



BOARD OF SUPERVISORS
AGENDA LETTER


Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: P&D; Public Works;
Parks, Ag.
Commissioner
Department No.: 053, 054, 052, 051
For Agenda Of: August 19, 2008
Placement: Set Hearing for 9/2/08
Estimated Tme: 20 minutes
Continued Item: Yes
If Yes, date from: February 26, 2008
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Directors
Contact Info:


John Baker, Deputy County Executive Officer, 568-2085
Scott McGolpin, Director, Public Works Department, 568-3010
Daniel Hernandez, Director, Parks Department, 568-2461
William Gillette, Agricultural Commissioner, 681-5600
Doug Anthony, Planning & Development, 568-2046
Matt Dobberteen, Public Works, Roads, 568-3576
Cathleen Carnand, Public Works, Water Agency, 568-3561
Juan Beltranena, Parks, 568-2470
David Chang, Ag. Commissioner's Office, 681-5822

SUBJECT: Candidate Projects for Coastal Impact Assistance Funds – 2008-2011

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions: Set a hearing for September 2, 2008, to consider and authorize the Chair to execute the attached Resolution, revising the County's previous proposed list of projects for inclusion in the California Coastal Impact Assistance Plan, due to reductions in California's allocated funding.

Summary Text: On February 26 of this year, the Board of Supervisors approved Resolution 08-055, for the purpose of submitting a list of Tier 1 and Tier 2 projects to the California Resources Agency for inclusion in the state's Coastal Impact Assistance Plan. Once approved, the plan identifies projects authorized to receive Coastal Impact Assistance Program (CIAP) grants from the U.S. Department of the Interior over a four-year period. The Resolution reflected funding levels based on the Interior Department's estimated annually allocation.

Since then, Interior has substantially reduced its estimated annual allocation to California for the third and fourth years of the program, decreasing the amount from \$867,492 to \$282,582. This revised estimated reduced Santa Barbara County's total allocation from \$3,469,968 to \$2,300,149 over four years – a reduction of \$1,169,819. The reduction in California's allocation, along with those of several other coastal states, is primarily due to substantial revenues generated from an oil and gas lease sale

offshore Alaska earlier this year. The legislatively prescribed formula for allocating \$250 million in CIAP funds annually to eligible coastal states during the third and fourth years of the program is based on federal revenue earned offshore each state in fiscal year 2008. Consequently, the lease sale offshore Alaska influenced that state's CIAP allocation favorably, at the expense of other states since the CIAP makes allocations from a set total amount.

The state has asked all eligible coastal counties to revise their lists of CIAP projects to reflect the new allocation. Below is the list of nine Tier 1 projects originally submitted to the Resources Agency in February.

Original List of Approved Tier 1 CIAP Projects

Tier 1 Project	Dept.	CIAP Request	Authorized Use
Pt. Sal Access – Engineering Study	PW	\$ 464,827	1
Business Target Pollution Reduction	PW	100,000	1 & 2
Education Coastal Areas	PW	72,000	1 & 2
Creek Signage and Targeted Mailing	PW	12,000	1 & 2
Public Opinion Survey	PW	50,000	1 & 2
Santa Claus Lane Beach Access	Parks	450,000	1
Goleta Beach Park Beach Access/Recreational Enhancement	Parks	1,924,822	1
Jalama Beach Improvements	Parks	296,319	1
Santa Ynez River Restoration	Ag. Comm.	100,000	1 & 2
		3,469,968	

Staff recommends revising the list to reflect the decreased allocation as follows:

- Move Santa Claus Lane Beach Access and Jalama Beach Improvements to the Tier 2 list.
- Reduce the allocation for Goleta Beach Park Beach Access/Recreational Enhancement from \$1,924,822 to \$1,501,322.

Revised List of Recommended Tier 1 CIAP Projects

Tier 1 Project	Dept.	CIAP Request	Authorized Use
Pt. Sal Access – Engineering Study	PW	\$ 464,827	1
Business Target Pollution Reduction	PW	100,000	1 & 2
Education Coastal Areas	PW	72,000	1 & 2
Creek Signage and Targeted Mailing	PW	12,000	1 & 2
Public Opinion Survey	PW	50,000	1 & 2
Goleta Beach Park Beach Access/Recreational Enhancement	Parks	1,501,322	1
Santa Ynez River Restoration	Ag. Comm.	100,000	1 & 2
		2,300,149	

Lastly, staff recommends clarification of the use of CIAP funds for the Goleta Beach project so that these funds are earmarked for project costs after all regulatory permits are obtained.

Background: Section 384 of the U.S. Energy Policy Act of 2005 established the Coastal Impact Assistance Program for the purpose of sharing \$250 million annually of Federal oil and gas royalties with six coastal states impacted by offshore oil and gas development over a period of four years. Thirty-five percent of each state's share goes directly to coastal political subdivisions, based on a formula that takes into account coastal population, shoreline miles, and proximity to oil and gas leases on the Outer Continental Shelf. A copy of Section 384, along with tables illustrating allocation of CIAP funds for the first two years, was included in the February Board letter.

As a first step, each state compiles a Coastal Impact Assistance Plan that lists projects proposed for funding under CIAP, and certifies that these projects meet the authorized uses of CIAP. The U.S. Department of the Interior, Minerals Management Service, will enter into individual grant agreements with each recipient after determining that the list of projects meets the authorized uses of CIAP. The Minerals Management Service encourages recipients to develop two lists of projects in their Coastal Impact Assistance Plans to reduce the need to process major amendments to the plan following initial approval. The Tier 1 list would contain each recipient's first string of projects proposed for funding, and would equal the amount of CIAP funds available to the recipient. The Tier 2 list would contain second-string projects that the recipient would substitute for any Tier 1 project that ultimately does not move forward, or is completed for less money than budgeted. After approval of the lists, recipients may shift CIAP funds between projects via a minor amendment. The County is under no obligation to list Tier 2 projects, and could still shift funds to another project via a major amendment, which would require approval by the State and a public hearing.

CIAP authorizes the following uses of these funds:

1. Projects and activities for the conservation, protection, or restoration of coastal areas, including wetland.
2. Mitigation of damage to fish, wildlife, or natural resources.
3. Planning assistance and the administrative costs of complying with this section.
4. Implementation of a federally approved marine, coastal, or comprehensive conservation management plan.
5. Mitigation of the impact of Outer Continental Shelf activities through funding of onshore infrastructure projects and public service needs (restricted to 23% of each state's allocation).

Governor Schwarzenegger has charged the California Resources Agency with the task of preparing California Coastal Impact Assistance Plan. The Resources Agency asks each recipient county to transmit its proposed CIAP funding request via a Resolution of the Board of Supervisors. In consultation with the County Executive Office, staff from Public Works, Parks, the Agricultural Commissioner's office, and Planning and Development are recommending the following list of nine projects for CIAP funding. Descriptions of each of these projects, along with a recommended list of Tier 2 projects, appear in Attachment A of this report.

Fiscal and Facilities Impacts:

Budgeted: No Some funds are budgeted and some are not.

Fiscal Analysis:

CIAP Tier 1 Project	Total Estimated Project Cost	Secured Funds	Requested CIAP Funds	Potential Other Grants	Potential Remaining Funds Needed
Pt. Sal Access – Engineering Study	\$ 5,085,807		\$ 464,827		\$ 4,620,980
Business Target Pollutant Reduction	120,000		100,000		20,000 ¹
Education Coastal Areas	80,000		72,000		8,000 ¹
Creek Signage & Targeted Mailing	20,000		12,000		8,000 ¹
Public Opinion Survey	55,000		50,000		5,000 ¹
Santa Claus Lane Beach Access	2,750,000		450,000		2,300,000
Goleta Beach Access and Recreation Enhancement	9,732,000	2,215,000 ²	1,501,322	3,800,000 ³	2,215,678
Jalama Beach Improvements	350,000		296,319	53,681 ⁴	
Santa Ynez River Restoration	200,000	3,300 ⁵	100,000	96,700 ⁶	
	16,203,807	2,218,300	3,469,968	3,950,381	8,865,158

As shown in the foregoing table, all Tier 1 projects would require other funds to complete. Some of these added funds are already available (e.g., mitigation funds from Department of Fish and Game for Santa Ynez River restoration), some would be sought from external funding sources (California Coastal Conservancy), and some would be sought from internal sources (e.g., CREF, General Fund).

Special Instructions:

Clerk of the Board will forward the executed Resolution to Doug Anthony, P&D Energy Division.

Attachments: Draft Resolution of the Board of Supervisors.

¹ General Fund.

² Federal Emergency Management Agency \$1.6 million, U.S. Army Corp of Engineers \$.615 million.

³ U.S. Army Corps of Engineers \$3 million, Federal Emergency Management Agency \$.8 million.

⁴ Quimby funds and/or Coastal Resource Enhancement Fund.

⁵ Mitigation funds.

⁶ Integrated Regional Watershed Management Plan funds.

**RESOLUTION OF THE BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA**

RESOLUTION NO. _____

IN THE MATTER OF ADOPTING SANTA BARBARA COUNTY'S COMPONENT OF THE CALIFORNIA COASTAL IMPACT ASSISTANCE PLAN, IDENTIFYING PROPOSED USE OF IMPACT MONIES ALLOCATED VIA THE U.S. ENERGY POLICY AT OF 2005
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WITH REFERENCE TO THE FOLLOWING:

- A. The Federal government enacted the U.S. Energy Policy Act of 2005 (hereinafter referred to as "Act").
- B. Section 384 of the Act established the Coastal Impact Assistance Program (hereinafter referred to as "CIAP").
- C. The CIAP disburses approximately \$250 million annually, for a period of four year commencing in 2008, to six coastal states situated adjacent to producing oil and gas leases in Federal waters on the Outer Continental Shelf.
- D. Thirty-five percent of each coastal state's share is disbursed directly to coastal political subdivisions via a grant program administered by the U.S. Department of the Interior.
- E. Santa Barbara County's share is estimated to be \$2,300,149.
- F. In order to receive these funds, each coastal state must coordinate with eligible coastal political subdivisions to prepare a Coastal Impact Assistance Plan, which identifies proposed uses of the funds and describes how those proposed uses meet the authorized uses of the CIAP.
- G. CIAP authorized uses include the following:
 - 1. Projects and activities for the conservation, protection, or restoration of coastal areas, including wetland.
 - 2. Mitigation of damage to fish, wildlife, or natural resources.
 - 3. Planning assistance and the administrative costs of complying with this section.
 - 4. Implementation of a federally approved marine, coastal, or comprehensive conservation management plan.
 - 5. Mitigation of the impact of Outer Continental Shelf activities through funding of onshore infrastructure projects and public service needs (restricted to 23% of each state's allocation).

H. The U.S. Department of the Interior encourages coastal states and political subdivisions to prioritize their respective list of proposals into Tier 1 and 2 categories, wherein Tier 1 projects are those proposed for funding and Tier 2 projects may be funded subsequently with only a minor plan amendment should any Tier 1 project not be approved for funding or otherwise not be executed.

It is now deemed in the interest of the County of Santa Barbara and important to its residents to submit the following list of projects (included as Exhibit A) for inclusion in the California Coastal Impact Assistance Plan as eligible for receipt of grants from the U.S. Department of the Interior.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Pursuant to the provisions of Section 384 of the U.S. Energy Policy Act, this Board finds that the list of projects included herein as Exhibit A meets the authorized uses of the Act, as described in Exhibit A, and hereby requests the California Resources Agency to include this list in the California Coastal Impact Assistance Plan.
2. A copy of this Resolution shall be transmitted to the California Resource Agency.

PASSED, APPROVED, AND ADOPTED this 2nd day of September, 2008, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

Salud Carbajal, Chair
Board of Supervisors
County of Santa Barbara

ATTEST:

MICHAEL F. BROWN
County Clerk of the Board

By _____
Deputy Clerk of the Board

APPROVED AS TO FORM:

DENNIS A. MARSHALL
County Counsel

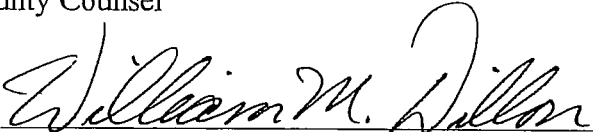
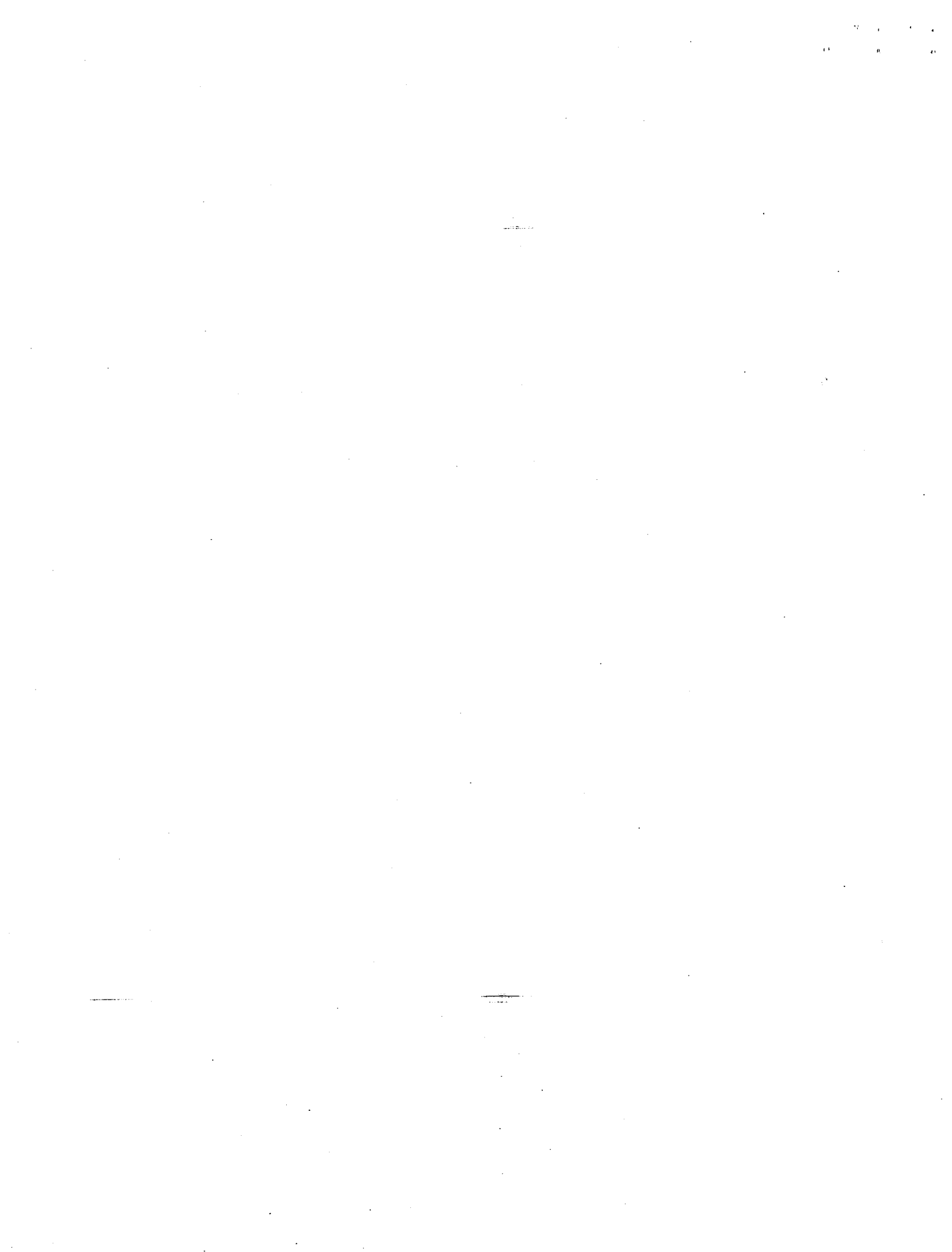
By 
Deputy County Counsel

Exhibit A

List of CIAP Projects



Recommended List of Potential CIAP Projects (2008-2011)

Project List	Department	Amount & Year of CIAP Request					Tier 1 Total	Tier 2 Total	Staff Contact	CIAP Authorized Use
		2008	2009	2010	2011					
Tier 1 Projects										
1. Pt. Sal Access - Engineering Study	Parks	\$ 150,000	\$ 217,000	\$ 66,500	\$ 31,327	\$ 464,827		Juan Beltranena	1	
2. Business Target Pollutant Reduction	Public Works	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 100,000		Cathleen Garnand	1 & 2	
3. Education to Reduce Water Pollution in Coastal Areas	Public Works	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 72,000		Cathleen Garnand	1 & 2	
4. Creek Signage and Targeted Mailing	Public Works		\$ 4,000	\$ 4,000	\$ 4,000	\$ 12,000		Cathleen Garnand	1 & 2	
5. Public Opinion Survey	Public Works			\$ 35,000	\$ 15,000	\$ 50,000		Cathleen Garnand	1 & 2	
6. Goleta Beach Park Coastal Access & Recreation Enhancement (contruction-phase only)	Parks	\$ 659,492	\$ 563,492	\$ 99,082	\$ 179,256	\$ 1,501,322		Juan Beltranena	1	
7. Santa Ynez River Restoration	Ag. Comm.	\$ 15,000	\$ 40,000	\$ 35,000	\$ 10,000	\$ 100,000		David Chang	1 & 2	
Tier 1 Totals		\$ 867,492	\$ 867,492	\$ 282,582	\$ 282,583	\$ 2,300,149				
Tier 2 Projects										
1. Santa Claus Lane Beach Access	Parks					\$ 450,000		Juan Beltranena	1	
2. Jalama Beach Improvements	Parks					\$ 296,319			1	
3. Gobernador Creek Fish Passage	Public Works					\$ 300,000		Dana Zertuche	1	
4. Walter Capps Park Improvements	Parks					\$ 148,822		Juan Beltranena	1 & 5	
5. Ocean Beach Park Boardwalk	Parks					\$ 150,000		Juan Beltranena	1 & 5	
6. Camino Majorca Beach Access Improvements	Parks					\$ 200,000		Juan Beltranena	1 & 5	
7. Dog & Equestrian Use program-Rancho Guadalupe Dunes Park	Parks					\$ 200,000		Juan Beltranena	1	
8. Carpinteria Creek Restoration	Ag. Comm.					\$ 25,000		David Chang	1	
9. Arroyo Burro Creek Restoration	Ag. Comm.					\$ 50,000		David Chang	1 & 2	
10. Goleta Slough Protection	Ag. Comm.					\$ 50,000		David Chang	1 & 2	
11. Gaviota Coast Acquisitions	County Executive Office					\$ 1,000,000		John Baker	1 & 2	
Tier 2 Totals						\$ 2,870,141				

CIAP Authorized Uses (Note: Uses 3 and 5 may not exceed 23% of total funds (~ \$782,000))

1. Projects and activities for the conservation, protection, or restoration of of coastal areas, including wetlands;
2. Mitigation of damage to fish, wildlife, or natural resources;
3. Planning assistance and the administrative costs of complying with CIAP ;
4. Implementation of a federally approved marine, k coastal or comprehensive conservation management plan; and
5. Mitigation of the impact of OCS activities through funding of onshore infrastructure projects and public service needs.