#### CALIFORNIA COASTAL COMMISSION

45 FREMONT, SUITE 2000 SAN FRANCISCO, CA 94105-2219 VOICE (415) 904-5200 FAX (415) 904-5400 TDD (415) 597-5885



July 23, 2008 W21b

TO: CALIFORNIA COASTAL COMMISSION

FROM: SUSAN M. HANSCH, Chief Deputy Director

ANNE MCMAHON, Federal Programs Manager

SUBJECT: Interagency Agreement for Implementing California's Coastal Management

**Program** for public hearing and Commission action at the Coastal Commission

Meeting of August 6, 2008

### **RECOMMENDATION:**

Staff recommends that the California Coastal Commission (Commission) authorize the Executive Director to enter into an interagency agreement to administer the pass through of \$331,700 of federal funds to the San Francisco Bay Conservation and Development Commission (BCDC) for the purpose of implementing the federally approved California Coastal Management Program for Fiscal Year 2008/2009.

## **MOTION:**

"I move that the Commission authorize the Executive Director to enter into an interagency agreement to pass through \$331,700 of federal funds to BCDC for the purpose of implementing the California Coastal Management Program for Fiscal Year 2008/2009."

Staff recommends a **YES** vote.

### **STAFF ANALYSIS:**

The Federal Coastal Zone Management Act (CZMA), requires that only one state agency be the primary recipient of federal CZMA funds. The Coastal Act designates the Coastal Commission to serve this purpose. Therefore, any federal CZMA funds for BCDC and other state agencies must be received by the Commission, included in the Commission's budget, and passed through to the other agencies by means of an interagency agreement. The arrangement to pass through funds has been used since 1977, when the U. S. Department of Commerce approved California's Coastal Management Program.

TABLE A: Breakdown of FY 2008/2009 Coastal Zone Management Grant Funds by Agency & Section

| CZMA Sections  | CA Coastal<br>Commission | BCDC             | State Coastal<br>Conservancy | CZMA grant<br>section<br>TOTALS   |
|--|--------------------------|------------------|------------------------------|-----------------------------------|
| Section 306 Coastal Management Program (*state match required)                                   | \$1,770,300*             | \$196,700*       | (no funds<br>requested)      | \$1,967,000*                      |
| Section 309 Enhancement<br>Grants  | \$411,000                | \$125,000        |                              | \$536,000                         |
| Nonpoint Source Program<br>(Section 310) Protecting<br>Coastal Waters<br>(*state match required) | <u>\$58,000*</u>         | <u>\$10,000*</u> |                              | <u>\$68,000</u> *                 |
| ,  | \$2,239,300              | \$331,700        | <b>\$</b> 0                  | <i>Total Grant</i><br>\$2,571,000 |

# Interagency Agreement for Implementing the California Coastal Management Program August 6, 2008 Coastal Commission Meeting

In Fiscal Year 2008/2009, the State of California has been granted a total of \$2,571,000 in CZMA funds: BCDC will receive \$331,700, and the Coastal Commission will retain the remaining \$2,239,300 (see *Table A*, page 1). The grant funds will be awarded pursuant to three sections of the CZMA, Sections 306, 309, and 310.

# Section 306 - \$1,967,000 (CCC \$1,770,300 and BCDC \$196,700)

Section 306 funds provide program implementation funding for California's Coastal Program. The state is required to match any Section 306 funds that are granted to it by the federal government. The state match for BCDC is included in their 2008/2009 budget; and, therefore, the Coastal Commission will not incur any additional expense.

# Section 309 - \$536,000 (CCC \$411,000 and BCDC \$125,000)

In 1990, the Coastal Zone Management Act (CZMA) was reauthorized and amended to add a new "Coastal Zone Enhancements Grants" program under CZMA Section 309. In 2006, the Coastal Commission updated the 2001 Assessment and Strategy and identified California's four highest priorities "coastal zone enhancement objectives." The four highlighted objectives identified were: special area management planning, wetlands, cumulative and secondary impacts and coastal hazards. The Coastal Commission prepared a multi-year Section 309 Strategy for improving the California Coastal Management Program in the four priority areas. BCDC prepared a separate Section 309 enhancement and strategy update in 2006.

The purpose of the Section 309 grant funding is to provide California with the opportunity to enhance its coastal management program according to the priority objectives identified in 2006 in the Section 309 Enhancement and Strategy updates.

The Coastal Commission is using the Section 309 funds (\$411,000) to develop and report on CZMA performance measurements from Phase I and II (Government Coordination and Decision Making, Public Access, Coastal Habitat, and Coastal Water Quality), including new Phase III measurements (Coastal Hazards and Coastal Dependent Uses and Community Development); to assess trends and formulate recommendations regarding lower-cost visitor-serving accommodations in the Coastal Zone; and to refine jurisdictional boundary mapping for several high-priority areas (to be determined based on availability of data and data-sharing agreements with local governments) for adoption by the Commission at a future meeting.

BCDC will use 2008/2009 Section 309 funds (\$125,000) to develop and implement a "Resilient Shoreline Communities Design Competition" that will provide coastal managers with new strategies for responding to sea level rise and coastal hazards, creating resilient shoreline communities, and for preserving and enhancing coastal resources.

## Section 310 - \$68,000 (CCC \$58,000 and BCDC \$10,000)

Section 310 funds (\$68,000) are being used to implement the state's federally approved nonpoint source program,. The Coastal Commission will retain \$58,000 of this money to further implement the State Nonpoint Source Pollution Program, specifically to help ensure that new coastal development incorporates appropriate management measures and best management practices to minimize impacts on nonpoint source pollution. BCDC will use their portion of the funds (\$10,000) to support interagency coordination with the Coastal Commission, the State Water Resources Board, and the San Francisco Bay Regional Water Quality Control Board.

### **State Coastal Conservancy**

As in the last several years, the State Coastal Conservancy did not request any portion of the funds from this year's grant. However, given the Conservancy's role in developing and implementing programs to protect, restore, and enhance resources in the coastal zone and the San Francisco Bay as part of the California Coastal Management Program, the Conservancy may request some portion of CZMA funding in future years, as its needs change.