



Staff Recommendation

June 4, 2024

Item 8b

Action Item:

Consideration and Approval of Disbursement of Funds for the California Fishermen’s Resiliency Association

Justine Kimball, Senior Climate Change Program Manager

Recommended Action: Authorization to disburse up to \$397,000 to the California Fishermen’s Resiliency Association to enhance industry-to-industry cooperation on offshore wind fishing community benefit agreements.

Location: Statewide

Strategic Plan Goals and Objectives: Goal 4: Support Ocean Health Through a Sustainable Blue Economy; Objective 4.1: Advance Sustainable Seafood and Thriving Fishing Communities; Target 4.1.2: Implement pilot projects statewide to increase fishing communities’ resiliency and adaptation to climate impacts by 2025. Target 4.4.1: Work towards development of a commercial scale offshore wind project in California that minimizes impacts on marine biodiversity or habitat, currents and upwelling, fishing, cultural resources, navigation, aesthetic/visual, and military operations by 2026.

Equity and Environmental Justice Benefits: This project directly supports fishing community participation in the development of community benefit agreements that will help compensate fishermen for lost revenue while advancing offshore wind development to meet California’s ambitious renewable energy goals.

Findings and Resolution:

Staff recommends that the Ocean Protection Council (OPC) adopt the following findings:

“Based on the accompanying staff report and attached exhibit(s), OPC hereby finds that:

1. The proposed projects are consistent with the purposes of Division 26.5 of the Public Resources Code, the California Ocean Protection Act;

2. The proposed projects are consistent with the Budget Act of 2022 which included a \$1 million Offshore Wind General Fund appropriation for offshore wind research to improve understanding of impacts on ecosystems, fisheries, and cultural resources; and
3. The proposed projects are not ‘legal projects’ that trigger the California Environmental Quality Act (CEQA) pursuant to Public Resources Code section, section 15378.”

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

“OPC hereby approves the disbursement of up to \$397,000 to the California Fishermen’s Resiliency Association to enhance industry-to-industry cooperation on offshore wind fishing community benefit agreements.

This authorization is subject to the condition that prior to disbursement of funds, the California Fishermen’s Resiliency Association shall submit for the review and approval of the Executive Director of the OPC detailed work plans, schedules, staff requirements, budgets, and the names of any contractors intended to be used to complete the projects, as well as discrete deliverables that can be produced in intervals to ensure the projects are on target for successful completion. All projects will be developed under a shared understanding of process, management, and delivery.”

Executive Summary:

The proposed funding of \$397,000 will allow the California Fishermen’s Resiliency Association (CFRA) to build on its work to-date in supporting development of industry-to-industry fishing community benefit agreements with offshore wind (OSW) lessees. Additionally, funding will support fishing sector participation in a working group required by the California Coastal Commission’s Consistency Determinations for both the [Morro Bay](#) and [Humboldt](#) Wind Energy Areas.

CFRA was incorporated in January 2022 to establish a point of contact for California Commercial Fishermen’s Port Associations in their collective efforts to co-exist with offshore wind energy developments in California. CFRA is based on the successful model of the Central California Joint Cable/Fisheries Liaison Committee which has a twenty-year history of negotiations through fishing community benefit agreements with subsea cable companies to avoid and minimize disruptions and provide fishing community benefits from subsea cable impact fees.

Project Summary:

Background:

In 2022, the California Coastal Commission (Coastal Commission) adopted Consistency Determinations (CD) for both the [Morro Bay](#) and [Humboldt](#) Wind Energy Areas that included seven Conditions. Condition 7c states that the Bureau of Ocean and Energy Management (BOEM) “will work with the Commission and other state and federal agencies to develop and facilitate a working group consisting of fishing organizations and representatives from different regions/ports of the state, representing different fisheries and gear types, and in both the commercial and recreational sectors, lessees and state and federal agency staff. The working group will develop a statewide strategy for avoidance, minimization and mitigation of impacts to fishing and fisheries that prioritizes fisheries productivity, viability, and long-term resilience. The strategy should include protocols for communication, best practices for surveys and data collection, a methodology for comprehensive socioeconomic analysis of direct and indirect impacts to fishing, a framework for compensatory mitigation for unavoidable impacts, and a Fishing Agreement template that memorializes the elements of the strategy. The strategy should include specific consideration for those fisheries that are disproportionately and/or directly affected by offshore wind development.”

Following the concurrence of the Coastal Commission CDs, BOEM conducted its first-ever auction of offshore wind development areas on the west coast on December 6, 2022. The total lease sale exceeded \$750 million over the five lease areas offshore of Morro Bay and Humboldt Bay. The five winning bidders are now expected to submit a site and assessment plan to BOEM, with site assessment and characterization lasting up to five years. With the winning bidders now known, the Coastal Commission, in coordination with BOEM, California Energy Commission, California Department of Fish and Wildlife, and OPC, has been working to support the development and activities of the Condition 7c working group starting in 2024.

OPC previously approved funding (\$199,603) by delegated authority in October 2022 to fund an initial two-year phase of the CFRA (Phase 1) to develop two fishing community benefit agreement templates: one for OSW power projects and one for subsea cable projects. The templates will be used as a starting point for industry-to-industry agreements between developers (the winning bidders) and the California commercial fishing industry. This funding was later augmented (\$55,467) at the January 2023 Council meeting to allow CFRA to facilitate fishing sector participation in the Condition 7c working group starting in 2024. Phase 1 of the CFRA has been successful in meeting all deliverables.

Project Summary:

This project (Phase 2) will build on CFRA’s accomplishments to support the development of industry-to-industry fishing community benefit agreements through the following objectives:

- Enhance outreach and communication with commercial, recreational, and tribal fishing communities, including but not limited to; expanded information and functionality of the [CFRA website](#) and in-person participation at fishing community events and meetings.
- Amendments, as appropriate, to fishing community impact agreement templates (Phase 1 Deliverable), based on input from Condition 7c working group recommendations. This will also require engagement with CFRA legal counsel, state legal departments, and developer representatives.
- Coordination and collaboration with other related efforts, such as the [OPC funded](#) and California Marine Sanctuary Foundation-led OSW Environmental Monitoring Guidance.
- Development of CFRA fishing community resiliency policy for the disbursement of mitigation assessment funds to be used to promote long-term resiliency of California’s fishing industry and communities.
- Continued facilitation of fishing sector participation in Condition 7c working group.
- Continued coordination with OSW industry developer representatives and act as point of contact for the fishing sector community during negotiation and execution of industry-to-industry agreements, following the Condition 7c working group deliverable of a statewide strategy for avoidance, minimization and mitigation of impacts to fishing and fisheries that prioritizes fisheries productivity, viability, and long-term resilience.
- CFRA Operations Manual, to provide long-term continuity and insurance of daily and annual tasks, meeting formats, Board meeting reports, white papers, website maintenance, office and legal guidelines.

Equity and Environmental Justice Benefits:

This project directly supports fishing community participation in the development of community benefit agreements that will help compensate fishermen for lost revenue while advancing offshore wind development to meet California’s ambitious renewable energy goals.

About the Grantee:

The CFRA was incorporated in January 2022 to establish a point of contact for California Commercial Fishermen’s Port Associations in their collective efforts to co-exist with offshore wind energy developments in California.

Project Timeline:

Phase 2 is anticipated to start in summer 2024. The project is expected to be completed within three years.

Project Financing:

Staff recommends that the Ocean Protection Council authorize encumbrance of up to \$397,000 to California Fishermen’s Resilience Association to enhance industry-to-industry cooperation on offshore wind fishing community benefit agreements.

Ocean Protection Council	\$397,000
TOTAL	\$397,000

The anticipated source of funds will be from the FY 2022-2023 Offshore Wind General Fund appropriation, which included a \$1 million General Fund appropriation for OSW research to improve understanding of impacts on ecosystems, fisheries, and cultural resources. The recommended project will directly fund the fishing community to evaluate potential impacts to fisheries from OSW development and participate in the development of community benefit agreements that will support the ability of offshore wind development and fishing activities to co-exist.

Consistency with California Ocean Protection Act:

The proposed project is consistent with the Ocean Protection Act, Division 26.5 of the Public Resources Code, because it is consistent with trust-fund allowable projects, defined in Public Resources Code Section 35650(b)(2) as projects which:

- Eliminate or reduce threats to coastal and ocean ecosystems, habitats, and species.
- Improve the management of fisheries and/or foster sustainable fisheries.
- Allow for increased public access to, and enjoyment of, ocean and coastal resources, consistent with sustainable, long-term protection and conservation of those resources.
- Improve management, conservation, and protection of coastal waters and ocean ecosystems.
- Provide funding for adaptive management, planning coordination, monitoring, research, and other necessary activities to minimize the adverse impacts of climate change on California's ocean ecosystem.

Compliance with the California Environmental Quality Act (CEQA):

The proposed project is not a “legal project” that triggers the California Environmental Quality Act (CEQA) pursuant to Public Resources Code section 21068 and Title 14 of the California Code of Regulations, section 15378.