

California Tahoe Conservancy
Agenda Item 10
April 16, 2024

Forestry Funding Authorization

Recommended Action: Adopt Resolution 24-04-07 authorizing the: 1) acceptance of up to an additional \$20 million; 2) expenditure of up to a total of \$40 million to supplement the 2021 Forestry Guidelines authorization; and 3) execution of all other necessary agreements.

Executive Summary: The recommended action builds upon the programmatic authorization from November 2021, which authorized California Tahoe Conservancy (Conservancy) staff to accept and expend up to \$50 million for activities consistent with the Conservancy's Forestry Program Guidelines (Guidelines). The recommended action allows staff to continue to expeditiously implement forestry activities on Conservancy and non-Conservancy lands by providing additional authority to receive and spend funds from multiple sources.

The Conservancy has encumbered or committed \$45 million of the \$50 million authorized in November 2021, and Conservancy staff has identified an additional \$40 million needed to continue this work.

The recommended action is consistent with the goals and strategies in the 2019 Lake Tahoe Basin Forest Action Plan (Forest Action Plan), as well as with Goals 1 and 2 of the Conservancy's Strategic Plan, which aim to protect communities from wildfire and restore the resilience of Lake Tahoe Basin (Basin) forests and watersheds. Upon Board approval, staff will continue activities under the Guidelines.

Location: Activities consistent with the Guidelines may be implemented on private, local jurisdiction, federal, Conservancy, and other state lands throughout the California side of the Basin (Attachment 2).

Fiscal Summary: Staff requests authorization to accept and expend up to \$20 million in additional funding from anticipated funding sources. Staff also requests authority to expend up to \$20 million of existing funding for a total expenditure of up to \$40 million to implement activities consistent with the Guidelines. The total funding will come from a combination of grants and state appropriations. Portions of this funding are contingent on future grant awards, approval from the Department of Finance (DOF), and approval from the State Legislature.

Overview

History

In November 2021, the Board authorized the adoption of new Forestry Program Guidelines and the acceptance and expenditure of up to \$50 million to implement activities consistent with the Guidelines. The Board also reviewed and considered the Tahoe Program Timberland Environmental Impact Report (Tahoe PTEIR) and made the appropriate California Environmental Quality Act (CEQA) determinations to allow the Conservancy to use the PTEIR, which provides a CEQA framework for analyzing projects brought under the November 2021 authorization.

As part of the November 2021 authorization, staff identified funding sources that included \$36 million in state General Fund, \$10 million from cooperative agreements with the Bureau of Land Management (BLM) Southern Nevada Public Land Management Act (SNPLMA), and \$1.2 million from a state grant award from the Department of Conservation (DOC) Regional Forest and Fire Capacity Program (RFFCP), for a total of \$47.2 million.

Since that time, the Conservancy has received additional funding to plan and implement forestry activities: \$5 million in state General Fund in 2022, \$16 million in state General Funds in 2023, and \$1.5 million from an RFFCP grant. Altogether since 2021, the Conservancy has received \$69.7 million to expend on forestry activities (approximately \$20 million more than what the Board authorized). It is for this additional \$20 million that staff seeks expenditure authority as part of the recommended action.

The November 2021 authorization greatly improved efficiency and the pace at which staff can execute new agreements. Staff has encumbered and committed approximately \$45 million. This includes agreements for partner capacity building, planning and implementing projects on Conservancy property, and agreements to partners for planning and implementing projects on partner properties, all furthering the goals of the Forest Action Plan.

Detailed Description of Recommended Action

1. Major Elements and/or Steps of the Recommended Action

The Conservancy manages forests to reduce wildfire risk to communities, improve forest resilience, and protect biodiversity through vegetation management activities in and adjacent to the wildland-urban interface (WUI). To effectively continue and expand these efforts, staff seeks Board authority to accept and expend existing and potential grant funding and state appropriations to implement activities consistent with the Guidelines and to achieve goals identified in the Forest Action Plan.

Staff seeks to use the proven efficiency of the previous authorization to continue implementing forest resilience activities with the recommended action. Staff is working

to encumber the remaining \$5 million from the November 2021 authorization. The proposed new authorization will ensure that staff has expenditure authority beyond the \$50 million previously authorized. The recommended action does not seek project-specific approval; rather, staff seeks to fiscally supplement the November 2021 authorization.

Future activities must be consistent with the Guidelines and the Tahoe PTEIR. Activities that are inconsistent with the Guidelines, or subject to additional CEQA consideration beyond the Tahoe PTEIR, will not be implemented under this recommended action. Additionally, staff will provide updates to the Board on activities undertaken pursuant to the proposed authorization.

2. Overall Context and Benefits

The recommended action allows the Conservancy's Forestry Program to continue to be more efficient and effective by providing upfront authority to spend funds from multiple sources to implement projects and activities that are consistent with the Guidelines. This authorization ensures that work continues without interruption to reduce hazardous fuels, decrease the potential for high-intensity wildfire, and increase forest resilience. The recommended action also demonstrates the Conservancy's ongoing commitment to achieving the goals of the Forest Action Plan.

3. Schedule for the Recommended Action

Upon the Board adopting the recommended action, staff will continue to use the Guidelines to develop and implement forest management activities and projects. Staff will provide periodic updates to the Board on these activities. Staff will return to the Board should additional CEQA considerations or the need for additional funding arise.

Financing

The proposed budget includes up to \$40 million from multiple existing, anticipated, and potential sources. The \$20 million for which staff seeks authority to accept and expend will come from anticipated and potential funding sources that may include state appropriations and state and federal grant awards and/or cooperative agreements from the BLM, DOC, California Department of Forestry and Fire Protection, USDA Forest Service, or other grantees. The remaining \$20 million for which staff seeks expenditure authority is from existing funding sources, including state General Fund, and other state sources; SNPLMA; and USDA Forest Service.

Authority

Consistency with the Conservancy's Enabling Legislation

The recommended action is consistent with the Conservancy's enabling legislation. Specifically, Government Code section 66907.10 authorizes the Conservancy to improve and develop its land for a variety of purposes, including protection of the natural environment. Government Code section 66907.9 authorizes the Conservancy to

initiate, negotiate, and participate in agreements for the management of land under its ownership and control with local public agencies, state agencies, federal agencies, nonprofit organizations, individuals, corporate entities, or partnerships. Government Code section 66907.7 authorizes the Conservancy to award grants to local public agencies, state agencies, federal agencies, federally recognized Indian tribes, the Tahoe Transportation District, and nonprofit organizations for purposes consistent with its mission. Government Code section 66906.8 authorizes the Conservancy to select and hire consultants or contractors to provide services necessary for purposes consistent with its mission.

Consistency with the Conservancy's Strategic Plan

The recommended action advances the Conservancy's Strategic Plan Goals 1 (Steward Conservancy Lands and Protect Basin Communities from Wildfire) and 2 (Restore the Resilience of Basin Forests and Watersheds).

Consistency with the Conservancy's Program Guidelines

The recommended action is consistent with the Conservancy's Forestry Program Guidelines, adopted by the Board November 8, 2021.

Consistency with External Authorities

The recommended action is consistent with the Lake Tahoe Environmental Improvement Program and supports multiple projects in the Forest Health Focus Area. The action is also consistent with Executive Order N-05-19, which directs state agencies to recommend administrative, regulatory, and policy changes to prevent and mitigate wildfires; the Lake Tahoe Basin Multi-Jurisdictional Hazardous Fuels Reduction and Wildfire Prevention Strategy; the Wildfire and Forest Resilience Action Plan; the Agreement for Shared Stewardship of California's Forest and Rangelands; the California Forest Carbon Plan; the Lake Tahoe Basin Community Wildfire Protection Plan; and the Forest Action Plan.

Compliance with the California Environmental Quality Act

At the November 8, 2021 Board meeting, the Board reviewed and considered the Tahoe PTEIR; adopted the CEQA Findings pursuant to CEQA Guidelines, section 15091; adopted a Statement of Overriding Considerations pursuant to CEQA Guidelines, section 15093; adopted a Mitigated Monitoring and Reporting Program pursuant to CEQA Guidelines, section 15097; and authorized implementation of activities consistent with the Guidelines. Conservancy staff filed a Notice of Determination on November 9, 2021, with the California State Clearinghouse.

The proposed authorization will continue the activities authorized in November 2021 and no additional CEQA consideration will be required at this time. No changes to the program, guidelines, or the Tahoe PTEIR are proposed as part of this authorization.

List of Attachments

Attachment 1 – Resolution 24-04-07

Attachment 2 – Location Map

Conservancy Staff Contact

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