

CALIFORNIA COASTAL COMMISSION

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August 30, 2013

TO: CALIFORNIA COASTAL COMMISSION

FROM: Charles Lester, Executive Director
Susan M. Hansch, Chief Deputy Director
Jeannine Manna, Coastal Planner
Michelle Jespersen, Federal Programs Manager

SUBJECT: **Interagency Agreement for Implementing California's Coastal Management Program** for public hearing and Commission action at the Coastal Commission meeting September 2013

RECOMMENDATION:

Staff recommends that the California Coastal Commission (Commission) authorize the Executive Director to enter into an interagency agreement to administer pass through funding of \$292,697 from the federal Coastal Zone Management Act (CZMA) grant award 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 2013-2014. The term of this award began on July 1, 2013 and extends through December 31, 2014. The federal grant was not awarded until late July so we were unable to bring this item to you sooner for your consideration.

MOTION:

“I move that the Commission authorize the Executive Director to enter into an interagency agreement to pass through \$292,697 of federal funds to BCDC for the purpose of implementing the California Coastal Management Program for Fiscal Year 2013-2014.”

Staff recommends a **YES** vote.

STAFF ANALYSIS:

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

For Fiscal Year 2013-2014, which started July 1, 2013, the State of California will receive \$2,327,500 CZMA funds. Using a formula agreed to in prior years, the funds will be distributed as follows: BCDC will receive \$292,697, and the Coastal Commission will retain the remaining \$2,034,803 (see table below). The grant funds will be awarded pursuant to two sections of the CZMA: Sections 306 and 309.

The Conservancy did not request any funds from the FY 2013-2014 CZMA grant, consistent with years past. 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, future federal CZMA funding may be of interest to the Conservancy.

Distribution of FY2012-2013 CZMA grant funding by agency and CZMA Section

<i>CZMA Sections</i>	<i>CA Coastal Commission</i>	<i>BCDC</i>	<i>State Coastal Conservancy</i>	<i>CZMA grant section TOTALS</i>
Section 306 Coastal Management Program <i>(*state match required)</i>	1,688,850*	\$187,650*	(no funds requested)	\$1,876,500*
Section 309 Enhancement Grants	\$345,953	\$105,047		\$451,000
Section 310 Miscellaneous - Other <i>Note: No funds were appropriated</i>	<u>\$0</u>	<u>\$0</u>		<u>\$0</u>
	\$2,034,803	\$292,697	\$0	total grant \$2,327,500

Section 306 - \$1,876,500 (Commission/\$1,688,850 and BCDC/\$187,650)

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 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 match. The state match for BCDC is included in its FY 2013-2014 Budget; therefore, the Commission will not incur any additional expense to provide BCDC’s portion of the state match.

Section 309 - \$451,000 (Commission/\$345,953 and BCDC/\$105,047)

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 California with the opportunity to enhance its coastal management program 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 2010, the Coastal Commission updated its Section 309 Assessment and Strategy for 2011 – 2015 (a requirement of the grant) which identifies the Commission’s five highest priority coastal zone enhancement area objectives that will be the focus of the Commission’s Section 309 work. These areas 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 2010 and provides the basis for their 309 activities.

For the FY 2013-2014 grant, the Coastal Commission will use the Section 309 Enhancement Grant funds (\$345,953) for:

- **Phase III of the Digital LCP Pilot Project.** Under the FY 2011-2012 grant, Commission staff undertook Phase I of this project, consisting of an assessment and needs analysis to identify and scope practice and problems related to building and maintaining a digital LCP library. Under the FY 2012-2013 grant, Commission staff undertook Phase II consisting of developing protocols for identifying, collecting, maintaining and accessing digital documents, testing and refining the protocols by conducting one or more pilot LCP projects, and recommending an implementation plan for a phased implementation. This Phase III will pursue further completion of the digital library, initiate changes, if required, to the California Code of Regulations and CCC administrative procedures regarding LCP filing requirements, and will develop a strategy for expanding the public’s access to the digital library over the web.
- **Compendium of Coastal Development Permit Special Conditions.** This task will update and expand a compendium of special conditions adopted by the Commission in a platform/system that can be easily accessed by analysts, such as through the new Coastal Data Management System (CDMS). The task will also include an administrative guidance document on use and application of the special conditions and training on its use and application to coastal analyst staff members. Furthermore, a system or framework will be designed to update the compendium on a regular basis to ensure it will be a reliable, consistent and efficient resource for staff analysts.

BCDC will use Section 309 funds (\$105,047) for:

- **The Suisun Resource Conservation District Local Protection Plan Update.** BCDC will continue to partner with the Suisun Resource Conservation District (SRCD) to update its local protection program (LLP) component, including individual management plans for diked wetlands in the Suisun Marsh. BCDC will also work with SRCD to create an annual update process for individual management plans by creating a plan template that meets the laws and policies of BCDC, while allowing landowners to adapt annually to changing conditions.

Section 310

The FY 2012-2013 federal budget received no federal appropriations to Section 310 of the CZMA. Traditionally, the CZMA Nonpoint Source Pollution Control Programs was funded through Section 310 and assisted states by providing grants to support state nonpoint source pollution prevention and control activities. Without funding in this area, the Commission and BCDC have scaled back on water quality activities. This means there will be less assistance to local governments and agricultural entities to implement water quality control measures and best management practices. No federal funds have been appropriated the Nonpoint Source Pollution Control Program since 2009.