

Memo

To: Coastal Conservancy Board

From: Sam Schuchat, EO

RE: Update on our Ten Year Funding Strategy

Date:

As you recall, along with our Strategic Plan staff presented a Ten Year Funding Plan to you at the end of 2012. This plan was required by the Budget Act for FY 2011-12, and assumed that there would be no new bond funding for the Coastal Conservancy during the ten year period. The Ten Year Plan called for us to take number of steps to insure a future for the Coastal Conservancy, and I am pleased to report that we have made progress on a number of them. To be fair, a number of these irons were in the fire while we were developing the Ten Year Plan, but good news is good news and should be shared!

Federal Grants

We recently received notice of four federal grant awards. One will not be funded because of the sequestration¹, but the other three are intact. All three are from the National Coastal Wetlands Conservation Grant Program within the U.S. Fish and Wildlife Service. They are:

1) Steam Shovel Slough

This grant is to fund the acquisition of a key property of the 500-acre Los Cerritos Wetlands Complex, located near the mouth of the San Gabriel River in Long Beach. The property supports intact tidal salt marsh habitat that is an exemplary model of what much of the Los Cerritos wetlands looked like 150 years ago.

Amount: \$1,000,000 (Conservancy Support Funding: \$45,000)

Staff person: Chris Kroll

2) Upper Devereux Slough

This grant will support planning and pre-construction activities for restoration of tidal and freshwater wetland habitat of the Upper Devereux Slough. The project is located at the gateway to the Gaviota Coast near the University of California and Coal Oil Point UC Reserve in southern Santa Barbara County and includes planning for the conversion of a 9-hole golf course back to its wetland state.

Amount: \$1,000,000 (Conservancy Support Funding: \$38,237.40)

Staff person: Rachel Couch

¹ We have been told to reapply for next year, however, and it seems likely that we will get it in the end.

3) Ryan Creek Wetlands Conservation Project

The project will protect 7,550 acres in the Humboldt Bay watershed from development. The property consists primarily of redwood forest, with 100 acres of wetlands and miles of riparian corridor. Approximately 1,200 acres of the property will be acquired in fee by the County of Humboldt and managed as a community forest for fish and wildlife habitat, passive recreation, and sustainable timber production.

Amount: \$1,000,000 (Conservancy Support Funding: \$50,000)

Staff Person: Joel Gerwein

Our goal for "Grants for Conservancy Staff" was \$350,000 in fiscal years 2012-13 and 2013-14. We have already billed about \$310,000 this fiscal year and expect to achieve our goal. These grants bring us to about \$290,000 in awards for fiscal year 13/14. We are continuing to apply for incoming grants to meet next year's goal.

Carbon Forestry

As you know, the Ten Year Plan called for \$750,000/year of carbon revenue starting in FY 2017/18. On the agenda for this meeting is the acquisition of the Preservation Ranch in Sonoma County. As a part of our proposed authorization, The Conservation Fund and the Conservancy will enter into a revenue sharing agreement. Our most recent projections suggest that this agreement may yield more than \$750,000/year to the Conservancy, and that the carbon revenue may start sooner than expected. Eventually there may be timber revenue from the property as well.

VRA and other funds

The Ten Year Plan described a number of non-bond funds that the Coastal Conservancy has not historically tapped for operating support, and called for us to change that. These funds include the Coastal Access Account, the Sea Otter Tax Check-off, and the Violation and Remediation Account. Based on our discussions with the Legislature, CNRA, and the Department of Finance, it now appears that starting in next year's budget the Conservancy will be able to expend 10% of each of these funds for support.