



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: Planning &
Development
Department No.: 053
For Agenda Of: February 24, 2009
Placement: Administrative
Estimated Tme: 10 minutes on 3/3/09
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department John Baker, 568-2085
Director(s)
Contact Info: Douglas K. Anthony, 568-2046

SUBJECT: Coastal Resource Enhancement Fund (CREF) Recommended 2009 Awards

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: N/A

As to form: No

Recommended Actions:

That the Board of Supervisors set a hearing for March 3, 2009 to:

- A. Approve grant awards from the Coastal Resource Enhancement Fund in conjunction with the County's Capital Improvement Plan (CIP) and proposed FY 09-10 budget, based on the staff recommendations provided below and conditions outlined in Attachment A.**
- B. Direct staff to commence the 2010-2012 three-year CREF cycle on July 1, 2009.**

Summary Text:

A. CREF Grant Awards for fiscal year 2008/2009. Three oil and gas companies will have paid a total of \$623,000 into the Coastal Resource Enhancement Fund (CREF) for impact fees in 2009. Of that \$623,000, \$218,050 is available for general allocation and \$404,950 for acquisition in 2009.

At the May 15, 2007 hearing for 2007-2009 CREF awards, the Board of Supervisors informally agreed to consider funding three general allocation projects (see Table on page 2). Staff recommends that the Board follow through with that informal decision and now allocate those three 2009 CREF awards. The Sea Center and the Santa Maria Valley Discovery Museum are both ready to implement their projects; the Parks Department is currently seeking permits for its Walter Capps Park project and fundraising for an approximate \$478,000 towards construction costs. CREF monies would be withheld until all monies to complete the project are secured.

POTENTIAL PROJECTS FOR BOARD TO CONSIDER IN THE 2009 CREF CYCLE

Proposal Title	Applicant	2009
Walter Capps Park Improvements	County Parks Department	\$ 84,000
Generator	Sea Center	\$ 46,800
Belly of the Whale Exhibit	S. M. Valley Discovery Museum	\$ 75,000
Total		\$ 205,800

At the February 12, 2008 hearing, the Board awarded both the Walter Capps Park project and the Belly of the Whale exhibit 2008 grants (\$130,800 and \$75,000, respectively). In so doing, the Board established an expectation that additional CREF funding for the two 2008 projects would follow in 2009.

Staff recommends that the Board defer a total of \$417,200 from the 2009 cycle to the 2010 cycle. This action would bring the total balance of unallocated grant funds to \$907,791.

B. 2010-2012 Three-Year CREF cycle. Staff requests that the 2010-2012 CREF cycles commence according to the following schedule:

- (1) July 1, 2009 Commencement of the CREF cycle by soliciting proposals
- (2) Oct. 16, 2009 Proposals due
- (4) January 2010 Applicants to present their proposals to the Board
- (5) February 2010 Regular Tuesday meeting for the Board of Supervisors to select CREF proposals for funding; 2010 funds become available.

Background: The County established CREF as a condition of permits for offshore oil and gas development and transportation projects; mitigation is provided through CREF for impacts to coastal resources.

Fiscal and Facilities Impacts: The only project proposed for funding with 2009 CREF monies that would have a fiscal and facilities impact on the County is the Walter Capps Park project. Improvements to the undeveloped property would include benches, turf play area, a native plant restoration area, a memorial to the late Walter Capps, and public restrooms. Parks Department states it has budgeted \$50,000 annually for operation and maintenance for the Walter Capps Park. The other two projects proposed for 2009 CREF awards would not have a fiscal or facilities impact on the County.

The Coastal Resource Enhancement Fund is funded by mitigation fees paid by developers of offshore oil and gas reserves. Fees to fund grants are received annually. CREF is included in the Energy Division Cost Center in the Planning & Development Department’s FY 08/09 Budget on page D-313 (sections “Source of Funds Summary – Offshore Oil and Gas Mitigation” and section “Use of Prior Fund Balances” for revenue, and “Use of Funds Summary – Mitigation Programs”). Each of the three oil and gas developments pay for staff costs to prepare the oil and gas project’s CREF assessment. Staff costs to administer the fund are offset by interest accrued to the Coastal Resource Enhancement Fund.

Special Instructions:

Clerk of the Board will set the hearing on March 3, 2009 and have this item follow the County Executive Office's Capital Improvement Plan item.

Attachments:

A: Excerpts from the 2007-2009 CREF Evaluations

Authored by:

Kathy McNeal Pfeifer

Attachment A

**Excerpts from the
2007-2009 CREF Evaluations**

PROJECT # 3
WALTER CAPPS PARK DEVELOPMENT
3rd District

Santa Barbara County Parks Department
Requests \$84,000 in 2007, \$268,400 in 2008, and \$84,000 in 2009
Total Project Costs: \$600,000

Summary of Proposal: The applicant requests three-years (see above) of funding to develop a two-acre open space park in Isla Vista. The park would be developed with walks, benches, turf play area, a native plant restoration area, and a memorial to the late Walter Capps. In addition, public restrooms with outdoor shower heads would be provided at the park (see *Background* section regarding another CREF grant).

Staff Recommendation: Consider funding a portion of its request, \$130,800, in 2008 and the full request, \$84,000 in 2009.

Applicant's Priority Ranking: The applicant ranks this proposal third of three submitted.

Background: In March of 2006, the County finalized the purchase of 5 parcels along the Isla Vista bluff top. The purchase was aided by three CREF grants from the 2001, 2003, and 2005 cycles, totaling \$766,009.

In the 2003 CREF cycle, the Board of Supervisors awarded the applicant \$30,000 towards constructing a public restroom facility, with outdoor shower heads, along Del Playa in Isla Vista. Workshops have been conducted to solicit input from area residents and interested parties to choose a site for the facility. A feasibility study has been prepared that looked at compatibility issues, space, adequate utilities, and cost estimates at all publicly owned properties along Del Playa. After many years, this subject proposal site was settled on.

- (+) ***Criterion #1.*** The proposal enhances coastal bluff top property.
- (+) ***Criterion #2.*** The proposal enhances coastal recreation by providing for passive recreational opportunities. For some, development of the park aesthetically enhances five vacant parcels.
- (+) ***Criterion #3.*** The proposal provides a broad level of public benefit, mostly for the residents of Isla Vista and the students and faculty at UCSB.
- (+) ***Criterion #4.*** This proposal is considered capital improvements, which satisfies the higher priority of CREF.
- (+/-) ***Criteria #5 and #7.*** The project's total budget is \$600,000. The applicant seeks 73% of the total budget from CREF over three years: \$84,000 in 2007, \$268,400 in 2008, and \$84,000 in 2009. The applicant has secured the approximate \$163,000 from the surplus of the County's sale of a couple other Isla Vista properties.

- (-) **Criterion #6.** There would be ongoing operational or maintenance costs associated with maintenance of the future park; the applicant budgeted \$50,000 annually towards the park maintenance.
- (+) **Criterion #8.** Staff believes the applicant can successfully complete the project. The County recently bought the land, and the County has wanted to provide bathrooms along Del Playa Road for many years. However, the Board would need to commit to all three years of funding from CREF for this proposal to be realized since the applicant anticipates 73% of the total budget from CREF.

Other Considerations: Park's Department's request in 2008 for the Walter Capps Park is more than the funds available for general-type proposals in that year.¹

¹ The amount of general allocation money available in 2008 is speculative at this time. (The County assesses CREF fees every five years; the 2008-2012 fee assessment will occur in summer of 2007.)

PROJECT #9
EMERGENCY GENERATOR & ADDITIONAL EQUIPMENT

2nd District
Ty Warner Sea Center/Santa Barbara Museum of Natural History
Requests \$85,000
Total Project Costs: \$85,145

Summary of Proposal: The applicant requests the following improvements:

- a generator;
- associated intake line material;
- new head tanks;
- new air system parts;
- new higher capacity chillers; and
- administrative costs.

The applicant has operated the new Sea Center on the Wharf for approximately two years. The applicant states it has a constant electrical outage occurring once every two months. When this occurs, it triggers a stressful situation (see *Other Considerations*) to keep the animals safe and protected.

Staff Recommendation: Consider granting \$46,800 in the 2009 cycle.

Applicant's Priority Ranking: The applicant submitted only this proposal.

Background: The Sea Center, located on Stearns Wharf in Santa Barbara, is a visitor center for local marine education. The applicant has received five past CREF grants that involved the Sea Center:

- \$115,000 in 1989 to fabricate and install an outdoor exhibit featuring a touch tank with live marine organisms;
- \$23,523 in 1995 for the touch tank's shade canopy;
- \$25,000 in 2001 to purchase a van and provide the public with a mobile science marine laboratory while the Sea Center was closed for renovation and beyond that time;
- \$50,000 in 2003 to improve the wharf pier to support the expansion of the Sea Center; and
- \$13,000 in 2003 for a shark exhibit.

In addition, the applicant has received two CREF grants to help with its Los Marineros Marine Education program: (a) \$20,000 in 1992; and (b) \$11,723 in 1995.

Satisfaction of CREF Criteria:

[(+) means the proposal satisfies the criterion; (+/-) means partially satisfies; and (-) means it does not satisfy the criterion.]

- (+) **Criterion #1.** The proposal has a strong coastal relationship. Protecting the health and lives of the sea animals, helps the Center with their mission to help visitors understand the uniqueness and beauty of the marine, coastal, and island environments of our region.
- (+) **Criterion #2.** The proposal would enhance coastal recreation, tourism, and environmentally sensitive coastal resources by protecting the animals' environment during electrical outages. Keeping the animals healthy and alive helps the Center with its mission, regarding teaching about marine species and their environment.
- (+) **Criterion #3.** In the past year, the Sea Center has served over 140,000 visitors, both local residents and tourists. The Sea Center helps K-12 schools with science curriculum and hands-on research activities.
- (+/-) **Criterion #4.** The proposal is considered both capital improvements and equipment purchases, which partially satisfies the higher priority of CREF.
- (-) **Criteria#5 and#7.** The applicant is seeking the entire budget for the electrical outage protection upgrades from CREF.
- (+) **Criterion #6.** There would be no ongoing County operations or maintenance involved with this proposal. The applicant states that the proposal would decrease its costs associated with dealing with an emergency crisis mode (see *Other Considerations*).
- (+) **Criterion #8.** Staff believes the project can be completed successfully. The applicant has operated the new Sea Center for approximately two years and knows what is needed to reduce the emergency crisis mode during an electrical outage. In addition, the applicant has successfully renovated the Sea Center in the past and successfully operated the Sea Center for a number of years.

Other Considerations: In the CREF application, the applicant described in detail the problems associated with an electrical outage at the center. The marine animals in the exhibits need a continuous supply of fresh water and oxygen to survive. If an outage occurs during business hours, the staff evacuates the building of all visitors, offering them a refund or a free pass for a future return. One staff employee will call all off-duty staff to report to the center. From the emergency crash kit, staff adds air to each exhibit tank, replacing batteries every 1-2 hours. Then the staff begins a bucket brigade, lowering one bucket into the water below the wharf and then passing it to each person down the line until fresh water has reached each tank. There are 25 tanks, ranging in size from 10-1,500 gallons. Air and fresh water eliminates the build up of waste and the potential for the temperature of the water to increase.

An outage also affects the computer controlled pump system, sending a false "empty" signal to the computer, which in turn causes it to send more water from the storage tanks to the main tanks. The tanks overflow, dumping excess water into the ocean. Previously chilled water is lost and the pumps are at risk if the system ran dry.

PROJECT # 16
BELLY OF THE WHALE
5th District

The Santa Maria Valley Discovery Museum

Requests \$75,000 in 2008 and Requests \$75,000 in 2009

Total Project Costs: \$150,000

Summary of Proposal: The applicant seeks future funding (in 2008 and 2009) for a whale exhibit at the Santa Maria Valley Discovery Museum. The whale would be a baleen whale and would be big enough for visitors to walk inside. The exhibit would be part play structure (e.g., sliding down the soft tongue) and part learning center, focusing on the size of these sea creatures, their navigational abilities, and their food and digestion. The outside of the whale would be anatomically correct (eye markings, tail fluke, etc).

Staff Recommendation: Consider granting full requests, \$75,000, in both 2008 and 2009

Applicant's Priority Ranking: The applicant does not seek this proposal for the 2007 cycle. The applicant ranks this proposal first of two submitted for the years 2008 and 2009.

Background: The Santa Maria Valley Discovery Museum is a children museum that recently moved its location within Santa Maria and held its grand opening in January of 2005. The applicant has received six past CREF grants:

- \$24,500 in the 1994 CREF cycle to install the Tide Pool Touch Tank, the Kelp Forest Tunnel, and the Sea It! Research Vessel exhibits;
 - \$13,444 in the 1997 cycle to develop marine science curriculum and conduct workshops for teachers and children;
 - \$20,000 in the 2002 cycle and \$79,000 in the 2005 cycle to install an Ocean Supermarket exhibit that teaches adults and children about the marine food chain and the variety of everyday food that comes from the ocean;
 - \$115,000 in the 2004 cycle to install a Marine Exhibit; and
 - \$47,750 in the 2006 CREF cycle to install a Dock Side Fish Station exhibit, a coastal birding mural, a Birding Activity center, and improvements to the shark tank.
-

Satisfaction of CREF Criteria:

[(+) means the proposal satisfies the criterion; (-) means doesn't satisfy; (+/-) means partially satisfies]

- (+) **Criterion #1.** The proposed project is coastal related by function, educating children and adults about whales.
- (+) **Criterion #2.** The proposal enhances recreation and environmentally sensitive coastal resources by teaching children about whales and in so doing, heightens the sensitivity of this specie.

- (+) **Criterion #3.** The applicant states that this proposal will benefit over 25,000-40,000 people who visit the museum annually. Specifically, the museum attracts children (underprivileged, special educated and at-risk), parents, grandparents, and counselors.
- (+) **Criterion #4.** The project is a capital improvement, which satisfies the higher priority use of CREF.
- (-) **Criteria #5 and #7.** The applicant seeks 100% of the proposal's budget from CREF.
- (+) **Criterion #6.** The proposal would not require any additional ongoing County operational or maintenance costs. The applicant states the museum has an annual budget for maintenance and repair.
- (+) **Criterion #8.** Staff believes the proposal can be completed successfully. The applicant has received six CREF grants in the past, completing four successfully and currently working on completing the remaining two. The applicant opened the museum at its new location in January of 2005.

Other Considerations: None.
