

COASTAL CONSERVANCY

Staff Recommendation  
May 5, 2022

**FEDERAL GOVERNMENTAL LIAISON**

Project No. 08-037-02  
Project Manager: Mary Small, Amy Hutzel

**RECOMMENDED ACTION:** Authorization to disburse up to \$540,000 for consulting services to assist the Conservancy in maintaining and improving federal financial support for Conservancy projects.

**LOCATION:** Statewide

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EXHIBITS

Exhibit 1: [Federal Funding for Conservancy Projects 2003-2021](#)

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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 five hundred forty thousand dollars (\$540,000) for consulting services to assist the Coastal Conservancy with Congressional appropriations and authorizations, federal agency staff authorizations, and related matters.

Findings:

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

1. The proposed authorization is consistent with Public Resources Code Sections 31103 and 31104, regarding the Conservancy's ability to apply for and accept federal grants and receive other financial support from public sources and to carry out the purposes of Division 21. Projects supported by funding received because of this authorization are or would be consistent with the purposes and objectives of Chapters 4.5, 5.5, and 6 of Division 21 of the Public Resources Code, regarding the protection and enhancement of natural resources in San Francisco Bay Area, marine, and coastal environments.

2. The proposed project is consistent with the current Conservancy Project Selection Criteria.

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## **STAFF RECOMMENDATION**

### **PROJECT SUMMARY:**

Staff recommends that the Conservancy authorize disbursement of up to \$540,000 for specialized consulting services for approximately three years to maintain and improve federal financial support for Conservancy projects. The services would include advocacy for Conservancy projects at the federal level, developing and pursuing new federal appropriations and authorizations for those projects, and coordination with federal project partners for the use of funds already authorized. The services would also facilitate the Conservancy's ability to respond to Congressional actions and authorization proceedings.

The Conservancy and the federal government are jointly involved in major environmental restoration projects, including Hamilton Airfield/Bel Marin Keys Wetlands Restoration, South Bay Salt Ponds Restoration, South San Francisco Bay Shoreline Project, Matilija Dam Removal, and beneficial use of dredged sediment for shoreline resilience statewide. Federal funding supports these projects, and all are dependent on the continued receipt of that funding. The funding is subject to Congressional approval and review by agencies such as the Office of Management and Budget, the U.S. Army Corps of Engineers (USACE), the National Oceanic and Atmospheric Administration, and the U.S. Fish and Wildlife Service.

Since March 2005, consulting firms under contract to the Conservancy have represented the Conservancy's needs and interests to Congressional representatives and federal agency staff. The current consulting contract completion date is May 31, 2021. If the recommended funding is authorized, staff will initiate the process for seeking proposals for a new contract.

It is an important time for assistance with federal government relations. Last year, Congress passed the Infrastructure Investment and Jobs Act. This bill provided \$17 billion in funding for USACE civil works projects, nearly \$3 billion for the National Oceanic and Atmospheric Administration, and several other funding allocations that could support Conservancy projects. Each agency has a different process for allocating its appropriations and the proposed consultant will help the Conservancy navigate these processes to secure funding for its projects. Last summer the Conservancy completed construction of the Bel Marin Keys Bayfront Levee, a component of the Bel Marin Keys restoration project, and with the appropriation of federal construction funding for this restoration project in March of 2022, the Conservancy will work with the COE to update the cost-share agreement and seek federal funding for completing the restoration project.

Prior federal consultants have organized meetings for Conservancy staff in Washington, D.C., developed and pursued authorizations for Conservancy projects with Congress, and aggressively worked with key federal executive branch agencies to secure project approvals. The Conservancy contracted for these services because of the difficulties in having federal funding appropriated and disbursed for Conservancy projects. Conservancy staff believes that the firms' services can be credited with:

- The successful construction of the Hamilton Restoration project and authorization to construct Phase 2: Bel Marin Keys.
- Funds for the Don Edwards San Francisco Bay National Wildlife Refuge to maintain the levees and water control structures in the South San Francisco Bay.
- Federal funding of \$177.2 million for the South San Francisco Bay Shoreline Project.
- Authorization of a Beneficial Use Pilot Program by Congress and selection of San Francisco Bay as one of ten pilot projects by USACE. Appropriation of \$1.8 million for that pilot program.

Exhibit 1 shows federal funding received for Conservancy projects from 2003 through 2021, along with funding sought for federal fiscal year 2022. In large part due to efforts by Conservancy staff and our contractors, actual federal appropriations since 2005 have totaled over \$440 million for Conservancy projects, with a significant amount of that funding for implementation of the South San Francisco Bay Shoreline Project in the federal fiscal year 2018 workplan for the Disaster Supplemental funding. In addition to the funds shown on the graph, Conservancy projects received more than \$51 million in stimulus funds from the American Recovery and Reinvestment Act of 2009. Conservancy staff and partners are now applying for funding made available through the Infrastructure Investment and Jobs Act. Federal grant funds for Conservancy projects awarded to project partners are not shown on Exhibit 1.

A necessary precursor to federal appropriations for USACE projects is Congressional authorization. Congress authorized more than \$348 million in the Water Resources Development Act of 2007 and more than \$177 million from the Water Infrastructure Improvements for the Nation (WIIN) Act of 2016 for Conservancy projects cost-shared with the COE. WIIN also authorized the Beneficial Use Pilot Program, which then led to selection of the Conservancy's Resilient San Francisco Project as one of ten national pilot projects by USACE staff.

The current consultant is assisting the Conservancy in its requests for appropriations or authorizations in the upcoming federal budget and for funding inclusions in USACE budgets and work plans. The consultant has assisted the Conservancy with efforts to increase beneficial use of dredge material in San Francisco Bay, including appropriation for the Resilient San Francisco Project in last year's budget. The consultant also assists the Conservancy in resolving USACE policy issues related to the South San Francisco Bay Shoreline Project. The consultant also follows and reports to the Conservancy on activities related to water resource infrastructure funding in Congress and the Administration.

These federal consulting services have greatly improved the efficacy of Conservancy staff visits to Washington, D.C. in support of projects. Since contracting for these services, staff has been able to arrange meetings with many members of Congress, key Congressional staff, and high-ranking administration officials. This has resulted in fewer, more efficient, and more effective staff informational trips to Washington, D.C. During the pandemic, the meetings shifted to video teleconference, but Conservancy staff intends to return to in-person meetings in 2022.

Staff expects that the \$540,000 recommended for this authorization would fund consultant services for three years.

**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.**

Exhibit 1 shows federal funding received for Conservancy projects from 2003 through 2021, along with funding sought for federal fiscal year 2022. In large part due to efforts by Conservancy staff and our contractors, actual federal appropriations since 2005 have totaled over \$380 million for Conservancy projects, with approximately half of that funding for implementation of the South San Francisco Bay Shoreline Project in the federal fiscal year 2018 workplan for the Disaster Supplemental funding. These financial returns more than justify the approximately \$2.5 million expended for federal liaison consulting services since 2005.

The projects supported by this authorization, including Hamilton Airfield/Bel Marin Keys Wetlands Restoration, South Bay Salt Ponds Restoration, South San Francisco Bay Shoreline Project, Matilija Dam Removal, and beneficial use of dredged sediment are all complex, expensive, and among the most important projects in the Conservancy's portfolio. These projects bring significant federal funding to conservation, restoration, and coastal resilience work in California.

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

All of the projects supported by this authorization are multi-benefit projects designed to restore ecosystems and increase resilience. These are major construction projects, designed to last at least 50 years and designed to address the future impacts of sea level rise. The beneficial use of dredged sediment pilot program seeks to expand the reuse of dredge material for sea level rise adaptation. The lessons from this pilot project could advance resilience projects around the state.

**4. Project delivers multiple benefits and significant positive impact.**

The Conservancy and the federal government are jointly involved in major environmental restoration projects. The South Bay Salt Pond Restoration Project is the largest restoration project on the west coast of the United States. If completed, the Matilija Dam Removal would be one of the largest dam removal projects in California. The pilot project to expand beneficial reuse of sediment is an important pilot project. All these projects are multi-benefit projects, seeking to aid in the recovery of several endangered species, provide flood protection for adjacent communities, expand recreational opportunities, and prepare for the future impacts of climate change.

**5. Project planned with meaningful community engagement and broad community support.**

The Conservancy’s federal projects enjoy extensive support from elected officials, local agencies, and environmental organizations. Many of these projects have involved an extensive outreach program such as stakeholder forums, public meetings, project websites with extensive information about the project, and opportunities for participation such community planting or stewardship.

**PROJECT FINANCING**

<b>Coastal Conservancy</b>	<b>\$540,000</b>
<b>Project Total</b>	<b>\$540,000</b>

Staff expects to use funds from the FY 21/22 appropriations of the General Fund to the State Coastal Conservancy. Funds from the General Fund may be used for the Conservancy’s operations, including hiring external consultants. Consistent with federal and State requirements, no federal funds or State bond funds will be used to fund these services.

**CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:**

This authorization would be undertaken pursuant to Chapters 3, 4.5, 5.5, and 6 of the Conservancy’s enabling legislation, Division 21 of the Public Resources Code.

The Conservancy is authorized under Section 31104 of the Public Resources Code to apply for and accept federal grants and receive other financial support from public sources. This authorization would facilitate the Conservancy’s advocacy for federal funding for various existing and future projects. Section 31103 provides the Executive Officer with authority to plan for and carry out the administrative functions necessary to accomplish the goals of the Conservancy. This authorization would facilitate the Conservancy’s receipt and administration of federal funds administered by Washington, D.C.-based federal agencies.

All of the individual projects that this authorization supports have been authorized under Chapters 4.5, 5.5, or 6 of the Conservancy’s enabling legislation. Each of the individual projects is consistent with the Conservancy’s enabling legislation, and this authorization is designed to support those projects. The authorization would assist with implementation of Public Resources Code Section 31113, regarding the Conservancy’s authority to address the impacts of climate change on resources including sea level rise, storm surge, erosion, and flooding that threaten coastal communities, infrastructure, and natural resources; Section 31160 *et seq.*, regarding the Conservancy’s authority to address resource goals of the San Francisco Bay Area; Section 31220, regarding the Conservancy’s authority to restore fish and wildlife habitat within coastal watersheds and coastal and marine waters; and Section 31251 *et seq.*, regarding the Conservancy’s authority to conduct enhancement projects within the coastal zone. All the projects that have been or will be represented in Washington, D.C. involve restoration or enhancement of habitat either in the nine-county San Francisco Bay Area, in coastal

watersheds, or in the coastal zone. Staff recommendations for each of the federally supported projects detail the consistency with our enabling legislation.

**CONSISTENCY WITH CONSERVANCY'S [2018-2022 STRATEGIC PLAN](#) GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 6, Objective A** of the Conservancy's 2018-2022 Strategic Plan, the proposed project supports plans for the restoration and enhancement of coastal habitats, including coastal wetlands and intertidal areas, stream corridors, dunes, coastal terraces, coastal sage scrub, forests, and coastal prairie.

Consistent with **Goal 6, Objective B** of the Conservancy's 2018-2022 Strategic Plan, the proposed project will help restore or enhance coastal habitats, including coastal wetlands and intertidal areas, stream corridors, dunes, coastal sage scrub, coastal terraces, forests, and coastal prairie.

Consistent with **Goal 8, Objective B** of the Conservancy's 2018-2022 Strategic Plan, the proposed project supports planning adaptation projects to increase resilience to sea level rise and other climate change impacts.

Consistent with **Goal 8, Objective C** of the Conservancy's 2018-2022 Strategic Plan, the proposed project supports implementation of adaptation projects to increase resilience to sea level rise and other climate change impacts.

**CEQA COMPLIANCE:**

The proposed authorization for funding is not a "project" as that term is defined under 14 Cal. Code Regs. § 15378. This section excludes from CEQA review organizational or administrative activities that will not result in direct or indirect physical changes in the environment. The related individual projects supported by this authorization have each undergone review under the California Environmental Quality Act.