



BOARD OF SUPERVISORS  
AGENDA LETTER

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

**Agenda Number:**

**Submitted on:**  
**(COB Stamp)**

**Department Name:** Planning &  
Development  
**Department No.:** 053  
**For Agenda Of:** April 20, 2021  
**Placement:** Administrative, Set  
hearing for 5/11/21  
**Estimated Tme:** 1.5 hours on 5/11/21  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors

**FROM:** Department Planning and Development  
Director(s) Lisa Plowman, Director, (805) 568-2086

Contact Info: John Zorovich, Deputy Director, Energy, Minerals & Compliance  
Division (805) 568-2519

**SUBJECT:** Set Hearing to Allocate 2020 and 2021 Coastal Resource Enhancement Fund  
(CREF) Grants – All Districts

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**County Counsel Concurrence:**

As to form: Yes

**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 May 11, 2021 to:

- a) Receive staff's recommendations for the 2020 and 2021 CREF awards;
- b) Approve 2020 and 2021 CREF budgeting of funds as proposed on pages 7-9, including Table 9, of the attached staff report, along with stipulations outlined in the *Staff Recommendation* sections for each proposal (Attachment A);
- c) Direct staff to prepare the proposed contractual agreements with non-County grantees, including final grant conditions, and return with contractual agreements for Board consideration and approval, including appropriate CEQA compliance;
- d) Transfer the Santa Barbara County Trails Council 2018 CREF award (\$20,000) to the Community Services Department for planning costs of the Jalama Coastal Trail;
- e) Extend the Guadalupe Dunes Center 2019 CREF award (\$35,430) to May 11, 2023 to allow time to complete requirements prior to entering a grant agreement with the County;

- f) Defer \$118,212 of 2021 acquisition monies to the Fund Deferral Program and retain the \$419,588 that is currently in the Fund Deferral Program, allowing for a total \$537,800 to accrue for future coastal acquisition proposals; and
- g) Determine that budgeting CREF funds for the recommended projects does not constitute a “Project” within the meaning of California Environmental Quality Act (CEQA), pursuant to Sections 15378(b)(5) and 15378(b)(4) of the CEQA Guidelines, because it is an administrative activity of the government and creation of government funding mechanisms or other government fiscal activities, which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

### **Summary Text:**

**Recommended Actions a - c.** This year’s CREF cycle is a combined two-year 2020-2021 CREF funding cycle. There is a total of \$712,800 available for coastal acquisitions and \$293,212 available for general allocation. Please refer to Table 5 in Attachment A for a detailed breakdown of the funding allocations for this CREF cycle.

The County received 10 proposals for this cycle; one proposal is seeking the entire amount available for acquisition (\$712,800) and nine are seeking a total of \$742,378 in general allocation monies. Staff recommends granting awards to nine proposals (one for coastal acquisition and eight for general allocation). Please refer to Table 9 on page 9 in Attachment A for specific staff recommendations for the 2020 and 2021 CREF awards. Appendix 1 of the staff report evaluates each CREF proposal against the established CREF criteria and outlines stipulations for each of the staff recommended CREF awards.

**Recommended Action d.** At the June 18, 2019 Board of Supervisors hearing, the Board awarded a \$20,000 CREF 2018 grant to the Santa Barbara County Trails Council (SBCTC) to assist with planning for a Jalama Coastal Trail and beach access on property that the County acquired adjacent to Jalama Beach County Park. The award was contingent on: 1) SBCTC securing all additional funds to complete the environmental planning and permitting phase; and 2) the County Community Services Department (CSD) approval of the proposal’s design prior to commencing the environmental review. SBCTC has submitted a letter (Attachment B) requesting that the CREF grant be transferred to CSD to implement the project. CSD has submitted a memorandum (Attachment B) stating that it has secured \$100,000 from the Coastal Conservancy towards environmental planning and permitting for the Jalama Coast Trail and would accept and implement the \$20,000 2018 CREF grant towards this project. Once the \$20,000 has been allocated to CSD, the next step in the process will be for CSD to commence environmental review.

**Recommended Action e.** Also during the June 18, 2019 Board of Supervisors hearing, the Board awarded a \$35,430 2019 CREF grant to the Guadalupe Dunes Center to complete the excavation, preservation and restoration of a plaster-of-paris sphinx body from The Ten Commandments 1923 movie set that is partially buried at Guadalupe Dunes. The award was contingent upon the applicant securing the necessary funds to complete the project within two years (June 18, 2021). The Dunes Center has submitted a letter, requesting more time to commence the project (Attachment C). The Interim Executive Director of the Dunes Center explained that the pandemic closure significantly impacted the Dunes Center. All in-person fundraising events were cancelled and the Center had to prioritize funds to support their staff and community directly. As the Dunes Center begins to move forward towards reopening, they will be able to prioritize fundraising for the matching funds to compete the project. Staff believes the Dunes Center has made a good faith effort in their plans to commence the

project and recommends that the Board extend the commencement date for this CREF grant to May 11, 2023.

**Recommended Action f.** Section 3.6 of the CREF Guidelines was established by the Board to provide adequate funding for acquisition projects. The program's intent is to have half of each year's CREF fees be deferred and allowed to accrue so that, at some point, the Board can fund an appropriate coastal acquisition project. In June of 2019, the Board of Supervisors deferred \$419,588 to the Fund Deferral Program.

The available coastal acquisition monies in this two-year cycle, is \$712,800. This amount includes the \$419,588 in the Fund Deferral Program, \$146,606 from 2020 fees and \$146,606 from 2021 fees. The County received one request for the available coastal acquisition monies (\$712,800 from The Land Trust for Santa Barbara County to purchase a conservation easement over 277 acres along the Gaviota Coast). As indicated in Attachment A, staff recommends that the Board fund a partial award of \$175,000 towards this acquisition project (\$146,606 from the 2020 acquisition subfund and \$28,394 from the 2021 acquisition subfund). Staff recommends the \$118,212 remaining in the 2021 acquisition subfund be deferred to the Fund Deferral Program. In addition, staff recommends that the \$419,588 currently in the Fund Deferral Program be retained. Therefore, a total of \$537,800 would be retained in the Fund Deferral Program and earmarked for coastal acquisition project(s) in the future, such as the potential purchase of the Gaviota Marine Terminal property.

**Recommended Action g.** California Environmental Quality Act (CEQA) Section 15378 (b)(4) defines a "Project" as not including the creation of government funding mechanisms. Allocation of CREF awards is a proposed budget allocation and therefore is not considered a "Project." CEQA Section 15378(b)(5) defines a "Project" as not including administrative activities of governments that will not result in direct or indirect physical changes in the environment.

### **Background:**

The County established CREF to mitigate the environmental impacts of offshore oil and gas development and transportation projects. Mitigation is provided through CREF for impacts to four categories of coastal resources: recreation, tourism, aesthetics, and environmentally sensitive resources. The County must ensure that CREF fees are used to mitigate those impacts, according to conditions of approval on projects and the CREF Guidelines.

On October 13, 2020, the Board of Supervisors directed staff to commence a combined two-year 2020-2021 CREF cycle. The two-year cycle (as opposed to the typical annual cycles) was directed by the Board in 2017 because fees collected from the Point Arguello Project and Santa Ynez Unit are reduced while they are not operable subsequent to the Plains Pipeline spill and shutdown.

### **Fiscal Analysis:**

Budgeted: Yes

CREF creates no fiscal impact on the County general fund budget. CREF is funded by mitigation fees paid annually by developers of offshore oil and gas reserves. Funding for CREF is budgeted in the Planning & Development Department's Coastal Mitigation Budget Program on page D-294 of the County of Santa Barbara Fiscal Year (FY) 2020-21 adopted budget, and is fully supported by funds in the Coastal Resource Enhancement Fund. Administration of CREF includes preparation of the annual status report; solicitation and evaluation of grant proposals and recommendation of grant awards to the Board of Supervisors; preparation, monitor and enforcement of CREF grant contracts; preparation and monitor of the CREF budget; and reassessment of CREF fees.

If the Board grants a CREF award to Proposal No. 5 towards the Community Services Department's Lookout Park erosion control project, this may lead to a slight reduction of maintenance costs in future years (due to more efficient water use).

**Attachments:**

- A: Combined two-year 2020 and 2021 CREF Cycle Staff Report
- B: Jalama Coastal Trail CREF Award Request Transfer Documents
- C: Dunes Center Extension Request Letter

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