

COASTAL CONSERVANCY

Staff Recommendation
October 27, 2005

**OCEAN PROTECTION COUNCIL AND CALIFORNIA SEA GRANT
PARTNERSHIP FOR OCEAN AND COASTAL RESEARCH**

File Number: 05-068
Project Manager: Rebecca Pollock

RECOMMENDED ACTION: Consideration and authorization to disburse up to \$1,000,000 of tideland oil revenues authorized by the California Ocean Protection Council to the California Sea Grant College Program and University of Southern California Sea Grant Program to allocate as grants for ocean research.

LOCATION: Statewide.

PROGRAM CATEGORY: Integrated Coastal and Marine Resource Protection

EXHIBITS

- Exhibit 1: California Ocean and Coastal Information, Research, and Outreach Strategy
 - Exhibit 2: California Sea Grant College Program and University of Southern California Sea Grant Program Proposal Review Processes
 - Exhibit 3: Letters of Support
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RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31220 *et seq.* of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed one million dollars (\$1,000,000) to the California Sea Grant College Program and University of Southern California Sea Grant Program to solicit, review, and disburse for scientific research grants.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with the purposes and criteria set forth in Chapter 3 (Section 31111) and Chapter 5.5 (Section 31220) of Division 21 of the Public Resources

Code, regarding undertaking plans and feasibility studies for the protection, study, and enhancement of coastal, ocean and marine resources.

2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.”
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PROJECT SUMMARY:

Staff is requesting that the Conservancy authorize up to \$1,000,000 to the California Sea Grant College Program and University of Southern California Sea Grant Program (referred to collectively as “California Sea Grant”) to solicit, review, and award grants for scientific research for funding in 2006. At their September 23, 2005 public meeting, the Ocean Protection Council (council) found the partnership between the council and California Sea Grant and to be a high priority and authorized the council Secretary to take actions necessary to implement the project, including the encumbrance of \$1,000,000 of tideland oil revenues for this partnership.

One of the council’s primary objectives is to provide high-quality research to support management of ocean and coastal resources. Scientific research is needed to fill existing gaps in knowledge that hinder effective management of California’s ocean and coastal resources. This research is critical as the State embraces ecosystem-based management. The California Ocean and Coastal Information, Research, and Outreach (IRO) Strategy adopted by the council at the September 23, 2005 public meeting (Exhibit 1) recommends the council fund research that supports effective ocean management. The partnership between the council and California Sea Grant is the first recommended action in the IRO Strategy.

California Sea Grant offered to partner with the council by coordinating the request for proposals, the peer review process, and post-award grant administration. California Sea Grant has an established, highly respected process for evaluating, prioritizing and administering research grants related to coastal and ocean resources. Projects are selected on the basis of a competitive review process and address a wide range of marine-related issues.

California’s Sea Grant Programs

Nationally, the Sea Grant College Network consists of 30 university-based programs funded primarily by the National Oceanic and Atmospheric Administration (NOAA) and dedicated to the understanding, conservation, and sustainable use of coastal and marine resources. The California Sea Grant College Program is the largest of the 30 Sea Grant programs, and works along the entire state coastline and coastal watersheds. It is administered by the University of California and is based at Scripps Institution of Oceanography in San Diego. Among the issues they study are: marine fisheries, water quality, sediment, ecosystem-based management, invasive species, aquaculture, marine protected areas, human health, and habitat restoration. The University of Southern California Sea Grant focuses primarily on the state’s southern coastal metropolitan region, with particular emphasis on topics related to the urban ocean. Their priorities include protecting water quality, improving port and marine transportation operations, ensuring shoreline stability, preventing coastal hazards, and promoting the sustainable development of coastal areas.

Both of the State's Sea Grant programs have priorities that overlap those of the council, and therefore funding will be divided between the two programs based on their typical budgets (80% California Sea Grant College Program; 20% University of Southern California Sea Grant Program). The two programs review projects and administer grant awards according to the same national standard, and undergo the same review process, which will facilitate the council's interactions with both programs. California Sea Grant's credible review process can provide effective project review and selection services to the council with minimal overhead (see Exhibit 2). Outside of this partnership, the council does not have sufficient staff or procedures in place to solicit proposals for scientific research projects at this time.

Project History

The partnership will benefit from an existing relationship between the Resources Agency and California Sea Grant. The Resources Agency Sea Grant Advisory Panel (RASGAP) was formed through legislation to enable the state to have a role in the review of scientific proposals submitted to California Sea Grant. RASGAP reviews project proposals to determine their benefit to the management of the state's ocean and coastal resources. It is chaired by the Assistant Secretary for Ocean and Coastal Policy and consists of representatives from state government, state legislature, state universities, and industry.

Because of shared priorities and the existing relationship between California Sea Grant and the council, coordinating council research projects with the California Sea Grant review process is practical and cost effective. An additional benefit of the partnership is joint decisions on supporting research that achieves common objectives of the council and California Sea Grant.

Implementation of the Partnership

The council will consult with California Sea Grant regarding any unsolicited research proposals received to determine if such proposals should be directed to California Sea Grant. The general parameters of the review process are as follows:

- (a) The annual release of the California Sea Grant Request for Proposals (RFP) in late January will be organized to include the RFP for council research projects. From submission of preliminary proposals to the decision on final funding for projects, the review process will take approximately six months.
- (b) Proposals directed to the council will be reviewed by the same committees and complete the same process as California Sea Grant proposals. This thorough process begins with the screening of preliminary proposals and involves two review committees (one scientific/technical committee and one focused on state priorities), ad hoc peer reviews, dialogue with proposal authors, written comments accompanying each decision, and a mechanism for handling appeals.
- (c) The council will have staff participating in all stages of the review process, including final ranking. Projects submitted to California Sea Grant will be reviewed for consistency with research priorities according to the Information, Research, and Outreach Strategy.
- (d) Projects selected through this review process will be presented to the council for final concurrence on the grant awards.
- (e) California Sea Grant will provide all post-award grant administration, including

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reporting and financial accounting by charging up to 10% in administrative costs on the grants awarded.

Scientific research addressing council priorities will close gaps in knowledge that hinder appropriate management and protection efforts. The selection of scientifically sound research projects is critical. Implementing a strong, proven review process will allow the council to select and fund such projects. This time-intensive process can be most efficiently and effectively carried out through the partnership with California Sea Grant.

Site Description

This project is a partnership that supports scientific research on the ocean and coast. Research projects may be conducted in various locations statewide.

Project History

This is the first year of funding for this partnership.

PROJECT FINANCING

Funding Sources:

Ocean Protection Council to California Sea Grant College Program	\$800,000
Ocean Protection Council to U.S.C. Sea Grant Program	\$200,000
Grant Awardees' Funding Match	<u>\$450,000</u>

Total Project Cost **\$1,450,000**

The source of funds for this project is the Ocean Protection Council's tideland oil revenues, appropriated to the Resources Agency in the FY 04/05 for projects authorized pursuant to the Ocean Protection Act. The Resources Agency has entered into an interagency agreement with the Conservancy to administer these funds on behalf of the council and recommend projects for funding. The Conservancy will award grants to both Sea Grant programs. On September 23, 2005 the council authorized spending of these funds for this partnership.

The grants with California Sea Grant will place a cap on university overhead for proposed projects. Further, council research proposals funded through this partnership could entail matching requirements similar to California Sea Grant, normally a 50% match, which would expand the return on investment of council funds.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

This project would be undertaken pursuant to Section 31111 of the Conservancy's enabling legislation. This section authorizes the Conservancy to fund grants which undertake planning and feasibility studies for purposes of Division 21 of the Public Resources Code. Research projects funded through this partnership will meet the purposes of this division, including: impacts of population pressures on coastal and marine resources; measures to improve and reduce threats to fish and wildlife habitat within coastal and marine waters; monitoring and mapping of coastal currents, marine habitats, and marine wildlife, pursuant to Public Resources Code Section 31220.

**CONSISTENCY WITH CONSERVANCY'S
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

The Coastal Conservancy's Strategic Plan was last updated in 2003. Since that time the Legislature has expanded the Conservancy's role in the protection and restoration of ocean resources through the passage of the Ocean Protection Act (SB 1319) and amendments to the Conservancy's enabling legislation (SB 1110). These changes are not fully reflected in the Conservancy's goals contained in the Strategic Plan. Nonetheless, the partnership will help to further many of the Conservancy's existing goals related to habitat protection and water quality, particularly for coastal watersheds, and coastal and marine resources. The partnership will result in research that enhances ecosystem-based management.

**CONSISTENCY WITH CONSERVANCY'S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** The proposed grant to California Sea Grant is supported by (Exhibit 3: Letters of Support).
4. **Location:** This project supports scientific research on the ocean and coast, which may be conducted in many various locations statewide, and will fund researchers at multiple universities, non-profits, and other organizations.
5. **Need:** Conservancy approval to encumber funds is necessary for the Conservancy to award grants to California Sea Grant on behalf of the Ocean Protection Council.
6. **Greater-than-local interest:** The request for proposals will be distributed widely and will attract researchers statewide to submit projects for funding.

Additional Criteria

7. **Urgency:** California Sea Grant releases their request for proposals annually in January. In order for the Ocean Protection Council to be included in the 2006 solicitation, the grants must be in place.
8. **Leverage:** See the "Project Financing" section above.
9. **Innovation:** The partnership is designed to take advantage of existing relationships and overlapping missions and priorities; to cost-effectively provide peer-review services for the Ocean Protection Council; and to ensure commitment to scientific research related to enhancing ocean and coastal management.

10. **Readiness:** California Sea Grant is poised to accept the grants before the end of calendar year 2005.
11. **Cooperation:** In addition to Ocean Protection Council staff and California Sea Grant, this partnership involves the time and participation of members of the California Sea Grant Advisory Board, USC Sea Grant Advisory Panel, the Resources Agency Sea Grant Advisory Panel (RASGAP), and others, who contribute to the rigorous review of all proposals submitted.

CONSISTENCY WITH COASTAL ACT:

Section 30006.5 of the Public Resources Code encourages sound and timely scientific recommendations coastal planning, conservation, and development decisions. The act encourages input from members of the scientific and academic communities in the social, physical, and natural sciences address issues such as coastal erosion and geology, marine biodiversity, wetland restoration, the question of sea level rise, desalination plants, and the cumulative impact of coastal zone developments.

COMPLIANCE WITH CEQA:

Preparation of the project involves only data gathering, planning, and feasibility analyses for possible future actions and is thus statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations Section 15262. Staff will file a Notice of Exemption upon approval by the Board.