

**CALFED Bay-Delta Program
Working Landscapes Subcommittee
February 6, 2003
California Department of Food and Agriculture, Room A-477
1:00 – 4:30 pm**

Draft Meeting Summary

Subcommittee web site:

<http://calfed.ca.gov/BDPAC/Subcommittees/WorkingLandscapesSubcommittee.shtml>

Introductions were made.

The meeting summary for the January 9, 2003 meeting was approved.

Co-Chair Report

Ryan Brodrick announced that the next Bay-Delta Public Advisory Committee (BDPAC) meeting would be in Chico on March 25 and 26, 2003. He said that the second day of the meeting would offer tours of projects, including tours along the Sacramento River of what the Subcommittee would define as “working landscape” projects. Burt Bundy noted that one of the tour sites could be the Butte Creek watershed floodplain management project.

Brodrick and Zuckerman announced that only one appointment to the new CALFED Authority had been made so far, an appointment of Bay Institute representative, Mark Holmes, by Senator John Burton. Brodrick didn't think that there would be a fully appointed Authority until the July 2003 deadline. He reported that he had heard rumors that Senator Feinstein and Representative Pombo had reached an agreement on CALFED funding for at least the storage components of the program.

Agency Reports

CA Department of Food and Agriculture. Ken Trott reported that the U.S. Office of Management and Budget had proposed a shift in NRCS technical assistance funding that would virtually eliminate NRCS landowner technical assistance other than that directly related to Farm Bill programs. He said that the Resources Agency and CDFA is tracking the issue.

CA Department of Conservation. Dennis O'Bryant announced that the Governor's proposed budget calls for the elimination of the Williamson Act's local assistant component, the Open Space Subvention Act (\$39 million).

CA Department of Fish and Game. Dave Zezulak reported that the Department was busy working with ERP and other implementation agencies on putting together a Proposition 50 “game plan.”

CA Delta Protection Commission. Lori Clamurro had nothing to report from the Commission.

Framework Project Development & Selection Proposal

Trott reviewed the latest draft of the proposal. Brodrick asked for comments and suggestions.

Zuckerman pointed out that dates on first and subsequent page headers were inconsistent.

Zuckerman said that it was time to get projects that would benefit growers with on-the-ground conservation; he felt that there has been too much emphasis on studies and acquisitions at the expense of actual restoration work. Rodegerdts echoed Zuckerman. Broddrick responded that there needs to be a balance of science and on-the-ground applications of practices. He added that there is a perception by those outside CALFED that there is more time spent on process than on meeting commitments. Zezulak responded that the criticisms have been heard and that a renewed emphasis in ERP will be placed on the on-the-ground accomplishments.

Ken Roberts asked Zuckerman what kind of projects he would like to see. Zuckerman cited the Decker Island project where the Army Corps of Engineers was able to use dredged materials to shore up levees and create habitat. Zuckerman felt that, for example, the Levee and the Working Landscapes Subcommittees could work together to implement restoration projects benefiting ERP, Levee Program and Working Landscapes Subcommittee goals. Bundy cited work proposed near Woodson Bridge in Tehama County where rock removed for restoration could be used to protect the Bridge abutments.

Vance Russell suggested including examples within the Framework of projects that the proposal should fund. He pointed to projects being implemented by the Yolo County RCD on Willow Slough.

Dave Smith and Jay Chamberlin reported on their work to develop a state response to the Farm Bill programs. They felt that the Proposition 50 funds could be used to leverage Farm Bill funds for conservation. Russell agreed that there were plenty of working landscape funds in the 2002 Farm Bill for on-farm habitat development, such as multi-landowner riparian corridors via the Wildlife Habitat Incentives Program. John McCaull asked if a Farm Bill information clearinghouse was needed. Chamberlin responded that there was a need. McCaull asked if USDA would be interested in funding a clearinghouse. Chamberlin said that the Legacy project served as such a clearinghouse, although on an Ad Hoc basis at this point. Smith noted that NRCS, through the Wildlife Management Institute, is on the verge of producing a Farm Bill user's guide. Zuckerman said that there was also a need for additional field staff to help growers. Broddrick said that the Farm Bill's Technical Service Providers provision contained a base of \$15 million, which could help.

Zuckerman asked when the next Ecosystem Restoration Program's PSP (Proposal Solicitation Process) would come out. Zezulak said that Dan Ray is working on the PSP process now and that it will likely be a continuous or periodic process (rather than once a year) with a change in emphasis with each PSP. He said that an announcement should be forthcoming.

McCaull suggested changing the title on page one from "Meeting on the Commons" to simply, "Working Landscapes." All agreed.

Russell suggested that the reference on page five to a permit assistance center should be changed to a more general technical assistance center.

Zuckerman suggested using the word "implementation" instead of "support" when talking about strategy on the last line under "Opportunity" on page two. All agreed.

Bundy pointed out that local involvement was critical and the document fails to emphasize this enough. He suggested adding to Appendix B as an item, "positive working relationship with local government." He also asked that "inclusion of local governments and organizations" be added wherever appropriate.

Brodrick asked Zezulak to relay Diana Jacobs' comments on the Framework. Zezulak said that Jacobs would prefer that the proposed focused PSP be integrated into the existing PSP of the ERP. Zezulak suggested that a Working Landscape PSP could be the focus of one of the continuous or periodic ERP PSPs.

Lori Clamurro and McCaull disagreed and felt that it was important to set aside a separate, focused PSP rather than to integrate with the ERP PSP. McCaull and Rodegerdts said that in the past, the working landscape proposals tended to get lost or discounted in favor of more purely ecosystem restoration projects.

Zezulak said that he was actually suggesting a separate Working Landscapes PSP as one of the periodic PSPs of ERP. McCaull said that he was still concerned that Working Landscape projects would get lost. Bundy and Clamurro said that either way, the review panel must be deliberately selected with interest and expertise on working landscapes and agriculture. Russell and O'Bryant said that outreach to agricultural groups was also critical to making the proposed PSP effective.

Kim Delfino asked if there was to be only one PSP, how the planning grants would work since these grants presume a two-stage grant with an implementation grant following a successful planning grant. Trott reminded the Subcommittee that there would need to be at least two Working Landscape PSPs to accommodate this capacity-building objective. Brodrick said that he could see it either way, as a rolling or one-time PSP. Zuckerman said that he was afraid that \$20 million could be wind up allocated to one sophisticated project proposal unless the process is broken up into multiple PSPs. Beale agreed, saying the Subcommittee has been talking about several projects per area.

Jeannie Blakeslee said that the timing of PSP release is important if we want to leverage other major funding sources. Brodrick said that if the PSP is part of ERP, timing will likely be governed by ERP release dates. He also expressed the concern too many recurring PSPs could wind up backing up on each other, causing delays.

Tina Cannon observed that the Subcommittee seems to want to apply for more than the \$20 million of Proposition 50. She said that if this was true, this intent should be articulated in the Framework's objectives. She said that people are looking to this Subcommittee for guidance on the PSP process. Zezulak agreed and noted that the ERP PSP revision process is not final yet, so there still is time for the Subcommittee to get its recommendations in to Dan Ray.

Brodrick said that CALFED should try to integrate PSPs from other Program elements, including Working Landscapes, on specific projects. This would require the participation of qualified reviewers from each program area, but could help to get money out the door faster.

Russell suggested that the two-part process be fleshed out further to include projects that test hypotheses coming from the Science Program. Subsequent funding rounds could then be used to facilitate adaptive management as hypotheses are confirmed or altered.

Beale said that there were still three questions that need to be addressed:

1. Should the Working Landscapes PSP be focused or integrated with other ERP PSPs?
2. If the former, should the funding be allocated with one PSP, or spread over several?
3. Timing: Should the PSP be integrated with other key funding sources outside CALFED?

Broddrick said he sensed that the Subcommittee wanted to push for a focused PSP for working landscapes that was integrated, as much as possible, with other funding sources.

Ben Wallace suggested that the general recommendations on pages two and three all start with action verbs, especially numbers one and six. He also suggested moving number six to the top following number one.

Bill Geyer suggested adding a separate bullet on targeting the funds to lands that are protected by the Williamson Act or similar land use restrictions against development. He said that doing this would protect CALFED investments for at least ten years and target landowners who have already made one commitment to conservation through the Williamson Act. He argued that targeting Williamson Act lands would also target landowners who were already used to working with government agencies. Noting O'Bryant's announcement about the Governor's budget cut to the Williamson Act, he said that targeting Williamson Act lands could help to elevate the Act's credibility at a critical time. Rodegerdts cautioned that Williamson Act landowners are a heterogeneous group and to assume that they are all conservation oriented is a mistake; many contracts are on their second generation of farmers who may not even be aware of the Act. Delfino noted that Appendix C already includes Williamson Act as an evaluation criterion.

John Passerello suggested that there be a water supply linkage to funded projects; i.e., that proponents demonstrate that project lands have assurance of a continuing water supply in order to receive funding. Rodegerdts suggested that that was a detail that was beyond the scope of the Framework at this point. Broddrick agreed, noting that funded projects should be expected to leverage water supply and quality funding sources, where appropriate.

Clamurro suggested moving item (k) in appendix C up to top of the list. Clamurro asked if the intent of the Framework was to include nonprofit organizations as eligible for funding under the focused PSP. She noted that Proposition 50 did not limit funding to just landowners. Broddrick suggested keeping qualifying applicants as broad as possible at this point. Roberts agreed, but wondered what Proposition 50 actually said about qualifying entities. Trott said that he would research the Proposition's language regarding qualified participants.

Wallace and Delfino suggested reworking the first paragraph under "Objectives" to capture the fact that the funded projects must also help CALFED meet ERP goals. Wallace and Delfino said that they would e-mail Trott with suggested language.

Broddrick relayed Diana Jacob's concern with the payment in-lieu of taxes objective. Beale suggested revising the objective to make it more general, as follows: "Offset any local government revenue impacts of restoration programs." All agreed to the change.

Cannon suggested that there be an objective to harmonize agriculture and restoration. She said that CALFED needs help sifting through what is real or not in terms of effective wildlife friendly agriculture strategies.

Rodegerdts and Russell commented that the criteria for participation in Appendix C were too broad. Russell suggested that the PSP target only farmers and ranchers that have working farms and ranches; i.e., make it more narrowly focused than "all private landowners." Rodegerdts also suggested that it be stipulated that the majority (more than 50 percent) of applicants and beneficiaries be private landowners.

Targeting Opportunity Areas

Wallace suggested that it be stated that the intent of the proposal is to fund one or more projects in each Opportunity Area. Brodrick replied that expressing that intent would be OK, but not to make it a requirement.

Zeulak suggested broadening the Sacramento River Conservation Area Opportunity Area to the entire Sacramento River Valley. Russell noted that with that change, only the Delta opportunity area would be a well-defined area, the others being more flexible. Rodegerdts wondered if the Subcommittee would be diluting limited funds by broadening the target areas. Kathy Brunetti suggested that that might be good since the entire Sacramento River Valley will be subject to the new Waste Discharge Requirement exemption's watershed standards, in addition to TMDLs. McCaull also noted that the Subcommittee was larger and more diverse now and the targets need to be similarly broad to capture the groups' interests.

Geyer suggested broadening the Delta to include its eastern tributaries since there was a lot of landowner watershed work going on there. Brodrick agreed. He said that the revised target list of Opportunity Areas should now read:

Northern San Joaquin Valley (Fresno and north)
Delta and its Eastern Tributaries
Sacramento River Valley
Napa River Floodplain

He also requested that paragraph one on page five be changed to read "ERP area" after "other areas."

Wallace asked that Department of Fish and Game be added to reviewing agencies (second bullet on page 5), and that the bullets there be lettered.

McCaull supported the paragraph suggesting that Department of Conservation administer planning grant funds of the proposed focused PSP. Brodrick said that it was not appropriate at this level of detail and was something that should be left for the implementing agencies to work out later. McCaull agreed to the dropping of the paragraph.

Brodrick asked that the word "easements" replace "sensitive lands" in paragraph two on page six (line six).

Wallace suggested adding "safe harbor" of the federal ESA to item (f) in Appendix A. On the same item, Chamberlin suggested using "assistance" rather than "assurance." Beale agreed and also suggested using "streamlining" instead of "protect" in the sentence referring to the "benefit of participating landowners."

Russell asked if we still wanted to refer to fish screens, given the controversy surrounding their effectiveness. Brodrick said that despite the controversy, fish screens are still the accepted practice.

Russell suggested adding "local landowners, governments and other entities" to item (a) in Appendix B. He asked if the requirement for ecological and agricultural expertise in items (d) and (e) were too onerous. O'Bryant said that these were already captured in Appendix C. It

was decided to drop those requirements in Appendix B. Similarly, Blakeslee suggested taking item (g) out of Appendix B. Cannon suggested incorporating item (g) into Appendix C.

Broddrick asked if there were any more changes. Being none, he said that staff would revise the Framework and send it to the co-chairs for review by next week, then to the whole Subcommittee prior to forwarding to the BDPAC. He said that if there were any grievous errors or omissions, Subcommittee members should contact him and he will decide what, if any, changes need to be made prior to sending it to BDPAC. He said that he would take the Framework to U.S. Fish and Wildlife Service (USFWS) to brief them on it prior to the BDPAC meeting. Zezulak said that he, too, would talk with the USFWS and provide Broddrick with key USFWS contacts.

Public Comment

No public comments were offered. Zuckerman asked what the status of the Delta Conservation Priority Area application was. Trott said that it had been approved by USDA. Trott said that the next step was to put together the Conservation Reserve Enhancement Program (CREP) application for the Delta. He said that he, Steve Shaffer and Casey Walsh Cady had met with state NRCS and FSA officials about the CREP application. From the meeting, it was decided that it would be necessary to begin meeting with landowners in the Delta to gauge interest in CREP. Zuckerman and Clamurro offered to help organize some of the meetings.

March Subcommittee Meeting and Agenda

Broddrick announced that the next Subcommittee meeting would be on Thursday, March 6 at 1:00 P.M., location to be determined. He asked Wallace and McCaull if they could make their respective Private Landowner Partnership and American Farmland Trust presentations on March 6th. They agreed.

Meeting was adjourned at 4:30 P.M.