

Memorandum

To: Chair and Commissioners

Date: January 12, 2007

From: JOHN F. BARNA, JR.
Executive Director

File: Book Item 4.2
Information

**Ref.: PRESENTATION OF THE DRAFT FY 2006-07 ENVIRONMENTAL
ENHANCEMENT AND MITIGATION (EEM) PROGRAM**

Under Streets and Highways Code Section 164.56(e) 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 State Resources Agency in accordance with the funding level provided in the State Budget Act.

Fiscal Year (FY) 2006-07 EEM Program Funding

The FY 2006-07 State Budget Act provided \$10 million for the EEM Program. The EEM Program is a statutorily mandated program typically funded at a minimum of \$10 million a year. In July 2005, Governor Schwarzenegger vetoed funding for the FY 2005-06 EEM Program. This was the first time since the EEM Program was created in 1989 that the program was not funded.

As the EEM Program projects brought before the Commission for funding in FY 2005-06 could not be approved due to elimination of funding from the State budget, the Resources Agency decided to request that those agencies that applied in FY 2005-06 update their applications, as appropriate, and resubmit them for funding in FY 2006-07.

For the FY 2006-07 EEM Program, the Resources Agency is recommending the Commission consider an initial twenty-eight (28) projects totaling \$6.6 million, 11 projects in the north for \$3 million, and 17 projects in the south for \$3.6 million, as presented on the attached EEM Program Draft FY 2006-07 Project List. Three of the projects contained on the draft project list are in excess of the Resources Agency's generally established limit of \$250,000. The Resources Agency provided individual written justifications for the three projects (justifications attached). Additional project applications are currently being submitted and evaluated and will be brought to the Commission at its March 2007 meeting for the remaining \$3.4 million of available funding.

Each agency that is being recommended for funding must provide evidence of environmental clearance prior to adoption and allocation at the April Commission meeting or they would be subject to removal from the list.

Background

Under EEM statutes, the Resources Agency is responsible for developing and adopting procedures and criteria; evaluating grant proposals; submitting a list of ranked projects recommended for funding; and finding that the projects are eligible for funding under Article XIX of the State Constitution. The Resources Agency's procedures and criteria contain a detailed, quantitative scoring mechanism that is used to evaluate and rank projects in priority order by assigning point scores to each project. In accordance with the provisions of Section 187 and 188 of the Streets and Highway 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 EEM Program is designed 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". EEM projects must provide environmental enhancements and mitigation over and above what is otherwise called for under the California Environmental Quality Act (CEQA) of 1970 or the National Environmental Policy Act (NEPA) of 1969.

The general categories of EEM projects eligible for funding are:

- Highway Landscape and Urban Forestry projects designed to offset vehicular emissions of carbon dioxide through the planting of trees and other suitable plants. Projects may be within or outside the right-of-way of the related transportation facility. Projects within the right-of-way, however, are not intended to supplant or augment highway landscaping that would normally be funded by the responsible public agency. Any planting within public road rights-of-way shall be limited to trees only.
- Resource Lands acquisition, restoration or enhancement of resource lands to mitigate the loss of, or the detriment to, resource lands lying within or near the right-of-way, acquired for proposed transportation improvements. Resource lands include natural areas, wetlands, forests, woodlands, meadows, streams, or other areas containing fish or wildlife habitat. Enhancement of resource lands may include the restoration of wildlife corridors.
- Roadside Recreational acquisition and/or development of roadside recreational opportunities, including roadside rests, scenic overlooks, trails, trailheads, sno-parks, and parks.

Any local, state or federal agency or nonprofit entity may apply for and receive grants under the EEM Program. The applicant is not required to be a transportation organization but must be able to demonstrate adequate charter or enabling authority to carry out the type of project proposed. Two or more entities may participate in a joint project.

Attachments

**ENVIRONMENTAL ENHANCEMENT AND MITIGATION PROGRAM
DRAFT FISCAL YEAR 2006-07 PROJECT LIST**

Projects Recommended for Funding - Priority Order

APP ID			APPLICANT	PROJECT NAME	TOTAL PROJECT VALUE	GRANT AMOUNT	TOTAL SCORE
CAT	Project #	NEW #					
Southern Counties							
RR	EEM-2006(001)	2022	Ventura County	Piru-Camulos Recreational Trail	\$1,402,699	\$250,000	88.0
HLUF	EEM-006(004)	1027	Goleta Valley Beautiful	US 101/Los Carneros Interchange SW Tree Planting	\$52,447	\$33,191	86.0
HLUF	EEM-006(005)	1014	South Gate City, PWD	South Gate Urban Reforestation	\$406,920	\$244,800	85.5
HLUF	EEM-006(006)	1012	Los Angeles City, Environmental Affairs Dept.	Growing Livable Neighborhoods	\$350,000	\$250,000	85.0
HLUF	EEM-2006(007)	1031	Hollywood Beautification Team	Native Habitat Restoration	\$227,943	\$149,205	83.0
RR	EEM-2006(009)	2027	Carpinteria City	Carpinteria Creek Park Project	\$325,000	\$250,000	82.0
RL	EEM-2006(010)	3001	Back Country Land Trust	Viejas West Acquisition	\$600,000	\$300,000	81.9
HLUF	EEM-2006(011)	1028	Koreatown Youth & Community Center	Greening the Red Line	\$243,212	\$203,212	81.0
RR	EEM-2006(012)	2017	Department of Parks and Recreation	Chino Hills SP Visitor Center	\$2,548,000	\$250,000	80.5
RR	EEM-2006(014)	2004	Los Angeles Conservation Corps	Audubon Nature Trail	\$235,815	\$181,575	78.5
RR	EEM-2006(019)	2002	San Diego County, DPW	Valley Center RR Heritage Trail	\$387,310	\$225,000	77.0
HLUF	EEM-2006(022)	1015	Visalia City	Mill Creek and Downtown Plaza	\$288,580	\$242,100	74.5
RL	EEM-2006(024)	3005	Friends of the Desert Mountains	Coachella Valley Preserve Acquisition	\$500,000	\$250,000	73.9
HLUF	EEM-2006(025)	1030	Pasadena City	Arroyo Seco So. Entrance Planting Restoration	\$75,000	\$75,000	71.5
RL	EEM-2006(026)	3012	Urban Corps of San Diego	Grantville Trolley Station	\$290,200	\$250,000	70.4
HLUF	EEM-2006(027)	1019	Riverside County Trans. Dept.	I-15/Cantu-Galleano Ranch Road Interchange Enhancement	\$890,000	\$250,000	67.0
RR	EEM-2006(028)	2023	San Diego River Park - Lakeside Conservancy	RiverWay Trail Project	\$267,500	\$250,000	64.5
				Totals	\$9,090,626	\$3,654,083	
				% Splits at \$10,000,000 Funding Level = 37%			
Northern Counties							
HLUF	EEM-2006(031)	1034	Our City Forest	Trees for Hwy 85 Neighborhoods	\$305,600	\$215,600	88.5
RL	EEM-2006(033)	3007	Department of Fish and Game	Sonoma Creek/Bisso Ranch Acquisition	\$2,800,000	\$500,000	85.4
RL	EEM-2006(034)	3004	Mendocino Land Trust	Ridgewood Ranch Conservation Area	\$8,767,300	\$552,000	84.9
HLUF	EEM-2006(036)	1004	Fresno Metropolitan Flood Control District	Basin "RR" Landscaping	\$475,000	\$250,000	84.5
RR	EEM-2006(039)	2030	Folsom City	Folsom Parkway Rail Trail Gap Closure	\$284,000	\$249,000	83.5
RL	EEM-2006(040)	3011	Sacramento County	American River Parkway Invasive Plant Management Project	\$1,312,806	\$250,000	83.4
RR	EEM-2006(041)	2008	Shasta County DPW	Hat Creek Park Improvement	\$234,000	\$210,200	83.0
RR	EEM-2006(042)	2006	San Mateo County, Env. Svc. Agcy.	Mirada Surf Coastal Trail Development	\$740,000	\$100,000	82.0
HLUF	EEM-2006(043)	1036	Berkeley City	Berkeley Urban Reforestation	\$417,600	\$195,600	82.0
RR	EEM-2006(044)	2020	Department of Parks and Recreation	West Ridge Road to Trail Conversation	\$246,000	\$209,100	81.5
RL	EEM-2006(047)	3010	Sacramento County	Dry Creek Parkway Acquisition	\$365,280	\$250,000	80.4
				Totals	\$15,947,586	\$2,981,500	
				% Splits at \$10,000,000 Funding Level = 30%			
				Grand Total	\$25,038,212	\$6,635,583	

Environmental Enhancement and Mitigation Program 2006-07 Grant Cycle

Recommended Grant Awards Exceeding \$250,000

The Environmental Enhancement and Mitigation Program (EEMP) Procedures and Criteria provide that grants exceeding \$250,000 may be awarded for land acquisitions based on unique or unusual factors including but not limited to: maximum benefits of a one-time or limited opportunity, acquisitions of considerable size, substantial leveraging of funds, or significantly high statewide value. The following projects are land acquisition projects for which the Resources Agency recommends grants exceeding \$250,000.

NORTHERN CALIFORNIA COUNTY RECOMMENDATIONS

1. Sonoma Creek/Bisso Ranch Acquisition and Restoration Project, \$500,000, EEMP Project 3007

The California Department of Fish and Game proposes to acquire 80 acres in Sonoma County at a cost of \$2,800,000 and add it to the 13,000-acre Napa-Sonoma Marshes Wildlife Area. This acquisition will help restore tidal marsh that supports essential habitat for the endangered salt harvest marsh mouse and California clapper rail. Acquiring this property is one more important element in acquiring 15,000 additional acres of the original 46,700 acres of the Napa-Sonoma March from willing sellers. The remaining marshlands are currently threatened by expanding commercial, industrial, and residential development.

2. Ridgewood Ranch Conservation Area, \$552,000, EEMP Project 3004

The Mendocino Land Trust proposes to acquire a conservation easement on 1,371 acres of oak woodlands, fisheries, farmland, forestland, and 2.5 miles of important scenic area along State Highway 101 near Willits and add it to other property acquisitions to total a 4,636-acre acquisition. The EEMP grant will accompany \$4,868,000 in additional funding for the purchase. Furthermore, the current owner is willing to donate an estimated \$7 million of the market value of the total easement acquisition by discounting that amount from the purchase price. The acquisition will protect the natural and scenic resources and working farm and ranchlands within the Ridgewood Ranch Conservation Area.

SOUTHERN CALIFORNIA COUNTY RECOMMENDATIONS

3. Viejas West Acquisition, \$300,000, EEMP Project 3001

The Back County Land Trust proposes to acquire the 78-acre property known as the “Viejas West” within the Cleveland National Forest near the San Diego County rural community of Alpine. The property is currently under threat of development. The property contains two year-round springs that feed the Peutz Valley Creek that drains into the El Capitan reservoir, San Diego’s largest municipal drinking water supply. The property also contains a significant diversity of habitats, including southern oak woodland, riparian woodland, chamise chaparral, mixed chaparral, Diegan sage scrub, and native grasslands. Numerous threatened and endangered plant and animal species occur on the site and there is a “globally significant” population of San Diego thorn mint identified by the U.S. Fish and Wildlife Service. The property is presently available for a relatively low price of \$6,400 per acre.