



Memo

Date: January 23, 2017

To: Members of the State Coastal Conservancy

From: Sam Schuchat, Executive Officer
Amy Hutzler, Deputy Executive Officer

CC: Legislative Oversight Members

RE: 2017 Strategic Plan Progress Report & Proposed Update

This is our fourth annual progress report on implementation of the 2013-2018 Strategic Plan. In December of 2012, the Coastal Conservancy adopted a Strategic Plan that identified specific goals and objectives to help the Conservancy prioritize its work. In June of 2015, the Conservancy adopted an update to the 2013-2018 Strategic Plan to include priorities for Proposition 1 funding, refine the climate change objectives based on our experience with the Climate Ready grant rounds, add objectives related to the Santa Ana River Conservancy Program, and revise objectives related to the provision of low-cost visitor accommodation along the coast. This progress report highlights accomplishments under each of the goals of the Strategic Plan. A table showing specific accomplishments for each numerical objective is provided as Attachment A.

Proposition 1 grant rounds over the past year have helped the Conservancy accomplish objectives related to coastal watersheds and resources, water quality and sustainability, and climate resilience, and will continue to aid us in meeting these objectives in 2017. In 2016, the Conservancy ran four Proposition 1 requests for proposals: two general grant rounds, one round focused on anadromous fish habitat, and one round focused on urban greening in Los Angeles County. To date, 30 projects using nearly \$13 million in Proposition 1 funds have been authorized by the Conservancy board.

The Climate Ready and Explore the Coast grant rounds have aided the Conservancy in achieving or surpassing objectives to address climate change and provide educational/interpretive

programs. After three highly competitive Climate Ready grant rounds, the Conservancy has focused staff resources on supporting implementation of those grants and other regionally important climate adaptation projects. After three successful grant rounds to date, Explore the Coast grants will likely be continued on an annual basis, with a focus on the outer coast, as the California Beach and Coastal Enhancement funds that have supported these grants in the San Francisco Bay will be very limited starting next fiscal year.

The passage of Measure AA in the San Francisco Bay Area will aid the Conservancy in planning and implementing landscape-scale restoration of wetland and subtidal habitat in the bay, and planning and implementation of Bay Trail segments adjacent to restoration projects. The Conservancy is playing an active role in assisting the San Francisco Bay Restoration Authority in the management of Measure AA funds, with the first grant round planned for summer 2017.

Most of the objectives that we are behind on are related to public access, namely Coastal Trail design and construction, construction of regional and river parkway trails, design and construction of low-cost visitor accommodations, Ridge Trail construction, and planning and construction of regionally-significant trails in the Bay Area. We will work over the next year to improve our progress on these efforts, however, we do not plan to stop funding habitat enhancement or protection projects that contribute towards objectives we have already met or exceeded. The reason for this is that the Conservancy cannot shift Proposition 1 funds from the intended purposes of coastal habitat/watershed enhancement to public access projects. We will prioritize use of remaining Proposition 84 funds on public access projects to the extent possible.

Coastal Access Goals

Coastal Trail (Goal 1)

The Conservancy made significant progress implementing the objectives under Goal 1 related to the Coastal Trail, though we need to continue to focus on design and construction of new trail segments over the next year, as well as signing existing segments. In 2016, the Conservancy approved funding for design or construction of new coastal trail segments on Bodega Bay, Kashia Coastal Reserve and Stewarts Point Ranch, Humboldt Bay in Arcata, and the Eureka Waterfront, as well as funding for multiple Explore the Coast grants that promoted the Coastal Trail (such as the Coastal Trail thru-hike) and development of a new Explore the Coast mobile phone app.

Coastal Access (Goal 2)

The Conservancy has made significant progress on the objectives related to coastal recreational facilities and regional trails. Most of these objectives have been reached or exceeded, with the exception of constructing regional trails connecting to the coast. The Conservancy also undertook a research project starting in late 2016 to better understand coastal access patterns among Californians and barriers to coastal access. A report on the focus groups and statewide survey will be completed in early 2017, which will inform our coastal access work.

Urban Waterfront Revitalization and Low Cost Accommodations (Goal 3)

The Conservancy made progress implementing projects related to the objectives under Goal 3, particularly the development and implementation of waterfront revitalization projects and the start of a plan to expand low-cost visitor accommodations on the coast. To reach our objective for designing and constructing low-cost accommodation, we will need to design two and construct one more low-cost coastal accommodation, using the statewide plan results to guide our work.

Coastal Resource Conservation Goals

Protect Coastal Resource Properties (Goal 4)

The Conservancy has exceeded the numeric objectives under the goal related to protection of coastal resource properties, and is close to meeting the numeric objectives to protect working lands and implement projects that preserve and restore fish and wildlife corridors. In 2016, the Conservancy approved funds to help protect a number of properties with habitat and/or working land values, including:

- Stewarts Point easement in Sonoma County (873 acres),
- Highway 17 Wildlife Corridor Marywood acquisition in Santa Cruz County (133 acres),
- Sand Hill Farms acquisition near Moss Landing in Monterey County (107 acres),
- Carr Lake acquisition in downtown Salinas in Monterey County (73 acres),
- Rancho Canada acquisition along the lower Carmel River in Monterey County (170 acres),
- Southland Sod Farm at Ormond Beach in Ventura County (561 acres), and
- San Luis Rey River acquisition in the City of Oceanside in San Diego County (35 acres).

Coastal Watershed Projects (Goal 5)

The Conservancy is on track with or has exceeded most of the numeric objectives under the coastal watershed goal, to enhance biological diversity, improve water quality, restore or enhance habitats and natural resources, including sea otter recovery. Proposition 1 grant rounds will continue to aid in meeting or exceeding these resource objectives. In 2016, the Conservancy authorized coastal watershed planning or implementation projects for the following:

- Smith River in Del Norte County,
- Indian Creek (a tributary to the Trinity River) in Trinity County,
- Scott River (a tributary to the Klamath River) in Siskiyou County,
- Cochran Creek, Elk River, and White Slough in Humboldt County,
- Gualala River in Mendocino and Sonoma Counties,
- Lower Green Valley Creek, East Branch Russian Gulch, and the Russian River Hanson Windsor ponds in Sonoma County,
- Lagunitas Creek in Marin County,
- San Gregorio Creek in San Mateo County,
- Scotts Creek in Santa Cruz County,

- Salinas River State Beach dunes and Potrero Creek in Monterey County,
- Upper Devereux Slough and San Jose Creek in Santa Barbara County,
- Santa Paula Creek in Ventura County,
- Ormond Beach in Ventura County,
- Los Cerritos Wetlands in Los Angeles and Orange Counties,
- Manzanita Canyon in San Diego County, and
- Sea Otter Recovery Grants.

Working Land Stewardship (Goal 6)

The Conservancy exceeded its objective to implement projects to support working land stewardship, with projects in Humboldt, Sonoma, Marin, San Mateo, Santa Cruz, and San Luis Obispo. We also exceeded the objective to develop plans to enhance working lands, with 30 plans for farms or ranches funded to date.

Climate Resilience (Goal 7)

The Conservancy created its Climate Ready Grant program in 2013 to support projects that are planning or implementing climate adaptation actions. There were three solicitations for proposals. The first set of grants was authorized by the Board in 2013, the second round was authorized January of 2015, and the third round (made possible by a onetime appropriation into the Coastal Resilience Account in the FY 14/15 budget) was authorized in June of 2015. Project elements of funded projects included agricultural sustainability, sea level rise analyses and adaptation, drought adaptation, urban greening, living shorelines, groundwater recharge, flood risk reduction, and dune and wetland restoration. The response to each Climate Ready solicitation greatly exceeded available funding. Thanks to these grant rounds, we exceeded, met, or made progress towards meeting our climate resilience objectives. We do not currently have plans to do another Climate Ready grant round as we have no funds available specifically for this work, but climate adaptation projects will continue to come out of the Proposition 1 grant rounds, including urban greening projects that reduce heat islands.

Reduce Conflicts Among Competing Uses (Goal 8)

The Conservancy has undertaken or completed multi-benefit projects that resolve longstanding land-use conflicts, including at Preservation Ranch in Sonoma County and Pedro Point Headlands and the Cemex Plant in San Mateo County.

Environmental Education (Goal 9)

The Conservancy has exceeded by large margins its objectives for Goal 9 related to environmental education, due to the Explore the Coast grant program. This program has allowed us to fund 109 projects, with grants under \$50,000, using non-bond funding sources. Funded projects facilitate and enhance the public's opportunities to explore the coast of California and the San Francisco Bay shoreline. Based on the success of the first two Explore the Coast grant rounds in 2013 and 2015, we did a third solicitation and are bringing the 39 recommended projects to the board on February 2, 2017. We plan to continue these grant rounds annually and will reflect this proposal in our next Strategic Plan with higher numerical

objectives. The focus in future grant rounds will be on the outer coast, as funds for the San Francisco Bay will be very limited starting next fiscal year.

San Francisco Bay Area Conservancy Goals

Identify and Prioritize Resource and Recreational Goals (Goal 10)

The Conservancy has made excellent progress identifying and prioritizing recreation and resource goals for the Bay Area. In 2016, the Conservancy authorized funds for both Greenbelt Alliance and the Bay Area Open Space Council to update information about at-risk lands and conservation priorities, respectively.

Land Protection and Habitat Enhancement (Goal 11)

The Conservancy has exceeded or is on track to achieve its numerical objectives related to the protection and enhancement of habitats, corridors, watersheds, and other open space resources in the Bay Area. The Conservancy approved funding for a conservation easement over 7,000 acres of Montesol Ranch in Napa County in 2016. Wetland restoration design was begun at Corte Madera Marsh in Marin, the planning for Phase 2 implementation was completed for the South Bay Salt Pond Restoration Project and implementation authorized, and construction was authorized on the Creosote Piling Removal and Pacific Herring Restoration Project along the Richmond shoreline. The Invasive Spartina Project remains the Conservancy's primary invasive species eradication effort in the Bay Area.

Public Access and Recreation (Goal 12)

The Conservancy has exceeded or is making progress on objectives related to improving public access and recreation in the Bay Area. Bay and Ridge Trail highlights include funds for planning or constructing segments at Vallejo Bluffs in Solano County (both a Bay and Ridge Trail segment), South Bay Salt Ponds (Bay Trail), and Milagra-Battery Trail in Pacifica (Ridge Trail). The Petaluma River Turning Basin in Sonoma County was the subject of a Water Trail enhancement grant, and funding for the Coyote Point Eastern Promenade in San Mateo County will expand barrier-free access.

Working Lands (Goal 13)

The Conservancy is behind on its objective to protect working lands in the Bay Area; but continues to pursue opportunities. The Conservancy has met its numerical objective to enhance working lands, with implementation of projects to restore grassland habitat or improve water sustainability on agricultural lands in Alameda, San Mateo, Solano, and Sonoma Counties.

Organizational Goals

The three organizational goals in the Strategic Plan describe what the Conservancy needs to achieve in order to implement the programmatic objectives of the plan. These goals do not have numerical objectives, but significant progress has been made on all of the objectives and several have been completely met.

Sustainable Funding Strategy (Goal 14)

The Conservancy has made significant progress implementing its long-term funding plan. As reported previously, the Conservancy has reduced its operating budget by more than 25% since FY 08/09, from \$11.8 million to \$8.6 last fiscal year. The Conservancy has maintained this reduced budget even with increased rent and other centralized costs. Conservancy staff have done an outstanding job applying for and receiving outside funding for our projects and our operation. In 2009, the Conservancy received \$57,000 for support costs from incoming grants; in FY 15/16 we received \$749,000. This year, the Governor's Budget allocates \$300,000 from Environmental License Plate Fund to the Conservancy for its general operation. If approved, this allocation would represent 3% of the Conservancy's budget, but it is a significant step forward as the Conservancy has not previously received non-bond baseline operating support. The Conservancy's long-term funding plan seeks 30% of the operating budget as non-bond, baseline support; all other state conservancies receive between 40-90% of their operating budgets from either Environmental License Plate Fund or General Fund.

Reorganize Staff Structure (Goal 15)

The management team continuously evaluates staff resources and shifts responsibilities to address the existing and future needs of the agency. We have had many retirements over the past few years and have selectively hired or promoted staff. We have reduced the total staff by eight positions through attrition. Given workload, we do not plan any further reductions. As part of the reorganization of staff structure, we have shifted duties to create a new Information Officer position. We hope to fill that position this spring. In November of 2016, the Conservancy staff moved from 1330 Broadway to the Elihu M. Harris State Building in Downtown Oakland.

Full Transparency and Accountability (Goal 16)

In 2016, the Conservancy made significant progress on the objectives related to external communication and reports:

- We celebrated our 40th anniversary in 2016. Through the Explore the Coast grant program, the Conservancy funded a thru-hike of the California Coastal Trail that generated significant press coverage and was accompanied by Facebook posts and web-based articles by Conservancy staff about our work to protect the coast and improve its accessibility. On January 2, 2017, the San Francisco Chronicle ran a front page article describing the Coastal Conservancy's work over the past 40 years, and highlighted the Coastal Trail thru-hike.
- We have an improved web page, an agency brochure, a brochure for each County, brochures on specific programs (including Climate Ready and Explore the Coast), a presence on Facebook and Twitter, and a large email list that is used sparingly to share information about grant rounds and other major happenings at the Conservancy.
- The Project Database, Project Viewer, and Map Collaborator aid us in understanding, reporting, and sharing information about our project work and these tools were presented to the Board in March of 2015.
- The 2017 annual report will be prepared after we hire a new Information Officer to fill in behind a retired project manager who did much of the Conservancy's communications work. The report will summarize the major accomplishments of 2016 and when completed, will be distributed to the Board, to the Legislature and to other project partners, and made available on our web page and via social media.

Objective	Target	Unit	Percent Completed
financial plan	5	Annual Evaluation	0%
14B. Develop and evaluate progress towards achieving annual targets	0	N/A	
15A. Develop and continue to adapt the organizational structure	0	N/A	
16A. Maintain and consistently upgrade the Conservancy project database	0	N/A	
16B. Improve and expand our web presence	0	N/A	
16C. Develop better mapping tools	0	N/A	
16D. Prepare and disseminate compelling summary reports of accomplishments	0	N/A	