



TO: Coastal Conservancy

FR: Sam Schuchat, Executive Officer

RE: Process for adoption of Proposition 1 Project Solicitation and Evaluation Guidelines and Strategic Plan Update

DA: December 1, 2014

Process for Adoption of Proposition 1 Project Solicitation and Evaluation Guidelines

As you know California's voters overwhelmingly passed Proposition One, the Water Bond, in the November election. (The complete text of the water bond may be found here: (<http://www.voterguide.sos.ca.gov/en/propositions/1/>) Proposition One allocates \$100,000,000 to the Coastal Conservancy for a variety of watery purposes. These purposes are generally described as "multibenefit water quality, water supply, and watershed protection and restoration projects" that include, but are not limited to: watershed projects that help adapt to climate change, River Parkway restoration, ecosystem improvements, removal of barriers to fish passage, improvements to coastal watersheds, endangered species recovery, and so on.

Before we can spend any of this money, two things must happen. First and most obviously Governor Brown will need to propose the first round of the appropriations for this bond which would have to be included by the legislature in the budget for Fiscal Year 2015-16. Assuming that this happens, then by the terms of the bond itself the Coastal Conservancy must also "develop and adopt project solicitation and evaluation guidelines" which "shall include monitoring and reporting requirements..." In order to adopt these guidelines, we (and every other state agency in the bond) must conduct three public meetings, one in Northern California, one in Southern California, and one in the Central Valley to hear public comment on our proposed guidelines. Our proposed guidelines must be posted on our website at least 30 days prior to the public meetings, and must be approved by the California Natural Resources Agency for consistency with Proposition One requirements.

The Governor's budget is released in January. Assuming that this budget includes Proposition One, here is our proposed schedule for the things that we will need to do to be able to start making grants.

Draft guidelines to Conservancy board: January 29. Coastal Conservancy board members review and comment on the proposed guidelines at our meeting in Ventura.

Public meetings: March and April. These can be held by staff; were thinking that we would do them all in the span of a week or so. We may team up with some of the other conservancies.

Resources Agency review and approval: late April - May.

Board adoption: June 25. Based on Conservancy comments from January, public comments in March and April, and the CNRA review, we would bring back a final set of guidelines for your review and approval at our June meeting in Sacramento.¹

Strategic Plan Update

In addition to this process, we need to revise and update our strategic plan to account for Proposition One. As you of course recall, the current strategic plan was written to take into account the funds that we had at the time that we wrote it, and a future hypothetical \$400 million general-purpose bond act. We now have a \$100 million fairly specific water bond. At the same time that we are spending the first half of calendar 2015 adopting guidelines, we can and should amend our strategic plan and replace the \$400,000,000 undefined resources bond with the \$100,000,000 very well-defined water bond.

We would do this on roughly the same calendar as the guidelines, i.e. bring a draft to our January board meeting, get public comments, and then bring it back to you for adoption in June. Once we have revised our strategic plan, we could then easily produce a 1 to 3 page stand-alone document describing our plans for our portion of Proposition One.

Finally, as you will probably know, the legislature created and Gov. Brown signed into law two bills which expand the Conservancy's authorities and which will be accounted for in the strategic plan update. First, , the Santa Ana River Conservancy was established as a new Coastal Conservancy program . This new program requires the creation of an Advisory Council, as well as some planning; we should be able to include the planning that we need to do for the Santa Ana River Conservancy program in our strategic plan update process.

In addition, a new account, the California Climate Resiliency Account was created in the Coastal Trust Fund. The funds appropriated to the account are for expenditure by the State Coastal Conservancy, the California Coastal Commission, and the San Francisco Bay Conservation and Development Commission for coastal zone management planning and implementation activities to address the risks and impacts of climate change. The account received its first appropriation for FY 14-15, \$1.5 mill to the Conservancy from the Environmental License Plate Fund. This appropriation, along with the overall growing need for the Conservancy to increase its efforts and resources to address climate change impacts, has resulted in more Climate Ready competitive grant rounds, and a higher expectation for what we can do to assist coastal communities. Therefore, the strategic plan update will reflect this great level of effort for our climate change work.

¹ Remember that the June meeting will have two parts: a regular SCC meeting, and then a joint meeting with the Delta Conservancy.