

COASTAL CONSERVANCY

Staff Recommendation

March 8, 2007

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

File Number: 07-002-01

Project Manager: Rebecca Pollock

RECOMMENDED ACTION: Consideration and possible Conservancy authorization to disburse up to \$1,000,000 to the California Sea Grant College Program and USC Sea Grant Program to fund a second grant cycle of scientific research projects supporting priorities of the California Ocean Protection Council.

LOCATION: Statewide

PROGRAM CATEGORY: Integrated Coastal and Marine Resource Protection

EXHIBITS

Exhibit 1: November 2006 memo requesting Ocean Protection Council concurrence on projects selected for funding (first grant cycle)

Exhibit 2: Letters of support

RESOLUTION AND FINDINGS:

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

“The State Coastal Conservancy authorizes disbursement of an amount not to exceed one million dollars (\$1,000,000) from funds provided by the Resources Agency for ocean protection purposes to the California Sea Grant College Program and University of Southern California Sea Grant Program to solicit, review, administer and disburse funds for scientific research grants meeting the priorities of the California Protection Council for 2007.”

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 plans and feasibility studies for the protection and improvement of coastal and marine resources.

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

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 “Sea Grant”) to solicit, review, and award grants for scientific research for funding in 2007. At its February 8, 2007 public meeting, the Ocean Protection Council (council) found the partnership between the council and California Sea Grant to be a high priority for ocean conservation and authorized the council Secretary to take actions necessary to implement the project, including the allocation of \$1,000,000 of tideland oil revenues for this partnership.

One of the Ocean Protection Council’s primary objectives is to provide high-quality research to support management of ocean and coastal resources. In September 2005, the council approved a grant of \$1,000,000 to the state’s two Sea Grant programs, as recommended in the council’s adopted *California Information, Research, and Outreach Strategy* (IRO Strategy). The Strategy suggests that the council establish a firm commitment to fund research activities that support effective ocean management. Research is necessary in order to fill existing gaps in knowledge that hinder effective policy and decision-making, and is particularly critical as California moves towards ecosystem-based management. In October, 2005, the Conservancy authorized funding and subsequently entered into an agreement with the California Sea Grant College Program and University of Southern California Sea Grant Program to coordinate the request for proposals, the peer review process, and post-award grant administration of scientific research projects supporting the council’s priorities in the first grant cycle, from 2007-2009. Projects were selected on the basis of a competitive review process and address a wide range of marine-related issues (see Exhibit 1).

To continue this commitment, on February 8, 2007 the council authorized a second grant cycle of scientific research projects, continuing the partnership for ocean and coastal research with the state’s two Sea Grant programs. The proposed \$1,000,000 grant to Sea Grant would provide a second round of funding for administering the solicitation, review, and grant award process for scientific research proposals in 2007. Selected projects would begin in 2008 and run through 2010. As was required for the previous round, the list of research projects recommended by Sea Grant for funding will be presented to the council for the council’s concurrence prior to awarding grants. Continuing the council’s partnership with Sea Grant will support data collection, synthesis, and dissemination of information that is essential to coastal and ocean resource management with a second round of scientific research projects.

In accordance with the IRO Strategy, the overarching priority for research funded during the first grant cycle was ecosystem-based management (EBM), and all projects funded during the first grant cycle have a direct application to implementing EBM. In addition, projects funded were encouraged to include cross-boundary collaborations.

The OPC priorities for the proposed second grant cycle stem from the IRO Strategy and the OPC five-year strategic plan, “A Vision for Our Ocean and Coast,” and relate directly to the Joint Subcommittee on Science and Technology’s National Ocean Research Priorities Plan and Implementation Strategy. Proposals will be required to illustrate a strong connection to

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management by specifying outreach mechanisms to integrate results with state management needs. The solicitation for research projects will encourage proposals that support the overarching priority of understanding and improving the health of California's ocean and coastal ecosystems. Specifically, projects will be considered that:

- Develop ecosystem models and assessments to understand and predict the impact of natural and anthropogenic processes, including climate variability and climate change, on ocean and coastal ecosystems and human communities. Priority will be given to proposals that:
 - examine existing data sets or integrate data from the Southern California Coastal Ocean Observing System (SCCOOS) or Central and Northern California Ocean Observing System (CeNCOOS)
 - utilize or apply new seafloor and habitat maps
 - identify interspecies and habitat/species relationships
 - develop appropriate indicators and metrics for adaptive management
 - examine status and trends through synoptic and long-term assessments
 - identify sources and processes of ocean pollution that impact the health of humans and the marine environment
 - integrate research and monitoring across disciplines and programs optimizing the approach to ecosystem based management
- Develop biophysical-socioeconomic models and assessments to evaluate the impact of multiple human uses on ecosystems and understand human-use patterns that may influence resource stability and sustainability

California's Sea Grant Programs

Sea Grant is a natural partner for this endeavor because it has an established, highly respected process for evaluating, prioritizing and administering research grants related to coastal and ocean resources. 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. Its top priority issues include marine fisheries, water quality and sediment, ecosystem-based management, invasive species, aquaculture, marine protected areas, human health, and habitat restoration. The University of Southern California Sea Grant Program focuses primarily on the state's southern coastal metropolitan region, with particular emphasis on topics related to the urban ocean. Its priorities include protecting water quality, improving port and marine transportation operations, ensuring shoreline stability and preventing coastal hazards, and promoting the sustainable development of coastal areas.

The two programs review projects and administer grant awards according to the same national standard, and therefore undergo the same review process, facilitating the council's interactions with both programs. Sea Grant's credible review process and compatible mission can effectively

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review and select research projects that address the priorities of the council with minimal overhead.

Existing Relationship and Shared Priorities

The proposed project benefits from an existing relationship between the Resources Agency and 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 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 Sea Grant and the council, coordinating council research projects with the Sea Grant review process is practical and cost effective. An additional benefit of continuing this partnership for a second cycle of research grants is the ability to make joint decisions on supporting research that achieves common objectives of the council and Sea Grant. This is particularly critical as Sea Grant works with the states of California, Oregon, and Washington on developing a regional research plan to support regional ecosystem based management.

Soliciting, Awarding and Administering OPC Research Grants

If funded, the second grant cycle would be implemented in the same manner as the first, which was successful in soliciting and awarding research projects. The general parameters of the review process would be as follows:

- (a) The annual release of the Sea Grant Request for Proposals (RFP) will be organized to include OPC research priorities and solicit proposals for the use of these funds. From submission of preliminary proposals to the decision on final funding for projects, the review process will take approximately six months.
- (b) Proposals submitted for OPC funds will be reviewed by the same committees and complete the same process as other 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) Staff from the Conservancy/OPC will participate in all stages of the review process, including final ranking. Projects submitted to 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 endorsement of grant awards.
- (e) Sea Grant will provide all post-award grant administration, including reporting and financial accounting by charging up to 12% 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

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and fund such projects. This time-intensive process can be most efficiently carried out through the partnership proposed with Sea Grant.

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 February 8, 2007 the council prioritized spending of these funds for this partnership.

The agreement with Sea Grant will place a cap on university overhead for proposed projects. Further, research proposals funded through this partnership could entail matching requirements similar to Sea Grant's 50 percent match, which would expand the return on investment of state 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, specifically Section 31220 by studying 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; and monitoring and mapping of coastal currents, marine habitats, and marine wildlife.

**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.

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**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:** Letters of support are attached as Exhibit 2.
4. **Location:** This project supports scientific research on the ocean and coast, which may be conducted in many locations statewide, and will fund researchers at multiple universities, non-profits, and other organizations.
5. **Need:** Research is needed to fill gaps in information required for adaptive management of the state's ocean and coastal resources.
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:** Sea Grant postponed the release its annual request for proposals, normally in January, until the council approved this project. The RFP is conditioned upon Conservancy authorization for expenditure of these funds.
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:** Sea Grant is poised to accept the grants before the end of calendar year 2007.
11. **Cooperation:** In addition to Ocean Protection Council staff and 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,

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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:

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 Conservancy.