



MEMORANDUM

TO: Ocean Protection Council

FROM: Drew Bohan, Executive Policy Officer

DATE: November 20-21, 2008

RE: Revisions to the OPC Funding Guidelines and OPC Program Priorities

ATTACHMENTS: 1 - [Revised OPC Funding Guidelines](#)
2 - [OPC Program Priorities for 2009 through 2010](#) (amended)

REQUESTED ACTION:

Staff recommends the council approve the following resolution:

“The Ocean Protection Council adopts the revised *OPC Funding Guidelines* and the *OPC Program Priorities for 2009 through 2010*.”

BACKGROUND:

The OPC originally adopted funding guidelines in November 2006 and adopted funding priorities for fiscal year 2007-2008 last fall. Over the past year, staff has received comments from stakeholders and partners regarding these documents, with many offering ideas about how to amend them to improve the transparency of the OPC grant application and review process. Staff has now had its proposal review process in place long enough to learn valuable lessons, so the comments we received are particularly timely. Several members of our proposal review team have expressed the need to streamline the process, use staff and outside expertise more efficiently and, most importantly, provide more clarity and direction for applicants.

Accordingly, staff is recommending the OPC approve two documents. The first is our Funding Guidelines that staff has revised to accommodate the recommendations we have heard over the last year. The second is what we propose the OPC adopt as our Program Priorities for 2009 through 2010. The program priorities document will guide OPC staff for the next two years and inform stakeholders of the types of projects the OPC plans to fund.

CHANGES SINCE THE SEPTEMBER 2008 OPC MEETING:

The OPC considered these documents at its September 2008 meeting, but decided to hold over the vote until the November meeting to allow others to review the documents and provide additional comments. Since that time OPC staff has received several letters with additional suggested changes. Several changes were made to the Program Priorities based on this input and comment received at the meeting. Only one change was made to the funding guidelines; the document was edited to clarify that the OPC can and may pursue education and monitoring projects, but that the council will not accept unsolicited proposals for these types of projects (please see the discussion below for more details).

FUNDING GUIDELINES:

The document, when compared to the current OPC guidelines, clarifies the different mechanisms the OPC can use to provide funding for projects. Changes have been made based on feedback and comments from the OPC proposal review committee—a group of representatives from various coastal agencies who participate in the proposal review process. In addition to the proposed process within the document, staff will also provide better clarity about proposal deadlines and application review dates by providing this information on the OPC website. Key sections of the Funding Guidelines include:

1) Grant Program Objectives

Staff is proposing to amend the grant program objectives and selection criteria to better reflect central themes of the OPC mission. In particular, the document reinforces a central mandate of the OPC enabling legislation—for the OPC to prioritize innovative ideas and projects that improve how ocean and coastal resources are managed.

2) Funding Mechanisms

The guidelines are amended to more clearly explain the different types of funding mechanisms used by the OPC. The previous guidelines had descriptions of three different mechanisms, but several comments indicated that these descriptions needed clarification. The new document now details four types of funding mechanisms:

- A. *Competitive Grants* – staff will periodically prepare Requests for Proposals (RFPs) or other competitive solicitations focused on specific issues within our program priorities.
- B. *Directed Funding* – staff will continue to regularly develop projects for funding to achieve specific programmatic goals. The funding guidelines document describes the circumstances under which OPC staff will develop a directed project; in some cases, these projects may not fit within our Program Priorities.
- C. *Unsolicited Proposals* – the OPC will receive proposals from applicants on an ongoing basis as long as they are consistent with the OPC Strategic Plan, California Ocean Protection Act, and the current Program Priorities.
- D. *State and Federal Agencies* – the OPC’s primary partners in developing projects to improve management approaches are the state and federal agencies. OPC staff will continue to work with partner agencies to tailor projects that suit common needs.

3) Unsolicited Proposal Application Process

Over the past few years, we have received proposals on a vast array of issues, some of which are not appropriate for the OPC to fund or do not address priority issues. To streamline this process and provide clearer guidance to potential grantees, the new guidelines specify that unsolicited proposals must adhere to the Program Priorities and specifically state a Strategic Plan *action* that the project will address (specific actions are listed in Appendix A of the Strategic Plan). Staff believes that this will provide clarity about the types of projects currently being pursued, thereby allowing grantees to judge whether their projects are suitable for OPC funding and potentially saving effort if they are not.

In addition, the guidelines now specify what types of unsolicited projects the OPC will not consider. These include ongoing monitoring projects and requests for funds to make up for funds lost from other sources (these projects do not offer the OPC an opportunity to work with grantees to tailor the project outcomes and coordinate with other OPC actions). The rationale for limiting monitoring proposals is that OPC funds are not a long-term funding solution, which does not solve the larger issue of on-going monitoring support. In addition, various monitoring efforts are under way for different purposes; the OPC should focus on supporting programs that are a priority for state managers and are coordinated with related state programs. The OPC will work with partner agencies to determine if specific monitoring needs can be met by OPC funds.

The proposed guidelines also clarify that the OPC will not accept unsolicited proposals for projects that are focused solely on public education. The California Ocean Protection Act does not identify public education as a priority for funding from the Ocean Trust Fund. However, staff will work with our grantees for all projects to create outreach opportunities as a part project delivery. Staff will also better communicate OPC project outcomes so that others may help disseminate these new data, ideas, or approaches. As with monitoring, the OPC may support some education projects, but these will only be projects solicited by the OPC or brought to the OPC by other agencies that specifically address state needs.

Staff also proposes a change to the application process so that applicants initially submit a one-page pre-proposal. Staff will review each pre-proposal to determine if the project fits the criteria outlined in the funding guidelines and whether it is consistent with the OPC Strategic Plan and the Program Priorities document discussed in this staff recommendation. This initial screening is only for consistency – the merits of the project will not be evaluated. If the OPC Secretary determines a project is consistent, the applicant will be asked to submit a full proposal. The full proposal will be reviewed and graded by the OPC review committee that consists of OPC staff and staff from several departments represented on the OPC steering committee. The proposal may also be sent to outside experts for technical review.

Projects that rank highly in the review process will be submitted to OPC management for a final determination on whether these projects will be recommended to the OPC for funding.

OPC PROGRAM PRIORITIES FOR 2009 TO 2010:

On October 25, 2007, the OPC adopted “OPC Funding Priorities for Fiscal Year 2007/2008.” As the name implies, the document is focused solely on what the OPC will consider for funding. However, since funding is only one tool available to the OPC, the proposed Program Priority document outlines not only what we plan to fund but what we plan to devote the majority of our staff resources to for the

next two years. This will help to create opportunities for partnerships with other organizations on these key issues, whether or not OPC funding is needed.

The proposed Program Priority document represents a subset of the OPC Five-year Strategic Plan. Staff chose priorities for inclusion in this document based on whether one or more of the following applied: (1) OPC staff will devote significant time toward developing projects and policies; (2) the OPC will expend a significant amount of funds supporting related projects; or (3) the issue will be a the focus of one of the OPC public meetings. Staff will devote staff time and other resources to issues not in our program priorities; however, we will focus the majority of our resources on addressing the priorities. If a critical issue emerges that is not on our priorities list, staff will evaluate and address it as appropriate. If it appears that it may divert a substantial amount of staff resources, we will return to the OPC with a request that our program priorities be modified accordingly.

Process for Developing the Priorities

This document was prepared based on the work of staff and a series of public workshops conducted prior to the September 2008 OPC meeting, as well as the comments received subsequent to that meeting. OPC staff held a retreat in late July to discuss ongoing projects and ideas for future directions. From this meeting, a draft program priorities document was written and released for public comment on August 10. Staff held two public meetings (one in Oakland on August 19 and one in Costa Mesa on August 22) to discuss the document and to hear comments and suggestions for changes. We also received 13 letters providing written comments. Staff revised the draft program priorities document based on this input and released it for review at the OPC meeting. The proposed final document is a result of the comments heard at the September OPC meeting and letters received shortly thereafter.