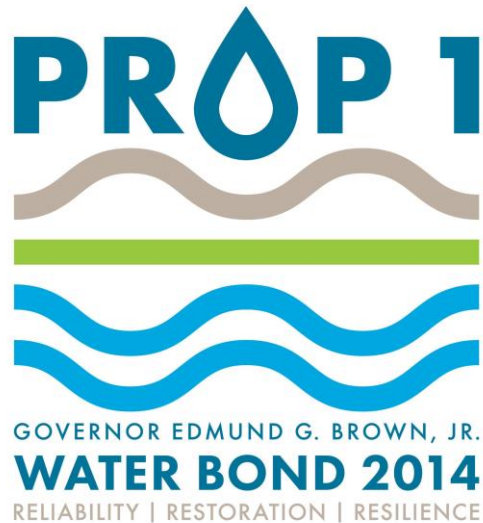




# OCEAN PROTECTION COUNCIL

## Grant Guidelines Ocean Protection Council Proposition 1 Grant Program

FUNDED BY THE  
Water Quality, Supply, and Infrastructure Improvement Act of 2014



**Revised Grant Guidelines Adopted on February 16, 2021**

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## Section 1. Overview

### 1.1 The Ocean Protection Council

The Ocean Protection Council (OPC or Council) was created by law in 2004 via the California Ocean Protection Act.<sup>1</sup> The mission of OPC is to ensure that California maintains healthy, resilient, and productive ocean and coastal ecosystems for the benefit of current and future generations. Along the entire California coast, OPC works with state, federal, tribal, and local entities to further the Council's goal of protecting, conserving, and maintaining California's healthy coastal and ocean ecosystems and the economies they support. The role of OPC is to recommend policy, lead and promote coordination, seek and leverage funding, inform government decision-making with sound science, and to operate with transparency and accountability.

### 1.2 Proposition 1 Background

The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Prop 1) was approved by voters in November 2014 (California Water Code (CWC) Division 26.7). In Prop 1, Chapter 6 ([Appendix B](#)): "Protecting Rivers, Lakes, Streams, Coastal Waters, and Watersheds," allocates \$30 million to OPC for a competitive grant program for multi-benefit ecosystem and watershed protection and restoration projects in accordance with statewide priorities, CWC §79730 and §79731(d).

### 1.3 Prior OPC Prop 1 grants and upcoming funding

OPC has had three solicitation rounds of Prop 1 funding from 2015 to 2019. The round 4 solicitation will be released in 2021, and is intended to spend the remaining \$7.5 million of OPC's Prop 1 funds. This grant guideline revision is intended to reflect OPC's refined priorities for Round 4, a new proposal submission process, and updated scoring criteria.

Selected OPC projects funded through Prop 1 include:

- [Tolowa Dee-ni' Nation Low Impact Development and Stormwater Outfall Improvement Project](#) benefitting the Pyramid Point State Marine Conservation Area: \$974,000
- [Shelter Cove Fish Cleaning Station Remediation Project](#) benefitting the King Range ASBS: \$228,072
- [Connecting a Tributary in the Salt River Coastal Watershed](#) benefitting the Salt River channel, east of the City of Ferndale in Humboldt County: \$372,000
- [Elk River Estuary and Tidal Wetlands Enhancement Project](#) benefitting the Elk River in the City of Eureka: \$1,038,853
- [Resilient Ormond Beach Planning Project](#) benefitting Ormond Beach in the City of Oxnard: \$928,309
- [Coastal Ecosystem Resiliency Planning Project for Lower Watsonville Slough](#) benefitting Watsonville Slough, Pajaro River, Monterey Bay National Marine Sanctuary and the Soquel Canyon Marine Protected Area: \$850,000
- [Correcting Water Quality Problems at Morro Bay MPAs and National Estuary Project](#) benefitting the Morro Bay State Marine Reserve and Recreational Management Area: \$992,644

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<sup>1</sup> <http://www.opc.ca.gov/california-ocean-protection-act/>

#### **1.4 OPC's Priorities for Prop 1 funding**

As mentioned below, OPC's priorities for Prop 1 funding are projects that will benefit communities entitled to environmental justice through developing multi-benefit ecosystem and watershed protection or restoration projects that improve water quality. Proposed projects should ensure that their application addresses the water quality nexus by identifying the water quality problem at the project site, including whether the waters are on the [Clean Water Act Section 303\(d\) list](#), how the project will address it, and include monitoring to demonstrate the project's effectiveness. Prop 1 projects must also meet one of the purposes of [Chapter 6 §79732\(a\)](#).

#### **Coastal Projects Benefiting Communities Entitled to Environmental Justice**

OPC seeks to advance coastal projects that directly benefit communities entitled to environmental justice (Communities), including: disadvantaged and severely disadvantaged communities (DACs),<sup>2</sup> California Native Tribes and Tribal Governments, and communities that score above 80% on [CalEnviroScreen](#) results. Additionally, OPC seeks to advance projects that are led by community-based organizations, and that provide Community workforce employment, including employment for students. To determine whether a project is located within or near a DAC, please use the OPC Prop 1 Priority Areas Map<sup>3</sup> available on our [Prop 1 webpage](#) as an interactive web tool or individual maps that may be downloaded by region. Grant applicants must provide a map and written description of the projects' geographical proximity to the specific Community.

Priority will be given to coastal projects in or near Communities that propose restoration, habitat enhancement, and resilience to climate change, including adaptation to sea-level rise, flooding, and shoreline erosion. Under OPC's Priorities for Prop 1, "the coast" includes San Francisco Bay. Projects located within or adjacent to the Community that are within 3 miles of the coast are strongly preferred (as shown in OPC maps). Projects within a ½ mile of the border of a Community are considered adjacent to the community.

Projects located outside of the OPC's priority geographical area may be eligible if the project serves a Community (or multiple Communities), demonstrates intentional Community benefits, and includes environmental improvements that reach the coast and ocean. Projects outside of OPC's priority geographical area should be no more than 4 miles from the coast. Projects can demonstrate intentional Community benefits through describing Community partnerships and collaboration, Community workforce employment, and other forms of [meaningful community engagement](#). Refer to Section 3.5 for specific criteria to demonstrate significant benefits to Communities.

Please see below for OPC's [Priority Project Types](#) for coastal projects benefitting Communities:

#### **Restoration and habitat enhancement projects**

- Restoration projects that address habitat loss and environmental degradation.

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<sup>2</sup> Prop 1 uses the definition of a "disadvantaged community" as defined by California Water Code §79505.5a: "Disadvantaged community is a community with an annual median household income that is less than 80% of the statewide annual median household income."

<sup>3</sup> OPC staff produced these maps using data from [California State Parks Community FactFinder](#) and [CalEnviroScreen](#) results scoring above 80%.

- Community-led projects that reduce pollutant run-off, restore urban waters, streams, and beaches and address water quality in a [Critical Coastal Area \(CCA\)](#)<sup>4</sup>.
- Multi-benefit projects that improve access, coastal ecology, and local water resilience. Multi-benefits may include carbon sequestration.

Example projects could include, but are not limited to:

- A project that restores degraded coastal wetlands and improves water quality adjacent to a Community and provides a new trail system to improve coastal access for Community members.
- A project that regains access to a Tribe's ancestral lands on the coast and uses Tribal Ecological Knowledge (TEK) to enhance coastal habitat and water resilience.
- A project that utilizes local workforce labor and Community expertise to implement green infrastructure or low impact development to reduce pollutant run-off in a [Clean Water Act Section 303\(d\)](#) listed impaired waterway in a CCA.

#### Adaptation to Sea-Level Rise, Flooding, and Shoreline Erosion

- Projects that promote risk reduction and resiliency of the built and natural environment in the face of sea-level rise, including innovative design elements and approaches such as living shorelines and nature-based infrastructure.
- Projects that address needs of communities at risk of exposure to toxic or hazardous sites due to sea-level rise and flooding.
- Projects that improve ecosystem health and resiliency to impacts of climate change.
- Projects that develop green infrastructure solutions in coastal environments to address water quality problems.

Example projects could include, but are not limited to:

- A project that engages Community stakeholders to analyze and design a coastal roadway realignment through the lens of equity and climate adaptation, incorporating nature-based solutions and identifying areas for enhanced coastal access and recreation.
- A project that will design and construct structural best management practices on public land at or adjacent to vulnerable sites with toxics in order to reduce the risk of Community flooding due to sea-level rise.

#### **Additional Project Characteristics**

OPC requires all projects to include resilience to climate change and incorporate best available science whenever possible. Proposed projects are also encouraged to demonstrate innovative solutions to ocean and coastal issues and address unmet needs or gaps, to the extent practicable.

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<sup>4</sup> Critical Coastal Areas (CCA) identify coastal watersheds that reflect the dual goals of improving degraded coastal water quality, and providing extra protection from polluted runoff to coastal waters with recognized high resource value. (*Coastal Water Quality Program*, California Coastal Commission, December 2019).

## Section 2. Program Purposes and Eligibility Requirements

### 2.1 Purpose of Prop 1 Grant Program Guidelines

These revised OPC Prop 1 Grant Program Guidelines (Guidelines) establish the process and criteria that OPC will use to solicit applications, evaluate and select proposals, and award grants for OPC projects pursuant to Prop 1. These Guidelines identify the additional project requirements and evaluation processes applicable to Prop 1 funded projects. The Guidelines are adopted pursuant to CWC §79706(a) and are updated periodically. Links to Prop 1 as well as other local, state, and federal plans can be found in [Appendix C](#).

OPC complied with the requirements of CWC §79706(b) on the original grant guidelines by holding three public workshops throughout the state in 2015 during Round 1 of funding.<sup>5</sup> The 2021 guideline revision occurred during the coronavirus pandemic, and all outreach is being conducted virtually, including a OPC-organized Prop 1 webinar scheduled for January 25, 2020. The draft guidelines were published on the OPC website 30 days before the public webinar meeting and will be considered for adoption by OPC on February 16, 2021.

### 2.2 Applicant Eligibility

Applicants that are eligible for Prop 1 grant funding from OPC consist of:

- Public agencies,<sup>6</sup> which include a state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state. Federal agencies are not public agencies.
- Public or private universities.
- Any private, nonprofit organizations, including community-based organizations, that qualify under Section 501(c)(3) of the Internal Revenue Service.
- Indian tribes that are either federally recognized or listed on the Native American Heritage Commission's California Tribal Consultation List.
- Public utilities and mutual water companies<sup>7</sup>.

Prop 1 has specific requirements for public utilities, urban water suppliers and agricultural water suppliers to be eligible to apply for funding. Please see [CWC §79712](#) for more information.

#### **Applicant Capacity**

The applicant must demonstrate that it can adequately administer the ongoing management and operation of the project, and that its entire operating budget is not dependent upon the underlying grant. The applicant should address the following organizational capacity and expertise elements, including but not limited to:

- Capacity to manage a state grant, including fiscal system and staff dedicated to financial operations;
- Ability to address cash flow processing of reimbursement payments. Grantees implementing projects that benefit Communities may be eligible for a small fund advancement. Please see

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<sup>5</sup> In 2015, public outreach meetings took place on June 24<sup>th</sup> in Sacramento, July 14<sup>th</sup> in Costa Mesa, and August 11<sup>th</sup> in Eureka.

<sup>6</sup> PRC § 79702 (s)

<sup>7</sup> PRC §79712

“advanced payments” below for details. Aside from the “advance payments” exception, OPC provides funds on a reimbursement basis, and withholds 10% of the funds, to be disbursed upon project completion. There are restrictions on the types of expenses that can be claimed, and all expenses are paid on a reimbursement basis within 45 days of receiving a properly submitted “Request for Disbursement” and its associated invoice, receipts, and other required documentation;

- Proof of qualified staff or contractors to carry out the project activities; and
- The applicant’s governance structure, operating procedures, and the commitment to see the project to completion.

### **Advanced Payments**

For grants awarded for projects that benefit a Community, OPC may provide advanced payments of up to 25% of the grant award at a time to the recipient to initiate the project in a timely manner. To qualify for advanced payments, the grantee must explain how their project meets the definition of a Community, as described in section 1.4, and must meet additional requirements regarding the use of advanced payments, as will be specified by OPC. Advances cannot be used for in-house labor or personnel costs.

### **California Native Tribes and Tribal Governments**

As stated above, California Tribes and Tribal Governments are eligible to apply for funding under Prop 1, and OPC encourages Tribes and Tribal Governments to submit eligible projects for consideration. Additionally, OPC prioritizes open, inclusive, and regular engagement with California Native American Tribes. To that end, applicants should conduct outreach to Tribes while developing project proposals and should strive to include local Tribal communities in project work. Depending on the nature of the project and potential impacts to Tribes, formal consultation may need to be pursued.

### **Conflict of Interest**

All applicants and individuals who participate in the review of submitted applications are subject to state and federal conflict of interest laws. Any individual who has participated in planning or setting priorities for a specific solicitation or who will participate in any part of the grant development and negotiation process on behalf of the public is ineligible to receive funds or personally benefit from funds awarded through that solicitation. Applicants should also be aware that certain state agencies may submit applications for funding. Failure to comply with the conflict of interest laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent grant agreement being declared void. Other legal actions may also be taken. Applicable statutes include, but are not limited to, California Government Code section 1090 and Public Contract Code sections 10365.5, 10410, and 10411.

### **2.3 Project Eligibility and Timing**

Prop 1 funds must be spent consistent with the General Obligation Bond Law, Government Code §16727. In general, this means projects must entail the construction or acquisition of capital assets and/or activities that are incidentally but directly related to construction or acquisition, such as planning, design and engineering. Eligible planning grants are those that will lead to the successful design of implementation projects. These efforts may include project development, implementation strategy development, watershed assessments, and project-specific activities such as design, baseline data collection, permitting, and environmental review. Planning grants are intended to support the development of projects that are likely to qualify for future implementation funding. Examples of eligible implementation projects include restoration or other on-the-ground projects that achieve the following: improve coastal ecology, reduce/eliminate

pollutant run-off and restore water quality, implement natural infrastructure for climate adaptation and coastal resiliency, provide recreational public access to the coast, reduce risks associated with hazardous sites and events, and green infrastructure low impact development projects.

Acquisition projects are eligible for Prop 1 funding, but acquisition projects will be funded only for the acquisition component. OPC will not fund projects that have both an acquisition and implementation or construction component for the acquired property.

As mentioned above, planning projects are eligible for funding, and OPC will consider funding projects with both planning and implementation components. Projects that have combinations of planning and implementation components are expected to have their permitting and CEQA complete before the implementation phase of the project. See section 4.4 for environmental documents and permitting requirements for implementation projects.

OPC has spending deadlines associated with Prop 1 funds. Projects must be ready to start work immediately upon grant agreement execution and be completed within a maximum of five years. Solicitations may require projects of a shorter duration due to OPC spending deadlines and will indicate the maximum allowable project timeframe.

Chapter 6 of Prop 1 sets forth 13 specific purposes of the allocation of funds to OPC ("[Chapter 6 purposes](#)"), CWC §79732(a). All Prop 1 grants funded by OPC must achieve at least one of these Chapter 6 purposes, these chapter 6 purposes can be found in [Appendix B](#).

### **Project Minimum and Maximum Amounts**

*Minimums:* OPC strongly encourages project budgets over \$250,000. However, the minimum project award amount for OPC's Prop 1 program is \$100,000.

*Maximum:* The maximum project award is \$5,000,000.

### **2.4 Ineligible Projects**

Prop 1 contains additional provisions that may make some projects ineligible:

- All projects funded by Prop 1 must be consistent with the Porter-Cologne Water Quality Control Act (Division 7 of the Water Code) and the State's five-year infrastructure plan prepared pursuant to Government Code Section 13100.
- Prop 1 cannot be used to fund acquisitions of land by eminent domain. Water Code Section 79711(g).
- Prop 1 funds may only be used for projects that will provide benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations.

The following list provides examples of projects that will not be funded nor considered eligible under this program. This is not a comprehensive list.

- Projects that create negative environmental impacts inconsistent with the goals and purposes of OPC.
- Projects that do not have multi-benefits for ecosystem and watershed protection and restoration projects in accordance with OPC's priorities.
- Projects that are not consistent with the State's planning priorities.
-



- Projects not compatible with the specific environment or location in which they are situated.
- Projects that are purely educational or training programs, with no capital asset associated with the project.
- Projects that solely model, research, develop plans or planning tools, or gather data.
- Projects that fulfill a prior obligation including project mitigation or other obligations on the land such as obligations resulting from lease agreements.

## Section 3. Grant Application Process

### 3.1 Project Solicitation and Proposal Timing

Solicitation periods for Prop 1 grants will be posted on the OPC website and announced via the OPC email newsletter, which has more than 4,000 subscribers. Grant solicitations will also be announced in social media, and specific outreach will be done to inform Communities of OPC’s grant opportunities. OPC staff will provide technical assistance to all applicants during the solicitation process. For more information on the assistance provided by OPC staff, please see Appendix F.

Timing of grant rounds or solicitation periods depends on budget allocations, and a proposed schedule for round 4 funding is provided below. Grant applications may be submitted during the solicitation periods only.

<b>Prop 1 Proposed Grant Solicitation Schedule for Round 4 of Funding</b>	
Revised grant guidelines considered by OPC	February 16, 2021
Round 4 solicitation released	March 1, 2021
Round 4 letter of intent due	April 2021
Round 4 letter of intent evaluated	Second Quarter 2021
Round 4 applicants invited to submit full proposals	Second Quarter 2021
Round 4 full proposals due	Third Quarter 2021
Round 4 full proposals evaluated	Third and Fourth Quarter 2021
OPC Meeting Consideration	Fourth Quarter 2021

More specific dates and deadlines will be provided when grant round solicitations are announced and circulated.

### 3.2 Overview of Application and Project Selection Process

Below is an overview of the application and project selection process.

- **Potential applicants research, obtain relevant permits, prepare letter of intent**
  - Potential applicants use the grant guidelines and solicitation to evaluate project eligibility, feasibility, relevance to OPC’s funding priorities, and compliance with relevant policies and regulations.
  - Potential applicants ensure that CEQA is completed and that all required permits will be obtained before the Council considers the project for funding at its meeting.
  - Applicants consult with OPC staff, seek matching funding (if needed).
- **Submittal of letter of intent**
  - Applicants prepare and submit a letter of intent by the deadline, or they will not be evaluated for potential funding. OPC will use the letter of intent to determine project and applicant eligibility, as described in Sections 2.2-2.4, and which projects will be invited to submit a full proposal.

- The letter of intent is an outline of the proposed project. It should be no more than 5 pages of text, and may contain one table for the budget and one table for the timeline, proof of permits, a Community map<sup>8</sup>, project site map, and a description of community engagement.
  - The solicitation will include a template letter of intent for potential applicants to use.
  - OPC staff will evaluate the letter of intent for project eligibility and competitiveness, and will invite full proposals from selected applicants.
- **Preparation and submittal of full proposals**
    - Applicants must submit a complete proposal by the deadline identified by OPC staff or they will not be evaluated for funding. The solicitation will include a template proposal for applicants to use. Full proposals must be submitted electronically, preferably via email. If email is infeasible, please contact OPC staff to arrange for other methods of electronic file transfer. No hard copies are required.
    - Proposals must contain a detailed work program, schedule, and budget for the project. See Section 3.4 for additional details on full proposal requirements.
- **Evaluation of Proposals**
    - Proposals are reviewed by OPC staff and a review panel using the Eligibility Criteria, the Evaluation Criteria (Sections 2.3, 2.4, and 3.6). Incomplete or ineligible applications may not be evaluated or considered for funding, at the sole discretion of OPC.
    - Interviews or site visits may be scheduled prior to funding decisions and may result in rank adjustments.
    - Partial funding may be considered to fully leverage grant awards.
- **Project Recommendation to the OPC**
    - OPC staff will recommend projects to the Council for funding. Recommendation for funding does not guarantee project will be funded.
    - The Council determines final project awards at a publicly noticed meeting of the Council.
    - Final funding decisions are determined and announced.

The State reserves the right to reject an applicant during the grant review period that is in violation of law or policy at any other public agency. Potential violations include, are not limited to, being in default of their performance requirements in other contract or grant agreements issued by the State, being engaged in or suspected of criminal conduct that could poorly reflect on or brings discredit to the State, or failing to have all required licenses to perform the State functions. The State further reserves the right to reject any applicant who has a history of performance issues with past grants or other agreements at any public entity, including grantor.

### **3.3 Submittal of proposals and required grant proposal elements**

More detail about grant proposal requirements will be provided in future proposal solicitations that will be released following the adoption of these updated Guidelines.

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<sup>8</sup> Grant applicants must provide a map to the specific DACs, tribes, or communities that score above 80% on CalEnviroScreen results.

Applicants should prepare to submit a thorough, full proposal including a detailed scope of work, schedule, and budget for the project in response to Grant Solicitation announcements from OPC. A full proposal is expected to contain a well thought out and complete description of the project, including but not limited to:

- Detailed description of the proposed scope of work, including long-term results and outcomes;
- Project schedule with explicit task completion dates, including a clear depiction of timing of project phases and components;
- Budget that is tied directly to the explicit task list that includes estimated rates, hours, equipment, and potential sub-contractors;
- Resumes or Curriculum Vitae of principal investigators or contractors, including previous projects that reflect sufficient aptitude in the project’s focal area;
- Review of all environmental compliance and permitting requirements (Section 4.4);
- Plans for monitoring and reporting the project consistent with Section 4.5;
- Letters of support from both within and outside the community where the project will take place;
- A community engagement plan that includes how applicants and partner organizations have worked with community stakeholders to design the project, communicate about the project’s results, or ensure long-term maintenance of the project; and
- Consistency with, and a description of, how the proposed project supports implementation of State climate change documents (see Useful Links in [Appendix C](#)).

### 3.4 Evaluation of Proposals

Proposals will be reviewed and scored by a minimum of three professionals with relevant expertise. Reviewers may include state and federal agency staff and others with relevant expertise, including consultants and academic professionals. All reviewers other than OPC staff will be required to document that they do not have a conflict of interest in reviewing any proposals.

### 3.5 Evaluation Criteria and Scoring for Proposals

<b>SCORING CRITERIA FOR PROPOSALS</b>	
	Points
Alignment with Prop 1 and OPC Priority Project Types	20
Project Demonstrates Significant Benefits to Communities Entitled to Environmental Justice	25
Project Proposal Scope, Readiness, and Applicant Capacity	20
Measuring Effectiveness and Operations and Maintenance	15
Partnerships and Collaboration	10
Leveraging of Funding Sources	10
<b>Total possible points</b>	<b>100</b>

#### **Alignment with Prop 1 and OPC Priority Project Types**

Please characterize the problem as part of the project need, and provide high-level description of the project itself. The problem characterization should include identifying and providing evidence of the problem or

need for the project. Examples include providing evidence and description of a local water quality problem (including whether the water body is listed as impaired on the [Clean Water Act Section 303\(d\)](#) list), climate change resilience problem, or habitat degradation problem.

The project description should identify how the project will address the needs or problems identified in the problem characterization. Additionally, the project description should identify what the project would accomplish, the multi-benefits provided, and how it aligns with specific OPC Priorities for Prop 1 funding. Multi-benefits may include carbon sequestration. Priority will be given to projects with a water quality nexus that propose restoration, habitat enhancement, and resilience to climate change, including adaptation to sea-level rise, flooding, and shoreline erosion.

Although not scored in this section, the project is expected to include a monitoring or evaluation component to determine the project's success at addressing the identified need or problem. Scoring on monitoring and evaluation will occur under the "Measuring Effectiveness and Operations and Maintenance" section.

### **Project Demonstrate Significant Benefits to Communities Entitled to Environmental Justice**

As mentioned above, the proposed project must be a coastal project benefitting communities entitled to environmental justice. The project should be in or near the Community (refer to Section 1.4 for specific parameters) and should deliver intentional benefits that are direct, meaningful and assured. The project proposal should include:

- A detailed description of the Community and the geographic relationship of the project to the Community.
- A Community engagement plan that includes how applicants and partner organizations have worked with Community stakeholders to design the project and communicate about the project's results. The Community engagement plan should demonstrate:
  - How the applicant and community-based partner organizations engaged, or will engage, residents or stakeholders to design the project and build community capacity;
  - How many meetings occurred or will occur in the Community and why these meeting times and locations were convenient for community members or stakeholders;
  - What additional outreach, if any, occurred to ensure a broad selection of Community members or stakeholders were reached;
  - How the Community shaped the development of the project proposal; and
  - How the project team is building a sense of ownership in the Community over the project and solutions, including information on Community members or community-based organizations that are part of the project team.
- A description of how the benefits of the project were informed by community-identified needs, and how the project will directly benefit the community, including whether the project provides employment opportunities for Community members, including students.
- A description of the extent to which the project provides both short- and long-term economic benefits to the Community, including workforce benefits.

### **Project Proposal Scope, Readiness, and Applicant Capacity**

Please provide:

- A detailed scope of work, budget, and schedule for the project, using the provided templates

- A brief description of project readiness, including a status and timeline for design plans, CEQA compliance, permitting, commitments from project partners, land access and tenure agreements, and property restrictions or encumbrances.
  - The description of project readiness should include possible factors which could significantly delay the implementation and/or completion of the project and how these factors will be addressed (e.g., permitting delays, habitat seasonal restrictions, etc.).
- A description of how best available science or practices would be used as part of the project, including best available science on climate change and state climate change documents.
- A description of the applicant's capacity and the applicant or project team's qualifications to complete the project.

### **Measuring Effectiveness and Operations and Maintenance**

Please provide a description of how project effectiveness will be measured or determined and reported over both the project implementation time period and over the long-term (up to 30 years).

Please describe any long-term plans for operations and maintenance, including who will maintain the project, and how ongoing maintenance will be funded.

### **Partnerships and Collaboration**

Identify collaboration opportunities with government agencies and private entities, either in project implementation or to inform the state's ocean management. Government agencies may include Tribal Governments, the California Conservation Corps, or Local Conservation Corps. Private entities may include contractors, non-governmental organizations, and local businesses.

### **Leveraging of Funding Sources**

Leveraging of funding sources is not required to receive OPC's Prop 1 funding, however priority will be given to projects that leverage private, federal, or local funding, or produce the greatest public benefit.

Identify in-kind resources or leveraged funding being provided as match or leverage for the project. Only local, federal, or private funds or in-kind resources will be considered match or leverage. Please indicate whether these funds are already committed or are being pursued.

### **3.6 Staff Recommendations**

In order to fund as many high-ranking projects as possible, OPC staff may contact applicants to inquire about modifying project scope and budget. In concert with the professional review panel, OPC staff will determine which qualified applications to recommend to the Council for funding and the amount of funding, taking into account the project's score relative to other eligible projects, and the total amount of funding available for Prop 1 projects. OPC staff may reduce grant amounts from that requested.

In addition, OPC staff has discretion on when individual projects should be brought to the Council for consideration, based on project readiness. Even projects that are likely to be brought forward with a positive staff recommendation for Council consideration may have outstanding permitting or design issues that must be resolved before a proposed grant can be recommended by staff to the Council.

OPC staff expects that it will take an average of six to nine months from full proposal submittal to Council approval and then an additional three months for execution of the grant agreement.

### **3.7 Approval by Council**

No grant shall be awarded unless the Council has approved the issuance of a grant at a public meeting in response to a staff recommendation for a grant. OPC staff will determine which qualified applications to recommend to the Council for funding and the amount of funding, taking into account the project's score relative to other eligible projects, the total amount of funding available for Prop 1 projects, the urgency of the project relative to the other eligible projects, OPC's Key Issue Areas for Prop 1 Funding, and OPC's Strategic Plan.

The Council typically holds four public meetings per calendar year. The meeting schedule will be published on OPC's website. The Agenda for each public meeting will be published on OPC's website at least ten days in advance of the meeting. OPC staff will prepare a staff recommendation for each proposed grant presented to the Council at a public meeting. The staff recommendation will describe the project and explain how the project is consistent with OPC's enabling legislation, OPC's Strategic Plan, OPC's Prop 1 Grant Program Guidelines, and the evaluation criteria in these Prop 1 Grant Program Guidelines. In addition, the staff recommendation will assess project compliance with CEQA and all relevant permitting requirements.

### **3.8 Grant Agreement**

Once the Council has approved a grant at a public meeting, OPC staff will prepare a grant agreement setting forth the terms and conditions of the grant. The grantee must sign the grant agreement and comply with conditions in order to receive funds.

All funding is contingent upon appropriation, and applicants acknowledge through the submission of an application that no vested right or other entitlement, either implied or express, is created as a result of execution of the grant agreement or any amendment thereto. Prior to the completion of project construction [or project completion as described in a fully executed agreement], either party may terminate the Grant Agreement by providing the other party with thirty (30) days written notice of such termination. The State may also terminate the Grant Agreement for any reason at any time if it learns of or otherwise discovers that there are allegations supported by some reasonable evidence that a violation of any state or federal law or policy by the Grantee or the grantees have performed unsatisfactorily which affects performance of this or any other Grant Agreement or contract entered into with the State. Grant agreements are not executed until signed by both the authorized representative of the grant recipient and OPC. Work performed prior to an executed grant agreement will not be reimbursed.

#### **Typical Grant Agreement Conditions**

Following Council's approval of a grant, staff will prepare a grant agreement with detailed conditions specific to the project. The grant agreement must be signed by the grantee before funds will be disbursed. Several typical grant agreement provisions are:

- Actual awards are conditional upon funds being available from the state.
- Grantees must submit a detailed project work program and budget.
- Grant funds will only be paid in arrears on a reimbursement basis (the grantee pays for services, products or supplies, submits and invoice that must be approved by the grant manager, and is then reimbursed by OPC), unless grantees qualify for advanced payments as described in Section 2.2.
- Generally, OPC will only allow total indirect or overhead costs up to 15% of the whole grant amount.
- Grantees may be required to reimburse the OPC for some or all of the disbursed grant funds if the project is not completed.

- Grantees must have liability insurance.
- Typically, 10% of each invoice will be withheld in order to ensure timely completion of all grant deliverables. The last remaining 10% will be paid upon confirmed receipt of all grant deliverables.
- Grantees are typically responsible for operation, maintenance and monitoring of completed projects for at least 10 years, more often 20-30 years. Term will be specified in project grant agreement.

All OPC grantees should expect to be audited by the State of California. It is the grantee's responsibility to maintain all necessary records to substantiate and document all payments made pursuant to an OPC grant (see [Appendix D](#)). If a grantee cannot provide adequate records when it is audited, the grantee may be required to repay grant funds. See [Appendix D](#) for additional state auditing requirements (refer to CWC §79708[b-c]). The Grant Agreement describes these and other requirements in greater detail and will be the project's controlling document. If there are any questions about the Grant Agreement, discuss them with the OPC Project Manager. Close review of and compliance with the Grant Agreement is essential and is the grantee's responsibility.

### **Waiver of Sovereign Immunity**

For the limited purpose of enforcing any grant agreement developed pursuant to these guidelines, the governing entity of the Tribal government that has the authority to expressly waive immunity will be asked to approve a Waiver of Sovereign Immunity acceptable to OPC before entering into a grant agreement.

### **Land Tenure and Site Control**

The State recognizes that specific activities may change over time; however all uses on the project property must remain compatible with the OPC Prop 1 Grant Program in accordance with the following requirements below.

#### Acquisition Projects

The grantee or grantee's successor in interest shall hold the real property in perpetuity only for the purpose for which the grant was made and make no other use or sale or other disposition of the property without the written permission of the State.

#### Development projects

The grantee shall be required to maintain and operate the property developed pursuant to this grant for a period of:

- Up to 10 years for grants up to \$100,000
- At least 20 years for grants up to \$1 million
- At least 25 years for grants over \$1 million

#### All projects

- A document must be recorded against the real property that defines the State's interest in the property whether the grantee owns the property or not. Exceptions may be granted as appropriate and at the sole discretion of the State. A copy of the full grant terms and conditions may be obtained by contacting our office.



- The grantee shall not use or allow the use of any portion of the real property for mitigation (i.e., to compensate for adverse changes to the environment elsewhere) without the written permission of the State.
- The grantee shall not use or allow the use of any portion of the real property as security for any debt.
- With the approval of the State, the grantee or the grantee's successor in interest in the property may enter into an agreement with another party to maintain and operate the property in accordance with this program. At a minimum, the agreement must do the following:
  1. Clearly spell out the roles of each party in detail;
  2. Be signed by both parties signifying their acceptance;
  3. Not terminate prior to the length of site control/land tenure required by the grant agreement (only agreements that allow early termination for cause or by mutual consent will be acceptable); and
  4. Include language that the grantee would resume responsibility for ongoing operations and maintenance in the event of cancellation.
- Grantee may be excused from its obligations for operation and maintenance of the project site only upon the written approval of the State for good cause. "Good cause" includes, but is not limited to, natural disasters that destroy the project improvements and render the project obsolete or impracticable to rebuild.

Applicants for projects conducting on-the-ground work must submit documentation showing that they have adequate tenure to, and site control of, the properties to be improved or restored.

Proof of adequate land tenure includes, but is not necessarily limited to:

- Fee title ownership.
- An easement or license agreement.
- Other legally enforceable license and agreement between the applicant and the fee title owner, or the owner of an easement in the property, sufficient to give the applicant adequate site control for the purposes of developing the project and long-term management.
- For projects involving multiple landowners, all landowners or an appointed designee must provide written permission to complete the project.

When an applicant does not have tenure at the time of proposal submission, but intends to establish tenure via an agreement that will be signed upon grant authorization, the applicant must submit a template copy of the proposed agreement, memorandum of understanding (MOU), or permission form at the time of proposal submission. Once a project has been awarded, the applicant must submit documentation of land tenure before a complete grant agreement can be executed and any funding can be expended.

OPC shall have access to the project site at least once every twelve months from the start date of the grant for the appropriate term negotiated prior to grant execution (see section above on Land Tenure and Site Control). This includes a final inspection of the project where OPC will determine if the work is consistent with the approved project scope and ensure compliance with the signage requirements.

## Section 4. Additional Requirements

### 4.1 Additional Information

OPC understands that some projects will inherently have associated adverse environmental impacts (in particular, during a construction phase). However, projects are expected, to the extent feasible, to reduce greenhouse gas emissions as well as any other negative environmental impacts from the project itself. Although this is not a scored category, it is a **high priority** for OPC.

### 4.2 California Conservation Corps

Division 26.7 of the Water Code, Chapter 6, §79734 requires that: “For restoration and ecosystem protection projects funded pursuant to this chapter, the services of the California Conservation Corps or a local conservation corps certified by the California Conservation Corps **shall be used whenever feasible.**” OPC requires project applicants to submit evidence of consultation with the California Conservation Corps as part of their full proposal. The California Conservation Corps Consultation Process and forms can be found on their [website](#).

### 4.3 Signage

To the extent practicable, projects funded by Prop 1 should include signage informing the public that the project received funds from the OPC and from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and should display the official Prop 1 logo as well as the official OPC logo(CWC §79707[g]). All Signage must be compliant with CEQA as well as all relevant environmental laws. These requirements will be addressed in the grant agreement. See [Appendix E](#) for additional important guidance about signage.

### 4.4 Environmental Documents and Permitting

OPC is required to comply with the California Environmental Quality Act (CEQA). Grant applicants should consider whether their proposed project will trigger the need for an environmental impact report or negative declaration, or whether a CEQA exemption applies. How CEQA applies and the status of CEQA compliance must be addressed in the full proposal, the provided templates will include a form indicating the status of CEQA compliance. In addition, activities funded under this grant program must be in compliance with applicable federal, State, and local laws and regulations, including the National Environmental Policy Act (NEPA), and other environmental permitting requirements. OPC recognizes that planning projects may not require permitting. The applicant is responsible for receiving and fulfilling all permitting requirements. The applicant is solely responsible for project compliance and proposals may include in their budgets the funding necessary for compliance-related tasks.

**No** project will be considered by the OPC at a public meeting until CEQA is complete, as applicable, and OPC reserves the right to require modification to design, additional mitigation, and to ultimately find the project is not consistent with its program, and therefore remove it from the list of potentially eligible proposal for funding. Projects that are in the process of CEQA may apply; however, CEQA needs to be finalized before the project is considered by the OPC.

### 4.5 Project Monitoring and Reporting

All grant applications must include a monitoring and reporting component that explains how the effectiveness of the project will be measured and reported. The plan should include a list of project specific performance measures that will be used to assess project outcomes/trajectories, and should provide sufficient detail of how these performance measures will be quantified and assessed to allow an evaluation of the effectiveness of the proposed action(s) at achieving the stated objectives. Each proposal must also include a description of the processes through which data will be collected, stored, managed in the long

term if applicable, and disseminated to participants, stakeholders, public, and the State. Data may include, but are not limited to technical information such as designs, feasibility studies, reports, and information gathered for a specific project in any phase of development including the planning, design, construction, operation, and monitoring of a project.

If required by the project, water quality monitoring data shall be collected and reported to the SWRCB in a manner that is compatible and consistent with surface water monitoring or groundwater data systems administered by the SWRCB (e.g., California Environmental Data Exchange Network [CEDEN] for surface water data) (CWC §79704). Any watershed monitoring data shall be collected and reported to the Department of Conservation in a manner that is compatible and consistent with the statewide watershed program administered by the Department of Conservation (CWC§79704). Additional specifications concerning data management and quality assurance/quality control may be stipulated within each solicitation.

All project applicants should identify in their proposal any statewide data management system(s) their data may be integrated into and through what mechanisms that will occur. If alternate methods are going to be used that do not allow the integration of data into existing statewide systems, a thorough explanation of the reason for this should be provided.

All Grantees will be required to provide periodic progress reports and a final report. Specific guidance on performance measures, data management, reporting and monitoring requirements desired by OPC or required by law will be provided in each solicitation or the grant agreement. The monitoring and reporting component will vary depending on the nature of the project. The grant application evaluation will assess the robustness of the proposed monitoring program. In addition, OPC staff will work with grantees to develop appropriate monitoring and reporting templates and procedures.

#### **4.6 Human Right to Water**

The OPC has done an assessment of the Human Right to Water (CWC§106.3) and has determined that it is not necessary to consider the provisions of the Human Right to Water provisions in Prop 1 grant guidelines because the OPC does not focus on the provision of fresh water.

#### **4.7 Carbon Offset Projects on Acquired or Restored Lands**

Assuming there is some right or interest associated with the absorption by plants of carbon dioxide or other greenhouse gas emissions from the atmosphere, and its conversion to carbon stored in trees, sediment, water, and other vegetation and associated roots, surface duff, and organic elements in the soil, such rights or interest shall remain with the Property being restored or acquired through this program, (hereafter "Reserved Rights/ Interests"). OPC prefers and shall assume in the absence of information in a competitive application that Grantee shall take title to or otherwise acquire such rights or interests, and will then immediately retire all such Reserved Rights or Interests associated with or connected to Property or Restoration Project. However if they have stated such an intent in their original application, Grantees or any authorized successor in interest, may, during development of a written grant agreement, seek written permission from the Executive Director to create, own, hold, sell, exchange, transfer, trade, or gift any or all of the rights to carbon offset credits or Climate Reserve Tonnes (CRTs) issued by a third party entity such as the Climate Action Reserve, the Air Resources Board, or any other ecosystem service provider, or any or all similar rights that may exist now or in the future, that are appurtenant to or associated with the Property and attributable to the Reserved Rights ("Carbon Credits").

The exchange of Carbon Credits creates issues of additionality, as well as the potential for private gain from publicly funded grant projects, among other things. OPC anticipates granting funds to acquire property or develop projects that include carbon sequestration benefits as one co-benefit, hence the requirement that any such potential rights or interests be obtained with site control and retired thereafter. Accordingly, the Executive Director reserves the right to approve carbon projects on lands funded or improved with Prop 1 funds, and reserves the right to condition the use of revenue from those projects by grantee or grantee's successors in interest for the ongoing management and operation of the Property or the Project funded by OPC. Such carbon projects, and the requirements that the funds go back into the management of the Property or Project, will be expressly stated in conservation easement or other appropriate instrument, and is only allowable where to do so would not otherwise hinder the overall Project's or Acquisition's competitive standing, and where such rights or interests are not part of the underlying program's anticipated conservation activity. In such cases the Director reserves the right to direct that revenues generated by the sale or transfer of Carbon Credits must be deposited back into a non-wasting trust for the benefit of ongoing management and operation of the Property being acquired or restored with grant dollars, and for any other exchange of value, the Executive Director will be required to certify that the Reserved Rights have been exchanged in proportional benefit to the Property or Project, and acceptable documentation must be provided that illustrates how the development of Carbon Credits for offsets is a result of management additional to the conservation planned for and underlying the benefit of the grant. Where appropriate, the Executive Director may, in addition to seeking a non-wasting trust for ongoing operation and management, request that the Grantee or its successor in interest, repay the grant at the legal rate of interest as dictated by the Office of the Treasurer. This repayment shall not result in abandonment or quitclaim of any associated conservation easement acquired through the OPC program. In such instances where permission has been obtained for the sale of Carbon Credits, Grantee or its successor in interest shall ensure that the terms and conditions of all conservation easements incorporate the requirement for such potential proceeds to benefit the Property, and articulate that Reserved Rights/Interests that have been converted into Carbon Credits are encumbered by the easement.

#### **4.8 Stormwater or Dry Weather Runoff Capture Projects**

[SB 985](#), the Storm Water Management Planning Act of 2014, requires that a project be included in a Stormwater Resource Plan (SWRP) as a condition of receiving grant funds for stormwater or dry weather runoff capture projects. Applicants requesting Prop 1 funding for a stormwater or dry weather runoff capture project should identify which SWRP covers the project and provide a SWRP concurrence letter from the State Water Resources Control Board. The State Water Resources Control Board's web page with approved SWRPs and SWRP Guidelines is available here:

[https://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/swrp/](https://www.waterboards.ca.gov/water_issues/programs/grants_loans/swrp/). These requirements do not apply to disadvantaged communities that meet the condition in [Water Code section 10563\(c\)\(2\)\(B\)](#).

## Appendices

### Appendix A: Chapter 3 of Prop 1 – Definitions

79702. Unless the context otherwise requires, the definitions set forth in this section govern the construction of this division, as follows:

- (a) “Acquisition” means obtaining a fee interest or any other interest in real property, including, easements, leases, water, water rights, or interest in water obtained for the purposes of instream flows and development rights.
- (b) “CALFED Bay-Delta Program” means the program described in the Record of Decision dated August 28, 2000.
- (c) “Commission” means the California Water Commission.
- (d) “Committee” means the Water Quality, Supply, and Infrastructure Improvement Finance Committee created by Section 79787.
- (e) “Delta” means the Sacramento-San Joaquin Delta, as defined in Section 85058.
- (f) “Delta conveyance facilities” means facilities that convey water directly from the Sacramento River to the State Water Project or the federal Central Valley Project pumping facilities in the south Delta.
- (g) “Delta counties” means the Counties of Contra Costa, Sacramento, San Joaquin, Solano, and Yolo.
- (h) “Delta plan” has the meaning set forth in Section 85059.
- (i) “Director” means the Director of Water Resources.
- (j) “Disadvantaged community” has the meaning set forth in subdivision (a) of Section 79505.5, as it may be amended.
- (k) “Economically distressed area” means a municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or less, with an annual median household income that is less than 85 percent of the statewide median household income, and with one or more of the following conditions as determined by the department:
  - (1) Financial hardship.
  - (2) Unemployment rate at least 2 percent higher than the statewide average.
  - (3) Low population density.
- (l) “Fund” means the Water Quality, Supply, and Infrastructure Improvement Fund of 2014 created by Section 79715.
- (m) “Instream flows” means a specific streamflow, measured in cubic feet per second, at a particular location for a defined time, and typically follows seasonal variations.
- (n) “Integrated regional water management plan” has the meaning set forth in Part 2.2 (commencing with Section 10530) of Division 6, as that part may be amended.
- (o) “Long-term” means for a period of not less than 20 years.
- (p) “Nonprofit organization” means an organization qualified to do business in California and qualified under Section 501(c)(3) of Title 26 of the United States Code.
- (q) “Proposition 1E” means the Disaster Preparedness and Flood Prevention Bond Act of 2006 (Chapter 1.699 (commencing with Section 5096.800) of Division 5 of the Public Resources Code).

- (r) "Proposition 84" means the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Division 43 (commencing with Section 75001) of the Public Resources Code).
- (s) "Public agency" means a state agency or department, special district, joint powers authority, city, county, city and county, or other political subdivision of the state.
- (t) "Rainwater" has the meaning set forth in subdivision (c) of Section 10573.
- (u) "Secretary" means the Secretary of the Natural Resources Agency.
- (v) "Severely disadvantaged community" has the meaning set forth in subdivision (a) of Section 116760.20 of the Health and Safety Code.
- (w) "Small community water system" means a community water system that serves no more than 3,300 service connections or a yearlong population of no more than 10,000 persons.
- (x) "State board" means the State Water Resources Control Board.
- (y) "State General Obligation Bond Law" means the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code).
- (z) "State small water system" has the meaning set forth in subdivision (n) of Section 116275 of the Health and Safety Code.
- (aa) "Stormwater" has the meaning set forth in subdivision (e) of Section 10573.
- (ab) "Water right" means a legal entitlement authorizing water to be diverted from a specified source and put to a beneficial, non-wasteful use.

## **Appendix B: Chapter 6 of Prop 1 - Protecting Rivers, Lakes, Streams, Coastal Waters, and Watersheds**

### **79730.**

The sum of one billion four hundred ninety-five million dollars (\$1,495,000,000) shall be available, upon appropriation by the Legislature from the fund, in accordance with this chapter, for competitive grants for multi-benefit ecosystem and watershed protection and restoration projects in accordance with statewide priorities.

### **79731.**

Of the funds authorized by Section 79730, the sum of three hundred twenty-seven million five hundred thousand dollars (\$327,500,000) shall be allocated for multi-benefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state in accordance with the following schedule:

- (a) Baldwin Hills Conservancy, ten million dollars (\$10,000,000).
- (b) California Tahoe Conservancy, fifteen million dollars (\$15,000,000).
- (c) Coachella Valley Mountains Conservancy, ten million dollars (\$10,000,000).
- (d) Ocean Protection Council, thirty million dollars (\$30,000,000).
- (e) San Diego River Conservancy, seventeen million dollars (\$17,000,000).
- (f) San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, thirty million dollars (\$30,000,000).
- (g) San Joaquin River Conservancy, ten million dollars (\$10,000,000).
- (h) Santa Monica Mountains Conservancy, thirty million dollars (\$30,000,000).
- (i) Sierra Nevada Conservancy, twenty-five million dollars (\$25,000,000).
- (j) State Coastal Conservancy, one hundred million five hundred thousand dollars (\$100,500,000). Eligible watersheds for the funds allocated pursuant to this subdivision include, but are not limited to, those that are in the San Francisco Bay Conservancy region, the Santa Ana River watershed, the Tijuana River watershed, the Otay River watershed, Catalina Island, and the central coast region.
- (k) Sacramento-San Joaquin Delta Conservancy, fifty million dollars (\$50,000,000).

### **79732.**

- (a) In protecting and restoring California rivers, lakes, streams, and watersheds, the purposes of this chapter are to:
- (1) Protect and increase the economic benefits arising from healthy watersheds, fishery resources, and instream flow.
  - (2) Implement watershed adaptation projects in order to reduce the impacts of climate change on California's communities and ecosystems.
  - (3) Restore river parkways throughout the state, including, but not limited to, projects pursuant to the California River Parkway Act of 2004 (Chapter 3.8 (commencing with Section 5750) of Division 5 of the Public Resources Code), in the Urban Streams Restoration Program established pursuant to Section 7048, and urban river greenways.
  - (4) Protect and restore aquatic, wetland, and migratory bird ecosystems, including fish and wildlife corridors and the acquisition of water rights for instream flow.
  - (5) Fulfill the obligations of the State of California in complying with the terms of multiparty settlement agreements related to water resources.

- (6) Remove barriers to fish passage.
- (7) Collaborate with federal agencies in the protection of fish native to California and wetlands in the central valley of California.
- (8) Implement fuel treatment projects to reduce wildfire risks, protect watersheds tributary to water storage facilities, and promote watershed health.
- (9) Protect and restore rural and urban watershed health to improve watershed storage capacity, forest health, protection of life and property, stormwater resource management, and greenhouse gas reduction.
- (10) Protect and restore coastal watersheds, including, but not limited to, bays, marine estuaries, and nearshore ecosystems.
- (11) Reduce pollution or contamination of rivers, lakes, streams, or coastal waters, prevent and remediate mercury contamination from legacy mines, and protect or restore natural system functions that contribute to water supply, water quality, or flood management.
- (12) Assist in the recovery of endangered, threatened, or migratory species by improving watershed health, instream flows, fish passage, coastal or inland wetland restoration, or other means, such as natural community conservation plan and habitat conservation plan implementation.
- (13) Assist in water-related agricultural sustainability projects.

(b) Funds provided by this chapter shall only be used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations.

**79733.**

Of the funds made available by Section 79730, the sum of two hundred million dollars (\$200,000,000) shall be administered by the Wildlife Conservation Board for projects that result in enhanced stream flows.

**79734.**

For restoration and ecosystem protection projects under this chapter, the services of the California Conservation Corps or a local conservation corps certified by the California Conservation Corps shall be used whenever feasible.

**79735.**

- (a) Of the funds authorized by Section 79730, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, for projects to protect and enhance an urban creek, as defined in subdivision (e) of Section 7048, and its tributaries, pursuant to Division 22.8 (commencing with Section 32600) of, and Division 23 (commencing with Section 33000) of, the Public Resources Code and Section 79508.
- (b) (1) Of the funds authorized by Section 79730, twenty million dollars (\$20,000,000) shall be made available to the secretary for a competitive program to fund multi-benefit watershed and urban rivers enhancement projects in urban watersheds that increase regional and local water self-sufficiency and that meet at least two of the following objectives:
  - (A) Promote groundwater recharge and water reuse.
  - (B) Reduce energy consumption.
  - (C) Use soils, plants, and natural processes to treat runoff.
  - (D) Create or restore native habitat.
  - (E) Increase regional and local resiliency and adaptability to climate change.



(2) The program under this subdivision shall be implemented by state conservancies, the Wildlife Conservation Board, the state board, or other entities whose jurisdiction includes urban watersheds, as designated by the secretary. Projects funded under the program shall be a part of a plan developed jointly by the conservancies, the Wildlife Conservation Board, the state board, or other designated entities in consultation with the secretary.

(c) At least 25 percent of the funds available pursuant to this section shall be allocated for projects that benefit disadvantaged communities.

(d) Up to 10 percent of the funds available pursuant to this section may be allocated for project planning.

#### **79736.**

Of the funds authorized by Section 79730, four hundred seventy-five million dollars (\$475,000,000) shall be available to the Natural Resources Agency to support projects that fulfill the obligations of the State of California in complying with the terms of any of the following:

(a) Subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

(b) Interstate compacts set forth in Section 66801 of the Government Code pursuant to Title 7.42 (commencing with Section 66905) of the Government Code.

(c) Intrastate or multiparty water quantification settlement agreement provisions, including ecosystem restoration projects, as set forth in Chapters 611, 612, 613, and 614 of the Statutes of 2003.

(d) The settlement agreement referenced in Section 2080.2 of the Fish and Game Code.

(e) Any intrastate or multiparty settlement agreement related to water acted upon or before December 31, 2013. Priority shall be given to projects that meet one or more of the following criteria:

(1) The project is of statewide significance.

(2) The project restores natural aquatic or riparian functions, or wetlands habitat for birds and aquatic species.

(3) The project protects or promotes the restoration of endangered or threatened species.

(4) The project enhances the reliability of water supplies on a regional or interregional basis.

(5) The project provides significant regional or statewide economic benefits.

#### **79737.**

(a) Of the funds authorized by Section 79730, two hundred eighty-five million dollars (\$285,000,000) shall be available to the Department of Fish and Wildlife for watershed restoration projects statewide in accordance with this chapter.

(b) For the purposes of this section, watershed restoration includes activities to fund coastal wetland habitat, improve forest health, restore mountain meadows, modernize stream crossings, culverts, and bridges, reconnect historical flood plains, install or improve fish screens, provide fish passages, restore river channels, restore or enhance riparian, aquatic, and terrestrial habitat, improve ecological functions, acquire from willing sellers conservation easements for riparian buffer strips, improve local watershed management, and remove sediment or trash.

(c) For any funds available pursuant to this section that are used to provide grants under the Fisheries Restoration Grant Program, a priority shall be given to coastal waters.

(d) In allocating funds for projects pursuant to this section, the Department of Fish and Wildlife shall only make funds available for water quality, river, and watershed protection and restoration projects of statewide importance outside of the Delta.

(e) Funds provided by this section shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities.

(f) Funds provided by this section shall only be used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations, except for any water transfers for the benefit of subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

**79738.**

(a) Of the funds authorized by Section 79730, eighty-seven million five hundred thousand dollars (\$87,500,000) shall be available to the Department of Fish and Wildlife for water quality, ecosystem restoration, and fish protection facilities that benefit the Delta, including, but not limited to, the following:

(1) Projects to improve water quality or that contribute to the improvement of water quality in the Delta, including projects in Delta counties that provide multiple public benefits and improve drinking and agricultural water quality or water supplies.

(2) Habitat restoration, conservation, and enhancement projects to improve the condition of special status, at risk, endangered, or threatened species in the Delta and the Delta counties, including projects to eradicate invasive species, and projects that support the beneficial reuse of dredged material for habitat restoration and levee improvements.

(3) Scientific studies and assessments that support the Delta Science Program, as described in Section 85280, or projects under this section.

(b) In implementing this section, the department shall coordinate and consult with the Delta city or Delta county in which a grant is proposed to be expended or an interest in real property is proposed to be acquired.

(c) Acquisitions pursuant to this section shall be from willing sellers only.

(d) In implementing this section state agencies shall prioritize wildlife conservation objectives through projects on public lands or voluntary projects on private lands, to the extent feasible.

(e) Funds available pursuant to this section shall not be used to acquire land via eminent domain.

(f) Funds available pursuant to this section shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities.

## **Appendix C: Useful Web Links**

Bond Accountability Website Prop 1 Overview: <http://bondaccountability.resources.ca.gov/p1.aspx>

California Ocean Protection Act: <http://www.opc.ca.gov/california-ocean-protection-act/>

California OPC Strategic Plan: [https://www.opc.ca.gov/webmaster/ftp/pdf/agenda\\_items/20200226/OPC-2020-2025-Strategic-Plan-FINAL-20200228.pdf](https://www.opc.ca.gov/webmaster/ftp/pdf/agenda_items/20200226/OPC-2020-2025-Strategic-Plan-FINAL-20200228.pdf)

California OPC Website: <http://www.opc.ca.gov/>

California Grants Portal: <https://www.grants.ca.gov/>

Executive Order B-30-15 on greenhouse gas reductions:  
<https://www.ca.gov/archive/gov39/2015/04/29/news18938/index.html>

Prop 1, Full Text: [http://bondaccountability.resources.ca.gov/PDF/Prop1/PROPOSITION\\_1\\_text.pdf](http://bondaccountability.resources.ca.gov/PDF/Prop1/PROPOSITION_1_text.pdf)

Safeguarding California Plan:  
<https://resources.ca.gov/CNRALegacyFiles/docs/climate/safeguarding/update2018/safeguarding-california-plan-2018-update.pdf>

Senate Bill 379: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201520160SB379](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160SB379)

State of California Sea-level Rise Guidance Document:  
<http://www.opc.ca.gov/climate-change/updating-californias-sea-level-rise-guidance/>

Tribal Consultation: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201320140AB52](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140AB52)  
and [http://resources.ca.gov/docs/tribal\\_policy/Final\\_Tribal\\_Policy.pdf](http://resources.ca.gov/docs/tribal_policy/Final_Tribal_Policy.pdf)

### **Online tools on Disadvantaged Communities**

California State Parks Community FactFinder map viewer: <http://www.parksforcalifornia.org/communities>

CalEnviroScreen (Office of Environmental Health Hazard Assessment, OEHHA):  
<https://oehha.ca.gov/calenviroscreen>

Low Income Map using SB 535 and AB 1550 (California Air Resources Board, CARB):  
<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm>

Tribal Consultation: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201320140AB52](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140AB52)

## **Appendix D: State Auditing Requirements**

The list below details the documents or records that State Auditors may need to review in the event of a grant agreement being audited. Grant recipients should ensure that such records are maintained for each State funded project. For additional details including specific audit tasks performed during a bond audit, see the California Department of Finance [Bond Accountability and Audits Guide](#) and the Bond Audit Bulletins.<sup>9</sup>

### **State Audit Document Requirements Internal Controls:**

1. Organization chart (e.g. grant recipient's overall organization chart and organization chart for the State funded project)
2. Written internal procedures and flowcharts for the following:
  - a. Receipts and deposits
  - b. Disbursements
  - c. State reimbursement requests
  - d. State funding expenditure tracking - guidelines, policies, and procedures on state funded projects
3. Audit reports of the Grant recipient's internal control structure and financial statements within last two years
4. Prior audit reports on State funded projects

### **State Funding:**

1. Original grant agreement, any amendment(s) and budget modification documents
2. A list of all bond-funded grants, loans or subventions received from the State
3. A list of all other funding sources for each project

### **Agreements:**

1. All subcontractor and consultant contracts and related documents, if applicable.
2. Agreements between the grant recipient, member agencies, and project partners as related to the State funded project.

### **Invoices:**

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the grant agreement
2. Documentation linking subcontractor invoices to State reimbursement requests and related grant agreement budget line items
3. Reimbursement requests submitted to the State for the grant agreement

### **Cash Documents:**

1. Receipts (copies of warrants) showing payments received from the State
2. Deposit slips or bank statements showing deposit of the payments received from the State
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, or agents under the grant agreement

### **Accounting Records:**

1. Ledgers showing receipts and cash disbursement entries for State funding
2. Ledgers showing receipts and cash disbursement entries of other funding sources
3. Bridging documents that tie the general ledger to reimbursement requests submitted to the State for the grant agreement

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<sup>9</sup> [http://www.dof.ca.gov/Programs/OSAE/Prior\\_Bond\\_Audits/](http://www.dof.ca.gov/Programs/OSAE/Prior_Bond_Audits/)

**Administration Costs:**

1. Supporting documents showing the calculation of administration costs

**Personnel:**

1. List of all contractors and grant recipient staff that worked on the State funded project
2. Payroll records including timesheets for contractor staff and the grant recipients

**Project Files:**

1. All supporting documentation maintained in the files
2. All grant agreement related correspondence.

## Appendix E: Signage Guidelines

### Types of Signs

**Construction** - A sign acknowledging the funding source is required during construction.

**Post Completion** - All grantees are required to post a sign at the project site upon completion of the project. The sign must be available for the final inspection of the project and be in place for a minimum of four (4) years from date of project completion. There is no minimum or maximum size other than the minimum size for the logo as long as the sign contains the required wording. If appropriate, the same sign can be used during construction and completion.



### Language for Signs

All signs will contain the minimum language contained in the signage example shown below.

The name of the director of the local public agency or other governing body may also be added. The sign may also include the names (and/or logos) of other partners, organizations, individuals and elected representatives.

### Logo

All signs must contain the universal logo for the Water Quality, Supply, and Infrastructure Improvement Act of 2014.

The Prop 1 logo is available at: <https://resources.ca.gov/grants/Grant-Program-Resources> . The logo must be mounted in an area to maximize visibility and durability. Each edge of the logo itself must be a minimum of 1' X 1'. Exceptions may be approved when appropriate at the discretion of the State.

### Sign Construction

All materials used shall be durable and resistant to the elements and graffiti. The California Department of Parks and Recreation and California Department of Transportation standards can be used as a guide for gauge of metal, quality of paints used, mounting specifications, etc.

### Sign Cost

The cost of the sign(s) is an eligible project cost. Permanent signage is encouraged.

### Appropriateness of Signs

For projects where the required sign may be out of place or where affected by local sign ordinances, the grants administrator in consultation with the grantee may authorize a sign that is appropriate to the project in question.

### Signs on State Highways

Signs placed within the State highway right-of-way may require a Caltrans encroachment permit. Contact Caltrans early in the planning phases for more information:

<http://www.dot.ca.gov/trafficops/ep/index.html>

### State Approval

The grantee shall submit proposed locations, size, number of signs and language for review prior to ordering signs. Final funds will not be reimbursed until signage has been approved and installed.

## **Appendix F: Technical Assistance Resources**

This page summarizes OPC staff technical assistance available to applicants.

To ensure a fair process, OPC staff will provide all applicants with correct and consistent guidance. All applicants are encouraged to access the following:

### Application Webinars by OPC staff

For upcoming rounds of funding, OPC staff will offer at least one webinar to give a page-by-page review of the solicitation and the requirements for applicants. Questions are encouraged to promote the exchange of ideas.

### Access to Program Experts

OPC staff will strive to provide outstanding customer service to all applicants. Applicants are encouraged to call, email, or schedule in-person or virtual meetings when guidance is needed. A list of OPC staff on-point for each solicitation will be available on the Prop 1 webpage and will be included in the solicitation itself.

### Assistance with Incomplete Application Documents

OPC staff may contact applicants to explain what corrections are needed to application materials and will provide a 7-day grace period to make corrections.

### Strengths and Weaknesses

For projects that align well with the purposes of OPC's Prop 1 solicitation, but are not sufficiently developed to be awarded funding, OPC staff may provide technical assistance to assist applicants in further developing their project concepts. This type of assistance will be prioritized for projects led by Community-based organizations.

Applicants that do not receive a grant award can also get "strengths and weaknesses" feedback based on the project selection criteria at the end of the round. This feedback may be useful to applicants if another round of funding is available in the future.

### Grant Administration Workshop

Applicants who receive a grant award will attend a mandatory grant administration webinar. During the webinar, OPC staff will provide an in-depth review of OPC's grant administration requirements and will explain the forms necessary for reimbursement. OPC staff are also available to answer administrative questions through project completion.