



Memo

Date: January 22, 2015

To: Members of the State Coastal Conservancy

From: Sam Schuchat, Executive Officer
Mary Small, Deputy Executive Officer

CC: Legislative Oversight Members

RE: Coastal Conservancy Proposition 1 Program Guideline Development

The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (“Proposition 1”) allocates \$100.5 million to the Conservancy for competitive grants for multi-benefit ecosystem and watershed protection and restoration projects, Water Code Section 79731(j). Proposition 1 requires that the Conservancy develop grant program guidelines that establish the process and criteria the Conservancy will use to solicit applications, evaluate proposals, and award Proposition 1 grants, Water Code Section 79706(a).

The Conservancy’s draft Proposition 1 grant program guidelines are attached. We are requesting initial comments from the Board on these draft guidelines and authorization to release the draft guidelines to the public for their comment. The draft guidelines will be posted on the California Natural Resources Agency website and the Coastal Conservancy website for at least 30 days before Conservancy staff conduct three public meetings around the state to solicit input. The public will also be invited to comment in writing on the draft guidelines.

The Governor’s budget proposes a \$15 million appropriation to the Coastal Conservancy from Proposition 1 in FY 15/16. The Conservancy is seeking to finalize its guidelines by June 30th so that it can begin soliciting, reviewing and recommending Proposition 1 grants at the start of the fiscal year.

Here is our proposed Proposition 1 Guideline Development Schedule:

January 29	Board approval to release for public comment
Feb. 2	Submit to California Natural Resources Agency (CNRA) for posting on its website Post on SCC website for at least 30 days prior to the public meetings
Late March	Three public meetings
March 26 th	SCC Board Meeting – receive comments from SCC Board
April	Revise guidelines based on comments from Board, CNRA and public
May 1 st	Submit to CNRA for final review and approval
June 25 th	SCC Board considers finalizing guidelines
July 1	Post guidelines on bond accountability website and SCC website Submit to fiscal and policy committees of legislature

CALIFORNIA STATE COASTAL
CONSERVANCY

**PROPOSITION 1 GRANT PROGRAM
GUIDELINES**

DRAFT
January 2015

GRANTS FUNDED BY THE
Water Quality, Supply, and Infrastructure
Improvement Act of 2014



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I. Introduction

A. The State Coastal Conservancy

The State Coastal Conservancy (“Conservancy”) is a state agency, established in 1976, to work proactively with local communities to implement multi-benefit projects that protect and enhance coastal resources. The Conservancy’s enabling legislation is Division 21 of the Public Resources Code. Division 21 authorizes the Conservancy to undertake projects and award grants to achieve the goals set forth in Division 21. The Conservancy works along the entire length of California’s coast, within the watersheds of rivers and streams that extend inland from the coast, and throughout the nine-county San Francisco Bay Area.

The Conservancy provides technical assistance through its staff and provides grant funds to help develop and implement projects that achieve its goals. The Conservancy develops and supports multi-benefit projects that advance a number of goals, including:

- protecting the natural and scenic beauty of the coast;
- improving water quality;
- enhancing wildlife habitats;
- helping people get to and enjoy beaches and parklands;
- keeping farmland and timberlands in production;
- revitalizing working waterfronts;
- assisting communities to prepare for the impacts of climate change, including sea level rise.

The Conservancy has adopted *Strategic Plan 2013-2018*, which identifies the Conservancy’s goals and objectives through 2018. The Conservancy intends to update the Strategic Plan to address Prop 1 priorities by June 30, 2015. All Conservancy funded grants must be advance specific objectives in the Conservancy’s Strategic Plan.

B. Proposition 1

The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (“Prop 1”) was approved by voters in November 2014. Prop 1 is codified as Division 26.7 of the Water Code. The purposes of Prop 1 include generating funding to address water quality, water supply and watershed protection and restoration. Chapter 6 of Prop 1 allocates \$100.5 million to the Conservancy for competitive grants for multibenefit ecosystem and watershed protection and restoration projects, Water Code Section 79731(j).

II. Program Purposes, Required Criteria and Eligibility

A. Purpose of Proposition 1 Grant Program Guidelines

These Proposition 1 Grant Program Guidelines (“Prop 1 Guidelines”) establish the process and criteria that the Conservancy will use to solicit applications, evaluate proposals, and award grants, pursuant to Prop 1. All projects funded by the Conservancy with Prop 1 must be consistent with the Conservancy’s enabling legislation, its Strategic Plan and its existing project selection criteria and Prop 1. These Prop 1 Guidelines identify the additional requirements applicable to Prop 1 funded projects and the project evaluation process for those projects. These Prop 1 Guidelines are adopted pursuant to Water Code Section 79706(a) and may be updated periodically.

B. Conservancy Required Project Selection Criteria

The Conservancy has adopted *Project Selection Criteria and Guidelines*, last updated on October 2, 2014 (“Conservancy Program Guidelines”), which set forth the evaluation criteria that the Conservancy uses for all of its grant programs. (See Appendix B.) The Conservancy Program Guidelines consist of required criteria that must be satisfied by all projects and additional criteria that are not mandatory but are taken into account for purposes of priority. The required selection criteria are:

- **Promotion of the Conservancy’s statutory programs and purposes** (Division 21 of the Public Resources Code);
- **Consistency with purposes of the funding source;**
- **Promotion and implementation of state plans and policies** (specific plans and policies and the specific goals or objectives within those plans and policies that would be furthered by the project);
- **Support from the public;**
- **Location** (must benefit coastal, ocean resources, or the San Francisco Bay region);
- **Need** (desired project or result will not occur without Conservancy participation);
- **Greater-than-local interest;**
- **Sea level rise vulnerability.** (Consistent with Executive Order S-13-08, for new projects located in areas vulnerable to future sea level rise, planning shall consider a range of sea level rise scenarios in order to assess project vulnerability and, to the extent feasible, reduce expected risks and increase resiliency to sea level rise.)

C. Purposes of Proposition 1, Chapter 6

The funding from Prop 1 allocated to the Conservancy comes from Chapter 6, “Protecting Rivers, Lakes, Streams, Coastal Waters and Watersheds.” (See Appendix A.) Chapter 6 of Prop 1 sets forth 13 specific purposes of the allocation of funds to the Conservancy (“Chapter 6 purposes”), Water Code Section 79732(a). All Prop 1 grants funded by the Conservancy must achieve at least one of these Chapter 6 purposes.

- 1) Protect and increase the economic benefits arising from healthy watersheds, fishery resources and instream flow.
- 2) Implement watershed adaptation projects in order to reduce the impacts of climate change on communities and ecosystems.
- 3) Restore river parkways throughout the state, including but not limited to projects pursuant to the California River Parkways Act of 2004 and urban river greenways
- 4) Protect and restore aquatic, wetland and migratory bird ecosystems including fish and wildlife corridors and the acquisition of water rights for instream flow.
- 5) Fulfill the obligations of the state of California in complying with the terms of multiparty settlement agreements related to water resources.
- 6) Remove barriers to fish passage.
- 7) Collaborate with federal agencies in the protection of fish native to California and wetlands in the central valley of California.
- 8) Implement fuel treatment projects to reduce wildfire risks, protect watersheds tributary to water storage facilities and promote watershed health.

- 9) Protect and restore rural and urban watershed health to improve watershed storage capacity, forest health, protection of life and property, stormwater resource management, and greenhouse gas reduction.
- 10) Protect and restore coastal watershed including but not limited to, bays, marine estuaries, and nearshore ecosystems.
- 11) Reduce pollution or contamination of rivers, lakes, streams, or coastal waters, prevent and remediate mercury contamination from legacy mines, and protect or restore natural system functions that contribute to water supply, water quality, or flood management.
- 12) Assist in the recovery of endangered, threatened, or migratory species by improving watershed health, instream flows, fish passage, coastal or inland wetland restoration, or other means, such as natural community conservation plan and habitat conservation plan implementation.
- 13) Assist in water-related agricultural sustainability projects.

D. Promotion and Implementation of State Plans and Policies

The Conservancy Program Guidelines require that projects be consistent with statewide plans and priorities; Prop 1 requires that projects be consistent with the goals identified in the California Water Action Plan. Links to key plans can be found in Appendix C.

E. Eligible Grantees

Eligible applicants for Prop 1 grant funding from the Conservancy are:

- Public agencies, including any city, county, city and county, district, joint powers authority, state agency, public college, public university, or federal agencies.
- Any private, nonprofit organization that qualifies under Section 501(c)(3) of the United States Internal Revenue Code, and whose purposes are consistent with the Conservancy's enabling legislation (Division 21 of the Public Resources Code).
- Indian Tribes that are either federally recognized or listed on the Native Heritage Commission's California Tribal Consultation List.

F. Project Eligibility

To be eligible for Prop 1 funding, projects must be consistent with the Conservancy's enabling legislation, meet the Conservancy's required project selection criteria, support the Conservancy's Strategic Plan and advance at least one of the purposes of Chapter 6 of Prop 1.

Prop 1 funds must be spent consistent with the General Obligation Bond Law, Government Code Section 16727. In general, this means projects must entail the construction or acquisition of capital assets and/or activities that are incidentally but directly related to construction or acquisition, such as planning, design and engineering.

Prop 1 contains additional provisions that may make some projects ineligible, these include:

- All projects funded by Prop 1 must be consistent with the Porter-Cologne Water Quality Control Act (Division 7 of the Water Code) and the State's five-year infrastructure plan prepared pursuant to Government Code section 13100.
- Prop 1 cannot be used to fund acquisitions of land by eminent domain. Water Code Section 79711(g).

- Prop 1 funds may only be used for projects that will provide benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations.

III. Grant Application Process and Timeline

A. Project Solicitation

A Request for Proposals to be funded with Prop 1 will be posted on the Conservancy's website and may be updated periodically. The Conservancy may elect to solicit targeted proposals for a specific type of project for some of the solicitation periods.

B. Project Solicitation Periods

There will be four project solicitation periods each year: August 1-September 30, November 1-December 31, February 1-March 31, and May 1-June 30. Grant applications must be submitted during the solicitation periods.

C. Application Review and Evaluation

1. Completeness

Grant applications will be initially reviewed for completeness. Incomplete grant applications will be returned to the applicant. Grantees may choose to complete the application and resubmit.

2. Screening

Conservancy staff will screen complete grant applications to ensure that:

- the project meets the Conservancy's required grant selection criteria of the Conservancy Program Guidelines;
- the project is consistent with the Conservancy's Strategic Plan;
- the project consists of work that is eligible for bond funds under the General Obligation Bond Law;
- the grantee is an eligible entity; and
- the project meets at least one of the Chapter 6 Purposes.

Applications that do not pass the screening process will not proceed to the scoring process. The Conservancy has discretion to either return the application or assist the applicant with gathering additional information and modifying the proposal to enable the application to pass the screening process.

3. Scoring

Complete applications that have passed the screening process will be reviewed and scored by a minimum of three professionals with relevant expertise. Reviewers may include state and federal agency staff and others with relevant expertise, including consultants and academics. All reviewers other than SCC staff will be required to document that they do not have a conflict of interest in reviewing any proposals.

All reviewers will score each proposal in accordance with Part IV. "Grant Evaluation and Scoring." Applications with an average score of 75 or better will qualify for grants. If there is a significant

discrepancy in the scoring by the three reviewers, additional reviewers may score the proposal. The average score will be the average of all reviews.

D. Grant Award

Conservancy staff will determine which qualified applications to recommend to the Conservancy Board for funding and the amount of funding, taking into account the project’s score relative to other eligible projects, the total amount of funding available for Prop 1 projects, the urgency of the project relative to other eligible projects, the Conservancy’s Strategic Plan, and the application of the Conservancy’s Required and Additional Project Selection Criteria.

The Conservancy expects that it will take an average of six months from application submittal to Conservancy board approval and an additional month for execution of the grant agreement.

E. Board Meetings

No grant shall be awarded unless the Conservancy Board has approved the grant at a public meeting. The Conservancy typically holds five public meetings per calendar year. The meeting schedule will be published on the Conservancy’s website. The agenda for each public meeting will be published on the Conservancy’s website ten days in advance of the meeting. Conservancy staff will prepare a report for each proposed grant presented to the Conservancy Board at a public meeting. The staff report will describe the project and explain how the project is consistent with the Conservancy’s enabling legislation, the Conservancy Program Guidelines, the Conservancy’s Strategic Plan and the evaluation criteria in these Prop 1 Grant Program Guidelines.

F. Grant Agreement

Once the Conservancy has approved a grant at a public meeting, Conservancy staff will prepare a grant agreement setting forth the terms and conditions of the grant. The grantee must sign the grant agreement and comply with conditions in order to receive funds.

IV. Grant Evaluation and Scoring

A. Scoring

Complete grant applications that have passed the screening process will be evaluated and scored using the evaluation criteria set forth below. An application must achieve an average score of 75 or better to qualify for a grant.

B. Evaluation Scoring Criteria:

Criteria	Points
The extent to which the project achieves one or more of the purposes of Chapter 6 of Prop 1.	20 points
The extent to which the application includes a complete, reasonable and well thought out proposed scope of work, budget and schedule.	20 points
The extent to which the project promotes and implements the California Water Action Plan, other state and plans and policies, and relevant regional water plans.	8 points

The extent to which the applicant demonstrates experience successfully implementing similar projects or demonstrates appropriate and necessary partnerships to complete the project.	8 points
The extent to which the applicant demonstrates that project has community support.	8 points
Whether the project is consistent with best available science.	8 points
The extent to which the project leverages the resources of private, federal or local funding sources. Projects that have at least 25% matching funds will receive 3 points. Projects with greater than 50% matching funds will receive 8 points. Bonus points for projects with greater than 100% matching funds, see below.	8 points
The extent to which the project provides multiple benefits.	5 points
The extent to which the applicant demonstrates a clear and reasonable method for measuring and reporting the effectiveness of the project.	5 points
The extent to which the project employs new or innovative technology or practices.	5 points
The extent to which the project will deliver sustainable outcomes in the long-term.	5 points

BONUS POINTS:

Projects that have >100% matching funds from private, federal or local funding sources will receive 5 bonus points.

Up to 15 bonus points will be awarded to proposed projects that primarily benefit communities with high pollution burdens and/or high population characteristic scores, based on [CalEnviroScreen](#) maps, as follows:

- 5 points = CalEnviroScreen score of 61% -70% (on any of the 3 maps)
- 10 points = CalEnviroScreen score of 71%-80% (on any of the 3 maps)
- 15 points = CalEnviroScreen score of 81% or higher (on any of the 3 maps)

Projects that use the California Conservation Corps for project implementation will receive 5 bonus points.

V. Additional Information

A. Available Funding

The Conservancy expects to grant approximately \$10 million each year for about ten years. However, the amount of funding available will depend upon the amount appropriated to the Conservancy by the State Legislature each year. The amount awarded will also depend on the quality of the proposals submitted.

B. Additional Project Considerations

- Project applicants are encouraged to use the California Conservation Corps to implement projects where feasible.
- Agencies acquiring land may use the Natural Heritage Preservation Tax Credit Act of 2000 (Division 28 of the Public Resources Code. Water Code Section 79711(h).
- Where appropriate, grantees will be required to provide signage informing the public that the project received Prop 1 funding. This requirement will be addressed in the grant agreement.

C. Grant Provisions

Following Conservancy Board approval of a grant, staff will prepare a grant agreement with detailed conditions specific to the project. The grant agreement must be signed by the grantee before funds will be disbursed. Several typical grant agreement provisions are:

- Actual awards are conditional upon funds being available from the state.
- Grantees must submit a detailed project work program and budget.
- Grant funds will only be paid in arrears on a reimbursement basis.
- Grantees may be required to reimburse the Conservancy for some or all of the disbursed grant funds if the project is not completed.
- Grantees must have liability insurance.

D. Environmental Documents

The Conservancy is required to comply with the California Environmental Quality Act (CEQA). Grant applicants should consider whether their proposed project will trigger the need for an environmental impact report or negative declaration or whether a CEQA exemption applies. How CEQA applies and the status of CEQA compliance must be addressed in the grant application.

E. Project Monitoring and Reporting

All grant applications must include a monitoring and reporting component that explains how the effectiveness of the project will be measured and reported. The monitoring and reporting component will vary depending on the nature of the project. The grant application evaluation will assess the robustness of the proposed monitoring program. In addition, Conservancy staff will work with grantees to develop appropriate monitoring and reporting templates and procedures.

F. Leveraging Funds

The Conservancy will award additional points to applicants with significant matching funds. The amount of leveraged funding will be specifically identified in every staff recommendation for potential approval by the Conservancy Board. The Conservancy will provide a summary of the total leverage of Conservancy funds from all its grant programs in an annual financial report to the Conservancy Board.

Appendices

Appendix A: Chapter 6 of Proposition 1

Protecting Rivers, Lakes, Streams, Coastal Waters, and Watersheds

79730.

The sum of one billion four hundred ninety-five million dollars (\$1,495,000,000) shall be available, upon appropriation by the Legislature from the fund, in accordance with this chapter, for competitive grants for multibenefit ecosystem and watershed protection and restoration projects in accordance with statewide priorities.

79731.

Of the funds authorized by Section 79730, the sum of three hundred twenty-seven million five hundred thousand dollars (\$327,500,000) shall be allocated for multibenefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state in accordance with the following schedule:

- (a) Baldwin Hills Conservancy, ten million dollars (\$10,000,000).
- (b) California Tahoe Conservancy, fifteen million dollars (\$15,000,000).
- (c) Coachella Valley Mountains Conservancy, ten million dollars (\$10,000,000).
- (d) Ocean Protection Council, thirty million dollars (\$30,000,000).
- (e) San Diego River Conservancy, seventeen million dollars (\$17,000,000).
- (f) San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, thirty million dollars (\$30,000,000).
- (g) San Joaquin River Conservancy, ten million dollars (\$10,000,000).
- (h) Santa Monica Mountains Conservancy, thirty million dollars (\$30,000,000).
- (i) Sierra Nevada Conservancy, twenty-five million dollars (\$25,000,000).
- (j) State Coastal Conservancy, one hundred million five hundred thousand dollars (\$100,500,000). Eligible watersheds for the funds allocated pursuant to this subdivision include, but are not limited to, those that are in the San Francisco Bay Conservancy region, the Santa Ana River watershed, the Tijuana River watershed, the Otay River watershed, Catalina Island, and the central coast region.
- (k) Sacramento-San Joaquin Delta Conservancy, fifty million dollars (\$50,000,000).

79732.

(a) In protecting and restoring California rivers, lakes, streams, and watersheds, the purposes of this chapter are to:

- (1) Protect and increase the economic benefits arising from healthy watersheds, fishery resources, and instream flow.
- (2) Implement watershed adaptation projects in order to reduce the impacts of climate change on California's communities and ecosystems.
- (3) Restore river parkways throughout the state, including, but not limited to, projects pursuant to the California River Parkways Act of 2004 (Chapter 3.8 (commencing with

Section 5750) of Division 5 of the Public Resources Code), in the Urban Streams Restoration Program established pursuant to Section 7048, and urban river greenways.

(4) Protect and restore aquatic, wetland, and migratory bird ecosystems, including fish and wildlife corridors and the acquisition of water rights for instream flow.

(5) Fulfill the obligations of the State of California in complying with the terms of multiparty settlement agreements related to water resources.

(6) Remove barriers to fish passage.

(7) Collaborate with federal agencies in the protection of fish native to California and wetlands in the central valley of California.

(8) Implement fuel treatment projects to reduce wildfire risks, protect watersheds tributary to water storage facilities, and promote watershed health.

(9) Protect and restore rural and urban watershed health to improve watershed storage capacity, forest health, protection of life and property, stormwater resource management, and greenhouse gas reduction.

(10) Protect and restore coastal watersheds, including, but not limited to, bays, marine estuaries, and nearshore ecosystems.

(11) Reduce pollution or contamination of rivers, lakes, streams, or coastal waters, prevent and remediate mercury contamination from legacy mines, and protect or restore natural system functions that contribute to water supply, water quality, or flood management.

(12) Assist in the recovery of endangered, threatened, or migratory species by improving watershed health, instream flows, fish passage, coastal or inland wetland restoration, or other means, such as natural community conservation plan and habitat conservation plan implementation.

(13) Assist in water-related agricultural sustainability projects.

(b) Funds provided by this chapter shall only be used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations.

79733.

Of the funds made available by Section 79730, the sum of two hundred million dollars (\$200,000,000) shall be administered by the Wildlife Conservation Board for projects that result in enhanced stream flows.

79734.

For restoration and ecosystem protection projects under this chapter, the services of the California Conservation Corps or a local conservation corps certified by the California Conservation Corps shall be used whenever feasible.

79735.

(a) Of the funds authorized by Section 79730, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, for projects to protect and enhance an urban creek, as defined in subdivision (e) of Section 7048, and its tributaries,

pursuant to Division 22.8 (commencing with Section 32600) of, and Division 23 (commencing with Section 33000) of, the Public Resources Code and Section 79508.

(b) (1) Of the funds authorized by Section 79730, twenty million dollars (\$20,000,000) shall be made available to the secretary for a competitive program to fund multibenefit watershed and urban rivers enhancement projects in urban watersheds that increase regional and local water self-sufficiency and that meet at least two of the following objectives:

- (A) Promote groundwater recharge and water reuse.
- (B) Reduce energy consumption.
- (C) Use soils, plants, and natural processes to treat runoff.
- (D) Create or restore native habitat.
- (E) Increase regional and local resiliency and adaptability to climate change.

(2) The program under this subdivision shall be implemented by state conservancies, the Wildlife Conservation Board, the state board, or other entities whose jurisdiction includes urban watersheds, as designated by the secretary. Projects funded under the program shall be a part of a plan developed jointly by the conservancies, the Wildlife Conservation Board, the state board, or other designated entities in consultation with the secretary.

(c) At least 25 percent of the funds available pursuant to this section shall be allocated for projects that benefit disadvantaged communities.

(d) Up to 10 percent of the funds available pursuant to this section may be allocated for project planning.

79736.

Of the funds authorized by Section 79730, four hundred seventy-five million dollars (\$475,000,000) shall be available to the Natural Resources Agency to support projects that fulfill the obligations of the State of California in complying with the terms of any of the following:

(a) Subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

(b) Interstate compacts set forth in Section 66801 of the Government Code pursuant to Title 7.42 (commencing with Section 66905) of the Government Code.

(c) Intrastate or multiparty water quantification settlement agreement provisions, including ecosystem restoration projects, as set forth in Chapters 611, 612, 613, and 614 of the Statutes of 2003.

(d) The settlement agreement referenced in Section 2080.2 of the Fish and Game Code.

(e) Any intrastate or multiparty settlement agreement related to water acted upon or before December 31, 2013. Priority shall be given to projects that meet one or more of the following criteria:

- (1) The project is of statewide significance.
- (2) The project restores natural aquatic or riparian functions, or wetlands habitat for birds and aquatic species.
- (3) The project protects or promotes the restoration of endangered or threatened species.

- (4) The project enhances the reliability of water supplies on a regional or interregional basis.
- (5) The project provides significant regional or statewide economic benefits.

79737.

- (a) Of the funds authorized by Section 79730, two hundred eighty-five million dollars (\$285,000,000) shall be available to the Department of Fish and Wildlife for watershed restoration projects statewide in accordance with this chapter.
- (b) For the purposes of this section, watershed restoration includes activities to fund coastal wetland habitat, improve forest health, restore mountain meadows, modernize stream crossings, culverts, and bridges, reconnect historical flood plains, install or improve fish screens, provide fish passages, restore river channels, restore or enhance riparian, aquatic, and terrestrial habitat, improve ecological functions, acquire from willing sellers conservation easements for riparian buffer strips, improve local watershed management, and remove sediment or trash.
- (c) For any funds available pursuant to this section that are used to provide grants under the Fisheries Restoration Grant Program, a priority shall be given to coastal waters.
- (d) In allocating funds for projects pursuant to this section, the Department of Fish and Wildlife shall only make funds available for water quality, river, and watershed protection and restoration projects of statewide importance outside of the Delta.
- (e) Funds provided by this section shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities.
- (f) Funds provided by this section shall only be used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations, except for any water transfers for the benefit of subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

79738.

- (a) Of the funds authorized by Section 79730, eighty-seven million five hundred thousand dollars (\$87,500,000) shall be available to the Department of Fish and Wildlife for water quality, ecosystem restoration, and fish protection facilities that benefit the Delta, including, but not limited to, the following:
 - (1) Projects to improve water quality or that contribute to the improvement of water quality in the Delta, including projects in Delta counties that provide multiple public benefits and improve drinking and agricultural water quality or water supplies.
 - (2) Habitat restoration, conservation, and enhancement projects to improve the condition of special status, at risk, endangered, or threatened species in the Delta and the Delta counties, including projects to eradicate invasive species, and projects that support the beneficial reuse of dredged material for habitat restoration and levee improvements.
 - (3) Scientific studies and assessments that support the Delta Science Program, as described in Section 85280, or projects under this section.

(b) In implementing this section, the department shall coordinate and consult with the Delta city or Delta county in which a grant is proposed to be expended or an interest in real property is proposed to be acquired.

(c) Acquisitions pursuant to this section shall be from willing sellers only.

(d) In implementing this section state agencies shall prioritize wildlife conservation objectives through projects on public lands or voluntary projects on private lands, to the extent feasible.

(e) Funds available pursuant to this section shall not be used to acquire land via eminent domain.

(f) Funds available pursuant to this section shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities.

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Appendix C: State Coastal Conservancy Project Selection Criteria

Project Selection Criteria

As Adopted by the Coastal Conservancy on October 2, 2014

REQUIRED CRITERIA

- **Promotion of the Conservancy's statutory programs and purposes**
- **Consistency with purposes of the funding source**
- **Promotion and implementation of state plans and policies** (specific plans and policies that are being considered or implemented)
- **Support from the public**
- **Location** (must benefit coastal, ocean resources, or the San Francisco Bay region)
- **Need** (desired project or result will not occur without Conservancy participation)
- **Greater-than-local interest**
- **Sea level rise vulnerability** (Consistent with Executive Order S-13-08, for new projects located in areas vulnerable to future sea level rise, planning shall consider a range of sea level rise scenarios in order to assess project vulnerability and, to the extent feasible, reduce expected risks and increase resiliency to sea level rise.)

ADDITIONAL CRITERIA

- **Urgency** (threat to a coastal or ocean resource from development or natural or economic conditions; pressing need; or a fleeting opportunity)
- **Resolution of more than one issue**
- **Leverage** (contribution of funds or services by other entities)
- **Conflict resolution**
- **Innovation** (for example, environmental or economic demonstration)
- **Readiness** (ability of the grantee and others to start and finish the project timely)
- **Realization of prior Conservancy goals** (advances previous Conservancy projects)
- **Return to Conservancy** (funds will be repaid to the Conservancy, consistent with the Conservancy's long-term financial strategy)
- **Cooperation** (extent to which the public, nonprofit groups, landowners, and others will contribute to the project)
- **Minimization of greenhouse gas emissions** (project design and construction methods include measures to avoid or minimize greenhouse gas emissions to the extent feasible and consistent with the project objectives)
- **Vulnerability from climate change impacts other than sea level rise** (project objectives, design, and siting consider and address vulnerabilities from climate change impacts other than sea level rise)

Appendix C: Key State, Federal, and Regional Plans and Priorities

[TO BE COMPLETED...]

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