

COASTAL CONSERVANCY

Staff Recommendation  
May 26, 2016

**LOCAL COASTAL PROGRAM GRANTS  
SEA LEVEL RISE UPDATES**

Project No. 16-021-01  
Project Manager: Mary Small

**RECOMMENDED ACTION:** Authorization to disburse up to three million dollars to the California Coastal Commission to fund Local Coastal Program grants.

**LOCATION:** Statewide

**PROGRAM CATEGORY:** Climate Change, Resource Enhancement

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**EXHIBITS**

None

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**RESOLUTION AND FINDINGS:**

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31111, 31113 and 31251-31270 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of up to three million dollars (\$3,000,000) to the California Coastal Commission (Commission) for its Local Coastal Program (LCP) grant program, to support local governments in completing or updating LCPs to take into account the effects of climate change. This authorization is subject to the following conditions:

1. Conservancy funding shall be acknowledged in all written or published materials related to this grant program, in a manner approved by the Executive Officer.
2. In implementing the project, the Commission shall have full responsibility for administering the grants, including all bond reporting, review of grantee documents (including invoices), and maintenance of all financial records related to any expenditures.”

Staff further recommends that the Conservancy adopt the following findings:

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

1. The proposed authorization is consistent with Chapter 3 of Division 21 of the Public Resources Code, regarding addressing the potential impacts of climate change.
  2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.”
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### **PROJECT SUMMARY:**

The 2015 Budget Act directed the Coastal Conservancy to provide \$3,000,000 from its Proposition 40 appropriation to the California Coastal Commission (Coastal Commission) for Local Coastal Program (LCP) grants.

This funding will augment an existing Coastal Commission grant program, the “Local Coastal Program Local Assistance Grant Program,” to support local governments in completing or updating LCPs consistent with the California Coastal Act, with special emphasis on planning for sea-level rise and climate change. The purpose of the grant program is to support local coastal planning to develop new LCPs for certification in areas that are not currently certified, or to update existing certified LCPs to reflect new information and changed conditions, including projected sea level rise. The Coastal Act directs the Coastal Commission and local governments to use the best available science in coastal land use planning and development. In August 2015, the Coastal Commission adopted sea level rise policy guidance to provide additional interpretation about how sea level rise should be considered in LCPs and coastal development permits. It is expected that LCPs prepared under the Commission grant program funded through the proposed authorization will address sea level rise and other climate change impacts as part of the planning work.

The LCP Program is an essential component of the California Coastal Act. LCPs implement the statewide goals and policies of the Coastal Act at the local level. LCPs are required by the Coastal Act for each coastal jurisdiction and are the basic planning and regulatory tool that guides development in the coastal zone in conformity with Coastal Act goals and policies. Moreover, LCPs serve to identify natural and scenic resources and the locations where these coastal resources are in need of enhancement and protection. Accordingly, the Conservancy is statutorily required under Chapter 6 of its enabling legislation to utilize certified LCPs to determine where and whether to provide funding for proposed coastal resource enhancement projects. Updating and completing LCPs will support the Conservancy’s work to implement successful projects based on current conditions.

LCPs specify the kind, location, and intensity of land uses, the applicable resource protection and development policies, and implementing ordinances. LCPs are prepared primarily by local governments, and, once certified by the Commission, govern most coastal permit decisions that can affect the short- and long-term conservation and use of coastal resources. Following adoption by the local planning authority, an LCP is submitted to the Coastal Commission which reviews and certifies it in accordance with the Coastal Act.

While most of the coast (approximately 85% of the geographic area) is governed by a certified LCP, there are some remaining uncertified areas. When these areas become certified, the local government will assume responsibility for issuing most coastal development permits in these areas. In addition to the areas that are not yet certified, many of the LCPs that were certified in the 1980s and 1990s are out of date and would benefit from updates to reflect changed conditions, new information and knowledge, and new programs and policies, especially those related to climate change and sea-level rise. Updated LCPs provide more certainty for economic development and enable stronger coastal resource protection in light of current environmental conditions and other factors. Also, many important public access, coastal resource protection,

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and priority coastal development issues remain to be more comprehensively addressed by an updated LCP in these areas, as contemplated by the Coastal Act.

There is consensus that the California coast will experience significant impacts from the combined effect of sea-level rise, extreme high tides, storms, and coastal erosion in the future. These impacts will play out differently in each region of the coast depending on the shoreline structure, development pattern and many other variables. Understanding, planning for, and preparing for these impacts must be done at the local, regional, and statewide scale. The purpose of the LCP grants program is to support this work at the local and regional scale, particularly through local coastal planning pursuant to the Coastal Act.

In implementing its LCP grants program, the Coastal Commission has awarded a total of two million dollars to local governments through two prior grant rounds, including grants to 11 local governments in Fiscal Year 2013/2014 and grants to 12 local governments in Fiscal Year 2014/2015. The California Ocean Protection Council has also provided funding for similar grants. Under these grants, communities have begun to update LCPs to address sea-level rise but there is a need for assistance to help complete this work. The demand for grants has exceeded all available funds and the Coastal Commission is certain that there is a need for the additional grant funds in this authorization.

**Site Description:**

Grants would be awarded to local jurisdictions within the Coastal Zone.

**Project History:**

The Coastal Commission has awarded two million dollars in two prior grant rounds to a total of 23 local governments. In November 2012, the California Ocean Protection Council approved two million five hundred thousand dollars for competitive grants to provide funds for local and regional vulnerability assessments and updates to Local Coastal Programs and other Coastal Act authorized plans to address sea-level rise, coastal hazards and other climate change-related impacts. All of these grant funds have been awarded to local government applicants.

**PROJECT FINANCING**

<b>Coastal Conservancy</b>	<b>\$3,000,000</b>
Others	\$0
<b>Project Total</b>	<b>\$3,000,000</b>

The expected source of Conservancy funds for this project is the FY 15/16 appropriation to the Conservancy from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002 (Proposition 40, Public Resources Code Sections 5096.600 et seq.). This funding source may be used for development and protection of land and water resources in accordance with the provisions of the Conservancy’s enabling legislation. “Development” is defined by Proposition 40 as including, but not limited to, “preservation” and “preservation”, in turn, is defined so that it encompasses “identification, evaluation, documentation . . . protection [and] interpretation” or any combination of those activities” (§5096.605).

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As required by Proposition 40, preparing new LCP's or updating existing ones in order to take into account issues and policies associated with climate change carries out the Conservancy's statutory objectives, as described in the "Consistency with Conservancy's Enabling Legislation", below. In addition, the proposed authorization is the type of project specifically permitted under Proposition 40, since the LCP process involves detailed evaluation, documentation and interpretation of climate change and other coastal policies as applied to local land use in order to establish the conditions under which private development can and should occur so that coastal land and water resources are protected and preserved.

Further, the 2015 Budget Act included the following language associated with the Conservancy's Proposition 40 appropriation: "of the funds appropriated in this item, \$3 million shall be available for Local Coastal Program grants to be administered by the California Coastal Commission." The proposed authorization directly carries out that legislative mandate.

### **CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:**

The proposed authorization is undertaken pursuant to Public Resources Code sections 31111 and 31113 of Chapter 3 and Chapter 6 (Public Resources Code sections 31251-31270, regarding coastal resource enhancement), of the Conservancy's enabling legislation.

Section 31113 enables the Conservancy to address the potential impacts of climate change on resources within its jurisdiction, including grants to public agencies for activities that reduce hazards to harbors and ports, preserve and enhance natural lands, conserve biodiversity and provide recreational opportunities. All of these goals, as they relate to coastal areas, are addressed in an LCP.

Further, Section 31111 authorizes the Conservancy to award grants to public agencies to undertake plans needed to implement the purposes of the Conservancy's enabling legislation. One of the purposes of the Conservancy's enabling legislation, established by Chapter 6, is to support resource enhancement projects that are needed because coastal resources have suffered loss of natural and scenic values from natural or human-induced events. Section 31251 of Chapter 6 authorizes the Conservancy to award grants to public agencies and nonprofit organizations for the purpose of enhancement of coastal resources. However, section 31252 requires as a pre-condition to any resource enhancement project that all areas proposed for resource enhancement are identified in a certified LCP as requiring public action.

The proposed authorization is consistent with these requirements. It will provide funding for planning efforts that will result in new or updated LCP's. These LCPs will be based on current information regarding coastal natural and scenic resources and will identify areas where these resources require enhancement and protection. Based on this information, the Conservancy will be able to appropriately and successfully determine enhancement projects to support under Chapter 6.

### **CONSISTENCY WITH CONSERVANCY'S 2013 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S), AS REVISED JUNE 25, 2015:**

Consistent with **Goal 7, Objective 7B** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will support work with public agencies to conduct local and regional plans to

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address threats to coastal communities and public infrastructure in ways that protect natural resources and provide maximum public benefits.

### **CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on October 2, 2014, in the following respects:

#### **Required Criteria**

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Promotion and implementation of state plans and policies:** *Safeguarding California: Reducing Climate Risk* (CNRA, 2014) specifically calls for "addressing Climate Impacts in Local Coastal Programs and General Plan Guidelines" as an action in the Coast and Ocean section. Recognizing that LCPs are key tools for addressing sea-level rise, storms and shoreline change, the Safeguarding plan states that continued investments to update LCPs is necessary since most LCPs currently do not include plans for reducing risk from sea-level rise.
4. **Support of the public:** Through the Budget Act, the Governor and Legislature directed the Conservancy to use its Proposition 40 funds for this purpose.
5. **Location:** Grants will be awarded to local jurisdictions in the Coastal Zone.
6. **Need:** The Coastal Commission does not have any other funding available to support these grants.
7. **Greater-than-local interest:** Through the Budget Act, the Governor and Legislature directed the Conservancy to use its Proposition 40 funds for this purpose. Grants for new or updated LCPs funded by the proposed authorization will be awarded to coastal cities, counties and towns throughout California
8. **Sea level rise vulnerability:** One purpose of this authorization is to fund LCP updates to address anticipated impacts of sea level rise and reduce future vulnerabilities by directing development out of harm's way.

### **CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:**

These grants would update Local Coastal Programs.

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**COMPLIANCE WITH CEQA:**

The proposed authorization will enable the Coastal Commission to grant funds to local governments to undertake activities needed to prepare and adopt new or updated LCPs. Public Resources Code section 21080.9 exempts those very activities from environmental review under the California Environmental Quality Act. Accordingly, providing grant funds to carry out those activities is exempt from CEQA.

Conservancy staff will file a Notice of Exemption upon approval of the proposed authorization.