



Staff Recommendation

February 23, 2022

Informational and Action Item: Update on OPC-Funded 2020 Marine Protected Areas (MPA) Small Grants Program and Consideration and Approval of Disbursement of Funds for 2022 MPA Small Grants Program

Tova Handelman, Senior MPA Program Manager

RECOMMENDED ACTION: Authorization to disburse up to \$1,000,000 to Coastal Quest to administer a competitive small grants program to increase MPA outreach and education products statewide.

LOCATION: Statewide

STRATEGIC PLAN GOALS AND OBJECTIVES: Goal 3: Enhance Coastal and Marine Biodiversity; Objective 3.1: Protect and Restore Coastal and Marine Ecosystems

EXHIBITS:

Exhibit A: Letters of Support from MPA Small Grants Program Recipients

Exhibit B: Public Comments Received

FINDINGS AND RESOLUTION:

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

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

- 1) The proposed projects are consistent with the purposes of Division 26.5 of the Public Resources Code, the California Ocean Protection Act;
- 2) The proposed projects are consistent with the adopted State Water Resources Control Board’s Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling; and
- 3) The proposed authorization is not subject to review under the California Environmental Quality Act (“CEQA”) pursuant to 14 Cal. Code of Regulations Section 15378.”

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

“OPC hereby approves the disbursement of up to \$1,000,000 to Coastal Quest to administer a competitive small grants program to increase MPA outreach and education products statewide.

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

EXECUTIVE SUMMARY:

Staff recommends that OPC approve the disbursement of \$1,000,000 to Coastal Quest administer a competitive small grants program to increase MPA outreach and education products statewide through OPC’s Once-Through Cooling (OTC) Interim Mitigation Program.

To offset the negative impacts of OTC on coastal environments, California’s MPAs must be ecologically functioning as a network, which requires effective MPA management. [California’s MPA Management Program](#) established four central program areas based on scientific guidance from successfully managed MPAs worldwide: 1) Enforcement & Compliance, 2) Research & Monitoring, 3) Policy & Permitting, and 4) Outreach & Education. Educating the public is a critical component of establishing and maintaining compliance with MPA regulations. Improved public awareness of MPA regulations can serve as impact mitigation for the harmful effects of OTC because it [increases protection of marine life within MPAs](#), which in turn maximizes the expected ecological benefits from these areas.

Since 2017, OPC has partnered with the non-profit organization [Coastal Quest](#) to administer its MPA Small Grants Program to increase MPA outreach and education efforts statewide. Coastal Quest administered a call for proposals in 2018 and 2020, which has disbursed over \$1.2 million directly to all 14 [MPA Collaboratives](#) and 12 community organizations to create locally relevant outreach content for a broad range of ocean users in multiple languages. Coastal Quest secured 30% of those funds in matching donations from anonymous donors to provide capacity building support for communities entitled to environmental justice.

The MPA Small Grants Program has been met with resounding support and enthusiasm from the local grantees and community members as it has expanded over the past five years, as described in the letters of support from grant recipients in Exhibit A. While the

projects from the second round of funding are expected to be completed in March 2022, many of the deliverables from the MPA Small Grants Program are already posted online and available for free in the [MPA Collaborative Network's Project Library](#) and the [California Marine Protected Areas Outreach Toolkit](#) as well as other websites, including [Coastal Quest's MPA Small Grants Program webpage](#).

Building on the success of the MPA Small Grants Program, this recommended project would provide \$1 million for Coastal Quest to administer a third call for proposals for innovative outreach and education projects. Coastal Quest has secured an additional \$200,000 from anonymous donors to provide capacity building support for communities entitled to environmental justice and is continuing to work on securing additional funds as well. If approved by OPC, this project is anticipated to begin in May 2022. The call for proposals is anticipated to be released in September 2022, with the small grants being selected and executed by early 2023 and finishing 18 months later in late 2024. Projects that benefit the geographic region of the facilities currently using OTC technology will be prioritized. This area consists of State waters (3 nautical miles from the coastline) from Big Sur to San Diego and includes the waters around the Channel Islands. Projects that increase marine life across all parts of the California coast will also be considered as long as the project outcomes are connected to the geographic area (i.e., statewide MPA science curriculum).

This project addresses the OTC Interim Mitigation Program's (OTC Program's) outreach and education priority investment category to ensure effective management of the MPA Network and is aligned with the [OTC Program's Award Guidelines](#). This project also addresses statewide objectives identified in the [MPA Statewide Leadership Team Work Plan](#) and the [MPA Education and Outreach Needs Assessment](#).

PROJECT SUMMARY:

Background:

OTC technology pulls water from the ocean to cool coastal power plants, and its impacts contribute to the decline of fisheries and the degradation of marine habitats near power plants using OTC. To address these damaging impacts, the State Water Resources Control Board established the [Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling Policy](#) (Policy) in 2010 requiring power plants to stop using OTC technology or use the best technology available to protect aquatic life by greatly reducing impingement and entrainment from OTC cooling water intakes (at least 93% reduction in cooling water volumes). Until power plants transition to less harmful cooling systems like closed cycle cooling, the policy requires power plant owners and operators to make mitigation payments to the state of California to support projects that will offset negative ecological effects and increase marine life associated with MPAs in the geographic area of the facilities. OPC receives up to \$5.4M annually from the payments made by power plants still using OTC technology until they come into compliance with the policy.

To offset the negative impacts of OTC on coastal environments, California's MPAs must be ecologically functioning as a network, which requires effective MPA management. OPC's OTC Program prioritizes mitigation payment investment through four categories to ensure effective management of the MPA network: 1) enforcement, 2) outreach and education, 3) research and monitoring, and 4) restoration.

The recommended project addresses the OTC Program's outreach and education priority investment category to ensure effective management of the MPA Network. Outreach and education to the public is a critical component of establishing and maintaining compliance with MPA regulations. Improved public awareness of MPA regulations can serve as OTC impact mitigation because it [increases protection of marine life within MPAs](#), which in turn maximizes the expected ecological benefits from these areas. This project also addresses statewide objectives identified in the [MPA Statewide Leadership Team Work Plan](#) and the [MPA Education and Outreach Needs Assessment](#).

OPC partnered with Coastal Quest to administer two rounds of its [MPA Small Grants Program](#) in 2018 and 2020, providing funds directly to all 14 MPA Collaboratives and 12 community organizations to create several excellent MPA outreach and education products that are still in use today, including:

- Trainings for docents at visitor and interpretive centers in or near MPAs.
- Physical and electronic outreach materials such as brochures, pamphlets, posters, and websites that provide information about fishing regulations and interesting ecological and cultural history facts. Many of these materials have been translated into multiple languages to increase access to their information.
- Videos for websites, local hotels, and visitor centers with a high production value and beautiful imagery to inspire and educate the public about MPAs and allowed activities within their boundaries.
- Activity booklets, field trips, and class curriculum about MPAs for K-12 school programming.
- Shore-based, pier-based, and open ocean-based programs to reach the fishing community in the field with compact and waterproof outreach materials in several languages.
- Projects created by and for the benefit of traditionally marginalized or underserved communities that utilize and enjoy California's MPA network.

While the projects from the most recent round are expected to be completed in March 2022, many of the deliverables from the MPA Small Grants Program are already posted online and available for free as described in the Executive Summary above. A few examples of the many fantastic deliverables that have come from the MPA Small Grants Program include a bilingual [MPA coloring book](#) with interactive virtual reality coloring pages created by the San Luis Obispo and Monterey Bay MPA Collaboratives; an

[educational video about Kashia Pomo Tribal traditions in MPAs](#) created by the Sonoma MPA Collaborative; an educational video for anglers about MPA fishing regulations available in [English](#) and [Spanish](#) created by The Bay Foundation; and a beautiful and scientifically accurate [MPA wildlife and recreation guide](#) created by WILDCOAST and the San Diego MPA Collaborative.

Project Summary:

Building off the successes of the previous two rounds of the MPA Small Grants Program, OPC staff recommends that \$1,000,000 be disbursed to Coastal Quest to administer a third round of outreach and education projects. This funding will be augmented by an additional \$200,000 of matching funds secured by Coastal Quest, the majority of which will be prioritized for projects that support communities entitled to environmental justice in the North Coast and across the state. Of the total amount, \$825,000 will support competitive grant program, with Coastal Quest administering up to 15 small grants ranging from \$25,000 - \$100,000. The remaining \$375,000 will support Coastal Quest's administration of the Small Grants Program, including proposal solicitation, facilitation of project review and selection in partnership with OPC, and ongoing management of grants to ensure projects remain within budget and provide intended outcomes. Funds can be awarded to public agencies (including local, state, and federal), public or private universities, nonprofit organizations, private entities, federally recognized Tribes, and California Native American Tribes listed on the Native American Heritage Commission's California Tribal Consultation List, as allowed by the [OTC Program's Award Guidelines](#).

The 18-month grants will support projects that increase marine life associated with the state's MPAs in the geographic region of the OTC facilities. More specifically, these grants will help achieve a main goal aligned with the OTC Program: to increase outreach and education to improve compliance with MPA regulations statewide.

In alignment with the OTC Program's Award Guidelines, Coastal Quest will prioritize grants that impact the geographic area within 100km north and south of the facilities currently performing OTC, consisting of State waters (3 nautical miles from the coastline) from Big Sur to San Diego and including the waters around the Channel Islands. In collaboration with OPC staff, Coastal Quest will also consider grants that increase marine life across all parts of the California coast as long as the project outcomes are connected to the geographic area (i.e., statewide MPA science curriculum). The MPA Small Grants Program will target small projects that can have significant value for the state, such as developing replicable methods and increasing local capacity through project implementation. In accordance with the OTC Program's Award Guidelines, Coastal Quest will prioritize grants that support communities entitled to environmental justice across the state and could provide capacity-building support to those communities.

The overarching goal of the MPA Small Grants Program is to improve California's marine ecosystem health, increase marine life associated with MPAs, and improve compliance of

MPA regulations statewide. Outcomes of the MPA Small Grants Program could include but are not limited to:

- Consistent signage and messaging in multiple languages installed at key entry points to MPA beaches.
- Increased MPA literacy resulting in increased ocean stewardship, engagement, compliance, and leadership.
- Increased docent capacity and trainings deployed on MPA beaches and at interpretive centers.
- Reduced illegal take of marine life in MPAs.
- Increased diversity of stakeholders engaged, including both traditional and non-traditional audiences as well as underserved audiences.
- Increased use of strategic, targeted, and audience-specific tools and approaches for MPA products, programs, or trainings.

To achieve these outcomes, Coastal Quest will work in close coordination with OPC and the California Department of Fish and Wildlife's (CDFW's) Marine Region Outreach Project to ensure consistency statewide. Coastal Quest will provide administrative assistance to OPC staff including, but not limited to:

- Drafting the call for proposals and scoring guidelines.
- Facilitating meetings with the grant review committee.
- Conducting outreach to and providing technical assistance for potential disadvantaged community applicants.
- Executing grant agreements and managing grantee reporting.
- Managing the disbursement of \$700,000 of OPC funds and an additional \$125,000 in matching funds to amplify the impacts of this MPA Small Grants Program.

About the Grantee:

Established in 1999, Coastal Quest is a solution-oriented non-profit organization committed to promoting innovation, partnership, and the uptake of cutting-edge information and ideas to ensure vibrant and resilient coastal communities and ecosystems. Coastal Quest deploys three key strategies: 1) capacity-building and knowledge sharing; 2) piloting and implementing solutions; and 3) financing, regranting and fiscal sponsorship – to catalyze and uplift communities to implement durable solutions that are scalable and achieving multi-benefit outcomes.

Coastal Quest is well-positioned to help OPC achieve impact through the MPA Small Grants Program. Coastal Quest has a long history of managing small grants and has deep experience working with the MPA Collaboratives, communities entitled to environmental justice, and other organizations addressing MPA and coastal issues in California. This project builds off of years of partnership and successful collaboration between Coastal Quest, OPC, and CDFW. Coastal Quest administered OPC's [first round](#) of its MPA Small Grants Program in 2018, which awarded a total of \$140,000 of OPC funding plus an

additional \$70,000 of matching funds secured by Coastal Quest, for projects up to \$15,000 to each MPA Collaborative to produce MPA outreach products. At its May 2019 meeting, OPC awarded Coastal Quest another \$1,000,000 to administer a [second round](#) of the MPA Small Grants Program, which expanded the scope and range of the call for proposals and awarded 12 community organizations grants ranging \$25,000 - \$100,000. To date, Coastal Quest has secured \$525,000 in matching funds for the MPA Small Grants Program, thereby amplifying the impacts of OPC’s OTC funds and providing critical capacity building support that can last beyond the timeframe of these projects.

Project Timeline:

If approved by OPC, this project is anticipated to begin in May 2022. The call for proposals is anticipated to be released in September 2022, with the small grants being selected and executed by early 2023 and finishing 18 months later in late 2024.

PROJECT FINANCING:

Staff recommends that the Ocean Protection Council (OPC) authorize encumbrance of up to \$1,000,000 to Coastal Quest to administer OPC’s MPA Small Grants Program.

Ocean Protection Council	\$1,000,000
Matching funds secured by Coastal Quest	\$200,000
TOTAL	\$1,200,000

The anticipated source of funds will come from the Once-Through Cooling Interim Mitigation Program Fund Fiscal Year 20/21. OPC’s Once-Through Cooling Interim Mitigation Program prioritizes mitigation payment investment through four categories to ensure effective management of the MPA network: 1) enforcement, 2) outreach and education, 3) research and monitoring, and 4) restoration. The recommended project addresses critical outreach and education priorities to ensure effective management of the MPA Network by establishing and maintaining compliance with MPA regulations. Improved public awareness of MPA regulations can serve as [once-through cooling impact mitigation](#) because it [increases protection of marine life within MPAs](#), which in turn maximizes the expected ecological benefits from these areas.

Coastal Quest secured a 20% match in additional funding to ensure that OPC’s once-through cooling funds could be leveraged North Coast and statewide, and that adequate assistance could be provided to projects that benefit communities entitled to environmental justice.

CONSISTENCY WITH CALIFORNIA OCEAN PROTECTION ACT:

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

- Eliminate or reduce threats to coastal and ocean ecosystems, habitats, and species.
- Allow for increased public access to, and enjoyment of, ocean and coastal resources, consistent with sustainable, long-term protection and conservation of those resources.
- Improve management, conservation, and protection of coastal waters and ocean ecosystems.

COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The proposed authorization is not subject to review under the California Environmental Quality Act (“CEQA”) pursuant to 14 Cal. Code of Regulations Section 15378.