



CALIFORNIA OCEAN PROTECTION COUNCIL
Staff Recommendation
November 1, 2017

OPC Proposition 1 Updated Grant Guidelines

Staff: Marina Cazorla

RECOMMENDED ACTION: Adoption of Ocean Protection Council’s Updated Proposition 1 Grant Program Guidelines.

LOCATION: Statewide

STRATEGIC PLAN OBJECTIVE: Science-based decision-making; Climate change; Sustainable fisheries and marine ecosystems; Coastal and ocean impacts from land-based sources; Existing and emerging ocean uses

EXHIBITS

- Exhibit 1:** Proposed Updated OPC Proposition 1 Grant Guidelines
 - Exhibit 2:** 2015 Approved OPC Proposition 1 Grant Guidelines
-

RESOLUTION AND FINDINGS:

Staff recommends that the Ocean Protection Council (OPC) adopt the following resolution pursuant to Sections 35500 et seq. of the Public Resources Code:

“The California Ocean Protection Council hereby adopts the Updated Proposition 1 Grant Program Guidelines attached to the accompanying staff recommendation as Exhibit 1, pursuant to Water Code Section 79706(a).”

Staff further recommends that the Council adopt the following findings:

“Based on the staff report and attached exhibits, the OPC hereby finds that:

1. The Updated Proposition 1 Grant Guidelines are consistent with the purposes of Division 26.5 of the Public Resources Code, the California Ocean Protection Act.
2. The Updated Proposition 1 Grant Guidelines are consistent with Division 26.7 of the California Water Code.”

Staff Recommendation:

Background on the Adopted 2015 OPC Proposition 1 Grant Guidelines

The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (“Prop 1”) was approved by voters in November 2014 (California Water Code (CWC) Division 26.7). Funding from Prop 1 is intended to fund projects that meet the goals of the Water Action Plan to provide more reliable water supplies, restore important species and habitat, and develop a more resilient and sustainably managed water system) to better withstand inevitable and unforeseen pressures in the coming decades. Chapter 6 of Prop 1, “Protecting Rivers, Lakes, Streams, Coastal Waters, and Watersheds,” allocates \$30 million to the OPC for a competitive grant program for multi-benefit ecosystem and watershed protection and restoration projects in accordance with statewide priorities, CWC §79730 and §79731(d). The OPC received an appropriation of \$9.3 million from Prop 1 in the FY 15-16 budget and the legislature appropriated another \$9.3 million for FY 17-18. The OPC anticipates a third appropriation of \$9.3 million in FY 19-20. As per Section 79706(a) of the California Water Code, Prop 1 requires all agencies receiving funding to develop and adopt guidelines for a competitive grant program to detail project solicitation and evaluation criteria. Adoption of guidelines is exempt from the state law governing adoption of regulations (CWC §79705).

In 2015, OPC staff developed Prop 1 Guidelines consistent with the general provision of Chapter 4 of Prop 1 (CWC §79703 et seq.) and Chapter 6 of Prop 1 (CWC §79730 et seq.). The OPC Prop 1 Grant Program Guidelines (“Guidelines”) that were adopted on September 22, 2015 by the OPC established the general process, procedures, and criteria that the OPC used to solicit proposal applications, evaluate proposals, and award grants, pursuant to Prop 1 (Exhibit 2). The 2015 Guidelines identified additional project priorities, requirements and evaluation processes applicable to Proposition 1 funded projects.

Prior to the adoption of the 2015 Guidelines, OPC staff posted draft guidelines on the OPC’s website and held a public comment period for three months. OPC staff met the requirements of Prop 1 and held three public workshops on the grant guidelines throughout the state in 2015 - in Sacramento, Costa Mesa, and Eureka. OPC also facilitated outreach opportunities to gain input on the draft 2015 Prop 1 Guidelines, including a Tribal Meeting on Prop 1 coordinated by Department of Water Resources, and an OPC-organized webinar focused on Tribal participation and input.

Through the adopted 2015 Prop 1 Guidelines, OPC staff was authorized to solicit applications for Prop 1 funding up to 3 times a year. Some solicitations were intended to be an open call to all projects, and other solicitation rounds could be focused on specific project types. After the 2015 Guidelines were adopted, staff opened Grant Round 1 in late 2015, and a slate of projects was brought to the OPC for consideration and approval in October 2016. Projects approved at that time included:

- [Tolowa Dee-ni’ Nation Low Impact Development and Stormwater Outfall Improvement Project](#) benefitting the Pyramid Point State Marine Conservation Area: \$974,000
- [Trinidad Citywide Low Impact Development Planning and Construction Project](#) benefitting the Trinidad Head ASBS: \$771,500
- [Shelter Cove Fish Cleaning Station Remediation Project](#) benefitting the King Range ASBS : \$228,072
- [Connecting a Tributary in the Salt River Coastal Watershed](#): \$372,000
- [Completing the Core Objectives of Moro Cojo Slough Management and Enhancement Plan](#): \$1,334,030
- [Santa Barbara County Debris Basin Removal and Fish Passage Project \(BEACON\)](#): \$539,000

- [UC Santa Barbara North Campus Open Space Coastal Wetlands Restoration](#): \$1,000,000
- [Cardiff Beach Living Shoreline Project](#): \$2,195,932

Updates and Revisions to Approved OPC Prop 1 Grant Guidelines

The Updated OPC Prop 1 Grant Guidelines make several updates and modifications to the Guidelines, among them the removal of the Letter of Intent (LOI) stage of the proposal process, which was a preliminary step prior to the submittal of a full proposal. Staff received feedback that the LOI process was not efficient at screening out projects for the subsequent full proposal stage, and was essentially requiring applicants to submit a level of detailed information similar to that required for a full proposal. The Updated Guidelines will instead invite applicants to submit a full proposal, though they will be asked to screen themselves in advance using eligibility criteria prior to submittal of their proposal. Another change is that while the grant minimum of \$250,000 remains in place, a limited number of small grants (with a lower minimum grant amount of \$50,000) will be available in Grant Round 2 for (a) disadvantaged communities; and/or (b) pilot projects. Most important, the Updated Guidelines adjust the scoring criteria that will be used to evaluate and decide which projects receive funding. The updated scoring criteria aim to achieve the following goals:

- Give priority to proposed projects that are well designed and planned by applicants with the expertise, experience, and capacity to implement them in a timely way;
- Ensure that applicants are incentivized to design proposed projects with multi-benefits (as opposed to single benefits) for Marine Managed Areas, Coastal and Ocean Water Quality Impacts, Fisheries, and addressing and responding to Climate Change;
- Embody the OPC's strong priority on using the best available science and technical expertise;
- Promote projects that are innovative and use nature-based design;
- Ensure a strong emphasis on the priority actions identified in the California Water Action Plan;
- Allows for smaller size projects that are proposed by, or provide benefits to disadvantaged communities and/or constitute pilot projects that could later be scaled up if successful; and
- Rewards proposals with well-considered metrics for measuring and evaluating project effectiveness.

With these scoring changes, the OPC Prop 1 Grant Program will be stronger and can reflect updated OPC priorities.

Future Public Outreach for Rounds 2 and 3 in 2018

Once the updated OPC Prop 1 Grant Guidelines are approved, OPC staff will implement an extensive public outreach effort to announce the availability of upcoming rounds of Prop 1 grants. In addition to posting detailed information on OPC's website, OPC staff will:

- Organize public meetings in multiple locations throughout the state, including urban areas;
- Hold webinars to explain Guidelines and application processes and answer questions;
- Circulate announcements in social media;
- Plan targeted outreach to make disadvantaged communities aware of grant opportunities;
- Ensure Tribal partners are informed and consulted;
- Leverage other large gatherings and events to share information and answer questions; and
- Seek out opportunities to speak with new partners and constituencies about Prop 1 funding opportunities.

OPC staff will provide the Council with additional details about the Prop 1 outreach plan at a future OPC meeting.

Though Round 2 will be an open grant round for projects addressing a relatively broad range of Key Issue Areas for the OPC, Round 3 may have more targeted grant objectives. If so, OPC staff will tailor additional outreach to reach relevant communities and/or partners.

COMPLIANCE WITH CEQA:

The proposed adoption of the Updated OPC Proposition 1 Guidelines does not trigger CEQA as it is an administrative activity and is not a legal project as that term is defined pursuant to Public Resources code 21068 and Title 14 of the California Code of Regulations, section 15378.