

Chapter 7 Partnerships and Funding



This chapter of the Laguna Creek Watershed Management Action Plan (Plan) describes collaborative partnerships and support needed to implement the Plan and identifies potential funding sources. This information can be used by the LCWC Board of Directors to develop an implementation work plan and may also be useful to other stakeholder agencies considering implementation of actions recommended in Chapter 6.

7.1 Watershed Partners

The LCWC Board of Directors will oversee implementation of this Plan and administration of the LCWC into the foreseeable future. Success of the endeavor will depend on continuation of strong collaborative relationships with the following entities (most were introduced and described previously in Chapters 3 and 4):

- City of Elk Grove
- City of Rancho Cordova
- City of Sacramento – Departments of Utilities and Parks and Recreation
- Cordova Recreation and Park District
- Cosumnes Community Services District
- Cosumnes River Watershed Council



- Elk Grove Unified School District
- Florin Resource Conservation District/Elk Grove Water Service
- River Friendly Landscaping Coalition/Ecolandscape California
- Sacramento County – Departments of Water Resources and Planning and Community Development, both within the Municipal Services Agency
- Sacramento County Water Agency (Zone 40)
- Sacramento River Watershed Program
- Sacramento Regional County Sanitation District
- Sacramento Splash
- Sacramento Stormwater Quality Partnership
- Sacramento Urban Creeks Council
- Sacramento Valley Conservancy
- Sloughhouse Resource Conservation District
- Southgate Recreation and Park District
- Stone Lakes National Wildlife Refuge Association
- Upper Laguna Creek Collaborative

Table 6-1 in Chapter 6 shows the anticipated or potential stakeholder involvement for each of the recommended actions. Other entities may be identified as implementation proceeds and recommended actions are refined.

Partnerships can take many forms. Some of the entities listed above will be actively involved, while others' involvement will be focused on specific project needs. Some of the organizations may be able to provide all or partial funding to implement one or more actions identified in Chapter 6, particularly when those actions address the organization's mission, are closely related to projects/programs already in place, and/or help comply with environmental regulations. Other entities may be able to offer in-kind services (staff, facilities, equipment, etc.) needed to implement an action or as match for a grant proposal.

Commitment to this process will come in different forms. Some agencies may elect to adopt all or part of the Plan; others may integrate or reference key Plan components into another planning document, and/or agencies may choose to pass a resolution agreeing to conduct their land use planning and management activities consistent with the spirit of the Plan.

Various partners have prepared documents in the past to describe their intended commitment to the Laguna Creek Watershed planning effort. Entities with governing boards have adopted resolutions and others have provided written letters of support. Now that this Plan has been finalized, the stakeholder agencies are asked to demonstrate their continued commitment to and support for implementation of the Plan by passing a resolution or taking similar action. Appendix I contains an example resolution for supporting the Watershed Management Action Plan.

Once the Plan is endorsed or otherwise supported by the various agencies and groups in the Watershed, the goal is for stakeholders to work together to further develop the projects, solidify partnerships, seek funding, and implement the actions for the betterment of the watershed community. Some actions will require compliance with the California Environmental Quality Act (CEQA) and environmental permits.

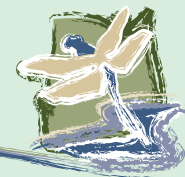
7.2 Potential Funding Sources

This section describes the major categories of funding sources available for implementing watershed programs.

Matching Needs to Federal or State Programs

State and Federal Grants

Grants from State agencies (primarily the State Water Board and State Department of Water Resources, DWR) will be an important source of funding as long as voters continue to



approve bond measures to set aside public dollars for environmental protection. In fact, funding for development of this Plan was provided by a Proposition 50 Watershed Protection Grant made possible by the State Water Board and the California Bay Delta Authority (CalFed) housed in the Department of Conservation. The reliability of such grants is in question; however, due to recent events with the State's economy, as demonstrated by the December 2008 freeze placed on grant funding by the State Department of Finance. Also, the general trend has been towards grant processes becoming more and more competitive.

The Laguna Creek Watershed is contained wholly within the American River Basin Integrated Regional Water Management Plan (ARB IRWMP) area. The Regional Water Authority (RWA) coordinates and encourages regional collaboration within this area for water resources planning and project development. The goal is to ensure a sustainable regional water supply while providing other environmental and recreational benefits. An IRWMP plan was created in 2006 and will be updated in 2010, to integrate multiple water management strategies to solve multiple priority challenges.

To be competitive for state grants in this area (including Proposition 84 grants offered by the State Water Board and State DWR), Laguna Creek Watershed projects could be included in the RWA's database of potential projects for the ARB IRWMP. Work is already underway to include several water use efficiency actions in the RWA database, but continued work is needed to maintain the relationship with RWA and update project information as needed. See:

<http://www.rwah2o.org/rwa/programs/irwmp/>

At the federal level, the U.S. Environmental Protection Agency (EPA) Region 9 on occasion has competitive grant announcements for protecting and restoring watersheds through comprehensive watershed protection and management approaches. See:

<http://www.epa.gov/region09/water/watershed/funding.html>

Grant writing is a specialized skill akin to sales and marketing, and preparation of proposals – even “concept proposals” – requires dedication and time. The State Water Board requires the use of a standardized application form (FAAST) which is intended to simplify the process but can nonetheless be time consuming. Further, successful grant proposals typically involve collaborative partnerships to demonstrate multiple benefits. Outreach to potential partners to prepare a coordinated proposal and solicit letters of support and match contributions also takes time.

Supplemental Environmental Projects (SEPs) Mitigation Funding

Most federal and state actions against businesses or individuals for failure to comply with environmental laws are resolved through settlement agreements. As part of a settlement, an alleged violator may voluntarily agree to undertake an environmentally beneficial project related to the violation in exchange for mitigation of the penalty to be paid. A Supplement Environmental Project (SEP) furthers EPA's and the State Water Board's goal of protecting and enhancing public health and the environment. It does not include the activities a violator must take to return to compliance with the law. In California, the California Water Code section 13385(i) allows limited use of SEPs associated with mandatory minimum penalties. Section 13399.35 of the Code also allows limited use of SEPs for up to 50 percent of a penalty assessed. The State Water Board updated its SEP policy in February 2009, which includes qualification and nexus criteria for selecting projects. See:

http://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2009/rs2009_0013_sep_finalpolicy.pdf

Both EPA and the State Water Board collect and compile ideas for potential SEPs. The list of projects is then available for reference by managers in EPA, the State Water Board and the



nine Regional Water Boards, when they are approached by a violator seeking mitigation opportunities for settlements. This is a tremendous opportunity for the LCWC. After reviewing the State Water Board's SEP policy and guidelines about project eligibility, a list of potential projects in the Laguna Creek Watershed could be developed and submitted to the State Water Board (and EPA, if desired) as soon as possible; updated information should then be submitted to the State Water Board annually. <http://www.epa.gov/oecaerth/civil/seps/index.html>

Low Interest Loans

Low interest loans may be a good option for landowners and government agencies in the watershed who wish to purchase land for conservation or construct infrastructure improvements related to watershed protection. The primary mechanism for this is the Clean Water State Revolving Fund (CWSRF), created by the 1987 Clean Water Act Amendments. The CWSRF is a loan program that provides low-cost financing to eligible entities within state and tribal lands for water quality projects including watershed protection or restoration. Under the CWSRF program, every year EPA Region 9 takes funds appropriated by Congress and provides grants to the states of Arizona, California, Hawaii and Nevada to capitalize individual state CWSRFs. <http://www.epa.gov/owm/cwfinance/cwsrf/>

In California, the State Water Board (Division of Financial Assistance) manages the program and distributes loans or other types of assistance for projects according to its program priorities. Interest rates for CWSRF loans typically average 2.5-3.5 percent with flexible repayment terms of up to 20 years. There is usually \$200-\$300M available annually. See the State Water Board's web site for additional and updated information: http://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/index.shtml

A recent local success story was the purchase of the Howard Ranch in the Cosumnes River Watershed by the Nature

Conservancy. A SRF loan allowed the non-profit to purchase 19 square miles of land, with the goal to re-sell the land to ranchers after placing conservation easements that will assure minimal development or disturbance to the valuable vernal pools on the property in perpetuity. Read about this and other success stories at the EPA web site:

<http://www.epa.gov/owm/cwfinance/cwsrf/innovations.htm>

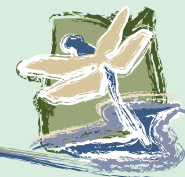
Matching Needs to Local/Regional Programs' Missions and Regulatory Compliance Mandates

Potential sources of in-kind services, cost-sharing and/or funding are local agencies, programs and special districts with an interest or stake in the watershed. This would include Sacramento County, the cities of Elk Grove and Rancho Cordova, and the various water purveyors, parks and school districts, and SRCSD. Also, established stormwater, watershed and other environmental organizations and groups could be a source of funding. See Section 7.1 for a list of all the groups and agencies.

The key to securing assistance from these types of agencies and groups is aligning goals and needs. Often the agencies will be required through regulatory permits or other mandates to conduct various regulatory compliance projects and activities (e.g., water quality monitoring, education and outreach); such work could be conducted in the Laguna Creek Watershed with many benefits to multiple stakeholders.

Seeking Foundation or Corporate Support

The key to attracting funding and services from private foundations and corporations is making sure that the watershed projects and services meet the mission of the organization being approached. The request for money should also be responsive to eligibility criteria and funding cycles. The LCWC has already collaborated with a few foundations in the area.



The Sacramento Tree Foundation has partnered with the LCWC and the City of Elk Grove on numerous volunteer tree planting projects in the watershed, whereby trees, supplies and expert training have been provided to volunteers at no cost. The LCWC has worked with the Stone Lakes National Wildlife Association (which also manages a foundation) to recommend improved drainage master planning procedures for the City of Elk Grove to protect watershed health. The Association has provided in-kind services by experienced planning professionals for this effort. Finally, the LCWC coordinated with the Cosumnes CSD and the Rotary Club of Sacramento Foundation in 2007 to install an interpretive kiosk in a new creekside park in Elk Grove.



The Sacramento Tree Foundation provides tree-planting expertise to volunteers at no cost.

More can be done to work with private foundations and solicit funding for implementation of this Watershed Management Action Plan. The first obvious step is to identify foundations and large companies/employers in the local and regional area with an interest in public and environmental health and community education. Some foundations serve as agents for connecting philanthropists with non-profits. An example is the Sacramento Region Community Foundation; the group's web site provides links to foundation resources in the region: <http://www.sacregcf.org/>

The National Center for Charitable Statistics manages a comprehensive web site listing of private foundations in the Sacramento area:

<http://nccsdataweb.urban.org/PubApps/geoShowOrgs.php?id=C06067&code=C06067&v=pf>

In addition to this grass roots approach, there are various web-based resources that could be helpful in this quest. For example, many banks and lending institutions' web sites will offer grant information on behalf of the foundations for which the institution serves as trustee or grant-making agent. The California Association of Non-Profits is a good resource:

<http://www.canonprofits.org/>

Also, the on-line Philanthropy Journal provides advice and guidance for non-profit fundraising:

<http://www.philanthropyjournal.org/resources/fundraising-giving>

Internet Fundraising

Major-gifts fundraising typically involves long hours of building close personal relationships, while online fundraising is based on reaching the most people and measuring results. Both are founded on the concept of starting small and making donors feel engaged in a nonprofit's mission.

In early 2009, the LCWC Board of Directors took the first step by establishing an on-line donation mechanism through the Watershed Council web site www.lagunacreek.org and



advertising this on the LCWC brochure, published in April 2009. Additional work should be done to further advertise this option and attract potential donors to the site. An informative article on the subject was published by a grant making organization in January 2009; see:

http://www.npcdivision.com/downloads/WP_Engaging_MD_online.pdf

Other Tools

EPA's Financing Alternatives Comparison Tool (FACT) was established to easily and quickly assess what the most cost effective way is to finance a water or wastewater infrastructure project. While not set up specifically for a watershed program, the tool may provide some insights for future financing mechanisms for larger watershed projects and land acquisition. Users can compare over a dozen different financing options, including CWSRF, bonds, grant/loan combinations, and more. The tool produces a comprehensive analysis that compares various financing options for projects by incorporating financing, regulatory, and other important costs. Two new developments anticipated in 2009 are FACT Lite and the Users Guide. FACT Lite is exactly what its name implies – a simpler, easier version of FACT, but with the same powerful ability to compare financing costs. The Users Guide is a comprehensive guide on effectively using FACT and FACT Lite. All FACT materials can be found on EPA's CWSRF website:

<http://www.epa.gov/owm/cwfinance/cwsrf/fact.htm>

7.3 Next Steps: Developing an Implementation Work Plan

The LCWC Board of Directors plans to develop a multi-year work plan to focus on those actions and issues which are the most meaningful to advancing the mission of the Watershed Council, or where special opportunities exist. It is expected that the work plan will be updated every 3-5 years, or as circumstances dictate. The work plan, along with this

Watershed Management Plan, will be used to justify grant and other funding requests.

It is anticipated that the work plan will prioritize actions included in Chapter 6 and will also describe administrative tasks needed to support the LCWC in the future, such as:

- liaison with partners, including government agencies, school district and other watershed groups;
- community outreach;
- representation of LCWC at ULCC and other watershed meetings;
- meeting facilitation and support;
- web site maintenance and updates;
- accounting;
- grant writing;
- report writing;
- contracting; and
- project management and administration.

It is hoped and anticipated that the stakeholder agencies in the watershed will create their own implementation plans/priorities for recommended actions within their jurisdictions.

7.4 Bibliography

See links provided in the text. Also:

EPA. 2008 (March). *Handbook for Developing Watershed Plans to Restore and Protect our Waters*. US EPA document EPA 841-B-08-002.

