

CALIFORNIA OCEAN PROTECTION COUNCIL

Staff Recommendation

June 12, 2013

**DISBURSEMENT OF UNENCUMBERED FY 2012-2013 ENVIRONMENTAL LICENSE
PLATE FUNDS TO THE CALIFORNIA NATURAL RESOURCES AGENCY**

File No.: 13-025-01

Project Manager: Amy Vierra

RECOMMENDED ACTION: Approval to disburse up to \$418,500 to the California Natural Resources Agency (CNRA) for: 1) costs associated with providing adequate work space and resources for new staff or those transferring from the State Coastal Conservancy, 2) reimbursement to the CNRA for costs associated with the OPC Executive Director position, 3) authorization for the Executive Director to issue a grant to advance the California Thank You Ocean campaign as the communication and outreach arm of the OPC, and 4) a grant to the Monterey Bay Sanctuary Foundation to assist the OPC and the Department of Fish and Wildlife to complete a statewide governance and implementation plan for state marine protected areas and initiate work on regional plans.

LOCATION: Statewide

STRATEGIC PLAN FOCAL AREA: Projects 1 and 2 listed above relate to providing staff capacity to accomplish all of the OPC's strategic plan focal areas. Similarly, project 3 listed above, the California Thank You Ocean campaign, is designed to educate the public about a variety of ocean and coastal issues and therefore also relate to all strategic plan focal areas. Project 4 relates directly to the OPC strategic plan focal area entitled "sustainable fisheries and marine ecosystems".

EXHIBITS

Exhibit 1: [Excerpted language from Governor Brown's 2013-2014 budget proposal](#)

Exhibit 2: [Allocation of FY 2012-2013 ELPF funds to date](#)

RESOLUTION AND FINDINGS:

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

"The Ocean Protection Council hereby approves disbursement of an amount not to exceed \$418,500 to the California Natural Resources Agency (CNRA) for: 1) costs associated with providing adequate work space and resources for new staff or those transferring from the State Coastal Conservancy; 2) reimbursement to the CNRA for costs associated with the OPC Executive Director position; 3) authorization for the Executive Director to issue a grant to advance the California Thank You Ocean

campaign as the communication and outreach arm of the OPC; and 4) a grant to the Monterey Bay Sanctuary Foundation to assist the OPC and Department of Fish and Wildlife complete a statewide governance and implementation plan for state marine protected areas and initiate work on regional plans”

Staff further recommends that the Ocean Protection Council adopt the following findings: “Based on the accompanying staff report and attached exhibits, the Ocean Protection Council hereby finds that:

1. The proposed disbursement and associated projects are consistent with the purposes of Division 26.5 of the Public Resources Code, the Ocean Protection Act.
2. The proposed disbursement and associated projects are consistent with the Ocean Protection Council's grant program funding guidelines.”

PROJECT SUMMARY:

Staff recommends that the Ocean Protection Council (OPC) approve the disbursement of up to \$418,500¹ in unencumbered FY 2012-2013 ELP funds to the CNRA. The disbursement is necessary to accomplish the transfer of OPC staff and resources from the SCC to the CNRA as laid forth in Governor Brown’s proposed 2013-2014 budget. The disbursement will also advance two key projects of the OPC including the California Thank You Ocean campaign and effective management of the marine protected areas established under the Marine Life Protection Act.

PROJECT DESCRIPTION:

Project Background:

Governor Brown’s proposed FY 2013-2014 budget included a provision to transfer all OPC staff positions and associated ELPF and bond resources from the SCC to the CNRA. As noted in the budget, the Governor stated that he believed that the effectiveness of the OPC would be improved by streamlining decision-making and staff reporting directly to the Executive Director of the OPC.

The budget language passed the subcommittees of the Senate and Assembly budget committees on March 7, 2013 and March 20, 2013, respectively. Although the FY 2013-2014 budget has not yet passed out of the California legislature, it is anticipated that this language will remain in the final budget passed by the legislature and signed by Governor Brown. Both agencies have been preparing for the transfer in anticipation of budget passage with this language remaining in the final bill.

The overarching purpose of this disbursement is to help prepare for a smooth transition of staff and administration of resources upon enactment of the FY 2013-2014 budget, expected to occur

¹ CNRA will spend or grant these funds contingent upon approval of expenditures by the Department of Finance.

on July 1, 2013. The disbursement will also allow the OPC to invest FY 2012-2013 ELP funds in two key projects.

Project Details and Scope of Work:

The proposed disbursement would accomplish four goals: 1) provide new and transferring SCC staff with adequate work space and resources at the CNRA in Sacramento, 2) ensure the OPC Executive Director salary is paid using FY 2012-2013 ELPF funds as the appropriate source of funding for this position, 3) authorize the Executive Director to issue a grant to advance the California Thank You Ocean campaign as the communication and outreach arm of the OPC, and 4) provide a grant to the Monterey Bay Sanctuary Foundation to assist the OPC and Department of Fish and Wildlife to complete a statewide governance and implementation plan for state marine protected areas and initiate work on regional plans.

With respect to project number one, eight staff positions will be transferred from the SCC's offices in Oakland to the CNRA in Sacramento (contingent upon final approval of the FY 2013-2014 budget). The CNRA has consulted with the Facilities Unit of the Department of Water Resources (DWR) to provide adequate work space for these employees. DWR has estimated that it will cost approximately \$80,000 to reconfigure existing work space into eight cubicles (including labor and cost of the cubicles themselves). In addition, new or transferring staff will need to be furnished with office equipment in order to do their jobs effectively. The total amount of funds needed for office equipment and related items is estimated to be approximately \$20,000. The combined total amount of funding required for both the reconfiguration of office space and the purchase of office equipment is estimated to be approximately \$100,000.

With respect to project number two, several years ago the CNRA received authorization in the state budget to hire an Executive Director for the OPC. Since CNRA had the authorization but the SCC had the funds to pay for the position and associated expenses, CNRA and SCC entered into an interagency agreement whereby SCC reimbursed CNRA for these expenses (most recent agreement number is 10-051). The original agreement was for a 15-month period only and has since been amended twice to extend the term of the agreement and increase the amount of funds encumbered. The current agreement is deficient by \$43,500 to pay the Executive Director's salary and wages, and all other expenditures for the last two months of FY 2012-2013. By approving this disbursement, the CNRA will have adequate funds to pay the Executive Director through June 30, 2013. After that time², the CNRA will pay directly for the Executive Director's salary and expenses.

With respect to projects numbered three and four, staff recommends that the unencumbered ELP funds not spent on project number one or two (estimated to be \$275,000) be transferred to the CNRA whereby CNRA staff will enter into and manage grants that will advance the OPC's Strategic Plan. SCC has stated it prefers not to enter into new grants or contracts during spring 2013 due to the likelihood of OPC staff and resources are transferred from SCC to the CNRA.

² Contingent upon inclusion of language regarding the transfer of OPC staff positions and resources from SCC to OPC in the approved FY2013-2014 state budget.

Project number three as listed above is to support advancement of the California Thank You Ocean (TYO) campaign as the communication and outreach arm of the OPC. The TYO campaign is a partnership between the State of California and the NOAA Office of National Marine Sanctuaries to educate the public about the importance of the ocean and the actions they can take in their daily lives to protect the ocean. The campaign was launched in September 2006 by Governor Schwarzenegger at the California and the World Ocean conference.

The TYO campaign supports the OPC by disseminating information relevant to the goals of the Council as outlined in the 2012-2017 Strategic Plan. For example, TYO produces a series of bi-weekly video podcasts that often highlight issues or projects that are OPC priorities. In May 2013, TYO released a video podcast about the OPC's efforts to create a sustainable seafood marketing program as mandated in AB 1217. The campaign's website (www.thankyouocean.org) highlights four threats to the ocean (climate change, marine debris, water pollution, and marine life decline) that also constitute part of the OPC's Strategic Plan.

The campaign has had significant accomplishments since 2006. Most notable among them include:

- Website with over 28,000 of visitors per year (www.thankyouocean.org);
- A Spanish language version of the website (www.thankyouocean.org/espanol) which is considered the most comprehensive resource on ocean and coastal issues in California for Spanish-speakers;
- Two professionally produced public service announcements, one produced by world renown photographer Bob Talbot, the other featuring actor and activist Edward James Olmos in English and Spanish versions;
- Over 120 podcasts released bi-weekly since March 2008. The most popular of which reach over 3,000 viewers;
- Over 14,000 "likes" on TYO's Facebook page
- Over 6,700 "followers" on Twitter
- Co-sponsorship with the California Coastal Commission an online photography contest (www.mycoastalphoto.com) with over 1,000 photos submitted each year;
- Support and coordination of a group of professionals who communicate to the public regarding the ocean and coasts as part of their daily jobs (known as the Ocean Communicators Alliance). Nearly 10 workshops have been held since 2006, including three workshops in spring 2013 to improve communication about the marine protected areas designated as a result of the implementation of the Marine Life Protection Act.

According to a March 2013 survey, the TYO campaign is generally held in high regard by the survey respondents. However, campaign staff believe that it is necessary to strengthen the campaign in several ways in order for the campaign to enter into a new phase where it is a recognized resource by the general public. In order to accomplish this, the CNRA will sub-grant up to \$137,500 to the TYO campaign's fiscal sponsor to be spent by June 30, 2015. TYO has used the same fiscal sponsor from the beginning of the campaign but is now considering engaging a different organization. Therefore, staff recommends that the Council authorize the Executive Director to enter into the grant with the identified organization once that decision is made in the next several weeks. The funds will be used to advance the campaign, including 1)

securing long-term financing, 2) broadening the campaign's reach, 3) increasing strategic partnerships, and 4) improving the campaign's brand awareness among the general public.

Project number four of this staff recommendation will support the development of the Marine Protected Area Network Implementation Plan and Regional Implementation Plans. California recently completed approval and adoption of regulations for a network of marine protected areas (MPAs) in the state's open coastal waters, as called for in the landmark MLPA of 1999. California accomplished this major milestone through a public planning process, culminating with Fish and Game Commission approval of MPAs in the last study region, the north coast, at their June 6, 2012 meeting. With the MLPA design phase now complete, approximately 16 percent of California's open coastal waters are covered by the statewide MPA network. As a result, the coastal portion of California's MPA network is now in effect statewide.

In close collaboration with the OPC, CNRA and California Department of Fish and Wildlife (CDFW), the Monterey Bay Sanctuary Foundation (MBSF) will engage a wide range of groups to support implementation of the statewide marine protected area network. A plan will be developed through a synthesis of existing priorities and activities; identification of gaps; surveys of key constituents (e.g. fishermen, tribes, NGO's, and local businesses); and hosting statewide and regional planning workshops. The collaboration will address three of the major areas of implementation needs: governance, monitoring, stewardship/compliance; and sustainable financing. The project will link to other initiatives currently underway. CNRA plans to sub-grant up to \$137,500 to the MBSF to undertake this action. A major outcome of the project will be to support the public process that will result in a draft network framework and frameworks for Regional Implementation Plans.

Through surveys and individual conversations, the MBSF on will engage fishermen, NGO's, tribes and other local groups in a planning discussion for statewide and regional MPA implementation. The initial activities will be designed to understand existing priorities and activities, organization capacity and areas of engagement, and the needs for effective MPA implementation across a broad range of tasks. A primary objective of the project is greater community involvement in the overall plan and implementation of the local MPAs. Workshops will then be conducted to develop the frameworks for regional implementation plans, including identification of alliances and partnerships, and specific areas of focus.

The MBSF has been involved in education and outreach implementation activities for the MLPA since the initial designation of the central coast region. Those programs, and the website, www.CaliforniaMPAs.org, are designed to complement and augment other activities of the CDFW, California Department of Parks and Recreation (CDPR), national marine sanctuaries, national estuaries and many others involved with MLPA implementation. The MBSF will utilize and refine a project management system that helps to accelerate achievement of objectives while still ensuring high-quality outcomes. The extensive collaboration networks that have been developed provide an ideal launching point for additional, comprehensive involvement in regional implementation projects.

Specific objectives for the project and workshops include:

1) Priority list of statewide and regional MLPA implementation needs

- 2) Models of MLPA implementation success with lessons learned, built upon research already conducted to date
- 3) A common understanding of the projects and areas of focus being addressed by the California's Interagency Coordinating Committee for MPAs, the MPA county collaborative project, and other initiatives
- 4) Greater engagement and community accountability for statewide and regional monitoring, education & outreach, compliance and management.
- 5) Broader and deeper alliances and partnerships at the state and regional level that help to inform and catalyze statewide activities
- 6) As funding allows, small grants designed to engage community groups in creating the frameworks for regional implementation plans

PROJECT FINANCING

Ocean Protection Council \$418,500

Staff anticipates using funds from the FY 2012-2013 appropriation to the State Coastal Conservancy from the Environmental License Plate Fund (ELPF). These funds may be expended, upon appropriation by the Legislature, pursuant to the Ocean Protection Act (Division 26.5 of the Public Resources Code) in furtherance of the program's statutory purposes (Public Resources Code § 21190.5). The funds were appropriated to the SCC to be used in coordination with the Ocean Protection Council for support of the OPC program).

CONSISTENCY WITH CALIFORNIA OCEAN PROTECTION ACT:

The proposed disbursement and associated projects are consistent with the Ocean Protection Act (Division 26.5 of the Public Resources Code) in the following respects:

Pursuant to Public Resources Code §35621 the Council may award grants, enter into interagency agreements, and provide assistance to public agencies and nonprofit organizations to support implementation of the Ocean Protection Act. This section gives priority to funding state agencies that are sharing scientific and geospatial information for coastal- and ocean-relevant decision-making, The disbursement and associated projects are consistent with this section and section 35615, calling for the coordination activities of state agencies (Section 35615(a)(1)).

With respect to project one, a smooth transition of OPC staff from the SCC the CNRA in terms of workspace requirements will allow OPC staff to more quickly engage in the coordination of state agencies around a multitude of issue areas including climate change, desalination, and provision of geospatial information. With respect to project 2, the Executive Director of the OPC provides guidance and leadership to staff in coordinating amongst state agencies. With respect to project 3, the Thank You Ocean campaign disseminates scientific information about the ocean to the general public that is critical for a wide range of state agency efforts.

Finally with respect to project 4, the development of an implementation plan for the MLPA is a coordinated effort between the OPC, CDFW, CDFPR, MBSF, as well as many local government and other federal partners to facilitate community involvement with the broad array of ocean users in California. This activity is consistent with PRC §§ 35621 and 35615 because it will serve to coordinate and support activities of state agencies that are related to the protection and conservation of coastal waters and ocean ecosystems to improve the effectiveness of state efforts to protect ocean resources.

CONSISTENCY WITH THE OPC'S STRATEGIC PLAN:

Projects 1 and 2 listed above relate to providing staff capacity to accomplish all of the OPC's strategic plan focal areas. Similarly, project 3 listed above, the California Thank You Ocean campaign, is designed to educate the public about a variety of ocean and coastal issues and therefore also relate to all strategic plan focal areas.

Project 4 of this staff recommendation addresses implementation of the MLPA. The proposed project is consistent with strategic plan in the following respects:

Section C. Sustainable Fisheries and Marine Ecosystems:

Issue 8: Leveraging Investments and Realizing Benefits of the State's Marine Protected Areas

Objective 8.1: Support effective implementation of MPAs consistent with the MLPA through strategic partnerships.

- The proposed project will support efforts to increase public awareness of MPAs by participating in a working group with appropriate local, state and federal agencies, tribal governments, private foundations, NGOs, educators, and other relevant entities to facilitate development and implementation of a coordinated public education strategy about MPAs.

Objective 8.2: Coordinate MLPA implementation with other ocean management agencies to improve management effectiveness

The proposed project will support coordination of MLPA partners to facilitate communication, collaboration, and cost effective implementation of the MLPA.

CONSISTENCY WITH THE OPC'S GRANT PROGRAM FUNDING GUIDELINES:

The proposed project is consistent with the OPC's Grant Program Funding Guidelines adopted November 20 2008, in the following respects:

Required Criteria

- **Directly relates to the ocean, coast, associated estuaries, or coastal-draining watersheds:** the disbursement and associated projects will allow for the smooth transition of OPC staff and resources consistent with Governor Brown's proposed FY2013-2014 budget. This will allow staff transferring from SCC or new staff to become more effectively engaged in substantive issues related to ocean and coastal issues more quickly. Both the California Thank You Ocean campaign and

development of a statewide governance and implementation plan for the MPAs created as result of the MLPA are clearly directly related to California's coast and ocean.

- **Relevance to Management:** the disbursement and associated projects will allow for a smooth transition of staff and resources between the SCC and the CNRA, contingent upon final passage of the FY2013-2014 budget. Having experienced and well-trained OPC staff ready to lead projects as soon as the budget is enacted will improve management approaches.
- **Extent of relevance on a regional, statewide, or larger scale:** the disbursement and associated projects will result in benefits for the entire state, not just a specific region. The smooth transition of staff from the SCC to the CNRA will result in benefits statewide as staff will more quickly be able to take on the roles and responsibilities outlined in the COPA. The California Thank You Ocean campaign and development of a state-wide governance and implementation plan for the MPAs will also result in benefits that are state-wide.
- **Qualification of Applicant:** Due to the language in Governor Brown's proposed 2013-2014 budget transferring OPC staff and resources from the SCC to the CNRA, CNRA is now in a unique position to receive these funds in order to advance the larger mission of the OPC. Furthermore, CNRA has a clear demonstrable record of managing a wide variety of state funds.

COMPLIANCE WITH CEQA:

The proposed disbursement and associated projects is categorically exempt from review under the California Environmental Quality Act pursuant to 14 Cal. Code of Regulations Section 15306 because the activities funded through this authorization only involve data collection, research and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. None of the proposed projects will result in disturbance to the marine environment or its wildlife.