

COASTAL CONSERVANCY

Staff Recommendation
November 30, 2023

SEA OTTER RECOVERY GRANTS 2024

Project No. 08-079-13
Project Manager: Irvin Tang

RECOMMENDED ACTION: Authorization to disburse up to \$174,400 to Defenders of Wildlife and Sea Otter Savvy to implement two separate projects to aid in the recovery of the southern sea otter.

LOCATION: Nearshore waters from Del Norte County to Santa Barbara County

EXHIBITS

- Exhibit 1: [Project Location Map](#)
Exhibit 2: [California Sea Otter Fund – Summary of Projects](#)
Exhibit 3: [Project Letters](#)
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RESOLUTION AND FINDINGS

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed one hundred seventy-four thousand four hundred dollars (\$174,400) to implement two projects to assist in the recovery of the southern sea otter, specifically as follows, to:

- Defenders of Wildlife: ninety-nine thousand two hundred dollars (\$99,200) to implement the 2023-2024 Southern Sea Otter Conceptual Plan, which sets forth a planning process for the reintroduction of sea otters into northern California.
- Sea Otter Savvy: seventy-five thousand two hundred dollars (\$75,200) to conduct an educational outreach and community engagement program on responsible viewing of wild sea otters to reduce sea otter disturbance.

Prior to commencement of each project, the grantee shall submit for the review and written approval of the Executive Officer of the Conservancy (Executive Officer) the following:

1. A detailed work program, schedule, and budget.
2. Names and qualifications of any contractors to be retained in carrying out the project.

Prior to commencement of their project, Defenders of Wildlife shall submit to the Executive Officer the completed 2023-2024 Southern Sea Otter Conceptual Plan.

Findings:

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

1. The proposed authorization is consistent with Chapter 5.5 of Division 21 of the Public Resources Code, regarding Integrated Coastal and Marine Resource Protection.
 2. The proposed project is consistent with the current Conservancy Project Selection Criteria.
 3. Defenders of Wildlife and Sea Otter Savvy are nonprofit organizations organized under section 501(c)(3) of the U.S. Internal Revenue Code.
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STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends that the Conservancy disburse up to \$99,200 to Defenders of Wildlife and \$75,200 to Sea Otter Savvy to undertake two separate projects to aid the recovery of the southern sea otter. Defenders of Wildlife will implement the 2023-2024 Southern Sea Otter Conceptual Plan, which sets forth a collaborative conceptual planning process, involving a wide range of stakeholders, for the reintroduction of sea otters into northern California. Sea Otter Savvy will conduct an educational outreach and community engagement program on responsible viewing of wild sea otters to reduce sea otter disturbance in Santa Cruz, Monterey, and San Luis Obispo counties.

The southern sea otter is an ecologically important species that faces numerous challenges, from disease and shark bite mortality to resource limitations in large portions of its occupied range. Southern sea otters were hunted to near extinction in the early part of the 20th century and listed as a federally threatened species in 1977. Currently, the population numbers around 2,960 animals inhabiting the near-shore marine environments adjacent to San Mateo County south to Santa Barbara County. This is far less than the historic southern sea otter population levels estimated at approximately 16,000-20,000 animals that inhabited a range along the entire California coast and south into Baja California. To address this decline and slow recovery, taxpayers can voluntarily contribute to the California Sea Otter Recovery Tax Fund, of which the Conservancy receives approximately half the proceeds for expenditure on projects that will assist in the recovery of sea otters.

In April 2023, the Conservancy solicited project proposals aimed at recovery of the southern sea otter. The Conservancy received three proposals and staff recommends funding the two projects described below.

1. Defender of Wildlife’s A Path to Southern Sea Otter Recovery: Toward the Implementation of the Conceptual Plan. The Defenders of Wildlife will implement the 2023-2024 Southern Sea Otter Recovery Conceptual Plan (“Conceptual Plan”) for the reintroduction of sea otters in Northern California. The Conceptual Plan details what steps are needed in the planning process before reintroduction can occur, such as a robust stakeholder engagement process, socioeconomic impact studies, other studies to resolve data gaps and uncertainties, and development of strategies for permitting and environmental review.

Over the past decade, the southern sea otter population has failed to extend its range north or south of the Central Coast, occupying only 13% of their historic range. Research has found that sea otters are near the maximum number of individuals that can be supported in their current range due to food and resource availability. For continued population recovery, sea otters need to expand beyond their current range into new, resource-abundant territories. Failure to expand their range limits the species’ population recovery and keeps them susceptible to potentially catastrophic environmental threats, such as an oil spill. As the sea otter population has not naturally expanded their range in California over the past decade, reintroduction of sea otters into their former range in northern California has been proposed as a recovery strategy. The federal Consolidated Appropriations Act of 2021 directed U.S. Fish and Wildlife Service (USFWS) to determine the feasibility and cost of restoring sea otters along the West Coast. This feasibility assessment was released in June 2022 and concluded that reintroducing sea otters to northern California is feasible and would result in significant conservation benefit to the species and nearshore marine ecosystem.

With Conservancy funding and in concert with USFWS efforts to formalize steps of sea otter reintroduction, Defenders of Wildlife will implement the Conceptual Plan, which will include conducting these tasks: identify and reach out to local communities of potential sea otter reintroduction sites; strategize with regulatory agencies to develop the framework for environmental reviews, permit strategies and regulatory processes for southern sea otter reintroduction; coordinate partners and stakeholder engagement meetings within the sea otter community; strengthen connections to coastal tribal entities and ensure tribal leadership role in sea otter reintroduction process; and undertake the first steps of a large-scale socioeconomic evaluation of southern sea otter reintroduction in northern California through preliminary release-site specific ecological impact studies and fishery commercial valuation.

The project will be led by Defenders of Wildlife, but it will be a collaborative process with relevant partners and stakeholders including conservation practitioners, scientists, and fisheries groups, all of whom will establish roles in the rewilding of sea otters. It will also build community knowledge and support at reintroduction sites. As the rewilding of sea otters becomes more formalized, the project will continue to work with tribal nations through co-management opportunities and integrate indigenous knowledge in reintroduction practices.

2. Sea Otter Savvy’s Educational Outreach and Community Engagement Program. Sea Otter Savvy will implement its “Sea Otter Savvy” educational outreach and community engagement program, which promotes responsible viewing of wild sea otters to reduce disturbance and harassment. Sea otters are widely beloved by the public, and this charismatic species draws kayakers, photographers, stand-up paddlers, wildlife tour operators, scuba divers, and other

marine recreationists to view them. However, people viewing sea otters often approach too closely and disturbance to sea otters has become a persistent and widespread issue.

Sea otters have high metabolisms to keep them warm, which requires them to eat nearly 25% of their body weight in food each day and spend most of their day foraging or resting to conserve their critical energy reserves. Frequent and repeated human disturbance of sea otters throughout the day threatens this balance. Research conducted by Sea Otter Savvy's citizen science team revealed that female otters are 30% more likely to be active when marine crafts are nearby than when marine crafts are absent. Female sea otters are especially vulnerable to disturbance during their reproductive stage, and in extreme cases the additional stress caused by human disturbance may lead to pup abandonment or death. As sea otters become acclimated to the regular proximity of humans, they can also lose their natural fearfulness, leading to unwanted, aggressive interactions—which in some cases has necessitated the permanent removal of a wild sea otter from the wild.

The proposed project will implement the Sea Otter Savvy outreach program to inspire responsible viewing of wild sea otters and modify the expectation of viewing proximity to sea otters to reduce this stressor on sea otters. The program will engage and educate the wildlife-viewing public through a multi-faceted outreach program, targeting heavily-trafficked locations such as Santa Cruz, Moss Landing, Cannery Row in Monterey, Morro Bay, and Avila Beach, and working with more than 30 commercial operators and local Harbor Districts. This work will include:

- Online media including social media engagement, videos, and website.
- Printed materials such as stickers on rental marine crafts that provide clear guidelines for responsible viewing of sea otters, and field guides with tips for safe wildlife viewing.
- In-person outreach such as pop-up information stations at disturbance hotspots, school programs, public presentations, and other events (Sea Otter Awareness Week).
- Business certification program "Community Active Wildlife Stewards" to recognize local businesses with responsible wildlife stewardship practices.

As part of the proposed project, Sea Otter Savvy will continue to work with Ohlone members, the Tolowa Dee-ni', the Northern Chumash, and members of the Marine Tribal Stewardship Network to integrate their cultural perspective into Sea Otter Savvy outreach materials and invite the Tribe's participation in outreach events including the "We Were Here" sea otter program, guest articles, and field opportunities for tribal youth members. As part of the proposed project, Sea Otter Savvy will also conduct an evaluation of their suite of outreach strategies to assess effectiveness and inform priorities for future Sea Otter Savvy programming.

The Conservancy funded the Sea Otter Savvy program previously from 2016-2019 and in 2022, as the Federal Southern Sea Otter Recovery Plan identifies public outreach and education as a recommended action. Prior to the Sea Otter Savvy program, no long-term, systematic efforts to mitigate the problem of sea otter disturbance and harassment existed. Although law enforcement may investigate the most egregious cases of disturbance, the problem is vast,

diffuse, and ongoing. Without continued intervention, the problem of sea otter disturbance and harassment in densely populated areas is likely to continue to increase.

Site Description: Southern sea otters' historic range is from Oregon to Baja, but the species currently inhabit only San Mateo County to Santa Barbara County. They are found mostly in kelp beds in the nearshore environment, generally in water depths of sixty-five feet or less so they can forage along the ocean floor. Over the last 20 years, sea otters have also been found to thrive in salt marshes and eelgrass beds in estuaries.

1. Defender of Wildlife's project will take place in various meeting forums throughout Central and Northern California. The project's proposed area for conceptual planning for southern sea otter reintroduction is the California coast from San Francisco Bay to the Oregon border.
2. Sea Otter Savvy program focuses outreach efforts on areas with a high frequency of disturbance reports caused by humans on southern sea otters including Santa Cruz, Moss Landing, the Cannery Row area of Monterey, Morro Bay, and Avila Beach. In addition, Sea Otter Savvy will engage in statewide venues that offer exposure to the broad target audience of marine recreationists and wildlife enthusiasts.

Grant Applicant Qualifications:

1. Defenders of Wildlife has the capacity to manage a state grant, as they have successfully previously managed Conservancy grants, have qualified grant and fiscal management staff, and the organization has an annual revenue of almost \$50 million. Defenders of Wildlife has extensive experience with federal and state wildlife management grants and reintroduction projects. Over the years, Defenders of Wildlife has successfully engaged with state and federal agencies, tribal representatives, and various stakeholders (e.g. landowners, commercial businesses, and other environmental NGOs) to accomplish collaborative conservation projects, such as deploying conflict reduction tools to landowners and livestock managers that reduced the unwanted encounters between livestock and grey wolves.
2. Sea Otter Savvy has successfully implemented Conservancy grants for Sea Otter Savvy program from 2016-2019 and in 2022. Sea Otter Savvy is uniquely positioned to carry out this project as their mission and experienced staff is focused on increasing awareness about sea otter conservation through outreach. The concept for Sea Otter Savvy originated from a collaboratively identified need for a new outreach program, by representatives from U.S. Fish and Wildlife Service, California Department of Fish and Wildlife, Monterey Bay Aquarium, and Friends of the Sea Otter. Sea Otter Savvy began in 2015 when it received its first grant from U.S. Fish and Wildlife Service.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA:

The proposed project is consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, in the following respects:

Selection Criteria

1. Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.

See the “Consistency with Conservancy’s Strategic Plan” section below.

2. Project is a good investment of state resources.

The proposed projects will implement recommendations in the Federal Recovery Plan for the California Sea Otter using funds targeted for the recovery of these species. The purpose of the funding source is the primary criteria used to select these projects. The two proposed projects leverage non-state resources and provide new information for sea otter recovery efforts through engaging volunteer support and creating a conceptual planning process. These are important and cost-effective steps to recover and protect the southern sea otter population.

3. Project includes a serious effort to engage tribes. Examples of tribal engagement include good faith, documented efforts to work with tribes traditionally and culturally affiliated to the project area.

To date, Sea Otter Savvy and the Defenders of Wildlife have engaged with the Tribal Marine Stewards Network and its constituent tribes, who are traditionally and culturally affiliated with the project area on current projects and future collaboration regarding potential sea otter reintroduction efforts. Additionally, Sea Otter Savvy continues to work with Northern Chumash tribal representatives as well as the Tolowa Dee ni’ by identifying opportunities to incorporate and share the respective regional history and cultural significance of sea otters to each tribe.

4. Project benefits will be sustainable or resilient over the project lifespan.

Sea Otter Savvy’s direct visitor education, pamphlets, educational stickers, and other outreach will provide benefits over the course of the project and beyond. The Defenders of Wildlife conceptual planning project will provide information that will be used to facilitate sea otter reintroduction efforts now and in the future.

5. Project delivers multiple benefits and significant positive impact.

The Sea Otter Savvy outreach program will reduce stress on sea otters and educate the public to view inspire wild sea otters responsibly. Recovery of sea otter populations is not only important for the species, but healthy sea otter populations have been shown to benefit a variety of coastal and marine habitats including kelp forests, salt marsh, and sea grass ecosystems. Reintroduction of sea otters will enhance ecosystem health that may also benefit other wildlife species. The Defenders of Wildlife conceptual planning project will deliver a positive impact by facilitating a collaborative process to move the potential for sea otter reintroduction effort forward.

6. Project planned with meaningful community engagement and broad community support.

The primary purpose of the Sea Otter Savvy project is engagement with people wanting to view southern sea otters, and has evolved over time through collaboration with marine

recreation businesses and recreationists. Sea Otter Savvy develops outreach materials in multiple languages and media types to reach diverse audiences. The Defenders of Wildlife project will strategize with regulatory agencies to develop the framework for environmental reviews, permit strategies and regulatory processes for southern sea otter reintroduction. Additionally, the project will engage stakeholders including fisheries groups and tribal nations in the implementation of the Conceptual Plan to ensure they meaningful engagement in determining next steps that are needed to evaluate sea otter reintroduction as a recovery action.

PROJECT FINANCING

Coastal Conservancy	\$174,400
Defenders of Wildlife	\$4,000
Monterey Bay Aquarium	\$4,000
Elakha Alliance	\$2,000
Seattle Aquarium	\$2,000
Aquarium of the Pacific	\$2,000
U.S. Fish and Wildlife Service	\$65,000
Project Total	\$253,400

The anticipated source of Conservancy funds for the proposed project is an appropriation from the California Sea Otter Fund. Established in 2006, the California Sea Otter Fund is a state income tax check-off program allowing taxpayers to dedicate funds to facilitate sea otter recovery (Revenue and Taxation Code (RTC) Section 18754). The funds may be used for “research, science, protection projects or programs related to the Federal Sea Otter Recovery Plan or improving the nearshore ocean ecosystem, including, but not limited to, program activities to reduce sea otter mortality” (RTC Section 18754.2(a)(3)).

Consistent with these requirements, Sea Otter Savvy’s education and outreach program will directly implement Task 7 of the Federal Sea Otter Recovery Plan to “Develop and implement a public education and outreach program.” In 2015, the U.S. Fish and Wildlife Service completed a five-year review of the status of the Southern Sea Otter, as required by section 4(c)(2) of the Endangered Species Act. The review identified additional recovery actions that should be taken including, “Develop and implement a plan to enhance natural range expansion through releases of small numbers of rehabilitated live-stranded sea otters”.

Consistent with the Federal Sea Otter Recovery Plan, the Defenders of Wildlife project will be used to inform sea otter reintroduction planning, which would ultimately enhance natural range expansion.

RTC Section 18754.2(b) requires the Conservancy to solicit available federal, private, matching, and other dollars to maximize or leverage funds benefiting sea otters. Match funding for the

Defenders of Wildlife project includes support from Defenders of Wildlife, Monterey Bay Aquarium, Elakha Alliance, Seattle Aquarium, and Aquarium of the Pacific, as listed above. In-kind contributions of the proposed Defenders of Wildlife project is estimated at \$77,000 for Defenders and partner entities staff time to participate. The Sea Otter Savvy project has \$65,000 of match funding secured from U.S. Fish and Wildlife Service's Endangered Species Conservation and Recovery (Section 6) grant and have applied for additional renewal funding from the Marisla Foundation and Mossy Earth. Additional in-kind contributions to the Sea Otter Savvy is not quantified but includes staff time from the program advisors including the U.S. Fish and Wildlife Service, California Department of Fish and Wildlife, and U.S. Geological Survey.

Unless specifically identified as "Required Match," the other sources of funding and in-kind contributions described above are estimates. The Conservancy does not typically require matching funds or in-kind services, nor does it require documentation of expenditures from other funders or of in-kind services. Typical grant conditions require grantees to provide any funds needed to complete a project.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project is consistent with Division 21, Chapter 5.5 (Integrated Coastal and Marine Resources) of the Conservancy's enabling legislation (Public Resources Code § 31220). Under Section 31220 of the Public Resources Code, the Conservancy may undertake living marine resource protection and restoration projects in order to improve and protect coastal and marine water quality and habitats.

Section 31220 states that a project must meet one or more of the objectives specified in subsection (b) of that section. The Sea Otter Savvy project is consistent with Section 31220(b)(7), as the project "[r]educes the impact of population and economic pressures on coastal and marine resources." Consistent with Section 31220(b)(3), the proposed Defenders of Wildlife project "[r]educes threats to coastal and marine fish and wildlife" as it will be used to inform sea otter reintroduction planning. Sea otters are a threatened species that have reached the carrying capacity in their current range, and reintroduction may allow them to expand their range and increase their population. Additionally, range expansion reduces the threat of a catastrophic disaster such as an oil spill, by expanding their range so not all of the population would be affected by such an event.

Section 31220(c) requires projects funded pursuant to the section to include a monitoring and evaluation component. Defenders of Wildlife will include monitoring and evaluation as a component to the proposed conceptual planning for sea otter reintroduction. A monitoring and evaluation component would not be relevant to Sea Otter Savvy's education and outreach program because the project will not have a direct physical impact that can be monitored. Funded outside of the proposed project, Sea Otter Savvy's citizen science program monitors and evaluates the effects of marine recreation on sea otter activity and behavior to complement and inform their outreach and education efforts.

CONSISTENCY WITH CONSERVANCY'S [2023-2027 STRATEGIC PLAN](#):

Consistent with **3.2 Restore or Enhance Habitats** of the Conservancy's 2023-2027 Strategic Plan, the proposed project will result in two grants that will support the recovery of the southern sea otter.

CEQA COMPLIANCE:

The Defenders of Wildlife project is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Title 14 California Code of Regulations (CCR) Section 15262, as it involves only conceptual planning for possible future actions related to sea otter reintroduction which have not yet been approved, adopted, or funded by the Conservancy. Consistent with Section 15262, the project will consider environmental factors in the plan development.

The Sea Otter Savvy educational program is categorically exempt from the provisions of CEQA pursuant to Title 14 CCR section 15322 (Educational or Training Programs Involving No Physical Changes), which exempts the "adoption, alteration, or termination of educational or training programs which involve no physical alteration in the area affected." Implementation of the proposed outreach and public education campaign concerning responsible viewing of wild sea otters does not involve the physical alteration of the environment.

Upon approval of the project, Conservancy staff will file a Notice of Exemption.