

**CALIFORNIA COASTAL COMMISSION**

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# W6g

August 18, 2022

TO: California Coastal Commission and Interested Persons

FROM: John Ainsworth, Executive Director  
Madeline Cavalieri, Chief Deputy Director  
Ashley Reineman, Federal Programs Manager

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

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**RECOMMENDATION:**

Staff recommends that the California Coastal Commission (Commission) authorize the Executive Director or designee to enter into: (1) an interagency agreement to administer pass-through funding of \$384,900 from the federal Coastal Zone Management Act (CZMA) grant award to the San Francisco Bay Conservation and Development Commission (BCDC); and (2) an interagency agreement to administer pass-through funding of \$378,600 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 2022-23. The term of this federal award is eighteen months, beginning on July 1, 2022 and ending December 31, 2023, with an option to extend the term up to three years through June 30, 2025.

**MOTION I:**

***"I move that the Commission authorize the Executive Director to enter into an interagency agreement to pass through \$384,900 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 2022-23."***

Staff recommends a **YES** vote.

**MOTION II:**

***"I move that the Commission authorize the Executive Director to enter into an interagency agreement to pass through \$378,600 of federal funds to the State"***

**Coastal Conservancy for the purpose of implementing the California Coastal Management Program for Fiscal Year 2022-23.”**

Staff recommends a **YES** vote.

**STAFF ANALYSIS:**

The federally approved California Coastal Management Program (CCMP) comprises three distinct state agencies: Coastal 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. As such, 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. This arrangement has been in place since 1978 when the U.S. Department of Commerce approved the CCMP.

For Fiscal Year 2022-23, which started July 1, 2022, the State of California will receive \$3,054,000 in CZMA funds. This reflects an increase of \$20,000 over the prior year award due to a \$500,000 increase in the Congressional appropriation for this program at the national level. The funds will be distributed as follows: BCDC will receive \$384,900, SCC will receive \$378,600 and the Coastal Commission will retain the remaining \$2,290,500 (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 because the agency does not have an approved 309 Assessment and Strategy.

**Distribution of the FY 2022-23 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	\$1,893,000*	\$252,400*	\$378,600*	\$2,524,000*
<b>Section 309</b> Enhancement Grants	\$397,500	\$132,500	\$0	\$530,000
<b>Section 310 Miscellaneous</b> <i>No funds appropriated</i>	\$0	\$0	\$0	\$0
	<b>\$2,290,500</b>	<b>\$384,900</b>	<b>\$378,600</b>	<b>total grant \$3,054,000</b>

Note: ‘\*’ – refers to the funding amount where state match is required.

**Section 306 - \$2,524,000 (Commission/\$1,893,000; BCDC/\$252,400; and SCC/\$378,600)**

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, Local Coastal Programs, federal consistency review, and enforcement. BCDC uses Section 306 funding to support its work associated with permitting, federal consistency and enforcement activities. The SCC uses their 306 funding to support projects that advance 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 personnel costs are used for the CCC portion of the state match. BCDC and SCC will provide their portion of the state match.

**Section 309 - \$530,000 (Commission/\$397,500 and BCDC/\$132,500)**

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).

For FY 2022-23, the Coastal Commission is working under the second year of its Section 309 Assessment and Strategy for 2021 – 2025 (a requirement of the Section 309 grant program). The Assessment and Strategy document identifies the Commission’s highest priority enhancement area objectives that the Commission will focus on for Section 309 work for the five-year period. The enhancement areas included in the Commission’s 2021 – 2025 Assessment and Strategy are: (1) Building Resilient and Sustainable Communities through Planning and Permitting; (2) Public Access for All with Sea Level Rise; and (3) Marine Debris Reduction Measures Program.

For the FY 2022-23 grant, the Coastal Commission will use the Section 309 Enhancement Grant funds (\$397,500) for the following 309 tasks:

- **Evaluation of Regulations for Sea Level Rise.** As a part of the second year implementing the Coastal Commission’s 2021 – 2025 Strategy 1, Building Resilient and Sustainable Communities through Planning and Permitting, Commission staff will continue in its work to evaluate the Coastal Commission regulations that guide implementation of Coastal Act policies related to protection of land and marine resources as well as policies on hazard reduction and habitat restoration. The purpose of the task is to better facilitate or accelerate sea level rise (SLR) planning and implementation of sea level rise adaptation strategies and projects that are consistent with the Coastal Act. Work may include, but is

not limited to, research on recommended regulation revisions and/or interpretive guidance; review and coordination with district and technical staff on projects and LCP policy updates relevant to nature-based adaptation strategies and sea level rise planning; coordination with and gathering information from state and federal agencies, scientists, experts and other groups on nature-based adaptation strategies and sea level rise planning; development of a draft rule-making submittal for regulation revisions and/or development of draft interpretive policy guidance for adoption by Commission; and draft memorandum(s) relating to nature-based adaptation strategies and phased adaptation to sea level rise.

- **Framework and Work Plan for Sustainability Principles.** Also as a part of the second year implementing the Commission's 2021 – 2025 Strategy 1, Building Resilient and Sustainable Communities through Planning and Permitting, Commission staff will continue developing a set of principles related to sustainability and reduction of greenhouse gas emissions (GHGs) in land use planning. This second year of work will use the research, work plan, and recommendations from Year 1 to prepare and finalize for Commission review and approval a set of sustainability policy principles. These policy principles will serve as a framework for development of topic-specific guidance documents to encourage sustainable development in the coastal zone, including through smart growth and other GHG-reduction strategies in line with Coastal Act and other relevant state requirements in permitting and LCPs.
- **Wildfire Resilience – Research & Recommendations.** Also as a part of the second year implementing the Coastal Commission 2021 – 2025 Strategy 1, Building Resilient and Sustainable Communities through Planning and Permitting, Commission staff will continue its work on approaches for addressing wildfire. Building on the wildfire resilience recommendations developed in Year 1, this second year's focus will be on research and development of a minimum of two memorandums for staff and local government partners on policy areas of concern, including vegetation management, fire-resistant building materials, siting, setbacks, land use planning strategies, evacuation routes and post-fire response to avoid debris flows and other hazards. This work in Year 2 will lay the foundation for developing draft policy recommendations for LCP policy updates in Year 3 to assist in planning and permitting at the local level to further wildfire risk reduction and vegetation management.
- **Equity and Environmental Justice in Sea Level Rise Planning – Draft Guidance.** Also as a part of the first year implementing the Coastal Commission 2021 – 2025 Strategy 1, Building Resilient and Sustainable Communities through Planning and Permitting, staff will continue its development of policy guidance on integrating environmental justice and equity in sea level rise adaptation planning. This task builds on previous work from the Commission's FY 2020 and FY 2021 grants and will result in new finalized policy guidance on integrating environmental justice and equity principles into sea level rise planning. The intent of the guidance being developed under this task is to inform staff

recommendations for LCP updates to address sea level rise and other climate impacts as they relate to environmental justice and equity issues, with specific focus on LCP grant deliverables, such as vulnerability assessments, adaptation plans, and draft LCP policies on sea level rise. Development of the guidance will involve stakeholders and members of environmental justice communities to ensure it reflects their priorities and strengthens critical relationships for continued engagement in sea level rise policy development.

- **Assessing Public Access Vulnerability.** Under this task, Commission staff will continue its implementation of the Coastal Commission 2021 – 2025 Strategy 2, Public Access for All with Sea Level Rise. The focus of this second year will be to expand and refine the vulnerability analysis conducted in Year 1, including by identifying and assessing “hotspot” locations where public access is being lost or undermined by coastal hazards related to erosion and flooding, and reviewing efforts underway for planning and evaluating alternatives and hazard response solutions in those locations. The project team will use information and vulnerabilities assessed in Year 1 to begin drafting a staff memo and creating informational products on recommendations for mitigating sea level rise impacts on public access, including discussion of potential case studies for sea level rise impacts on public access and associated options for planning to maximize public access in specific locations. This work will include continued partnership and coordination efforts with university researchers and state agencies from Year 1, including on information sharing around public access equity and visitation as well as sea level rise vulnerability analyses.
- **Review and Inventory for Marine Debris Reduction.** Under this 309 task, the Commission will continue implementation of its 2021 – 2025 309 Strategy 3, Marine Debris Reduction Measures Program. The task will build on its work in Year 1 by developing an initial draft of methods for evaluating plastic pollution impacts from proposed developments or other coastal-dependent uses and identifying intervention points at which plastic pollution reduction measures may be achieved. These intervention points will serve as the basis for the draft guidance document(s) Commission staff will use for permit, planning, and enforcement actions. The initial outline for the draft guidance will be developed during this year of the project. Commission staff will also continue its work with the project’s internal Plastic Pollution Reduction Task Force. The work of the task force will be ongoing throughout the course of this grant. The Task Force will continue to meet in Year 2 to assess elements of the Commission’s work in which plastic pollution reduction measures can be achieved.

BCDC will use Section 309 funds (\$132,500) for:

- **Updating BCDC’s Public Access Policies.** BCDC’s 309-funded project for FY22 seeks to evaluate compatibility between public access, wildlife restoration, sea level rise, and equity. This task is directly identified in Strategy 2 of BCDC’s formally adopted 2021-2025 Assessment and Strategy, which has the goal to Improve Coastal Management Related to Water-Oriented Uses. It is also related

to Strategy 2 to Improve the Region's Capacity to Understand and Adapt to Current and Future Coastal Hazards. Stakeholders have increasingly raised concerns about BCDC's McAteer-Petris Act and San Francisco Bay Plan policies related to requiring maximum feasible public access consistent with projects in the Commission's jurisdiction and goals for wildlife conservation, habitat restoration, and other coastal uses as restoration projects increase throughout the Bay Area. Additionally, rising sea level could intensify this conflict between public access and land uses by further limiting shoreline space for these uses. While this issue is not new, and the Bay Plan Policies on Public Access includes specific policies aimed at reducing conflicts between habitat restoration and public access, inherent differences remain in the priorities of natural resource managers and advocates, public access advocates, permit applicants, and various regulatory agencies. As more habitat restoration projects move forward in the coming decade to meet regional goals of restoring baylands by 2030, resolution of conflicting viewpoints on public access will be increasingly important. Additionally, it will be important to ensure that community needs and potential disproportionate impacts to vulnerable populations are considered in resolving conflicts over public access, restoration, and rising sea level. To begin to address these concerns, the FY22 309 task will evaluate key areas of resource use conflicts, including the conflict among public access, wildlife/restoration, rising sea level, and equity.