

**CALIFORNIA COASTAL COMMISSION**

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# W6d

June 21, 2024

TO: California Coastal Commission and Interested Persons

FROM: Dr. Kate Huckelbridge, Executive Director  
Madeline Cavalieri, Deputy Executive Director  
Ashley Reineman, Deputy Director, Statewide Programs

SUBJECT: **Interagency Agreement for Implementing the California Coastal Zone Management Program's Inflation Reduction Act (IRA) Cooperative Agreement for Non-Competitive Capacity Building Award** 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 an interagency agreement to administer pass-through funding of \$262,500 from the federal Inflation Reduction Act (IRA) Cooperative Agreement for Non-Competitive Capacity Building Award (hereinafter IRA Capacity Building Award) to the San Francisco Bay Conservation and Development Commission (BCDC) over the course of the five-year award period for the purpose of implementing the IRA Capacity Building Award. The term of this federal award is five years, beginning on May 1, 2024 and ending April 30, 2029.

**MOTION I:**

***"I move that the Commission authorize the Executive Director to enter into an interagency agreement to pass through a total of \$262,500 of federal funds to the San Francisco Bay Conservation and Development Commission for the purpose of implementing the IRA Capacity Building Award over the course of the five-year award."***

Staff recommends a **YES** vote.

## **STAFF ANALYSIS:**

The federally approved California Coastal Management Program (CCMP) comprises three distinct state agencies: Coastal Commission, BCDC, and the State Coastal Conservancy (SCC). The Coastal Zone Management Act (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.

On August 16, 2022, President Biden signed the Inflation Reduction Act (IRA) into law. The historic legislation provides funding to a broad range of federal agencies to address clean energy, climate mitigation and resilience, agriculture, and conservation-related investment programs. The law included \$3.3 billion to the National Oceanic and Atmospheric Administration (NOAA) in support of its efforts to build a Climate-Ready Nation. NOAA has allocated \$2.6 billion of this to support climate-ready coasts and communities, including making both competitive and non-competitive funding opportunities available exclusively to the nation's Coastal Zone Management Program. For the non-competitive funds, NOAA allocated approximately \$20 million to the CZM Programs nationwide, and the CCMP was invited to apply for up to \$875,000 over a 5-year cooperative agreement. Non-competitive funds may be used for a variety of purposes to address resilience. In 2023, the CCMP applied for and received the maximum amount of non-competitive funds allocated to the state, a total of \$875,000 to be spent over a period of five years.

The award for IRA non-competitive CZM dollars will bolster the CCMP's ability to build climate resilience, including strengthening California's coastal community's ability to prepare and plan for, absorb impacts of, recover from, and adapt to extreme weather events and changing environmental, economic, and social conditions. The Coastal Commission's portion of the award will go toward supporting the capacity of its coastal engineering and geology work by funding staff time to review engineering and geology plans for adequacy and consistency with the California Coastal Act, and in particular, the adequacy of those projects' permit applications and plan designs in the face of rising sea levels. BCDC's pass through portion of the funds will go toward community capacity building in frontline communities related to coastal resilience. SCC will not receive pass through dollars from this non-competitive call, as SCC and BCDC will share another NOAA CZM non-competitive funding stream from the Bipartisan Infrastructure Law (BIL). In this way, all three agencies will receive the same amount of money shared across the multiple non-competitive funding streams being made available nationwide to the CZM programs across BIL and IRA.

The CCMP will receive a total of \$875,000 in non-competitive capacity building grant funds over the course of the five-year award. The funds will be distributed as follows: BCDC will receive \$262,500 and the Coastal Commission will retain the remaining \$612,500. The Executive Directors have agreed on this distribution.

**Distribution of the Multi-Year IRA Capacity Building Grant  
Funding by Agency and Year**

<b>Grant Year</b>	<b>CCC</b>	<b>BCDC</b>	<b>Total</b>
<b>Year 1</b>	\$317,359	\$262,500	\$579,859
<b>Year 2</b>	\$295,141	\$0	\$295,141
<b>Year 3</b>	\$0	\$0	\$0
<b>Year 4</b>	\$0	\$0	\$0
<b>Year 5</b>	\$0	\$0	\$0
<b>Total</b>	\$612,500	\$262,500	<b>\$875,000</b>