



bay restoration commission

STEWARDS OF SANTA MONICA BAY

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April 16, 2018

Agenda Item 3c

To: Governing Board, SMBRC

From: Guangyu Wang, Chief Administrative

Director Re: Proposition 12 Grant Award Process

Action Requested of the Governing Board:

- Recommend adoption of Resolution (18-01) regarding the Proposition 12 grant award process

Background

On March 7, 2000, California voters approved Proposition 12 (Prop 12)– the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000. This bond measure provided \$2.1 billion for parks and natural resource protection programs throughout the state. Within Prop 12, over \$220 million was allocated to the State Coastal Conservancy (SCC), with \$25 million of SCC’s allocation specifically designated for restoration of Santa Monica Bay (SMB). Prop 12 provides for SCC to use the SMB funds for “grants to public agencies and non-profits to implement storm water and urban runoff pollution prevention programs, habitat restoration, and other priority actions specified in the Santa Monica Bay Restoration Plan.” (Public Resources Code § 5096.352(b).) The Santa Monica Bay Restoration Commission (SMBRC) determines project eligibility and establishes grant priorities for SCC’s grants of these Prop 12 SMB funds.

To date, SCC has awarded over \$17 million of Prop 12 SMB funds for 49 projects in the SMB Watershed. In the Budget Act of 2017, the legislature appropriated the remaining balance of approximately \$6.9 million of Prop 12 funds designated for SMB. Under state law, SCC must encumber these funds by June 30, 2020 and spend them by June 30, 2022. Any funds unencumbered by June 30, 2020 will not be granted. Additionally, all funded projects must be completed by early Spring 2022; project costs not incurred by early Spring 2022 will not be reimbursed (the early Spring deadline is the minimum time needed to disburse funds by June 30).

In 2012, SMBRC staff, in consultation with grant funding agencies SCC (Prop12) and State Water Resources Control Board (Proposition 50 and Proposition 84) and the Executive Committee of the SMBRC, developed a list of projects that would advance the goals of the Santa Monica Bay

Restoration Plan (BRP) and be eligible for bond funded grants. The report to the Commission included projects eligible for Prop 12 funding that were in the planning phase in 2012, but were projected to be ready for implementation no later than 2018. The list included Ballona Wetlands Restoration and Rindge Dam Material Beneficial Reuse projects. It was expected that nearly \$4 million of available Prop. 12 bond funds could be awarded to these two projects. This was a discussion item only, and no action was taken to allocate money to any projects on the list. Meanwhile, to date both the Ballona Wetlands and Rindge Dam projects are still in the planning phase (including ongoing environmental review) and are not ready to proceed to implementation. Accordingly, a solicitation process will be necessary to identify projects that can be funded with the remaining Prop 12 funds.

The remaining Prop 12 funds for SMB must be encumbered prior to June 30, 2020. This means that grant agreements must be fully executed prior to that date. SCC awards grants at public meetings held five times per year. Following SCC award of a grant, SCC will prepare and execute a grant agreement with the grantee. To award the Prop 12 funds for SMB, SCC requires the Commission's determination of project eligibility and grant priority (which it will apply along with all other aspects of SCC's grant program, such as consistency with its enabling legislation). Given the fund expiration deadline, the grant award process for the remaining Prop 12 funds needs to be efficient and effective in order to select projects that will have maximum impact on the restoration of the SMB and that can be completed by early Spring 2022. To that end, staff recommends that the Commission establish the project eligibility and grant priority criteria and delegate to staff, based on those criteria, the recommendation of projects to SCC. This would allow SCC staff to take grant recommendations to SCC for approval at the earliest opportunity. The alternative process of obtaining Governing Board approval for the submittal of the grant recommendations to SCC, which requires Executive Committee review beforehand, would, because of preparation lead times for each meeting and a limited meeting schedule of the SCC, create a substantial delay in the timing of the grant awards and risk loss of the remaining Prop 12 funds.

Staff Recommendations:

Staff recommends that the Governing Board adopt the attached Resolution (18-01), which determines project eligibility for Prop 12 SMB grant funds based on whether a project advances one or more of the goals and objectives of the Santa Monica Bay Restoration Plan (BRP) and establishes grant priority for multi-benefit projects that advance one or more goals of the BRP.

1. Direct staff to work with SCC staff on a coordinated process to award Prop 12 grant funds and carry out the following:
 - Post a project solicitation notice and grant application on SMBRC and SCC websites, and notify potential applicants via mailing lists and list server.
 - Accept applications on a rolling basis until all funds are encumbered.
 - Evaluate proposed projects based on the following criteria:
 - The project is proposed by a public agency or non-profit 501(c)(3);
 - The project will advance one or more of the goals and objectives of the BRP in effect at the time the proposal is received;

- The project should produce multiple benefits if feasible;
 - The project is consistent with SCC's enabling legislation and grant program requirements;
 - The applicant is ready and able to implement the project and complete work by the funding deadline.
- Evaluate proposals as they are received, and make written funding recommendations to the SCC.
 - Present progress updates at meetings of the Executive Committee and Governing Board of the SMBRC.

Attachment

Draft Resolution 18-01 regarding Proposition 12 Grant Award Process

our mission: to restore and enhance the santa monica bay through actions and partnerships that improve water quality, conserve and rehabilitate natural resources, and protect the bay's benefits and values



SANTA MONICA BAY RESTORATION COMMISSION

April 19, 2018

Resolution No. 18-01

Resolution to Establish the Eligibility Criteria, Priority, and Process for Awarding the Proposition 12 Santa Monica Bay Restoration Grant Funds

WHEREAS, the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000 (Proposition 12) provided \$25 million to the State Coastal Conservancy (SCC) for restoration of Santa Monica Bay; and

WHEREAS, to date, SCC has awarded approximately \$17 million in Proposition 12 grants to implement 49 projects to restore Santa Monica Bay; and

WHEREAS, the remaining balance of approximately \$6.9 million available for SMB restoration must be encumbered by June 30, 2020 and spent by June 30, 2022, after which the funds will no longer be available; and

WHEREAS, Proposition 12 provided that the Bay Watershed Council of the Santa Monica Bay Restoration Project, which is now the Governing Board of the Santa Monica Bay Restoration Commission (SMBRC), shall determine project eligibility and establish grant priorities for SCC's grants of SMB restoration funds; and

WHEREAS, all projects must be consistent with the SCC's enabling legislation and grant program requirements; and,

WHEREAS, project applicants must be public agencies or non-profits 501(c)(3).

NOW THEREFORE, BE IT RESOLVED, the Governing Board of the SMBRC determines that projects that meet one or more of the goals and objectives of the Plan are eligible for funding; and,

BE IT FURTHER RESOLVED, the Governing Board of the SMBRC establishes that multi-benefit projects that advance the goals and objectives of the Santa Monica Bay Restoration Plan (BRP) are priority projects for grant funding; and,

BE IT FURTHER RESOLVED, the Governing Board of the SMBRC acknowledges that projects that meet one or more of the goals and objectives of the BRP, must also be consistent with the SCC's enabling legislation and grant program requirements; and,

BE IT FURTHER RESOLVED, the staff of the SMBRC is directed to work with SCC staff to implement a coordinated process to award Proposition 12 grant funds by posting the project solicitation notice and application on SMBRC and SCC websites, notifying potential applicants via mailing lists and list servers, and any other appropriate means of communication; and,

BE IT FURTHER RESOLVED, that grant applications will be evaluated by SMBRC staff on the project's ability to advance the goals and objectives of the BRP in effect at the time the proposal is received, and the applicant's ability to implement the project and complete work by the funding deadline; and,

BE IT FURTHER RESOLVED, that applications will be accepted on a rolling basis and SMBRC staff will make written funding recommendations to the SCC until SCC has authorized expenditure of all remaining grant funds; and,

BE IT FURTHER RESOLVED, that SMBRC staff will present progress updates at meetings of Executive Committee and Governing Board of the SMBRC.