

**CALIFORNIA COASTAL COMMISSION**

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# W6d

July 29, 2016

TO: California Coastal Commission and Interested Persons

FROM: John Ainsworth, Acting Executive Director  
Susan M. Hansch, Chief Deputy Director  
Michelle Jesperson, Federal Programs Manager

SUBJECT: **Interagency Agreements for Implementing California's Coastal Management Program** for public hearing and Commission action at the Coastal Commission meeting August 10-12, 2016

**RECOMMENDATION:**

Staff recommends that the California Coastal Commission (Commission) authorize the Acting Executive Director to enter into: (1) an interagency agreement to administer pass-through funding of \$332,250 from the federal Coastal Zone Management Act (CZMA) grant award to the San Francisco Bay Conservation and Development Commission (BCDC); (2) an interagency agreement to administer pass-through funding of \$321,000 from the CZMA grant award to the State Coastal Conservancy (SCC) for the purpose of implementing the federally approved California Coastal Management Program for Fiscal Year 2016-2017. The term of this award is eighteen months, beginning on July 1, 2016 and ending December 31, 2017, with an option to extend the term up to three years through June 30, 2019.

**MOTION I:**

***"I move that the Commission authorize the Acting Executive Director to enter into an interagency agreement to pass through \$332,250 of federal funds to the San Francisco Bay Conservation and Development Commission for the purpose of implementing the California Coastal Management Program for Fiscal Year 2016-2017."***

Staff recommends a YES vote.

**MOTION II:**

***"I move that the Commission authorize the Acting Executive Director to enter into an interagency agreement to pass through \$321,000 of federal funds to the State Coastal Conservancy for the purpose of implementing the California Coastal Management Program for Fiscal Year 2016-2017."***

Staff recommends a YES vote.

## **STAFF ANALYSIS:**

The federally approved California Coastal Management Program (CCMP) comprises three distinct state agencies: the Commission, BCDC, and SCC. 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 1978 when the United States Department of Commerce approved the CCMP.

For Fiscal Year 2016-2017, which started July 1, 2016, the State of California will receive \$2,703,000 in CZMA funds. The funds will be distributed as follows: BCDC will receive \$332,250, SCC will receive \$321,000 and the Coastal Commission will retain the remaining \$2,049,750 (see table below). The grant funds will be awarded pursuant to two sections of the CZMA: Sections 306 and 309. The Executive Directors of the three state agencies mutually agreed upon the distribution of federal funds as outlined in the table below. The SCC is not eligible to receive section 309 funds at this time since they do not have an approved 2016 – 2020 Assessment and Strategy.

**Distribution of FY 2016-2017 CZMA grant funding by agency and CZMA Section**

<b>CZMA Sections</b>	<b>CA Coastal Commission</b>	<b>BCDC</b>	<b>State Coastal Conservancy</b>	<b>CZMA grant section TOTALS</b>
<b>Section 306</b> Coastal Management Program <i>(*state match required)</i>	\$1,663,500*	\$203,500*	\$321,000*	\$2,188,000*
<b>Section 309</b> Enhancement Grants	\$386,250	\$128,750	\$0	\$515,000
<b>Section 310 Miscellaneous</b> <i>No funds appropriated</i>	\$0	\$0	\$0	\$0
	<b>\$2,049,750</b>	<b>\$332,250</b>	<b>\$321,000</b>	<b>total grant \$2,703,000</b>

### **Section 306 - \$2,188,000 (Commission/\$1,663,500; BCDC/\$203,500; and SCC/\$321,000)**

Section 306 provides program implementation funding for the CCMP. The Commission uses Section 306 funding to support core program activities, including staff work on permits, appeals, LCPs, federal consistency review, and enforcement. BCDC uses Section 306 funding to support its work associated with permitting, federal consistency and enforcement activities. The SCC will use their 306 funding to support projects on sea level rise vulnerability assessments, developing adaptation plans and implementation projects, and coastal access. The state is required to match all Section 306 funds provided by the federal government. State general fund revenues that support Commission staff salary and benefits costs are used for the CCC portion of the state match. The state match for BCDC and SCC is included in their FY 2016-2017 budgets; therefore, the Commission will not incur any additional expense to provide BCDC and SCC's portions of the state match.

## **Section 309 - \$515,000 (Commission/\$386,250 and BCDC/\$128,750)**

In 1990, the CZMA was reauthorized and amended to add a new “Coastal Zone Enhancements Grants” program established under CZMA Section 309. The purpose of the Section 309 grant funding is to provide states with the opportunity to enhance their coastal management programs in any of the nine priority objective areas identified in the CZMA (wetlands, coastal hazards, public access, marine debris, cumulative and secondary impacts, special area management planning, ocean resources, energy and government facility siting and aquaculture).

In 2015, the Coastal Commission updated its Section 309 Assessment and Strategy for 2016 – 2020 (a requirement of the grant); this document identifies the Commission’s highest priority coastal zone enhancement area objectives that will be the focus of the Commission’s Section 309 work for the next five years. The Commission reviewed and provided input on the Draft 2016 – 2020 Assessment and Strategy in July of 2015. This document was then finalized and approved by NOAA in November 2015. The enhancement areas included in the Commission’s 2016 – 2020 Assessment and Strategy are: special area management planning (also considered LCP planning), cumulative and secondary impacts, public access, wetlands, and coastal hazards. BCDC updated their own 309 Assessment and Strategy in 2015 and it provides the basis for their 309 activities for 2016 - 2020.

For the FY 2016-2017 grant, the Coastal Commission will use the Section 309 Enhancement Grant funds (\$386,500) for:

- **Management Options to Protect Public Trust Resources.** Strategy 1, Management Options to Protect Public Trust Lands and Resources, is a multi-year effort that will examine ways to improve interagency coordination between the Coastal Commission, the State Lands Commission (SLC) and potentially other relevant state agencies on issues related to the public trust to enable each agency to better fulfill their statutory mandates. The goal of this effort is to develop an adaptive framework for communication and work going forward that will facilitate collaboration between the agencies in achieving protection of public trust land resources in light of accelerating sea level rise and the ambulatory nature of the public trust boundary. In this first year of Strategy 1 implementation (July 1 2016 – December 31, 2017), Commission staff will work with SLC staff to develop a framework for coordination, such as a MOU, that will guide the agencies actions on this topic for the next four years and possibly beyond. Staff will also identify a pilot project area and define the initial scope of work to launch Year 2 of Strategy 1 implementation.
- **Training Framework for LCP Planning and Implementation.** In this first year of Strategy 2, Training for LCP Planning and Implementation, staff will develop the overall program design, framework and a schedule for developing the content of a training program for new coastal analysts at the Coastal Commission and planners at the local government level. The training is envisioned to be an on-line guidance and training program that will provide key policy and planning information to Commission staff as well as be available to planners at local jurisdictions, to strengthen their knowledge of the coastal program and assist in planning efforts for developing new LCPs or comprehensive LCP updates. In addition to developing the training framework, staff will

also begin to develop content for one or more of the highest priority issues to test the framework and adapt it as needed.

BCDC will use Section 309 funds (\$128,750) for:

- **Content for and Use of the ART Portfolio.** BCDC's Adapting to Rising Tides (ART) Program has been and continues to lead and support local, regional and state efforts to assess and respond to current and future climate change related hazards in a manner that protects ecosystem and community services, encourages local and regional economic sustainability, and promotes social equity. The ART Portfolio is an innovative on-line resource with planning guidance, tools and information developed, tested and refined by the ART Program and its working group members to address the specific challenges of climate change. The ART Program has gained regional recognition and the findings from the program are informing BCDC's coastal hazards management planning. Refinement and update of the ART Portfolio, help desk support and identification of new ways to share the ART Portfolio in creative and effective ways will further and support BCDC's efforts to improve the region's capacity to manage current and future coastal hazards as the climate changes. Specific outcome of this year's efforts will include updates and refinements of existing resources and the addition of new resources to the ART Portfolio.