

SAN DIEGO RIVER CONSERVANCY

PROPOSITION 1 GRANT PROGRAM GUIDELINES DRAFT FINAL May 2015

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



I. Introduction

A. The San Diego River Conservancy

The San Diego River Conservancy (“Conservancy”) is a state agency, established in 2002, to work specifically within the San Diego River watershed to implement multi-benefit projects that protect and enhance the San Diego River and its connected resources. The Conservancy’s enabling legislation is Division 22.9 of the Public Resources Code. Division 22.9 authorizes the Conservancy to undertake projects and award grants to achieve the goals set forth in Division 22.9. The Conservancy works along the entire length of the San Diego River, from its mouth in the City of San Diego at Ocean Beach to its headwaters in the mountains near Julian, California. This area also includes all of the contributing area to the San Diego River (its “watershed”) consisting of several streams, reservoirs, wetlands, the estuary and uplands. A map of the Conservancy’s jurisdiction can be viewed at www.sdrc.ca.gov.

The Conservancy provides technical assistance through its staff and it provides grant funds to help develop and implement projects that achieve its goals. The Conservancy develops and supports multi-benefit projects that advance a number of goals, including:

- protecting the natural and scenic beauty of the San Diego River
- improving water quality
- enhancing wildlife habitats
- removing invasive plant species from the river corridor and its tributaries to enhance habitat, reduce flood and fire risk and promote the re-establishment of the area’s native species
- helping people recreate and enjoy the developing San Diego River Park and associated open spaces
- promoting cultural and historical interpretation of the San Diego River and its people, including the history of how the search and development of water resources, including the San Diego River, have defined the area’s history.

The Conservancy has an adopted *Strategic Plan 2012-2017*, which identifies the Conservancy’s goals and objectives through 2018. The Conservancy’s Strategic Plan is consistent with Proposition 1 priorities, specifically: Program 1 *Conserve Land Along the San Diego River*; Program 3A *Preserve and Restore Natural Resources*; and Program 4 *Enhance Water Quality and Natural Flood Conveyance*. The Conservancy’s existing program areas address several of the purposes outlined in section 79732 of Proposition 1. The Conservancy’s Proposition 1 funded grants will be consistent with specific purposes in section 79732 and the applicable program areas outlined in the Conservancy’s Strategic Plan above.

B. Proposition 1

The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (“Prop 1”) was approved by voters in November 2014. Prop 1 is codified as Division 26.7 of the Water Code. The purposes of Prop 1 include generating funding to address water quality, water supply and watershed protection and restoration. Chapter 6 of Prop 1 allocated \$17 million to the Conservancy for competitive grants for multibenefit ecosystem and watershed protection and restoration projects, Water Code Section 79731(e).

II. Program Purposes, Required Criteria and Eligibility

A. Purpose of Proposition 1 Grant Program Guidelines

These Proposition 1 Grant Program Guidelines (“Prop 1 Guidelines”) establish the process and criteria that the Conservancy will use to solicit applications, evaluate proposals, and award grants, pursuant to Prop 1. All projects funded by the Conservancy with Prop 1 must be consistent with the Conservancy’s enabling legislation, its Strategic Plan, its project selection criteria and Prop 1. These Prop 1 Guidelines identify the additional requirements applicable to Prop 1 funded projects and the project evaluation process for those projects. These Guidelines are adopted pursuant to Water Code Section 79706(a).

B. Conservancy Required Project Selection Criteria

The Conservancy has adopted these *Project Selection Criteria and Guidelines*, on May 14th, 2015 (“Conservancy Program Guidelines”), which sets forth the evaluation criteria that the Conservancy uses for its grant program funded under Prop 1. The Conservancy Program Guidelines consist of required criteria that must be satisfied by all projects and additional criteria that are not mandatory but are taken into account for purposes of priority. The required selection criteria are:

- **Location** (must be within the San Diego River watershed)
- **Promotion of the Conservancy’s statutory programs, purposes and strategic plan elements applicable to the purposes of Prop 1**
- **Consistency with purposes of the funding source (Prop 1)**
- **Promotion and implementation of state plans and policies** (specific plans and policies that are being considered or implemented)
- **Support from the jurisdiction and department in which the project is proposed**
- **Need** (desired project or result will not occur without Conservancy participation)

C. Purposes of Proposition 1, Chapter 6

The funding from Prop 1 allocated to the Conservancy comes from Chapter 6, "Protecting Rivers, Lakes, Streams, Coastal Waters and Watersheds." Chapter 6 of Prop 1 sets forth 13 specific purposes for the allocation of funds to the Conservancy ("Chapter 6 purposes"), Water Code Section 79732(a). All Prop 1 grants funded by the Conservancy must achieve at least one of these Chapter 6 purposes.

- 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 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 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 watershed 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.

D. Promotion and Implementation of State Plans and Policies

Both Prop 1 and the Conservancy Program Guidelines require that projects be consistent with statewide plans and priorities as identified the California Water Action Plan, and other state plans.

E. Eligible Grantees

To be eligible for Prop 1 funding, projects must be consistent with the Conservancy's enabling legislation, meet the Conservancy's required project selection criteria, support the Conservancy's Strategic Plan and advance at least one of the purposes of Chapter 6 of Prop 1.

Applicants eligible for Prop 1 grant funding from the Conservancy are:

- Public agencies, including any city, county, city and county, district, joint powers authority, state agency, public college, public university and federal agency.
- Any private, nonprofit organization that qualifies under Section 501(c)(3) of the United States Internal Revenue Code, and whose purposes are consistent with the Conservancy's enabling legislation (Division 21 of the Public Resources Code).
- Indian Tribes that are either federally recognized or listed on the Native Heritage Commission's California Tribal Consultation List.

F. Project Eligibility

Prop 1 funds must be spent consistent with the General Obligation Bond Law, Government Code Section 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.

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

- 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.

III. Grant Application Process and Timeline

A. Grant Application

A grant application form will be posted on the Conservancy's website and may be updated periodically. The Conservancy may elect to solicit targeted proposals for a specific type of project for some of the solicitation periods.

B. Grant Solicitation Periods

There will be one grant solicitation period for each of the Conservancy's appropriation periods of funds, generally once a year, beginning in July. Annually, an announcement with key action dates will be posted on the Conservancy's website (<http://sdrc.ca.gov/>) opening a 30-day pre-proposal submission phase. Further guidelines as to the format of pre-proposal will be included in the announcement. The Conservancy will meet with potential applicants, conduct site reviews as necessary and select which proposals meet the minimum criteria to be invited to submit full proposals. Full proposals will be due generally within 30-45 of closing of pre-proposal period. The exact deadline for full proposals to be received will be announced at the end of the 30-day pre-proposal period. For other rounds of funding, key action dates will be posted on the Conservancy's website. Conservancy staff and outside experts will score and rank proposals. Proposals recommended for funding are likely to be considered at the Conservancy's regularly scheduled Board Meeting in November.

The solicitation period may be extended if the total dollar amount requested in proposals received does not exceed the Conservancy's first round appropriation. Proposals received after the initial solicitation period will be accepted 30 days prior to each Conservancy board meeting and scored in the same manner as other proposals. Proposals will be ranked against one another during these periods to ensure a competitive process. Proposals that are not invited in the initial or subsequent submissions periods will be described as to their deficiencies and reported to the board on a continuing basis. Project applicants are encouraged to seek technical assistance from the Conservancy on how to address any deficiencies for future submissions.

C. Application Review and Evaluation

- 1) Completeness

Grant applications will be initially reviewed for completeness. Incomplete grant applications will be returned to the applicant.

2) Screening

Conservancy staff will screen complete grant applications to ensure that:

- the project meets the Conservancy's required grant selection criteria of the Conservancy Program Guidelines,
- the project is consistent with the Conservancy's Strategic Plan,
- the project consists of work that is eligible for bond funds under the General Obligation Bond Law,
- the grantee is an eligible entity, and
- the project meets at least one of the Chapter 6 Purposes.

Applications that do not pass the screening process will not proceed to the scoring process. The Conservancy has discretion to either return the application or assist the applicant with gathering additional information and modifying the proposal to enable the application to pass the screening process.

3) Scoring

Complete applications that have passed the screening process will be reviewed and scored by Conservancy staff. Staff will include, as needed, state and federal agency staff and others with relevant expertise. Outside professionals, including consultants, may be used to review some applications. All reviewers will be required to document that they do not have a conflict of interest in reviewing any proposals.

All reviewers will score each proposal in accordance with Part IV. "Grant Evaluation and Scoring." Applications with an average score of 75 or better will qualify for grants. Conservancy staff will formulate and concur with one score per criteria for each proposal based on their expertise, experience and the input from subject matter experts as appropriate. Each proposal will receive one final score from which to compare and rank against other proposals.

4) Board Approval.

Staff will determine which qualified applications to recommend to the Conservancy Board for a grant, taking into account the score as well as other factors including how well the project meets the Conservancy Program Guidelines, its Strategic Plan, and the availability of funds.

D. Board Meetings

No grant shall be awarded unless the Conservancy Board has approved the grant at a public meeting. The Conservancy typically holds six public meetings per calendar year. The meeting schedule will be published on the Conservancy's website. The agenda for each public meeting will be published on the Conservancy's website ten

days in advance of the meeting. Conservancy staff will prepare a report for each proposed grant presented to the Conservancy Board at a public meeting. The staff report will describe the project and explain how the project is consistent with the Conservancy's enabling legislation, the Conservancy Program Guidelines, the Conservancy's Strategic Plan, the California Water Action Plan and the evaluation criteria in these Prop 1 Grant Program Guidelines.

E. Grant Agreement

Once the Conservancy has approved a grant at a public meeting, Conservancy 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.

IV. Grant Evaluation

A. Evaluation Criteria:

- 1) The project is within the jurisdiction of the San Diego River Conservancy (San Diego watershed) – required. (pass/fail)
- 2) The extent to which the project achieves one or more of the purposes of Chapter 6 of Prop 1. (19 points)
- 3) The extent to which the application includes a complete, reasonable and well thought out proposed scope of work, budget and schedule. (16 points)
- 4) The extent to which the project promotes and implements state and/or regional plans and policies. (8 points)
- 5) The extent to which the project employs new or innovative technology or practices. (6 points)
- 6) The extent to which the applicant demonstrates a clear and reasonable method for measuring and reporting the effectiveness of the project. (10 points)
- 7) The extent to which the project provides multiple benefits. (6 points)
- 8) Whether the project reflects best available science. (9 points)
- 9) The extent to which the project has support from the jurisdiction over the location of the project - required. (pass/fail)

- 10) The extent to which the applicant demonstrates experience successfully implementing similar projects or demonstrates appropriate and necessary partnerships to complete the project. (18 points)
- 11) The project that is in a disadvantaged community. "Disadvantaged community" means a community with an annual median household income that is less than 80 percent of the statewide annual median household income. (7 points)
- 12) The Conservancy will award up to 14 points to applicants with significant matching funds. In addition, the Conservancy will provide a summary of the total leverage of Conservancy funds in an annual financial report to the Conservancy Board.

V. Additional Information

A. Available Funding

The Conservancy expects to grant approximately \$3-4 million each year for about five years. However, the amount of funds available will depend upon the amount appropriated to the Conservancy by the State Legislature each year. The amount awarded will also depend on the quality of the proposals submitted.

B. Additional Project Considerations

- For restoration and ecosystem protection projects under this program, the services of the California Conservation Corps (CCC) or a local conservation corps certified by the California Conservation Corps shall be used whenever feasible. "Feasible" as defined in Public Resources Code § 21061.1. means, capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors. All applicants must include in their application a determination of feasibility for using the services of the California Conservation Corps or a local conservation Corps certified by the California Conservation Corps. The CCC has provided guidance on the process for consultation in determining feasibility (Appendix A).
- Agencies acquiring land may use the Natural Heritage Preservation Tax Credit Act of 2000 (Division 28 of the Public Resources Code. Water Code Section 79711(h).
- Grantees will be required to provide signage informing the public that the project received Prop 1 funding. This requirement will be addressed in the grant agreement.

C. Grant Provisions

Following Conservancy Board 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.
- Grantees may be required to reimburse the Conservancy for some or all of the disbursed grant funds if the project is not completed.
- Grantees must have liability insurance.

D. Environmental Documents

The Conservancy 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, negative declaration or whether a CEQA exemption applies. How CEQA applies and the status of CEQA compliance must be addressed in the grant application. Applicant should list and discuss any other potential permits needed for their project.

E. 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 monitoring and reporting component will vary depending on the nature of the project. In addition, Conservancy staff will work with grantees to develop appropriate monitoring and reporting templates and procedures.

References

Text of Proposition 1 <http://vig.cdn.sos.ca.gov/2014/general/en/pdf/text-of-proposed-law-prop1.pdf>

California Water Action Plan

[http://resources.ca.gov/docs/california_water_action_plan/Final California Water Action Plan.pdf](http://resources.ca.gov/docs/california_water_action_plan/Final_California_Water_Action_Plan.pdf)

San Diego River Conservancy Strategic Plan

[http://www.sdrc.ca.gov/docs/StratPlan update 2012-2017 Final.pdf](http://www.sdrc.ca.gov/docs/StratPlan_update_2012-2017_Final.pdf)

SAN DIEGO RIVER WATERSHED MANAGEMENT AREA WATER QUALITY IMPROVEMENT PLAN

[http://www.projectcleanwater.org/images/SDR WQIP/sdr b.3 chapter 12-17-2014.pdf](http://www.projectcleanwater.org/images/SDR_WQIP/sdr_b.3_chapter_12-17-2014.pdf)

San Diego Integrated Regional Water Management Plan

<http://sdirwmp.org/2013-irwm-plan-update#codeword>

Appendix A

Recommended Corps Consultation Guidelines

Chapter 6, Protecting Rivers, Lakes, Streams, Coastal Waters and Watersheds

Division 26.7 of the Water Code, Chapter 6, Section 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.**”

Because of the mandatory nature of the foregoing provision, applicants for funds to complete restoration and ecosystem protection projects shall consult with representatives of the California Conservation Corps (CCC) AND the California Association of Local Conservation Corps (CALCC) (the entity representing certified community conservation corps) (collectively, “the Corps”) to determine the feasibility of the Corps participation. Unless otherwise exempted, applicants that fail to engage in such consultation should not be eligible to receive Chapter 6 funds. Therefore, to ensure that entities allocating Prop 1 funds do so in compliance with Chapter 6’s Corps participation language, the CCC and CALCC have developed the following consultation process for inclusion in Prop 1 – Chapter 6 project and/or grant program guidelines:

Step 1: Prior to submittal of an application or project plan to the Funder, Applicant prepares the following information for submission to both the California Conservation Corps (CCC) and CALCC (who represents the certified community conservation corps):

Project Title

Project Description (identifying key project activities and deliverables)

Project Map (showing project location)

Project Implementation estimated start and end dates

Step 2: Applicant submits the forgoing information via email concurrently to the CCC and CALCC representatives:

California Conservation Corps representative:

Name: CCC Prop 1 Coordinator Email: Prop1@ccc.ca.gov

Phone: (916) 341-3100

California Association of Local Conservation Corps representative:

Name: Crystal Muhlenkamp Email: inquiry@prop1communitycorps.org

Phone: 916-426-9170 ext. 0

Step 3: Within five (5) business days of receiving the project information, the CCC and CALCC representatives will review the submitted information, contact the applicant if necessary, and respond to the applicant with a Corps Consultation Review Document (template attached) informing them:

- (1) It is NOT feasible for CCC and/or certified community conservation corps services to be used on the project; or

It is feasible for the CCC and/or certified community conservation corps services to be used on the project and identifying the aspects of the project that can be accomplished with Corps services.

Note: While the Corps will take up to 5 days to review projects, applicants are encouraged to contact the CCC/CALCC representatives to discuss feasibility early in the project development process.

The Corps cannot guarantee a compliant review process for applicants who submit project information fewer than 5 business days before a deadline.

Step 4: Applicant submits application to Funder that includes Corps Consultation Review Document.

Step 5: Funder reviews applications. Applications that do not include documentation demonstrating that the Corps have been consulted will be deemed “noncompliant” and will not be considered for funding.

NOTES:

1. The Corps already have determined that it is not feasible to use their services on restoration and ecosystem protection projects that solely involve either planning or acquisition. Therefore, applicants seeking funds for such projects are exempt from the consultation requirement and should check the appropriate box on the Consultation Review Document.
2. An applicant that has been awarded funds to undertake a project where it has been determined that Corps services can be used must thereafter work with either the CCC or CALCC to develop a scope of work and enter into a contract with the appropriate Corps. Unless otherwise excused, failure to utilize a Corps on such a project will result in Funding Entities assessing a scoring penalty on the applicant's future applications for Chapter 6 Funds.

Corps Consultation Review Document

Chapter 6, Protecting Rivers, Lakes, Streams, Coastal Waters and Watersheds

Unless an exempted project, this Corps Consultation Review Document must be completed by California Conservation Corps and Community Conservation Corps staff and accompany applications for projects or grants seeking funds through Proposition 1, Chapter 6, Protecting Rivers, Lakes, Streams, Coastal Waters and Watersheds. Non-exempt applications that do not include this document demonstrating that the Corps have been consulted will be deemed “noncompliant” and will not be considered for funding.

1. Name of Applicant:

Project Title:

To be completed by Applicant:

Is this application solely for planning or acquisition?

Yes (application is exempt from the requirement to consult with the Corps)

No (proceed to #2)

To be completed by Corps:

This Consultation Review Document is being prepared by:

The California Conservation Corps (CCC)

California Association of Local Conservation Corps (CALCC)

2. Applicant has submitted the required information by email to the California Conservation Corps (CCC) and California Association of Local Conservation Corps (CALCC):

Yes (applicant has submitted all necessary information to CCC and CALCC)

No (applicant has not submitted all information or did not submit information to both Corps – application is deemed non-compliant)

3. After consulting with the project applicant, the CCC and CALCC has determined the following:

It is NOT feasible for CCC and/or certified community conservation corps services to be used on the project (deemed compliant)

It is feasible for the CCC and/or certified community conservation corps services to be used on the project and the following aspects of the project can be accomplished with Corps services (deemed compliant).

CCC AND CALCC REPRESENTATIVES WILL RETURN THIS FORM AS DOCUMENTATION OF CONSULTATION BY EMAIL TO APPLICANT WITHIN FIVE (5) BUSINESS OF RECEIPT AS VERIFICATION OF CONSULTATION. APPLICANT WILL INCLUDE COPY OF THIS DOCUMENT AS PART OF THE PROJECT APPLICATION.