

COASTAL CONSERVANCY

Staff Recommendation  
October 2, 2014

To: Members of the Coastal Conservancy

From: Sam Schuchat, Executive Officer  
Nadine Hitchcock, Deputy Executive Officer

Cc: Legislative Representatives

Re: Consideration and Possible Adoption of an additional Conservancy project selection criterion pertaining to project consistency with statewide plans and policies.

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**RECOMMENDED ACTION:**

Consideration and possible adoption of an additional Conservancy project selection criterion pertaining to project consistency with statewide plans and policies. The *Project Selection Criteria*, as revised by the addition of the new criterion, is attached as Exhibit 1 to this memorandum.

A proposed resolution for adoption of the revised *Project Selection Criteria* follows. Upon adoption, the revised *Project Selection Criteria* will be implemented by staff, made available on the Conservancy's website, and provided to applicants.

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**EXHIBITS**

- Exhibit 1: [Revised Coastal Conservancy Project Selection Criteria](#)
- Exhibit 2: [Plans and Policies that Implement Statewide Priorities](#)
- Exhibit 3: [Chart of State Priorities and Conservancy Strategic Plan Goals](#)

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**RESOLUTION AND FINDINGS:**

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31000 et seq. of the Public Resources Code:

“The State Coastal Conservancy hereby adopts the revised Conservancy *Project Selection Criteria*, attached as Exhibit 1 to the accompanying memorandum, to require that projects

promote or implement priorities that are identified in statewide plans and policies.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff memorandum and its attached exhibits, the Conservancy hereby finds that:

1. Requiring that Conservancy projects promote or implement statewide plans and policies is consistent with and will support implementation of the Conservancy’s statutory responsibilities under Division 21 of the California Public Resources Code.
2. The revision to the Coastal Conservancy’s *Project Selection Criteria* is intended to provide a policy reference, a strategy, and a broad context for evaluating, prioritizing, and allocating Conservancy funding for new projects.”

### **Background**

The Conservancy implements statewide priorities in many ways. With funds for state conservation and parks dwindling, there is a growing interest in ensuring that all new expenditures are directed to meet the state’s highest priorities. The proposed new project selection criterion will require proposals for project funding to make explicit which statewide plan or policy will be promoted or implemented by the proposed project. Although this will not cause a substantive change, it will increase transparency and provide a greater understanding of the basis for prioritizing project expenditures.

California’s coastline is recognized in state and federal legislation as a unique region warranting special protection and management. State legislation establishes policy and regulatory authority to protect, preserve and, where possible, restore the resources of the coastal zone and San Francisco Bay for the enjoyment of the current and succeeding generations. The Coastal Conservancy was established specifically to implement these state policies through non-regulatory means, while the California Coastal Commission and the San Francisco Bay Conservation Development Commission implement state coastal policy through planning and regulatory programs. Together, these three programs constitute the State of California’s federally-approved Coastal Management Program, which is considered to be one of the nation’s most effective approaches to managing coastal resources.

The prioritization of Conservancy project expenditures is first and foremost derived from Division 21 of the California Public Resources Code. At any time, funding may or may not be available to implement all of the programmatic priorities established in Division 21. Where funding is available for the full range of statutorily derived programmatic responsibilities, priorities for project expenditures are established through several processes:

PROMOTION OF STATE PLANS AND POLICIES PROJECT-SELECTION CRITERIA

1. Funding the development of regional, geographically-focused, or site-specific plans that address priority issues established by statute, policy, or in broad-scale state plans. These plans are developed collaboratively with other stakeholders including local and state agencies such as the California Coastal Commission, the Bay Conservation and Development Commission, the California Department of Fish and Wildlife, the Ocean Protection Council, the State Lands Commission the California Department of Parks and Recreation, California Department of Water Resources, California Department of Transportation and the Regional Water Quality Control Board. The regional and geographically-focused plans break down broad state policies to specific actions that can be taken within a particular coastal area. Site-specific plans provide design specifications essential for implementing developments that help meet statewide policies such as species recovery, water quality improvements, water conservation, carbon sequestration, addressing the needs of disadvantaged communities, the coastal trail and resilient urban waterfronts and shoreline.
2. Implementing specific projects based on recommendations in science-based and collaboratively produced eco-regional, watershed and site specific plans. Examples include the Conservancy supported restoration of oyster beds and eel grass, as recommended and prioritized in the San Francisco Bay Subtidal Habitat Goals Conservation Plan, and construction of over 80 water quality and habitat restoration projects that implement recommendations of the Santa Cruz Integrated Watershed Restoration Program.
3. Developing policies in response to Governor's Executive Orders. For example, Executive Order S-13-08 required agencies to consider a range of sea level rise scenarios to assess project vulnerability, reduce expected risks and increase resiliency to sea level rise. In response, the Conservancy adopted one of the first state agency climate change policies and an associated project selection criterion (2009). We participated in Coastal and Ocean Working Group of the California Climate Action Team to develop the first Sea-Level Rise Interim Guidance Document (2011). We then developed a *Vulnerability from Sea Level Rise and Extreme Events Guidance* (2012) to provide applicants for Conservancy funding a step by step process for assessing impacts and vulnerabilities, reducing expected risks, and increasing resiliency to sea level rise.

Through this process, the Conservancy has, thus, continuously sought to carry out projects and create policies that are consistent with and promote and implement statewide priorities. The following new criterion seeks to formalize that practice and to document in the staff recommendation for each proposed project the specific statewide policy or plan that the project will promote or implement.

A listing of current, existing plans and policies that implement statewide priorities and that may be considered consistent with the Conservancy's mission and objectives is attached as Exhibit 2. Exhibit 3 provides a chart which associates each statewide plan and policy with the correlating Conservancy strategic plan policy.

PROMOTION OF STATE PLANS AND POLICIES PROJECT-SELECTION CRITERIA

Through Exhibits 2 and 3, we have attempted to identify most, if not all, existing plans and policies that implement statewide priorities and that are consistent with the Conservancy's mission and objectives. However, there may be others which we have not identified. Moreover, in the future it is likely that new statewide plans and policies will be adopted that Conservancy projects may promote or support consistent with its objectives under Division 21.

**Proposed New Project Selection Criterion**

Staff recommends revising the *Project Selection Criteria* last adopted on November 10, 2011 to include the following new criterion:

**Promotion and implementation of state plans and policies** (must promote or implement specific, identified statewide plan or policy)

**COMPLIANCE WITH CEQA**

Under the California Environmental Quality Act (CEQA) Guidelines, 14 Cal. Code of Regulations ("CCR") Section 15000 et seq., a "project" consists of an action that can cause either a direct physical change or a reasonably foreseeable indirect change in the environment; and that is an activity directly undertaken or funded by a public agency, or an activity that involves the issuance of a permit or other entitlement (CCR Section 15378). Adoption of the proposed new project selection criterion does not have the potential to cause a physical change to the environment and does not constitute a project for purposes of CEQA.