide a financial report and cash flow analysis to you so that you know that you are meeting your fiduciary duties in making that commitment. I therefore propose that you make a shorter-term commitment tonight, and re-commit for a longer period of time at the March meeting, when you have time to review the financial documents.

I met with President Maitski and Vice President Bautista on February 4, 2025 to update them on federal impacts and to hear their feedback on potential options for District response. As a result of our discussion, I am recommending the Board take the following action:

- create a new ad hoc committee to review District policies, programs, and initiatives for compliance with federal executive orders and policies. Potential names:
 - o ad hoc Federal Policy Review and Alignment Committee (FPRAC).
 - o ad hoc Executive Order Compliance Committee (EOCC).
 - o ad hoc Executive Order Alignment Committee (EOAC).
- dissolve the ad hoc Environmental Justice Committee that was created on February 4, 2021 to
 ensure the District remains in compliance with the Brown Act given the definitions of standing
 and ad hoc committees.
- establish the District's initial commitment to continue to offer services and incur expenditures for the Year 2 grant for the Farm and Ranch Resilience Program (FRRP) through at least April 1, 2025 regardless of federal funding status.
- request the Executive Director to provide a financial report, including a cash flow analysis, for the March 6, 2025 Board meeting to inform Board action regarding continued commitment to fund FRRP beyond April 1, 2025.