

CALIFORNIA COASTAL COMMISSION

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original staff report

W6c

DATE: November 10, 2014

TO: Commissioners and Interested Parties

FROM: Charles Lester, Executive Director
Susan Hansch, Chief Deputy Director
Jack Ainsworth, Senior Deputy Director
Hilary Papendick, LCP Grant Coordinator
Michelle Jespersion, Federal Programs Manager

SUBJECT: **Addendum to Item W6c** Agreement with California Ocean Protection Council (OPC) for Commission to administer Second Round of the OPC Local Coastal Program Sea-Level Rise Grant Funds.

This Addendum is submitted to provide minor changes to the staff report. The following are changes to the staff report (deleted language indicated by ~~strike-through~~ and added language by underline):

Pg 1, In the summary section, modify the text as follows:

Note: ~~Commission staff is still negotiating whether the Coastal Commission will receive \$1,015,750 to distribute to grant recipients, or whether a different agreement will be made for reimbursing the grantees. Staff will update the staff report and motion once these details have been finalized to reflect any changes to the agreement.~~

Pg 2, In section III , modify the text as follows:

III. INTERAGENCY AGREEMENT ~~AND SUBVENTION CONTRACT~~

The Interagency Agreement provides the Coastal Commission with the authority to administer the OPC LCP Sea-Level Rise Grant Program, and to receive OPC Proposition 84 grant funds on a reimbursement basis for administration and grant program costs ~~for distribution to local governments through a subvention contract.~~

Proposed Interagency Agreement with California Ocean Protection Council

Pg 3, In the first paragraph, modify the text as follows:

The administration funds are for duties related to administration, implementation, and technical review of the final awarded OPC LCP Sea-Level Rise grant projects. Administration and implementation duties include development of the grant work program, contract execution, tracking progress and ensuring timely implementation of projects, processing invoices and payment, coordination with the Coastal Commission district staff, communication with the grantees, and other duties. Commission staff will finalize the payment details for administration costs and grantees in the Interagency Agreement. ~~Grant funds will be distributed to grantees in arrears, according to the terms of the contract.~~

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W6c

DATE: October 30, 2014

TO: Commissioners and Interested Parties

FROM: Charles Lester, Executive Director
Susan Hansch, Chief Deputy Director
Jack Ainsworth, Senior Deputy Director
Hilary Papendick, LCP Grant Coordinator
Michelle Jespersen, Federal Programs Manager

SUBJECT: **Agreement with California Ocean Protection Council (OPC) for Commission to administer Second Round of the OPC Local Coastal Program Sea-Level Rise Grant Funds.**

SUMMARY OF STAFF RECOMMENDATION

The staff recommends that the Commission authorize the Executive Director to enter into a three-year interagency agreement effective December 15, 2014 with the California Natural Resources Agency, on behalf of the Ocean Protection Council (OPC), and to make any amendments thereto, under which the Commission would receive up to \$179,250 over three fiscal years for the administration of the second round of the OPC's Local Coastal Program (LCP) Sea-Level Rise Grant Program, and \$1,015,750 in grant funds for distribution to local governments. **Note: Commission staff is still negotiating whether the Coastal Commission will receive \$1,015,750 to distribute to grant recipients, or whether a different agreement will be made for reimbursing the grantees. Staff will update the staff report and motion once these details have been finalized to reflect any changes to the agreement.**

I. MOTION AND RESOLUTION

Motion:

I hereby move that the Commission authorize the Executive Director or his designee to enter into a three-year interagency agreement effective December 15, 2014 with the California Natural Resources Agency, on behalf of the Ocean Protection Council, and to make any amendments thereto, for receiving up to \$179,250 over three fiscal years to undertake administrative duties for the second round of the OPC's LCP Sea-Level Rise Grant Program, and to receive up to \$1,015,750 in grant funds for distribution to local governments.

Staff recommends a **YES** vote on the foregoing motion. Passage of this motion will result in authorization of the Executive Director or his designee to enter into the appropriate agreements for accepting and then disbursing the available funds. The motion passes only by affirmative vote of a majority of the Commissioners present.

II. BACKGROUND

The Ocean Protection Councils' LCP Sea-Level Rise grant program provides funds to local governments and other entities responsible for planning under the Coastal Act to support the update of LCPs and other authorized plans to address sea-level rise. Activities that are eligible to receive funding under the OPC grant program include modeling, vulnerability assessments, adaptation planning, and policy development. Funds can be used entirely for technical analysis of sea-level rise impacts or to fund development of sea-level rise preparedness policies and work that would lead to an update and certification of a LCP or other authorized plan under the Coastal Act.

The OPC allocated approximately \$2.5 million in Proposition 84 funds for this program and has administered this program in close coordination with staff from the Coastal Commission and Coastal Conservancy. OPC awarded the first year of grant funding for this program in November of 2013 and is currently administering these Year 1 grant awards. For Year 2 of grant funding, OPC and Coastal Commission staff issued a joint-call for proposals for both the OPC LCP Sea-Level Rise and the Coastal Commission LCP Grant Programs. During the proposal review period, OPC staff requested that the Coastal Commission administer the second round of the grant projects in coordination with the Coastal Commission LCP Local Assistance Grant Program due in part to lack of OPC staff capacity to administer the second round of OPC grant funding.

III. INTERAGENCY AGREEMENT AND SUBVENTION CONTRACT

The Interagency Agreement provides the Coastal Commission with the authority to administer the OPC LCP Sea-Level Rise Grant Program, and to receive OPC Proposition 84 grant funds for distribution to local governments through a subvention contract. The OPC is tentatively scheduled to consider the OPC grant requests on December 2, 2014. The OPC staff recommends awarding grants to 7 local governments, shown in Table 1. The table also shows the corresponding Coastal Commission LCP grant requests and Coastal Commission staff award recommendations.

The administration funds are for duties related to administration, implementation, and technical review of the final awarded OPC LCP Sea-Level Rise grant projects. Administration and implementation duties include development of the grant work program, contract execution, tracking progress and ensuring timely implementation of projects, processing invoices and payment, coordination with the Coastal Commission district staff, communication with the grantees, and other duties. Grant funds will be distributed to grantees in arrears, according to the terms of the contract.

Table 1. OPC Staff Recommendations for OPC Sea-Level Rise Grant Awards

| Jurisdiction | Type of Project | Grant Request (\$) | | | OPC Staff Recommendation (\$) | |
|----------------------------------|--------------------------------|--------------------|--------------------|--------------------|-------------------------------|--------------------|
| | | CCC | OPC | Total Request | CCC | OPC |
| North Coast | | | | | | |
| Humboldt County | LCP update | \$100,000 | \$25,000 | \$125,000 | \$35,000 | \$90,000 |
| North Central | | | | | | |
| City and County of San Francisco | LCP update | \$94,573 | \$91,046 | \$185,619 | \$13,000 | \$160,750 |
| Central | | | | | | |
| City of Monterey | New LCP | \$150,000 | \$100,000 | \$250,000 | \$35,000 | \$200,000 |
| South Central | | | | | | |
| County of Santa Barbara | LCP update | \$64,000 | \$119,000 | \$183,000 | \$8,500 | \$175,000 |
| City of Oxnard | LCP update | \$75,000 | \$75,000 | \$150,000 | \$40,000 | \$110,000 |
| San Diego | | | | | | |
| City of Carlsbad | LCP update/ Cert. of 2 ADCs | \$100,000 | \$150,000 | \$250,000 | \$48,000 | \$180,000 |
| City of Del Mar | LCP update | \$100,000 | | \$100,000 | \$0 | \$100,000 |
| Total Requested | | \$783,573 | \$1,105,046 | \$1,888,619 | \$179,500 | \$1,015,750 |

Proposition 84 provides for 5% for grant administration and 10% for planning and monitoring necessary for successful design, selection and implementation of the projects authorized under that program. As described in Exhibit 1, the OPC staff will recommend that the Council authorize up to \$179,250 (15% of the grant amount, as shown in Table 2) for Commission staff time over three years for performing this work for management of the second round of the OPC LCP SLR Grant Program.

Table 2. Description of OPC Grant Funds Available and Proposed Administration Costs

| Description | Amount (\$) |
|---|--------------------|
| Total OPC 2 nd round grant funds available | \$1,195,000 |
| Less 15% for Coastal Commission administration | - \$179,250 |
| Amount available for 2 nd round OPC grant awards | \$1,015,740 |

Management of the second round of the OPC grant program will result in significantly more contract management work for Commission staff. The funds will support additional contract management staff at the Commission to complete this additional work. The funds would cover approximately half of a personnel year for three years for a Coastal Program Analyst II position or equivalent position necessary to conduct this work.

A single grant administrator for both grant programs will allow jurisdictions that receive grants from both the OPC and the Coastal Commission to develop one work program and to execute a single contract with the Coastal Commission for both awards. This will streamline the grant execution process, simplify reporting and invoicing requirements, and increase the ability of the Coastal Commission to track progress on grant implementation and monitor projects for success. This approach should save the state money and deliver a more efficient process for the local grantees.

IV. CONCLUSION

Staff recommends that the Commission authorize the Executive Director or his designee to enter into a three-year interagency agreement with the California Natural Resources Agency, on behalf of the Ocean Protection Council, for the administration of the second round of the OPC LCP Sea-Level Rise Grant Program.

The motion is on page 2 of this staff report.

John Laird, Secretary for Natural Resources, Council Chair
Matt Rodriguez, Secretary for Environmental Protection
John Chiang, State Controller, State Lands Commission Chair
Fran Pavley, State Senator
Toni Atkins, State Assemblymember
Geraldine Knatz, Public Member
Michael Brown, Public Member



MEMORANDUM

DATE: October 20, 2014
TO: Charles Lester, Coastal Commission
FROM: Catherine Kuhlman, Deputy Secretary *CK*
SUBJECT: MANAGEMENT OF ROUND TWO LOCAL COASTAL PROGRAM SEA-LEVEL RISE GRANT PROGRAM

The purpose of this memorandum is to memorialize the agreement that we have reached regarding the Coastal Commission (“Commission”) managing the grants approved by the Ocean Protection Council (“OPC”) as part of the second round of the OPC’s Local Coastal Program (LCP) Sea-level Rise (SLR) Grant Program. The OPC staff have appreciated the Commission staff’s efficiency and expertise in managing the Commission’s LCP Local Assistance Grant Program and our partnership in developing and implementing the OPC’s LCP SLR Grant Program, which has included developing a joint announcement and application process this year for the funding opportunities that our respective agencies have regarding LCP updates.

The OPC currently lacks staff capacity to administer the LCP SLR Grant Program; therefore, OPC staff reached out to Commission staff to request that the Commission enter into an interagency agreement with the California Natural Resources Agency, on behalf of the OPC, to administer and manage the grants awarded during this second round of the OPC’s LCP SLR Grant Program. We appreciate your support and enthusiasm in discussing this partnership and we are pleased that we have reached an agreement. We believe that this approach will save the state money and deliver a more efficient process for the local grantees. Commission staff have the most expertise on the information needs to update LCPs and are already doing a great job coordinating with local governments on projects to update LCPs to address sea-level rise.

For the December 2014 OPC meeting, OPC staff intend to recommend that the Resources Agency enter into an interagency agreement with the Coastal Commission to provide grant administration, technical services and policy integration to ensure that sea-level rise vulnerability assessments are efficiently integrated into land use planning documents (such as LCPs) that are approved by the Commission for implementation of the Coastal Act. OPC staff intends to recommend that the Council authorize up to \$179,250 (15% of the grant amount) for Commission staff time over three years for performing this work for management of the second round of the OPC LCP SLR Grant Program.

We have appreciated the Commission staff’s input and expertise in reviewing the applications for the joint applications and we are in agreement with Commission staff on our recommendations for funding for the projects that submitted applications to both the OPC and Commission. For the December 2014 OPC meeting, staff intends to recommend approval of the joint recommendations of OPC and Commission staff for the highest priority projects under the joint application process.

Exhibit 1
pg 1 of 1