

CALIFORNIA COASTAL COMMISSION

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W25b

July 22, 2009

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 12-14, 2009

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 \$342,500 of federal Coastal Zone Management Act (CZMA) 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 2009/2010. The term of this award began on July 1, 2009, and extends through December 31, 2010.

MOTION:

"I move that the Commission authorize the Executive Director to enter into an interagency agreement to pass through \$342,500 of federal funds to BCDC for the purpose of implementing the California Coastal Management Program for Fiscal Year 2009/2010."

Staff recommends a **YES** vote.

STAFF ANALYSIS:

As you know, the federally-approved California Coastal Management Program (CCMP) comprises three distinct state agencies: the Commission, BCDC, and the California State Coastal Conservancy (Conservancy). The CZMA requires that one single state agency be the primary recipient of all federal CZMA funds awarded to the CCMP. The Coastal Act designates the Commission to serve this purpose. Therefore, any federal CZMA funds for other state agencies must be received by the Commission; included in the Commission's budget; and passed through to the other CCMP agencies by means of an interagency agreement. The arrangement to pass through funds has been used since 1977, when the United States Department of Commerce approved the CCMP.

For Fiscal Year 2009/2010, the State of California has been granted \$2,652,200 in CZMA funds. Using a formula agreed to in previous years, the funds will be distributed as follows: BCDC will receive \$342,500, and the Coastal Commission will retain the remaining \$2,309,700 (see *table*

below). The grant funds will be awarded pursuant to three sections of the CZMA: Sections 306, 309, and 310.

As has been the case for the last several years, the Conservancy did not request any funds from the FY09-10 CZMA grant. 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, and the uncertainty of future opportunities to secure funding from state bonds or other sources, federal CZMA funding may be increasingly important to the Conservancy.

Distribution of FY09-10 CZMA grant funding, by agency and CZMA Section

CZMA Sections	CA Coastal Commission	BCDC	State Coastal Conservancy	CZMA grant section TOTALS
Section 306 Coastal Management Program <i>(*state match required)</i>	\$1,795,500*	\$199,500*	(no funds requested)	\$1,995,000*
Section 309 Enhancement Grants	\$411,000	\$125,000		\$536,000
Nonpoint Source Program (Section 310) Protecting Coastal Waters <i>(*state match required)</i>	\$103,200*	\$18,000*		\$121,200*
	\$2,309,700	\$342,500	0	total grant \$2,652,200

Section 306 - \$1,995,000 (Commission/\$1,795,500 and BCDC/\$199,500)

Section 306 funds provide program implementation funding for the CCMP. The Commission uses Section 306 funding to support core program activities, including work on permitting, appeals, LCPs, federal consistency review, and enforcement. BCDC uses Section 306 funding to support its work associated with permitting and enforcement activities. The state is required to match any Section 306 funds provided by the federal government. The Commission identifies specific tasks performed by Commission staff as its in-kind match. The state match for BCDC is included in its FY 2009/2010 budget; and, therefore, the Coastal Commission will not incur any additional expense.

Section 309 - \$536,000 (Commission/\$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 updated 309 enhancement and strategy 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 309 Enhancement and Strategy updates.

The Coastal Commission is using the Section 309 funds (\$411,000) for:

- Developing the 2011-2015 309 Assessment and Strategy, consistent with guidance provided by the NOAA Office of Ocean and Coastal Resources (OCRM). The process will include an assessment of the Commission's progress on the strategies identified in the 2006-2010 Assessment and Strategy; development of strategies to be included in the 2011-2015 Assessment and Strategy; submitting a draft document to OCRM and working with them to refine and finalize; and a public review process.
- Work associated with the planning, preparation and scheduling for the Commission workshop coordinated with the League of Cities and the California State Association of Counties workshop; as well as the analysis of information from the workshop and any associated follow-up identified in the process to improve Local Coastal Program (LCP) local assistance and communication with local governments.

BCDC will use Section 309 funds (\$125,000) for:

- Developing the 2011-2015 309 Assessment and Strategy, consistent with guidance provided by the NOAA Office of Ocean and Coastal Resources (OCRM), including an assessment of the progress on the strategies identified in the 2006-2010 Assessment and Strategy; development of strategies to be included in the 2011-2015 Assessment and Strategy; submitting a draft document to OCRM and working with them to refine and finalize; and a public review process.

Section 310 - \$121,200 (Commission/\$103,200 and BCDC/\$18,000)

Section 310 funds will be used to implement the California's Nonpoint Source Pollution Control Plan, designed to protect the State's water quality by supporting its nonpoint source pollution prevention and control

The Commission will use these Section 310 funds to support the review of proposals for new coastal development and development of recommendations to ensure that new development incorporates appropriate management measures and best management practices to minimize the adverse impacts of nonpoint source pollution. (The Commission may reprogram some portion of these funds for other yet-to-be determined tasks.)

BCDC will use these Section 310 funds to support interagency coordination with the Commission, the State Water Resources Board, and the San Francisco Bay Regional Water Quality Control Board.