

Memorandum

Tab 53

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 21-22, 2018

Reference No.: 4.5
Action

Published Date: March 9, 2018

From: SUSAN BRANSEN
Executive Director

Prepared By: Christine Gordon
Assistant Deputy Director

Subject: **APPROVAL OF THE FISCAL YEAR 2016-17 ENVIRONMENTAL ENHANCEMENT AND MITIGATION PROGRAM RESOLUTION G-18-05**

ISSUE:

Should the California Transportation Commission (Commission) approve the Fiscal Year (FY) 2016-17 Environmental Enhancement and Mitigation (EEM) Program prepared and submitted by the California Natural Resources Agency (Resources Agency)?

RECOMMENDATION:

Staff recommends that the Commission approve the FY 2016-17 EEM Program that includes 13 projects on the Recommended for Funding List and one project on the Substitution List with the following stipulations:

- In the event a project is removed or savings are generated from the Projects Recommended for Funding list, a project from the Substitution List (attached) may be awarded as long as there is sufficient capacity to allow a substitution.
- The Resources Agency shall report to the Commission when a project is awarded from the Substitution List.
- The Commission expects that the funds allocated will be expended on a timely basis.
- For projects which include land acquisition, grant recipients are encouraged to reduce overall project costs by exploring the feasibility of acquiring easements rather than fee title when appropriate.
- Due to the uniqueness of the individual projects in this program, the Resources Agency should be especially diligent in the on-site inspection and auditing of the projects included in the program.

BACKGROUND:

Section 164.56 of the Streets and Highway Code specifies that the Commission shall annually award grants to fund proposals that are included on a list prepared by the Resources Agency. The Resources Agency has developed procedures and criteria to evaluate and rank each grant proposal forming a multi-disciplined evaluation team to review applications and recommend projects for funding. Any local, state or federal agency or nonprofit entity may apply for and receive grants to undertake environmental enhancement and mitigation projects that are directly or indirectly related to the environmental impact of modifying existing transportation facilities or for the design, construction or expansion of new transportation facilities.

Projects eligible for funding include, but are not limited to, the following:

- Urban Forestry - projects designed to offset vehicular emissions of carbon dioxide.
- Resource Lands - projects for acquisition or enhancement of resource lands to mitigate the loss of, or the detriment to, resource lands lying within the right-of-way acquired for proposed transportation improvements.
- Mitigation Projects Beyond the Scope of the Lead Agency - projects to mitigate the impact of proposed transportation facilities or to enhance the environment, where the ability to effectuate the mitigation or enhancement measures is beyond the scope of the lead agency responsible for assessing the environmental impact of the proposed transportation improvement.

The Resources Agency reviewed 46 grant applications and recommends \$7,979,624 in funding for 13 projects (\$3,557,817 in Northern California for 6 projects and \$4,421,807 Southern California for 7 projects).

The Resources Agency also developed a Substitution List that includes one project in Northern California for \$1,000,000. In the event a project is removed or savings are generated from the Recommended for Funding List, a project from the Substitution List may be substituted as long as there is sufficient capacity to allow for a substitution.

There are 32 projects not recommended for funding: 17 in Northern California and 15 in Southern California. The multi-disciplined evaluation team used the EEM Program procedures and criteria to evaluate applications and recommended the most competitive project applications for award.

Each project recommended for funding has provided the Resources Agency evidence of CEQA compliance.

Attachments:

- Attachment A: Resolution G-18-05
- Attachment B: California Natural Resources Agency Proposed FY 2016-17 Environmental Enhancement and Mitigation Program Recommendations

California Transportation Commission

**APPROVAL OF THE FISCAL YEAR 2016-17
ENVIRONMENTAL ENHANCEMENT AND MITIGATION PROGRAM**

Resolution G-18-05

- 1.1 **WHEREAS**, Streets and Highways Code Section 164.56 establishes the Environmental Enhancement and Mitigation Program; and
- 1.2 **WHEREAS**, the Environmental Enhancement and Mitigation Program provides funding annually for environmental enhancement and mitigation projects which are directly or indirectly related to the environmental impact of modifying existing transportation facilities or for the design, construction or expansion of new transportation facilities; and
- 1.3 **WHEREAS**, the California Natural Resources Agency (Resources Agency) is charged with evaluating proposals submitted for this program and providing a list of proposals recommended for funding to the California Transportation Commission (Commission); and
- 1.4 **WHEREAS**, the Commission is responsible for awarding grants to fund proposals which are included on the list prepared by the California Natural Resources Agency; and
- 1.5 **WHEREAS**, the Resources Agency has prepared a Projects Recommended for Funding list totaling \$7,979,624 for thirteen projects, and that list has been reviewed by the Commission; and
- 1.6 **WHEREAS**, the Resources Agency also prepared a Substitution list of projects totaling \$1,000,000 for one project in the event projects from the Projects Recommended for Funding list are unable to proceed.
- 2.1 **NOW THEREFORE BE IT RESOLVED**, that the Commission approves the Fiscal Year 2016-17 Environmental Enhancement and Mitigation Program, as indicated in the Projects Recommended for Funding list of projects (attached); and
- 2.2 **BE IT FURTHER RESOLVED**, that in the event a project is removed or savings are generated from the Projects Recommended for Funding list, a project from the Substitution List (attached) may be awarded as long as there is sufficient capacity to allow this substitution; and
- 2.3 **BE IT FURTHER RESOLVED**, that the Resources Agency shall report to the Commission when a project is awarded from the Substitution List; and

- 2.4 **BE IT FURTHER RESOLVED**, that it is the intent of the Commission to allocate available funds for these projects, and expects that the funds allocated will be expended on a timely basis; and
- 2.5 **BE IT FURTHER RESOLVED**, that for projects which include land acquisition, the Commission encourages grant recipients to reduce overall project costs by exploring the feasibility of acquiring easements rather than fee title when appropriate; and
- 2.6 **BE IT FURTHER RESOLVED**, that due to the uniqueness of the individual projects in this program, the Commission recommends the Resources Agency be especially diligent in the on-site inspection and auditing of the projects included in this program.



January 22, 2018

Susan Bransen
Executive Director
California Transportation Commission
1120 N Street, MS 52
Sacramento, CA 95814

Dear Ms. Bransen:

As provided in Section 164.56 of the Streets and Highways Code, the California Natural Resources Agency (Agency) has evaluated the 2016/17 Environmental Enhancement and Mitigation program grant applications and have listed these applications on the attached Recommended for Funding, Substitution and Projects Not Recommended for Funding Lists. Projects on the Recommended for Funding and Substitution Lists meet the statutory requirements and contribute to the mitigation of the environmental effects of transportation facilities.

Agency recommends that the projects on the Recommended for Funding List be authorized to receive immediate funding. These recommendations were determined by a multi-disciplined evaluation team that reviewed each application and visited each site. The list contains 13 projects with a total value of just under \$8 million, which includes the 2017 appropriation of \$6.7 million, with an additional \$1.3 million in unspent dollars from projects awarded with prior appropriations. One project has been placed on the Substitution List should any projects that are recommended for funding be unable to proceed.

If you have any questions about the recommended projects or the process used to evaluate them, please call Carol Carter, EEM Coordinator, at (916) 651-7588 or contact her by email at carol.carter@resources.ca.gov.

Sincerely,

John Laird
Secretary for Natural Resources

Enclosures

1416 Ninth Street, Suite 1311, Sacramento, CA 95814 Ph. 916.653.5656 Fax 916.653.8102 <http://resources.ca.gov>



PROPOSED ENVIRONMENTAL AND MITIGATION RECOMMENDATIONS

RECOMMENDATION

Approve grants for 13 projects totaling \$7,979,624.42

BACKGROUND

Under Streets and Highways Code Section 164.56(a), the California Transportation Commission (Commission) is charged with the responsibility of funding an annual Environmental Enhancement and Mitigation (EEM) Program as evaluated and recommended for award by the California Natural Resources Agency (Agency) in accordance with the funding level provided in the State Budget.

The EEM Program awards grants to environmental enhancement and mitigation projects that are directly or indirectly related to the environmental impact of modifying existing transportation facilities or for the design, construction, or expansion of new transportation facilities.

California Streets and Highways Code Section 164.56 (as amended in 2013, SB 99) provides for Grants to be awarded in three categories -

- Urban Forestry: Projects designed to offset vehicular emissions of carbon dioxide.
- Resource Lands: Acquisition or enhancement of resource lands to mitigate the loss of, or the detriment to, resource lands lying within the right-of-way acquired for proposed transportation improvements.
- Mitigation Projects Beyond the Scope of the Lead Agency: Projects to mitigate the impact of proposed transportation facilities or to enhance the environment, where the ability to effectuate the mitigation or enhancement measures is beyond the scope of the lead agency responsible for assessing the environmental impact of the proposed transportation improvement.

Agency is responsible for developing and adopting guidelines (procedures and criteria) and determining eligibility, evaluating proposals, submitting a list of projects recommended for funding, and managing the grants post awards. The Agency's procedures and criteria contain a scoring mechanism to evaluate projects by assigning point scores to each project. Projects making the initial cut are then visited for further vetting. In accordance with the provisions of Section 187 and 188 of the Streets and Highways Code, an attempt is made to allocate 40 percent of the total amount recommended to projects in the northern counties and 60 percent of the total amount to projects in southern counties. The percentages vary slightly year to year dependent on the pool of applications and competitiveness.

AVAILABLE FUNDING

Funds are available from 4 appropriations totaling \$7,979,624.42, including \$6,700,000 from the 2017 appropriation and \$1,279,624.42 in unspent dollars from projects awarded with prior appropriations (2015 - \$139,471.73, 2014 - \$690,152.69, 2013 - \$450,000)

CEQA

Each project recommended for funding provided evidence of CEQA compliance.

2016-17 Grant Cycle Environmental Enhancement and Mitigation Program					
Projects Recommended for Funding (13)					
Applicant	Project Name	County	N/S	Category	Rec \$
American River Conservancy	El Dorado Ranch Acquisition (Phase #3; 1,018 acres)	El Dorado	N	RL	\$850,500.00
Eureka, City of	Martin Slough Restoration Project	Humboldt	N	RL	\$500,000.00
Humboldt Bay Harbor District	Samoa Dunes and Wetlands Conservation Project	Humboldt	N	RL	\$708,948.42
Land Trust of Napa County	Wragg Ridge Acquisition Project	Napa	N	RL	\$1,000,000.00
Mendocino Land Trust	James Creek Fish Passage Barrier Modification	Mendocino	N	RL	\$180,000.00
Truckee River Watershed Council	Johnson Canyon Mitigation and Restoration Project	Nevada	N	RL	\$318,369.00
6 NORTHERN PROJECTS (45% TOTAL FUNDING)					\$3,557,817.42
Big Bear Lake, City of	Stanfield Marsh Outdoor Recreation and Education (SMORE) Project	San Bernardino	S	UF	\$331,388.00
Chino Hills, City of	Hollow Run Nature Park Project	San Bernardino	S	UF	\$279,169.00
Dinuba, City of	Dinuba Green Median Improvements	Tulare	S	UF	\$412,250.00
Land Conservancy of San Luis Obispo County	SLO Creek Farms Acquisition	San Luis Obispo	S	RL	\$900,000.00
Poway, City of	Van Dam Cornerstone Acquisition	San Diego	S	RL	\$500,000.00
The California Desert Land Conservancy	Rock Springs Ranch Acquisition Project	San Bernardino	S	RL	\$999,000.00
The Escondido Creek Conservancy	Acquisition of the John Henry Ranch in San Diego County	San Diego	S	RL	\$1,000,000.00
7 SOUTHERN PROJECTS (55% TOTAL FUNDING)					\$4,421,807.00
TOTAL RECOMMENDED FOR FUNDING					\$7,979,624.42

Categories:**MP** - Mitigation Projects Beyond the Scope of the Lead Agency**RL** - Resource Lands**UF** - Urban Forestry

2016-17 Grant Cycle Environmental Enhancement and Mitigation Program					
Substitution List (1 Project)					
Applicant	Project Name	County	N/S	Category	Requested \$
The Trust for Public Land	Lindsay Creek Conservation Easement Acquisition Project	Humboldt	N	RL	\$1,000,000.00
1 PROJECT ON SUBSTITUTION LIST				\$0.00	\$1,000,000.00

Categories:**MP** - Mitigation Projects Beyond the Scope of the Lead Agency**RL** - Resource Lands**UF** - Urban Forestry

2016-17 Grant Cycle Environmental Enhancement and Mitigation Program					
Projects Not Recommended For Funding (32)					
Applicant	Project Name	County	N/S	Category	Requested \$
Amigos de los Rios	Hollydale Regional Park Green Infrastructure	Los Angeles	S	UF	\$499,777.00
Arcata, City of	Arcata Community Forest Expansion (Forsyth)	Humboldt	N	RL	\$840,000.00
Bear Yuba Land Trust	Sanford Ranch Conservation Easement	Nevada	N	RL	\$413,000.00
Burlingame, City of	Chapin Avenue Green Street Retrofit	San Mateo	N	UF	\$600,000.00
Calexico, City of	Heber Park Improvement and EEM Project	Imperial	S	UF	\$472,000.00
California Desert Land Conservancy, The	Wildlife Linkages Restoration Project	San Bernardino	S	RL	\$143,100.00
El Dorado County Resource Conservation District	Camp Sacramento Erosion Control and Habitat Improvement Project	El Dorado	N	MP	\$395,304.00
Feather River Land Trust	Spring Valley Ranch Conservation Easement	Plumas	N	RL	\$1,000,000.00
Goleta, City of	Ekwill Street and Fowler Road Extensions Mitigation Project	Santa Barbara	S	RL	\$497,725.00
Hesperia, City of	Ranchero Road Interchange Landscaping Project	San Bernardino	S	MP	\$500,000.00
Land Conservancy of San Luis Obispo County	The Pismo Preserve ADA Trail Project	San Luis Obispo	S	MP	\$499,791.00
North East Trees, Inc.	Stocker Corridor Greenway Trail Project	Los Angeles	S	UF	\$500,000.00
Pacific Forest Trust	Black Butte Working Forest Conservation Easement	Siskiyou	N	RL	\$750,000.00
Pasadena, City of, Department of Public Works	City of Pasadena Urban Forest Drought Recovery Program	Los Angeles	S	UF	\$499,518.00
Placer Land Trust	Laursen Ranch (South) Acquisition	Placer	N	RL	\$1,000,000.00

Categories:**MP** - Mitigation Projects Beyond the Scope of the Lead Agency**RL** - Resource Lands**UF** - Urban Forestry

2016-17 Grant Cycle Environmental Enhancement and Mitigation Program					
Projects Not Recommended For Funding (32)					
Applicant	Project Name	County	N/S	Category	Requested \$
River Partners	Mendonca Dairy Acquisition on the San Joaquin River	Stanislaus	N	RL	\$1,000,000.00
Sanctuary Forest, Inc.	Van Arken Community Forest Project Phase 1	Humboldt	N	RL	\$1,000,000.00
Save the Redwoods League	Mailliard East Ranch Conservation Easement Acquisition Project	Mendocino	N	RL	\$1,000,000.00
Shasta Land Trust	River Butte Ranch Conservation Easement	Shasta	N	RL	\$510,000.00
Sierra Foothill Conservancy	Hornitos Ranch Conservation Easement Acquisition	Mariposa	N	RL	\$1,000,000.00
South Pasadena, City of	City of South Pasadena Urban Reforestation Project	Los Angeles	S	UF	\$309,289.00
South Pasadena, City of	South Pasadena Pocket Park Acquisition	Los Angeles	S	RL	\$357,600.00
South San Francisco, City of	South San Francisco Caltrain Station Mitigation	San Mateo	N	MP	\$500,000.00
Sunrise Recreation and Park District	Cabana Park	Sacramento	N	UF	\$500,000.00
The Trust for Public Land	Temescal Ranch Phase 2 Acquisition Project	Los Angeles	S	RL	\$1,000,000.00
Torrance, City of	Planting our Future: Urban Forestry Renewal Project	Los Angeles	S	UF	\$350,000.00
Truckee Donner Land Trust	Frog Lake Acquisition Project	Nevada	N	RL	\$1,000,000.00
Vallejo, City of	Vallejo Bus Transit Center Mitigation Project	Solano	N	UF	\$500,000.00
Ventura Hillside Conservancy	Walker-Hearne Ranch Acquisition Phase 2	Ventura	S	RL	\$1,000,000.00
Visalia, City of	St. John's Eastside Renewal Project	Tulare	S	UF	\$327,671.87

Categories:**MP** - Mitigation Projects Beyond the Scope of the Lead Agency**RL** - Resource Lands**UF** - Urban Forestry

2016-17 Grant Cycle Environmental Enhancement and Mitigation Program					
Projects Not Recommended For Funding (32)					
Applicant	Project Name	County	N/S	Category	Requested \$
Western Rivers Conservancy	Santa Margarita River Preserve	San Diego	S	RL	\$1,000,000.00
Yurok Tribe	Final Piece of the Blue Creek Preserve: A Sanctuary for Fish and Wildlife	Del Norte	N	RL	\$1,000,000.00

Categories:

MP - Mitigation Projects Beyond the Scope of the Lead Agency

RL - Resource Lands

UF - Urban Forestry