



May 14, 2021

Agenda Item: 2.d.i

To: Executive Committee, Santa Monica Bay Restoration Commission
From: Guangyu Wang, Chief Administrative Director
Re: **Consideration of Approval of Proposition 50 Grant Program Award Process and Request for Proposals**

Action Requested of the Executive Committee

Schedule for the June 17, 2021 Governing Board meeting the consideration of approval of the Proposition 50 (Prop 50) grant program award process and Request for Proposals (RFP). (See [Attachment A](#) for the preliminary draft RFP).

Background

Prop 50 – the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 – allocated \$100 million to the State Water Resources Control Board (State Water Board) to finance projects to restore and protect the water quality and environment of coastal waters, estuaries, bays and near-shore waters, and groundwater. Of that \$100 million, Section 79543, subdivision (c), of the Water Code allocated \$20 million to implement priority actions specified in the Comprehensive Conservation and Management Plan (CCMP) of the Santa Monica Bay National Estuary Program (NEP), formerly known as the Santa Monica Bay Restoration Plan. Since 2004, 16 projects recommended for Prop 50 funding by the Santa Monica Bay Restoration Commission (Commission) have been completed. The Commission currently has \$3,227,000 remaining for project recommendations. Of the remaining funds, \$3,190,000 is now available to encumber by June 30, 2023 and \$37,000 was requested for re-appropriation for Fiscal Year 2021-2022.

At its August 16, 2018 meeting, the Governing Board adopted Resolution 18-02 to establish implementation of the [Comprehensive Monitoring Program](#) and other monitoring needs identified in the CCMP as the funding priority for the remaining Prop 50 funds. The resolution also directed Commission staff (Staff) to work with the Commission's Technical Advisory Committee (TAC) to develop a scope of work and project list for Governing Board consideration of adoption. In response to the direction of the Governing Board, the TAC recommended priority areas for Prop 50 funding in a memorandum dated October 15, 2019 ([Attachment B](#)).



The Santa Monica Bay Restoration Commission's mission is to restore and enhance Santa Monica Bay through actions and partnerships that improve water quality, conserve and rehabilitate natural resources, mitigate the impacts of climate change and sea level rise, and protect Santa Monica Bay's benefits and values.

As part of the CCMP revision process, the TAC led major revisions to the 2007 Comprehensive Monitoring Program with support from Staff, The Bay Foundation staff, and outside experts. At its April 15, 2021 meeting, the Governing Board approved the revised Comprehensive Monitoring Program, which includes new indicators, especially indicators for assessing climate change vulnerability, and correspondingly new monitoring programs, new technologies, a synthesis of new research and monitoring objectives, and directions for future studies.

Upon approval of the revised Comprehensive Monitoring Program, Staff developed a preliminary draft of the RFP for soliciting project proposals to be funded with the remaining Prop 50 funds (Attachment A). The preliminary draft RFP aims to be consistent with the funding priorities established by Resolution 18-02 and the TAC's recommendations for priority areas for Prop 50 funding with the goal of providing the greatest value for monitoring and assessing the state of Santa Monica Bay and its watersheds. Staff are coordinating with State Water Board staff for their review of the preliminary draft RFP. Staff expect to develop a final draft RFP with State Water Board staff's input incorporated, as appropriate, and submit it to the Governing Board for review in early June 2021.

Staff Recommendation

Staff recommends the Executive Committee:

- Schedule for the June 17, 2021 Governing Board meeting the consideration of approval of the Prop 50 grant program award process and RFP, and
- Direct Staff to submit a final draft RFP incorporating State Water Board staff's input, as appropriate, to the Governing Board for review and consideration of approval at the June 17, 2021 Governing Board meeting.

Attachments

[Attachment A](#) May 14, 2021 Preliminary Draft Prop 50 RFP

[Attachment B](#) October 15, 2019 TAC Memorandum regarding Recommendations for Prop 50 Priority Areas

Attachment A

May 14, 2021 Preliminary Draft
Santa Monica Bay Restoration Commission
Proposition 50 Grant Program
Request for Proposals (RFP)

On July 6, 2021, the Santa Monica Bay Restoration Commission (Commission) will begin accepting applications for the Commission's Proposition 50 grant program to support projects that restore and protect the water quality and habitats of Santa Monica Bay and its watersheds.

The Commission is a non-regulatory, locally based state entity established by an act of the California Legislature in 2002 to monitor, assess, coordinate, and advise the activities of state programs and oversee funding that affects the beneficial uses, restoration, and enhancement of Santa Monica Bay and its watersheds. The Commission serves as the Management Conference for the Santa Monica Bay National Estuary Program (NEP) and is comprised of the Governing Board, Executive Committee, Technical Advisory Committee, Commission staff, and Santa Monica Bay Stakeholders.

Background

In 2002, California voters approved Proposition 50, the "Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002," providing over \$3 billion for water supply and water quality protection programs throughout the state.

Section 79543, subdivision (a), of the Water Code allocated \$100 million to the State Water Resources Control Board (State Water Board) to finance projects to restore and protect the water quality and environment of coastal waters, estuaries, bays and near-shore waters, and groundwater. Of that \$100 million, Section 79543, subdivision (c), of the Water Code allocated \$20 million to implement priority actions specified in the Santa Monica Bay NEP's [Comprehensive Conservation and Management Plan](#) (CCMP), formerly known as the Santa Monica Bay Restoration Plan.¹ To date, approximately \$16 million in Proposition 50 grants have been awarded to projects that restore and enhance Santa Monica Bay and its watersheds. The remaining balance available is approximately \$3.2 million.

Section 79148.8, subdivision (a)(2), of the Water Code stipulates that Proposition 50 grants may be awarded for projects that provide comprehensive capability for monitoring, collecting, and analyzing ambient water quality, including monitoring technology that can be entered into a statewide information base with standardized protocols and sampling, collection, storage and retrieval procedures.

¹ The CCMP is a long-term framework that addresses a range of environmental problems facing Santa Monica Bay, while recognizing and balancing the needs of the local community.

Preliminary Draft Prop 50 RFP

The Santa Monica Bay NEP is required by US EPA to develop and implement a [Comprehensive Monitoring Program](#) to track and detect changes and improvements within the study area and effectiveness of CCMP actions. In August 2018, the Governing Board established the implementation of the Comprehensive Monitoring Program and other monitoring needs identified in the CCMP as the funding priority for the remaining Proposition 50 grant funds. In April 2021, the Governing Board approved a major revision to the Comprehensive Monitoring Program, which contains new indicators, especially indicators for assessing climate change vulnerability, and correspondingly new monitoring programs, new technologies, a synthesis of new research and monitoring objectives, and directions for future studies.

Approximately \$3.2 million will be available under this RFP. The Commission will convene a panel to review all proposals and develop recommendations for the Governing Board's consideration. The Governing Board will recommend projects to the State Water Board for Proposition 50 grant funding. The Commission and State Water Board will work together to review and ensure that all projects are consistent with State requirements. Projects funded under this grant program will be implemented through the execution of a standard grant agreement between the project proponent and the State Water Board. The State Water Board and Commission staff will be jointly responsible for the management and oversight of Proposition 50 projects.

Project Eligibility

All projects funded under this grant program must be located within and primarily benefit the waters, habitats, natural resources or other beneficial uses of Santa Monica Bay and its watersheds. Projects funded under Proposition 50 must also meet the eligibility requirements in the enabling legislation ([Attachment 1](#)).

In addition, projects must support one or more of the following overarching goals of the [CCMP Action Plan](#):

1. Protect, enhance, and improve ecosystem of Santa Monica Bay and its watersheds.
2. Improve water availability.
3. Improve water quality.
4. Enhance socio-economic benefits to the public.
5. Enhance public engagement and education.
6. Mitigate impacts and increase resiliency to climate change.
7. Improve monitoring and ability to assess effectiveness of management actions.

Grant applicants are strongly encouraged to contact Commission staff to ensure projects meet eligibility requirements and conform to Commission priorities prior to application submittal.

Priority Projects

Priority will be given to projects that fulfill monitoring needs identified in the Comprehensive Monitoring Program.² Qualifying projects include data collection and assessment and technology development, including:

1. **Development of habitat assessment indices.** Projects in this category include the collection, compilation, and synthesis of information to develop quantitative indices needed to support assessment of Santa Monica Bay habitats for use in future State of the Bay reports.³
2. **New monitoring to support habitat assessments.** Projects in this category include conducting monitoring to fill data gaps and provide the information needed to facilitate application of standardized habitat assessment indices. Management of new monitoring data is also included in this category.
3. **Compilation and management of existing monitoring data.** Data from ongoing monitoring programs has not been fully utilized in State of the Bay assessments due to the difficulty in locating and compiling this information in a timely manner. Projects in this category include compiling, managing, and analyzing data from ongoing monitoring programs to support the application of standardized assessment indices.
4. **Monitoring and evaluation using other indicators not included in standardized indices.** Projects in this category include either new measurements (using established methods) or synthesis of existing information to assess biological condition and provide a more comprehensive evaluation of habitat condition.
5. **Development and testing of new monitoring/assessment technologies.** Projects in this category include research to apply these technologies, using Santa Monica Bay and its watersheds as a test case, and using the results to help refine new technologies to improve understanding of conditions in the watershed.

² Chapter 9 of the [Comprehensive Monitoring Program](#) (page 115) summarizes priority data gaps across seven key habitats in the Santa Monica Bay watershed. Chapters 2-8 further describe data gaps and future studies for each habitat.

³ State of the Bay reports are a science-based comprehensive assessment of Santa Monica Bay's environmental condition and are developed every five years.

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Project Funding Limits, Cost Match, and Other Requirements

A minimum of \$50,000 and a maximum of \$1 million will be awarded to any one project. The Commission strongly encourages collaboration between organizations involved in similar or related project activities.

Proposition 50 does not require matching funds. However, the Commission seeks to leverage support for Proposition 50 grant funds and therefore, strongly urges applicants to secure matching funds in the form of cash, resource donations or in-kind services contribution. Priority consideration will be given to applications that have secured a significant matching contribution.

As a condition of grant funding, all applicable monitoring data collected under the funded projects must be integrated into the Surface Water Ambient Monitoring Program (SWAMP) administered by the State Water Board.

All projects funded under this grant program must comply with California Environmental Quality Act (CEQA, PRC § 21000 et seq.). No work that is subject to CEQA may proceed until CEQA is complete and the State Water Board, a responsible agency, issues clearance. The minimum requirements due with the application are completion of the Environmental Compliance Summary Form ([Attachment 2](#)) and;

- Initial Study / CEQA checklist,
- Plan/Timeline for completion, OR
- Notice of Exemption, if applicable.

Draft environmental documents are acceptable for application purposes.

Who May Apply

Any public entity or non-profit organization established pursuant to the laws of the State of California and qualified under Internal Revenue Code Section 501(c)(3), 501(c)(4), or 501(c)(5) is eligible to apply for grant funds under this program. Joint proposals between multiple organizations involved in similar or related activities are strongly encouraged. However, grant funds may only be encumbered by one organization per agreement. There is no limit to the number of applications an organization may submit.

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Proposal Solicitation, Review, and Selection Process

The application solicitation is a competitive two-step process: 1) Proposal, which will be used to determine eligibility for grant funding; and 2) Detailed work plan, which will be used to develop an executable grant agreement for projects approved for Proposition 50 grant funding. (See [Attachment 3](#), Proposition 50 Grant Program Timeline.)

Applicants requesting funds from this grant program must submit an electronic application between **July 6, 2021 and September 20, 2021**, using the State Water Board's online Financial Assistance Application Submittal Tool (FAAST) system at <https://faast.waterboards.ca.gov>. To be considered complete, the electronic applications must include all of the **required** items in the Project Proposal Application Checklist ([Attachment 4](#)).

Proposals submitted in response to this RFP will be evaluated and screened by Commission staff for completeness, adherence to enabling legislation, and the Commission's project priorities outlined above. If these criteria are met, Commission staff will submit proposals to the review panel, who will evaluate projects based on technical merit. Commission staff may request additional information during the review and selection process. All proposals that the review panel deems eligible for grant funding will be included in the proposed Recommended Project List for the Governing Board's review and consideration. The Governing Board will submit the Recommended Project List to the State Water Board for consideration of approval.

Applicants whose projects are on the Recommended Project List will be invited to submit detailed work plans, which will be used as the basis for grant agreements with the State Water Board. Placement on the Recommended Project List is **not** a commitment to disburse grant funds. Commitment of grant funds to a specific project will be based on the availability of bond funds, adherence to enabling legislation, the Commission's project priorities, the ability of the proponent to implement the project as described, technical feasibility, implementation readiness, and the applicant's past performance in implementing projects.

The availability of funding for this RFP is subject to future, as yet unscheduled, bond sales. Projects may be delayed if the State Water Board Division of Financial Assistance determines that bond proceeds will not support new project funding requirements. Because the number of qualifying proposals on the Recommended Project List may exceed the available funding, detailed work plans will be reviewed on a first-come, first-served basis, and grants executed in order of readiness until the remaining balance for this grant program is encumbered.

For additional information, contact:

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caitlin.gray@waterboards.ca.gov

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Attachments

<u>Attachment 1</u>	Eligible Project Types
<u>Attachment 2</u>	Environmental Compliance Summary Form
<u>Attachment 3</u>	Proposition 50 Grant Program Timeline
<u>Attachment 4</u>	Project Proposal Application Checklist

Attachment 1

Eligible Project Types

Pursuant to Section 79148.8 of the Water Code, Proposition 50 grants may be awarded for any of the following projects:

1. A project designed to improve water quality at public beaches and to make improvements for the purpose of ensuring that coastal waters adjacent to public beaches meet the bacteriological standards set forth in Article 2 (commencing with Section 115875) of Chapter 5 of Part 10 of Division 104 of the Health and Safety Code.
2. A project to provide comprehensive capability for monitoring, collecting, and analyzing ambient water quality, including monitoring technology that can be entered into a statewide information base with standardized protocols and sampling, collection, storage and retrieval procedures.
3. A project to make improvements to existing sewer collection systems and septic systems for the restoration and protection of coastal water quality.
4. A project designed to implement storm water and runoff pollution reduction and prevention programs for the restoration and protection of coastal water quality.
5. A project that is consistent with the state's nonpoint source control program, as revised to meet the requirements of Section 6217 of the federal Coastal Zone Act Reauthorization Amendments of 1990, Section 319 of the federal Clean Water Act (33 U.S.C. Sec. 1329), and the requirements of Division 7 (commencing with Section 13000).

In addition, the following provisions apply to projects funded under this grant program:

- The projects funded shall demonstrate the capability of contributing to sustained, long-term water quality or environmental restoration or protection benefits for a period of 20 years, shall address the causes of degradation, rather than the symptoms, and shall be consistent with water quality and resource protection plans prepared, implemented, or adopted by the State Water Board, the applicable regional water quality control board, and the California Coastal Commission.

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- An applicant for funds shall be required to submit to the State Water Board a monitoring and reporting plan that does all of the following:
 1. Identifies the nonpoint source or sources of pollution to be prevented or reduced by the project.
 2. Describes the baseline water quality or quality of the environment to be addressed.
 3. Describes the manner in which the project will be effective in preventing or reducing pollution and in demonstrating the desired environmental results.
- Upon completion of the project, a recipient of funds shall submit a report to the State Water Board that summarizes the completed activities and indicates whether the purposes of the project have been met. The report shall include information collected by the recipient in accordance with the project monitoring and reporting plan, including a determination of the effectiveness of the project in preventing or reducing pollution. The State Water Board shall make the report available to the public, watershed groups, and federal, state, and local agencies.
- Not more than 25 percent of a grant may be awarded in advance of actual expenditure.
- An applicant for funds from the subaccount shall inform the State Water Board of any necessary public agency approvals, entitlements, and permits that may be necessary to implement the project. The application shall certify to the State Water Board, at the appropriate time, that those approvals, entitlements, and permits have been granted.
- Where recovery plans for coho salmon, steelhead trout, or other threatened or endangered aquatic species exist, projects funded under this article shall be consistent with those plans, and to the extent feasible, shall seek to implement actions specified in those plans.

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Attachment 2

Environmental Compliance Summary

Lead Agency:

County:

INDICATE BELOW THE DOCUMENTATION SUBMITTED WITH APPLICATION, INCLUDING SUPPLEMENTAL MATERIAL LISTED (DRAFTS ACCEPTABLE FOR APPLICATION PURPOSES):

Initial Study (IS) or Checklist:

Anticipated completion date of CEQA document:

Expected final CEQA document:

Notice of Exemption (NOE):

NOE filed and stamped by the County Clerk:

Date filed:

Negative/Mitigated Negative Declaration (Neg Dec):

Does the Negative Declaration include Mitigation measures? Yes No

Neg Dec filed and stamped by County Clerk

Date filed:

Environmental Impact Report (EIR):

EIR filed with State Clearing House

Date filed:

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Attachment 3

Proposition 50 Grant Program Timeline

July 6, 2021	Request for Proposals issued Applications available at https://faast.waterboards.ca.gov
September 20, 2021	Deadline for submitting proposal applications (5:00 p.m.)
September-October 2021	Review and evaluation of proposals
November 2021	Evaluation results compiled Draft Recommended Project List developed and submitted to Executive Committee
December 2021	Recommended Project List is submitted to SMBRC Governing Board and State Water Board for approval
January 2022	Begin work plan review and grant execution process

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Attachment 4

Project Proposal Application Checklist

- Required:** FAAST application (available at <https://faast.waterboards.ca.gov>)

Attachments (submitted electronically during the FAAST application process):

- Required:** Project description - May include summarized application information, photos, designs, or any additional information that helps describe the project (4 pages maximum).
- Required:** Map(s) of project location - Map should include watershed boundary and project location (3 pages maximum).
- Required:** CEQA Environmental Compliance Form.
- Optional:** Stakeholder support documents, if available.

Attachment B

Memorandum

October 15, 2019

To: Guangyu Wang, Chief Administrative Director, Santa Monica Bay Restoration Commission

From: Steven Bay, Chair, Santa Monica Bay Restoration Commission
Technical Advisory Committee

Re: TAC Recommendations Regarding Prop. 50 Priority Areas

Proposition 50 – “Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002” was approved by California voters in 2002. This bond measure has provided funding for many water supply and water quality protection programs throughout the state. A portion of these funds were allocated to the Santa Monica Bay Restoration Commission (Commission) for implementation of priority actions specified in the Santa Monica Bay Restoration Plan. Approximately \$3.2 million of the bond allocation to Commission remains and the Governing Board has requested that these funds be used to support implementation of the Comprehensive Monitoring Program (CMP) and other monitoring needs identified in the Bay Restoration Plan (now known as the Comprehensive Conservation and Management Plan). The TAC was asked to provide recommendations to Commission regarding priorities and types of work that will provide greatest value with regards to monitoring and assessing the state of Santa Monica Bay (Bay). The TAC established a subcommittee to develop draft recommendations, which were discussed and revised at the TAC’s July 17 meeting. This memo presents the TAC’s recommendations, which are organized into three parts: (1) Topic Areas, (2) Priority Topics, and (3) Recommended Projects.

1. Topic Areas

The TAC has identified two topic areas related to the Proposition 50 goal of implementing projects that “provide comprehensive capability for monitoring, collecting, and analyzing ambient water quality, including monitoring technology that can be entered into a statewide information base with standardized protocols and sampling, collection, storage and retrieval procedures.” Multiple areas of emphasis within the topic areas were also identified.

A. Support of State of the Bay assessments:

- 1. Development of habitat assessment indices.** Several of the types of indices identified by the TAC’s Habitat Subgroups have not been developed to the point where they can be applied throughout the Bay. Projects in this category include the collection, compilation, and synthesis of information to develop quantitative indices needed to support assessment of Bay habitats for use in future State of the Bay reports.

October 15, 2019 TAC Memorandum

2. **New monitoring to support habitat assessments.** Projects in this category include conducting monitoring to fill data gaps and provide the information needed to facilitate application of Commission habitat assessment indices developed by the Commission habitat assessment subgroups. Management of new monitoring data is also included in this category.
3. **Compilation and management of existing monitoring data.** Data from ongoing monitoring programs may not be fully utilized in State of the Bay assessments due to the difficulty in locating and compiling this information in a timely manner. Projects in this category include work to compile, manage, and analyze data from ongoing monitoring programs to support application of standardized assessment indices by Commission.
4. **Monitoring and evaluation using indicators not included in indices.** Projects in this category include either new measurements (using established methods) or synthesis of existing information to assess biological condition or water quality and provide a more comprehensive evaluation of habitat condition.

B. Development and testing of new monitoring/assessment technologies:

New technologies, such as molecular assays or new types of sensors/sensing platforms, hold promise for increasing the efficiency, accuracy, and sensitivity of environmental monitoring of Santa Monica Bay. Projects in this category should apply these technologies to Santa Monica Bay (including the watershed) as a test case and demonstrate feasibility for use in monitoring programs.

2. Priority Topics

Several of the subtopic areas were identified by the TAC as priorities for funding:

- **Assessment index development.** Several Bay habitat groups either do not have assessment indices, or those indices need further development to improve their utility for the State of the Bay report.
- **New monitoring data.** There are gaps in either the spatial extent or completeness of currently available monitoring that limit the ability to assess condition in the Bay using the indicators identified by the habitat assessment subgroups.
- **Better habitat maps for the Bay.** The occurrence and extent of some habitats in the Bay is poorly documented. Existing information needs to be compiled and additional surveys conducted. These maps would also be useful for planning future restoration/enhancement activities.

October 15, 2019 TAC Memorandum

- **Develop tools to assess climate change vulnerability for Bay habitats.** The TAC has identified four categories of indicators needed to assess the condition of Bay habitats (e.g., spatial extent, biological/ecological condition, stressors, and climate change vulnerability). Of these categories, the tools and data needed to assess climate change vulnerability are lacking. While many types of indicators have been identified, the specific indicators, approach for interpretation, and monitoring data for most habitats are incomplete.

3. Recommended Projects

There are many potential projects that would provide information relevant for the priority topics described previously. However, the TAC has identified several projects that address the highest priority needs for improving assessment of the State of the Bay:

- Development of indices for assessing the biological/ecological condition of sandy shore and rocky intertidal habitats.
- Additional monitoring to provide the data needed to evaluate habitat-specific indicators/indices, or to provide a spatially more complete habitat assessment of biological/ecological condition. Data gaps are most pronounced for the following habitat categories: Wetlands, Sandy Shores, Rocky Intertidal, Rocky Reef, and Pelagic.
- Mapping the extent and characteristics of nearshore seagrass and nearshore rocky habitats in the Bay.
- Climate change vulnerability assessment of Bay habitats. The types of indicators identified for each habitat type need to be developed into specific tools/indices and then implemented to assess the current level of vulnerability for Bay habitats. These tools should also be useful for tracking changes in vulnerability over time.