Memorandum

Tab 55

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 16-17, 2016

Reference No.: 4.12
Action

From: WILL KEMPTON
Executive Director

Subject: **ADOPTION OF THE FISCAL YEAR 2014-15 ENVIRONMENTAL ENHANCEMENT AND MITIGATION PROGRAM RESOLUTION G-16-11**

ISSUE

The California Natural Resources Agency (Resources Agency) requests the California Transportation Commission (Commission) approve the Fiscal Year (FY) 2014-15 Environmental Enhancement and Mitigation (EEM) Program.

RECOMMENDATION

Staff recommends that the Commission approve the FY 2014-15 EEM Program that includes 21 projects on the Recommended for Funding List and four projects in the Substitution List.

BACKGROUND

Section 164.56 of the Streets and Highway Code specifies that the Commission shall annually award grants to fund proposals that are included on a list prepared by the Resources Agency.

The Resources Agency has developed procedures and criteria to evaluate and rank each grant proposal. Any local, state or federal agency or nonprofit entity may apply for and receive grants to undertake environmental enhancement and mitigation projects that are directly or indirectly related to the environmental impact of modifying existing transportation facilities or for the design, construction or expansion of new transportation facilities.

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

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

The Resources Agency reviewed 39 grant applications and recommended funding for 10 projects in Northern California totaling $3,890,324 and 11 projects in Southern California totaling $4,370,547 for a FY 2014-15 EEM Program total of $8,260,871 to 21 projects.

The Resources Agency also developed a Substitution List that includes two projects in Northern California for $1,300,000 and two projects in Southern California for $1,000,000. In the event a project is removed or savings are generated from the Recommended for Funding List, a project from the Substitution List may be substituted as long as there is sufficient capacity to allow for a substitution.

There are 14 projects not recommended for funding, eight in Northern California and six in Southern California. The multi-disciplined evaluation team used the EEM Program procedures and criteria to determine that these projects did not meet the EEM Program criteria.

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

Attachments

California Transportation Commission

ADOPTION OF THE FISCAL YEAR 2014-15
ENVIRONMENTAL ENHANCEMENT AND MITIGATION PROGRAM

Resolution G-16-12

1.1 WHEREAS, Streets and Highways Code Section 164.56 establishes the Environmental Enhancement and Mitigation Program; and

1.2 WHEREAS, this program provides funding annually for environmental enhancement and mitigation projects which are directly or indirectly related to the environmental impact of modifying existing transportation facilities or for the design, construction or expansion of new transportation facilities; and

1.3 WHEREAS, the California Natural Resources Agency is charged with evaluating proposals submitted for this program and providing a list of proposals recommended for funding to the California Transportation Commission; and

1.4 WHEREAS, the California Transportation Commission is responsible for awarding grants to fund proposals which are included on the list prepared by the California Natural Resources Agency; and

1.5 WHEREAS, the California Natural Resources Agency has prepared a Projects Recommended for Funding list totaling $8,260,871 for twenty-one projects, and that list has been reviewed by the Commission; and

1.6 WHEREAS, the California Natural Resources Agency also prepared a Substitution list of projects totaling $2,300,000 for four projects in the event projects from the Projects Recommended for Funding list are unable to proceed.

2.1 NOW THEREFORE BE IT RESOLVED, that the California Transportation Commission adopts the Fiscal Year 2014-15 Environmental Enhancement and Mitigation Program, as indicated in the Projects Recommended for Funding list of projects (attached); and

2.2 BE IT FURTHER RESOLVED, that in the event a project is removed or savings are generated from the Projects Recommended for Funding list, a project from the Substitution List (attached) may be awarded as long as there is sufficient capacity to allow this substitution; and

2.3 BE IT FURTHER RESOLVED, that the California Natural Resources Agency shall report to the Commission when a project is awarded from the Substitution List; and

2.4 BE IT FURTHER RESOLVED, that it is the intent of the California Transportation Commission to allocate available funds for these projects, and expects that the funds allocated be expended on a timely basis; and

2.5 BE IT FURTHER RESOLVED, that for projects which include land acquisition, the California Transportation Commission would encourage grant recipients to reduce overall project costs by exploring the feasibility of acquiring easements rather than fee title when appropriate; and

2.6 BE IT FURTHER RESOLVED, that due to the uniqueness of the individual projects in this program, the California Transportation Commission recommends the Resources Agency be especially diligent in the on-site inspection and auditing of the projects included in this program.

CALIFORNIA natural resources AGENCY

EDMUND G. BROWN JR., Governor
JOHN LAIRD, Secretary for Natural Resources

RECD BY CTC
FEB 08 2016

February 4, 2016

Will Kempton
Executive Director
California Transportation Commission
1120 N Street, MS 52
Sacramento, CA 95814

Dear Mr. Kempton:

As provided in Section 164.56 of the Streets and Highways Code, the California Natural Resources Agency (Agency) has evaluated the 2014/15 Environmental Enhancement and Mitigation program grant applications. These applications are listed on the attached Recommended for Funding List, Substitution List and the Projects Not Recommended for Funding List.

Projects on the Recommended for Funding List and the Substitution List meet the statutory requirements and contribute to the mitigation of the environmental effects of transportation facilities.

Agency recommends that the projects on the Recommended for Funding List be authorized to receive immediate funding. These recommendations were determined by a multi-disciplined evaluation team that reviewed each application and visited each site. The list contains 21 projects with a total value of $8.2 million. There are 4 projects on the Substitution List should any projects on the Recommended for Funding List be unable to proceed.

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

Sincerely,

John Laird
Secretary for Natural Resources

Enclosures

PROPOSED ENVIRONMENTAL AND MITIGATION RECOMMENDATIONS

RECOMMENDATION

Approve grants for 21 projects totaling $8,260,870.58 See attached list.

BACKGROUND

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

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

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

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

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

AVAILABLE FUNDING

Funds are available from two fiscal years totaling $8.2M, including $1.5M carryover from the 2014 appropriation and $6.7M from the 2015 appropriation.

Each project recommended for funding provided evidence of CEQA compliance.

2014-15
Environmental Enhancement and Mitigation Program

Recommended for Funding (21)					
Applicant	**Project Name**	**County**	**N/S**	**Cat**	**Rec $**
Arcata, City of	Jolly Giant Creek (Lima) Arcata Community Forest Expansion	Humboldt	N	RL	$90,000.00
CA State Coastal Conservancy	Klamath River Estuary Wetlands Conservation Project	Del Norte	N	RL	$206,074.04
CA State Coastal Conservancy	White Slough Restoration Project	Humboldt	N	RL	$500,000.00
Land Trust of Santa Cruz County	Highway 17 Wildlife Connectivity Project	Santa Cruz	N	RL	$600,000.00
Northcoast Regional Land Trust	Lost Coast Redwood and Salmon Initiative Phase 2 Conservation Easement	Mendocino	N	RL	$500,000.00
Save the Redwoods League	Twin Trees Conservation Easement Acquisition Project	Humboldt	N	RL	$348,750.00
Save the Redwoods League	Mailliard West Ranch Conservation Easement Acquisition Project	Mendocino	N	RL	$500,000.00
The Trust For Public Land	Montesol Ranch Protection Project	Napa/Lake	N	RL	$500,000.00
Truckee Donner Land Trust	Carpenter Valley Acquisition, Phase I	Nevada	N	RL	$500,000.00
Waldo Holt San Joaquin Wildlife Conservancy	Waldo Holt San Joaquin Wildlife Conservancy Mokelumne River Giant Garter Snake and Multi-Species Habitat Acquisition	San Joaquin	N	RL	$145,500.00
10 NORTHERN PROJECTS (47% TOTAL FUNDING)					**$3,890,324.04**
Amigos de los Rios	Whittier Narrows Urban Tree Canopy	Los Angeles	S	UF	$499,055.00
CA State Parks	Carpinteria State Beach Dune Restoration Project	Santa Barbara	S	RL	$203,862.62
Dana Adobe Nipomo Amigos	DANA's Preservation & Education Project	San Luis Obispo	S	RL	$416,368.92
Koreatown Youth and Community Center (KYCC)	Koreatown Trees to Green the Purple Line	Los Angeles	S	UF	$235,000.00
Los Angeles, City of, Dept. of Recreation and Parks	Runyon Canyon Park Addition	Los Angeles	S	RL	$500,000.00
Los Angeles County, Dept. of Public Works	Torrance Urban Tree Project	Los Angeles	S	UF	$140,000.00
Mojave Desert Land Trust	Joshua Tree Foothills	San Bernardino	S	RL	$460,000.00
Norwalk, City of	Median & Side Panel Turf Replacement With Drought Tolerant Plants Project	Los Angeles	S	MP	$416,260.00

2014-15
Environmental Enhancement and Mitigation Program

Recommended for Funding (21)					
Applicant	**Project Name**	**County**	**N/S**	**Cat**	**Rec $**
San Luis Obispo, City of	Irish Hills Natural Reserve Addition	San Luis Obispo	S	RL	$500,000.00
The Trust for Public Land	Temescal Ranch Protection Project	Los Angeles	S	RL	$500,000.00
Torrance, City of	Torrance Southern Tarplant Preserve	Los Angeles	S	RL	$500,000.00
11 SOUTHERN PROJECTS (53% TOTAL FUNDING)					**$4,370,546.54**
TOTAL RECOMMENDED FOR FUNDING (21)					**$8,260,870.58**

2014-15
Environmental Enhancement and Mitigation Program

Substitution List (4)					
Applicant	**Project Name**	**County**	**N/S**	**Cat**	**Request $**
Arcata, City of	Arcata Community Forest Addition/Humboldt State University Forest	Humboldt	N	RL	$500,000.00
Humboldt County Dept. of Public Works	McKay Community Forest Phase II	Humboldt	N	RL	$800,000.00
Natural History Museum of Los Angeles County	Hancock-Tar Pits Historic Axis	Los Angeles	S	UF	$500,000.00
North East Trees	Stocker Corridor Greenway Trail Project	Los Angeles	S	UF	$500,000.00

2014-15
Environmental Enhancement and Mitigation Program

Projects Not Recommended For Funding (14)					
Applicant	**Project Name**	**County**	**N/S**	**Cat**	**Requested $**
Ag Land Trust	Garin Thompson Farm Conservation Easement	Monterey	N	RL	$ 365,000.00
Chaparral Lands Conservancy	Carmel Mountain Habitat Restoration Project II	San Diego	S	RL	$ 399,959.00
Downey, City of	Tree Planting Project	Los Angeles	S	UF	$ 490,000.00
Fremont, City of	Water Conservation and Median Upgrades	Alameda	N	UF	$ 500,000.00
Lassen Land and Trails Trust	Barry Pond Acquisition	Susanville	N	MP	$ 1,000,000.00
Los Angeles Bureau of Sanitation	Tree Wellness: Concrete to Canopy	Los Angeles	S	UF	$ 500,000.00
Santa Barbara County Association of Governments (SBCAG)	Rincon Multi-use Trail	Santa Barbara	S	MP	$ 500,000.00
Sierra Foothill Conservancy	Stone Meadow Acquisition	Tuolumne	N	RL	$ 500,000.00
South Gate, City of	Southgate Urban Reforestation Project	Los Angeles	S	UF	$ 340,000.00
Tahoe Transportation District	Tahoe City Caltrans Maintenance Yard Relocation Project	Placer	N	MP	$ 297,000.00
The Trust For Public Land	Hilltop Park Urban Forest and Nature Trail Project	San Francisco	N	UF	$ 492,084.00
Truckee Donner Land Trust	Sardine Valley Ranch Conservation Easement	Sierra	N	RL	$ 340,000.00
Western Rivers Conservancy	Blue Creek Preserve : A Sanctuary for Fish and Wildlife	Humboldt/Del Norte	N	RL	$ 1,000,000.00
Yucaipa, City of	Oak Glen Road Environmental Enhancement and Mitigation Project	San Bernardino	S	UF	$ 400,000.00