

September 7-8, 2011
Faith Baptist Church
810 W. Carlos Street
Alturas, CA 96101



September 7, 2011
Board Tour

1:30 – 5:00 PM

Members of the Board and staff will participate in a field trip to explore issues and activities relevant to the Conservancy's mission in the North Subregion. Members of the public are invited to participate in the field tour but are responsible for their own transportation. The tour will start at Best Western Trailside Inn located at 343 N. Main Street, Alturas.

Reception

5:30 – 7:00 PM

Following the Board tour, Boardmembers and staff will attend a reception open to the public. The reception will take place at the Niles Hotel 304 South Main Street Alturas. The Art Center gallery will remain open for your enjoyment, located at 317 South Main Street.

Board Meeting
September 8, 2011

9:00 AM – 1:00 PM
(End time of the meeting is approximate)

- I. Call to Order**
- II. Roll Call**
- III. Approval of June 2, 2011 Meeting Minutes (ACTION)**
- IV. Public Comments**
Opportunity for the public to comment on non-agenda items.
- V. Board Chair's Report**
- VI. Executive Officer's Report (INFORMATIONAL)**
 - a. Administrative Issues
 - b. Mt. Whitney Fish Hatchery Project
 - c. North Subregion Report
- VII. Deputy Attorney General's Report (INFORMATIONAL)**
- VIII. SNC Strategic Plan (ACTION)**
Staff will provide an overview of the final draft SNC Strategic Plan. The Board will review and may take action on the Strategic Plan.

IX. 2011-12 Proposition 84 Grant Guidelines (ACTION)

Staff will provide an overview of the final draft 2011-12 Proposition 84 Grant Guidelines. The Board will review and may take action on the Guidelines.

X. Demographic and Economic System Indicators Report (ACTION)

Staff will provide an overview on the Demographic and Economic System Indicators Report. The Board will review and may take action on the System Indicators.

XI. 2010-11 Annual Report (ACTION)

Staff will provide an overview of plans to produce the 2010-11 Annual Report. The Board may act to authorize staff to proceed with the production of the Annual Report.

XII. Updates on Various SNC Activities (INFORMATIONAL)

- a. Sierra Nevada Geotourism Update
- b. Sierra Nevada Forest and Community Initiative Update
- c. Pacific Forest and Watershed Lands Stewardship Council Update
- d. Great Sierra River Cleanup Update

XIII. Boardmembers' Comments

Opportunity for Boardmembers to make comments on non-agenda items.

XIV. Public Comments

Opportunity for the public to comment on non-agenda items.

XV. Adjournment

Meeting Materials are available on the SNC Web site at www.sierranevada.ca.gov. For additional information or to submit written comment on any agenda item, please contact Mrs. Burgess at (530) 823-4672, toll free at (877) 257-1212; or via email at tburgess@sierranevada.ca.gov. 11521 Blocker Drive, Suite 205, Auburn CA 95603. If you need reasonable accommodations, including documents in alternative formats, please contact Mrs. Burgess at least **five** working days in advance of the meeting.

Closed Session: Following, or at any time during the meeting, the Conservancy may recess or adjourn to closed session to consider pending or potential litigation; property negotiations; or personnel-related matters. Authority: Government Code Section 11126(a), (c) (7), or (e).

Board Meeting Minutes
June 2, 2011
Dept. of Food and Ag Auditorium
1220 N Street
Sacramento, CA 95814



I. Call to Order

Board Chair Kirwan called the meeting to order at 9:06 AM.

II. Oath of Office of New Members

There were no new Boardmembers at this meeting.

III. Roll Call

Present: Todd Ferrara, Bob Kirkwood, BJ Kirwan, John Brissenden, Brian Dahle, Bill Nunes, Ted Owens, Linda Arcularius, Dick Pland, Tom Wheeler, Dan Jiron, Bill Haigh (BLM Representative), and David Graber

Absent: Karen Finn and Bob Johnston

IV. Approval of June 3, 2011 Meeting Minutes (ACTION)

There were no changes to the meeting minutes.

Action: Boardmember Brissenden moved and Boardmember Wheeler seconded a motion to approve the June 3, 2011 Meeting Minutes. The motion passed unanimously.

V. Public Comments

Nita Vail, CEO of the California Range Land Trust and representing the Sierra-Cascade Land Trust Council, read a letter from Council President Jeff Darlington indicating the Council's support of the staff recommendations regarding the FY 2011-12 and 2012-13 grant program. On the question of conservation easements on agricultural lands, Vail said the Council recommended against reducing funding for easements, stating that easements can be more effective than fee title grants because they typically cost much less and therefore protect more acreage from development, providing greater public benefit.

Justin Oldfield, California Cattlemen's Association, pointed out that ranching is an important industry in the Sierra Nevada and that the Cattlemen's Association would prefer to see Williamson Act contracts and conservation easements rather than fee title acquisition.

Boardmember Arcularius stated that she has great concerns about the level of fee title acquisitions the SNC has approved in the past and will address those concerns during the Strategic Plan item on the agenda.

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VI. Board Chair's Report

Board Chair Kirwan noted that the agenda before the Board was a full one, and she encouraged Boardmembers to actively participate with their questions and comments on the items.

VII. Executive Officer's Report (INFORMATIONAL)

Jim Branham, Executive Officer, thanked the Natural Resources Agency for its support in approving exemptions from the travel restrictions, allowing participation in the Board meeting and said he anticipated these exemptions for Board meetings would continue. The next Board meeting is scheduled for Alturas, Modoc County, in September.

Branham also referenced a handout in front of the Boardmembers detailing proposed closing of numerous State parks due to budget cuts, noting that approximately one-third of the parks in the SNC Region are scheduled to be closed.

a. Budget and Staffing

Theresa Parsley, Chief of Administrative Services, reported on the SNC's compliance with recent Executive Orders from the Governor regarding vehicle and cell-phone reductions, the hiring freeze, travel restrictions and salary and travel advance balances. She said the SNC is not being asked to reduce its vehicle fleet further at this time, meaning that staff will continue using State vehicles for day trips or mission-critical exempt travel. Exemptions have been granted to the SNC for travel related to necessary grant project site visits in the coming year.

Parsley reported that combined efforts of the Governor and the Legislature have reduced the State General Fund deficit by more than \$13 billion, leaving a gap of approximately \$9.6 billion that still needs to be addressed. The SNC is waiting to see whether any other measures will affect the SNC or the Region. Parsley also mentioned that the Conservancy is now in the process of closing out its FY 2010-11 budget.

Parsley introduced new Information Technology student assistant Saleem Hekmatzada, who attended the Board meeting to provide support.

Branham pointed out that with a previous fleet reduction and the travel restrictions, the SNC staff will be somewhat limited in its ability to travel throughout the Region. He noted the staff is committed to doing its best to maintain a presence in the Region.

b. Sierra Nevada Forest and Community Initiative Update (SNFCI)

Kim Carr, SNFCI Coordinator, noted there has been an increase in the level of activity with every Board report. Staff continues to participate in the local forest

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and community collaboratives, and is helping the community gain a voice in that process. There are about 10 collaboratives around the Sierra which the SNC participates in, and, in some instances, provides further facilitation and communications assistance. Staff will link this activity to the 24-member SNFCI Regional Coordinating Council (CC).

The SNC has also been doing a lot of coordinating work with the US Forest Service (USFS), which is updating its Forest Planning Rule for the first time in 30 years. Carr said this document will guide the individual Forests to update their forest management plans, an important activity for Sierra forests. Carr said the next CC meeting will be held in Auburn in two weeks (June 22) to review the Forest Service Leadership Intent, trying to address sustainability as well as increasing the pace and scale of the forest thinning efforts. The Leadership Intent document will be the focal point for the CC's action plan, and she is looking forward to having some Region 5 people at that meeting to assist the discussion.

Boardmember Kirkwood said the comments on the Forest Rule coordinated by the Natural Resources Agency were very well-written, and thanked Boardmember Ferrara for coordinating that effort.

Kirkwood also remarked about his recent visit to the John Day Ranger District in Oregon where he learned that the areas affected by wild fires was exceeding the areas being logged or "treated" by a factor of seven or eight. A collaborative group in that area was able to assist in the environmental review through a "programmatic EIR" process to conduct salvage logging, so that a local saw mill could continue to operate. He suggested that we should consider looking into this kind of option.

Carr said the National Environmental Policy Act (NEPA) process continues to be challenge and will be addressed on the upcoming CC agenda.

Boardmember Dahle said he hoped the Coordinating Council would engage in the issue of how the fluctuating price of electricity has caused a bio-mass energy plant to be closed in Burney.

Boardmember Wheeler said the USDA has pulled funding from all the Resource Conservation and Development Districts but that his county (Madera) is going to keep that office going for at least a year with other funding. He said that Congressman Denham has submitted a bill which would allow projects that have received CEQA approval to be exempt from environmental review under the NEPA.

Boardmember Jiron said the US Forest Service (USFS) considers biomass to be part of the plan for creating the pilot projects to make it more economically viable and is working with the California Public Utilities Commission to see how it could

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be addressed. He indicated that he would look into the results of the John Day issue example, because salvage logs need to be removed within two years of a fire.

Board Chair Kirwan echoed support for the concept of a programmatic EIR/EIS to address a recurring set of issues which have a defined scope of environmental consequences, so that approval could be obtained more quickly.

Boardmember Arcularius said she participated on a subcommittee of the National Association of Counties which submitted comments on the Forest Service Planning Rule document. She added that the California Association of Counties and the Regional Council of Rural Counties are working on a memorandum of agreement with the Forest Service to establish better lines of communication as the Planning Rule moves forward.

c. Proposition 84 Grant Program Audit Report

Branham said the Department of Finance (DOF) audit provided helpful comments and was a positive affirmation of the work that Grants Program Manager Kerri Timmer and her staff have been doing for the grant program. He said it was a good vote of confidence for the team.

Timmer thanked the SNC Area Staff who work with the grantees, as well as Grants Coordinator Angela Avery, Lisa Forma and Barbara Harriman in preparing for the audit. The auditors looked at compliance with legal requirements in association with awarding bond funds, and also interviewed 23 grantees to make sure they were also following the protocols that had been established. The audit report is on the SNC Web site. The recommendations centered on fiscal and project monitoring.

Boardmember Kirkwood congratulated Timmer and the SNC in general, saying the input he receives from constituents is that they are very happy with the program.

Timmer said that DOF is now starting to audit some individual grantees who have multiple projects, with at least one of them being an acquisition and who also have at least one of those projects closed. These include the Nevada County RCD, Sierra RC&D, the Pacific Forest Trust, Sierra Business Council, and the Truckee River Watershed Council.

VIII. Deputy Attorney General's Report (INFORMATIONAL)

Christine Sproul, Deputy Attorney General, said new legislation would reduce the number of purchases required to create a new environmental license plate. She will continue to monitor that bill.

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Sproul commented on the previous discussion about programmatic environmental review. She said she has a great deal of CEQA and NEPA experience and that there exists a number of joint documents to satisfy both, as well as programs under which the federal government has delegated its NEPA authority to State agencies.

IX. SNC Strategic Plan (ACTION)

Branham reported the SNC's first Strategic Plan (Plan) has served the SNC well, but now it's time for an update. In fact, Proposition 84 was yet to be passed at the time of the first plan. He noted that the SNC has awarded \$40 million, and that every county in the Region has now received a grant award.

Branham reviewed with the Board several other accomplishments of the SNC over the past five years including the Great Sierra River Cleanup, the National Geographic Geotourism MapGuide Project, and Sierra Day in the Capitol.

Newer projects underway include the Mokelumne Watershed Environmental Benefits Project, the Sierra Nevada System Indicators Project, the PG&E Stewardship Council Project, and the Sierra Nevada Water Report.

He indicated that the Draft Strategic Plan has served to engage a wide variety of stakeholders to better understand the lessons learned over the past five years and and to identify activities that are needed in the future, including non-funding assistance. The final Plan will be ready for Board action at the September Board meeting.

Boardmember Pland stated that from his perspective, the economics of a stand-alone biomass facility are on "shaky ground" and that strategies that rely solely on biomass to reach the objective of healthy forests will not be successful. He proposed a package of operations where merchantable logs can help "carry" the biomass out of the forest, and the use of longer-term stewardship contracts.

Branham agreed and noted some examples in the report are focused more on biomass, but the SNC is committed to assist in maintaining existing infrastructure and creating new opportunities for biomass utilization. He noted that most of the biomass used for energy today is generated at sawmills and that in the southern Sierra, there is not a lot of hope for new mills to open, so biomass operations might be most appropriate. Pland said he would like to see a bullet point calling out the need to provide merchantable timber to the few saw mills that are left in the Sierra.

Boardmember Arcularius said words like "yield," "production," "harvest" and "wood products" are good words to use in the report and should be encouraged. She said the forests, under the Sustained Yield Act, are there to provide a yield to sustain our country and produce viable products.

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Boardmember Nunes agreed with the two previous Boardmembers stating coming from a region where there are still operating mills, he suggested using the term “timber harvest” in the report.

Boardmember Wheeler said the North Fork mill used to average 130 million board feet, and is now surrounded by tons of dangerous, bad timber since the mill was shut down in 1993. Until the USFS can guarantee logs for two years, there will be no investors interested in spending millions of dollars to put in a mill or a biomass plant. Wheeler said forest biomass is the best renewable resource that America has and that it is being wasted.

Boardmember Graber said he felt the need to temper those remarks. He said the forests exist by law not only to provide resources, but also to protect watersheds, to provide for recreation, and to protect wildlife and native species. They do not exist just to provide commodities. He noted as the climate is warming and drying, larger trees are the ones that survive best. He agreed with the need to remove merchantable timber, but feels it will take decades of thinning work to assist the growth of large diameter trees.

Boardmember Kirkwood stated he was confused about the examples in the Plan. He said this particular strategy will sound a lot better when it doesn't have examples under it. He stated that the introduction to the discussions on healthy forests should place greater emphasis on environmental issues, and feels the quantification piece on forest benefits needs more work, noting that the watershed discussion lacked reference about natural upstream storage. He also stated there seemed to be a higher claim of threat of development than is real. He suggested adding a bullet point stating SNC will continuously maintain and improve other baseline SNC assets, skills and tools established in the first five years to assure they are up to date, and their contribution continues to be as strong as possible.

Boardmember Brissenden said he would second Graber's remarks and was also concerned about the impact of humans on the forest. As for easements, he said he feels we need to scrutinize the threat of development more carefully. In response to Kirkwood's comments about upstream water storage, he noted there are some projects just under way to help quantify the effect of upstream activities in attenuating stream flows.

Boardmember Dahle stated he has received feedback from constituents on the issue of acquisitions that occur a long way from water and that SNC needs to look more closely at this.

Branham indicated staff would continue to analyze the issue of how to best determine “threat” of development and the affect it would have on project recommendations.

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Boardmember Arcularius pointed out that one of the key benefits of funding an easement is to reach the goal of sustaining agriculture, as that is often times the only way an agricultural family can stay on the land. Regarding the section on agriculture, she said it might be a better strategy to join with the agriculture industry to take the lead on this. Branham said SNC would appreciate any and all help to provide more coordination with the agriculture community and would continue to reach out to them.

Boardmember Pland commented on the issue of conservation easements vs. development, saying the "first line of defense" is the county Board of Supervisors and the general plan in that county. All counties look real hard at potential rural development.

Branham said he appreciated the Board's comments, modifications would be made and the draft report made available for public comment.

Public comment:

Kim Yamaguchi, Butte County Supervisor, said the threat of fire is the highest priority in his county, noting Butte County has lost over 200 homes in 2008 to fire. He agrees with the comments about the need to thin the forests and keep saw mills open.

Yamaguchi also said that the issue of public access is also a high priority when land is taken into public domain. He cited examples in his county where historical uses of fishing and hunting have been eliminated. He encouraged a focus on negotiations to create the opportunity for public access.

Action: Boardmember Kirkwood moved and Boardmember Owens seconded a motion to direct the staff to move forward with the Draft Strategic Plan, solicit public comment and bring it back to the Board in September. The motion passed unanimously.

X. 2011-12 and 2012-13 Grants Program (ACTION)

Kerri Timmer, Grants Program Manager, said the intent of this agenda item was to solicit the necessary guidance and approval from the Board for staff to move forward with the Draft Grant Guidelines document that can go out for public review and then become the document to guide SNC's grant program over the next two years.

Timmer gave a review on the progress of the Proposition 84 grant program, stating that \$40 million has been awarded so far, with \$10 million left. She noted the staff proposal presented several policy-level questions relative to the types of projects to be funded with the remaining \$10 million.

Boardmember Kirkwood noted that the grants for pre-project due diligence for fee-title acquisition projects are relatively small, and yet are valuable to small agencies because they are very difficult to obtain elsewhere. He feels it is important for SNC

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to continue to fund these projects. He said his order of priority would be 1. site improvement, 2. pre-project environmental and appraisal work, 3. acquisition of easements, and 4. acquisition of fee title.

Boardmember Nunes noted some groups, like Fire Safe Councils, need the pre-project environmental work in order to do the site improvements. He asked if using a phased approach to fund both at the same time would be feasible. Timmer explained that the phased approach, while appealing, was quite difficult to do within legal and CEQA constraints due to the fact that projects might not move past the first phase.

Kirkwood noted that the decision to fund only forest related projects in the first year and agriculture projects the second year would limit the ability for applicants to fund both the work for pre-project environmental review, and then the implementation work. He suggested the SNC not make the sequential distinction.

Boardmember Arcularius agreed with Kirkwood's suggestion. She also asked if there could be any leeway in allowing for funding certain projects for both pre-project work and implementation to ensure that a project won't be stalled due to a lack of implementation funding. Timmer explained in the past the SNC has used dollars set aside through the Executive Officer's authorization for a small number of time-sensitive projects, but added that authorization for those projects is limited only to the pre-project work.

Branham said that some of the lessons learned relating to grant evaluation with previous grant rounds had led the SNC staff toward the recommendation of the single-focus approach in two consecutive areas, especially with limited remaining funds.

Boardmember Nunes said that he would be in favor of leaving this point up to the staff, so long as the Fire Safe Councils, forest projects and ranch easements can be funded over the next two years. Arcularius said that with respect to agriculture projects, she would be more in favor of finding other types of site improvement projects to fund instead of conservation easements. She suggested working on agriculture projects the first year, allowing them to be ready for funding in the second year.

Boardmember Graber spoke in favor of the single focus funding proposal from staff. He added he believed there are many agriculture projects that are ready for funding. He suggested consulting with the National Resource Conservation Service (NRCS), which has a list of site improvement projects on agricultural lands in the Sierra. Boardmember Pland agreed working with the NRCS would be beneficial for Sierra farmers.

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Branham agreed many of the NRCS projects would fit under Proposition 84 guidelines, and SNC plans to partner with NRCS. Unfortunately, very few applications from the Sierra agricultural community have come to SNC thus far.

The Board agreed with the staff proposal to divide the remaining \$10 million equally over the two years. Boardmembers Nunes, Arcularius, Pland and Owens indicated they are opposed to funding pre-project work for fee title acquisition. After querying the Board, Board Chair Kirwan said the sense of the Board was against funding pre-project work for fee title acquisitions.

Branham asked if it was the will of the Board that SNC not bring forward any projects which would result in fee title acquisition. The consensus from the Board was no such projects should come forward for authorization under the remaining Proposition 84 funds.

The Board concurred with the staff recommendation that there should not be specific subregional allocations, but rather a less stringent consideration of geographic distribution of grants.

On the issue of funding caps, Timmer noted that the staff proposal reduces the funding cap for site improvement, restoration, or acquisition of conservation easements to \$250,000. Boardmembers Arcularius and Kirkwood suggested raising the cap to \$350,000. After some discussion about the appropriate level of funding for these types of projects, Timmer was directed by the Board to provide more data from the SNC's history with these projects in the next draft. On the issue of a funding cap for pre-project grant awards, the Board agreed to increase the cap up from \$50,000 to \$75,000.

The Board indicated unanimous support for requiring grant applicants to submit a "pre-application." Timmer assured the Board staff would do everything it can to streamline this process and ensure the full application becomes additive and not redundant to the pre-application.

Public comment.

Jessica Neff, Pacific Forest Trust; agreed with the pre-application requirement. She added that conservation easements are a great way of improving forest health and wanted assurance that conservation easements would be considered under the focus of "Forest Health". Neff suggested it would be good to have both agricultural and forest projects eligible in both years to ensure a higher number of quality projects would be brought forward.

Kim Yamaguchi, Butte County Supervisor; thanked the Board for bringing emphasis to the Fire Safe Councils. He said that while the Butte County Fire Safe Council has not been able to compete in the past, he looks forward to future cooperation with the SNC.

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Erik Vink, Trust for Public Land; echoed the comments that the Ms. Neff made and asked the Board to not divide forest and agricultural projects up by year because there may be great forest projects that miss the deadline. He spoke in favor of flexibility for "fee simple" acquisition projects because of concerns about providing public access. Responding the Board's discussion of appraisals, he suggested the Board ask Department of General Services to make a presentation at their next Board meeting.

Ron Warner, Tehama County Supervisor said Fire Safe Councils and some watershed groups in his county had submitted six projects in previous grant rounds, but none were approved. He said those groups were concerned that too much money was going to acquisitions, so he expressed his appreciation for the actions the Board had taken on this issue relative to those types of projects.

Action: Boardmember Kirkwood moved and Boardmember Jiron seconded a motion to authorize staff to prepare a public review draft of the Guidelines based on guidance provided by the Board, and to bring the Guidelines forward to the Board in September following public comment. The motion passed unanimously.

XI. Reauthorization of Federal Secure Rural Schools and Community Self-Determination Act (ACTION)

Branham stated that this is a request brought forward by Supervisor Wheeler. He indicated this is an issue that is critically important to many Sierra Nevada counties and it aligns with a position taken by the SNFCI Coordinating Council. Branham noted that the staff recommendation was for the Board to go on record as being in support of the reauthorization of the Act.

Action: Boardmember Nunes moved and Boardmember Dahle seconded a motion to direct the Executive Officer to convey the SNC's support of reauthorization of the Act to members of the California Congressional Delegation and other interested parties. The motion passed unanimously.

XII. Updates on Various SNC Activities (Information)

a. Sierra Day in the Capitol Report

Kerri Timmer said the day was a success with 46 people attending, resulting in 63 legislative visits. She thanked SNC staff including Shana Knott and Julie Griffith-Flatter for the displays on the Governor's wall, adding that many people commented on how useful they were. Sponsorship grew from 19 to 25, including those who contributed financial assistance and photos for the wall display. She thanked Boardmembers Kirkwood and Brissenden for attending.

Brissenden encouraged the SNC to continue Sierra Day and to find ways to develop sponsorship opportunities and make this event a fundraiser.

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b. Sierra Nevada Water Report

The Watersheds of the Sierra Nevada Report and Water Facts booklet were distributed to the Board. Branham noted that the documents were produced by the Water Education Foundation (WEF) with the SNC as a partial funder. He noted that WEF retained editorial control of document but received substantial input from the SNC and stakeholders. The report is being distributed by WEF and the SNC. He added that the report would be used by SNC as part of ongoing education of Sierra water issues.

c. SNC Involvement in the State Water Plan Update

Kerri Timmer said the SNC has, for the first time, been included on the State Agency Steering Committee to update the California State Water Plan. The update is being headed by the Department of Water Resources (DWR), and is scheduled to be released in 2013. She said that other agencies on the Steering Committee feel the SNC can bring a much-needed focus to the Sierra as part of the process. The goal for the SNC is to raise awareness, particularly of those outside the Region, about the importance of the Sierra Nevada to the rest of California.

Timmer said there is an opportunity to be the “voice of the Sierra” in representing key issues.

Boardmember Kirkwood said Timmer could serve the Sierra well by reminding the DWR about the potential for, and the need to invest in, upstream water storage.

Boardmember Nunes expressed the need to reach out to groups involved in the irrigated lands regulatory program. Boardmembers Wheeler and Arcularius said they hoped the SNC could offer support to smaller county IRWMP programs which have not been successful in competitive grant programs.

In a unrelated note, Branham reported that he and Joan Keegan, Assistant Executive Officer, recently visited a decommissioned fish hatchery near Independence. He stated SNC is in the early stages of considering a potential role for the organization (including possible receipt of this property from the Department of Fish and Game) in determining the future use of the site. He indicated the SNC would work closely with Inyo County in determining what role, if any, the SNC would play. He noted the fish hatchery portion of the property is no longer operational.

XIII. Boardmembers' Comments

Boardmember Arcularius suggested that if the Board calendar works out it would be nice to meet at the Mt. Whitney fish hatchery.

XIV. Public Comments

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Charles Greenlaw, Alliance for Family Forest and past president of the Forest Landowners of California, said he was gratified to hear the so much support for fire safe work to make the forests healthy. Greenlaw noted there seems to be a push to restrict recreation to human powered recreation and to wall things off from motorized recreation. He said it seems inappropriate to use public money to support one form of recreation over another; i.e., motorboat vs. canoe, and snowmobile vs. skiing.

He added that he felt the “perpetual endurance” of conservation easements was worrisome, saying it can act as a never ending straightjacket to land use beyond the lifespan of the landowners.

XV. Adjournment

Board Chair Kirwan adjourned the meeting at 12:52 PM.

Background

In order to more effectively carry out the SNC mission and in anticipation of changes associated with the pending Strategic Plan, staff recently implemented an organizational re-alignment affecting our grants, outreach/communications and administrative programs. On July 1, 2011 Grants Administration, including Lisa Forma and Barbara Harriman, was shifted to the Administrative Services Division under Theresa Parsley. At the same time the name of the Grants, Funding and Outreach team was changed to the Regional Policy and Programs Division under Kerri Timmer. Angela Avery, Marji Feliz and Janet Cohen are joined in this new division by Julie Griffith-Flatter and Theresa Burgess. Kerri retains department-wide grants policy and funding programs and is able to focus more time on outreach, communications, legislative and Region-wide program development. Planning and implementation of grant solicitation cycles will continue to be conducted department-wide, with staff project leads and all managers and executives involved.

At the same time this standing Board item was changed from Budgets and Staffing to Administrative Issues, to incorporate a broader report on administrative activities department-wide. In the future all grants management updates will be presented here. Grants solicitations planning, progress and updates and new bond reports will continue to be focused in separate staff reports and presentations.

Current Status – Grants Admin

Grants administrative staff is actively participating in the planning and implementation of the Healthy Forests grants solicitation cycle for 2011-12 and the Ranching and Ag Lands cycle for 2012-13. Furthermore, staff continues to respond to various requests for information including bond cash-flow information and grantee audits. Underway also is the planned version upgrade for the computer-based EasyGrants system. Part of this project is staff's work with the vendor to build out work-flows and auto-reports as currently approved projects are managed and as staff prepare for the next two solicitation cycles. Additional grants actions staff are preparing for is the close-out of 95 projects, terminating at the end of February, 2012. Media staff, area managers and project leads are identifying high interest projects, both active and closing out, that can be highlighted in future press activities.

Current Status – Budget

For only the second time in ten years, the legislature and Governor passed and signed a budget on time, allowing SNC to begin 2011-12 with the ability to conduct business and pay its bills. This isn't business as usual however, with continued constraints and reductions and the possibility of additional cuts as the year progresses, depending on the ability of revenue receipts to match fairly rosy projections.

Accounting staff have successfully closed out our fiscal records on 2010-11. SNC's 2011-12 budget was approved and is attached, revealing no major surprises. One change was a baseline budget reduction to reflect contract-related compensation impacts and permanent workforce cap reductions, which has been absorbed. Budget

staff is currently turning their attention to 2011-12 project management and expenditures, while preparing budget planning documents for 2012-13.

Staff continues to wait to see what happens on the pension front. The possibility of additional legislative action as well as the rumor of pending pension-related initiatives has all state employees watching for additional compensation impacts. Also pending is whether the Personal Leave Program (PLP) will end in November as negotiated, restoring 4.8% to staff paychecks, or if the continued budget crisis prompts some further action.

Current Status – Staffing

On the brighter side, Julie Bear has fully settled in to her new role as the Mt. Whitney Area Manager, having completed her move from Bishop to Mariposa in July. Bishops' loss was definitely Mariposa's gain and it is expected that she will be making an even bigger impact on the Area. This move has her now working full-time out of the Mariposa office, which makes her staff happy and helps her to visit Auburn more frequently without the need for additional travel costs.

Two new students have also recently joined our ranks. The first, Nic Enstice, is working with Kim Carr on sustainable initiatives. Nic brings with him a double bachelor's degree in Biology and Environmental Studies and a master's degree in Terrestrial Ecosystems. Nic has multiple years of experience implementing conservation practices including a stint in the Peace Corps in Panama where he worked with farmers and government officials in rural communities and helped build coalitions to implement projects including creation of a native species tree nursery, pastureland improvements, sustainable agriculture plots, and riparian reforestation. Also new is Janice Kelley, assisting Kerri Timmer on outreach and communications projects starting with the annual report, Regional outreach logistics and the DWR Water Plan update. Janice brings extensive experience in writing and designing outreach materials, organizing public participation and other special events, and working with stakeholders in collaborative processes. Janice has undergraduate degrees or certificates in both Family & Consumer Sciences and Public Relations, as well as coursework in natural resource management and environmental studies. She is currently in a master's degree program at Sac State focusing on Recreation, Parks and Tourism.

Future Status – Staffing

Ever vigilant in the search for future talent, we are also pleased to introduce Blake Allen Lussier, Class of 2029. Blake was born to SNC's own Amy Lebak (and Daddy Brian) at 4:03 am on June 28, weighing 7 lbs, 6 oz and measuring 20 ½ inches long. Blake is currently teaching Mom a new form of HR management.

Recommendation

This is an informational item only; no formal action is needed by the Board at this time, although Boardmembers are encouraged to share their thoughts and comments.

2011-12 SNC EXPENDITURES AND ENCUMBRANCES				
As of July 1, 2011				
State Operations				
<i>Personal Services</i>	<i>Budgeted</i>	<i>Expended</i>	<i>Balance</i>	<i>% Spent</i>
SALARIES AND WAGES	1,885,259	0	1,885,259	0%
STAFF BENEFITS	533,275	0	533,275	0%
Personal Services, Totals	\$2,418,534	\$0	\$2,418,534	0%
Operating Expenses & Equipment				
	<i>Budgeted</i>	<i>Expended</i>	<i>Balance</i>	<i>% Spent</i>
GENERAL EXPENSE	224,048	18,143	205,905	8%
TRAVEL - IN STATE	62,000	-	62,000	0%
TRAVEL - OUT-OF-STATE	-	-	0	0%
TRAINING	47,500	0	47,500	0%
FACILITIES	259,723	20,114	239,609	8%
UTILITIES	10,222	902	9,320	9%
CONTRACTS - INTERAGENCY AGREEMENT	1,018,890	280,100	738,790	27%
CONTRACTS - EXTERNAL	277,184	49,060	228,124	18%
INFORMATION TECHNOLOGY	104,500	8,500	96,000	8%
CONSOLIDATED DATA CENTER	-	-	-	0%
EQUIPMENT	-	-	-	0%
OTHER ITEMS OF EXPENSE	81,741	2,266	79,475	3%
PRO RATA (control agency costs)	159,658	0	159,658	0%
Operating Expenses & Equipment, Totals	\$2,245,465	\$379,084	\$1,866,382	17%
Local Assistance				
<i>Appropriation</i>	<i>Budgeted</i>	<i>Expended</i>	<i>Balance</i>	<i>% Spent</i>
NO APPROPRIATION FOR FY 2010/11	-	-	-	0%
	<i>Budgeted</i>	<i>Expended</i>	<i>Balance</i>	<i>% Spent</i>
State Operations	4,664,000	379,084	4,284,916	8%
Local Assistance	-	-	-	0%
SNC EXPENDITURES, TOTALS	\$4,664,000	\$379,084	\$4,284,916	8%

Background

The California Department of Fish and Game (CDFG) recently approached the Sierra Nevada Conservancy (SNC) with a request to consider accepting the ownership of a 40 acre parcel on Oak Creek, just northwest of the community of Independence in Inyo County. This site is home to the Mt. Whitney Fish Hatchery, an historic and iconic landmark in the Eastern Sierra. Since it is no longer operating as a hatchery due to a variety of constraints, CDFG is required to dispose of it either by sale, exchange or transfer. Currently the hatchery and the surrounding park-like grounds are being used for community events, private functions and as a tourist attraction. A local nonprofit, Friends of the Mt. Whitney Fish Hatchery has been managing and operating a small on-site interpretive center and gift shop, conducting repair and maintenance while fundraising to enhance the property and sustain its programs. Inyo County has supported the Friends efforts with in-kind services and is currently involved in the on-going discussions about the hatchery's future.

Current Status

A site visit was conducted in June and involved representatives from the CDFG, Inyo County, Friends of Mt. Whitney Fish Hatchery and SNC. Subsequently, a meeting was convened to continue to explore options for conveying the property to a third party, perhaps temporarily, while the county and community conduct a feasibility study, potentially identify resources and develop a business or master plan for the property.

Next Steps

Inyo County and SNC are developing a draft Memorandum of Agreement (MOA) which will focus on defining how the parties could work together to ensure that the hatchery remain a viable asset for the community, the County and to the area's visitors.

Recommendation

No action is necessary by the Board. Staff will continue to work with Inyo County, CDFG and other interested stakeholders to determine if there is a value-added role for SNC to play in the Mt. Whitney Fish Hatchery project and report back to the Board on progress.

Background

The North Subregion of the Sierra Nevada Conservancy (SNC) includes all or portions of Lassen, Modoc, and Shasta Counties. Total population of the Subregion area is approximately 63,000 residents, most residing in Lassen County. It is one of the least densely populated Subregions in the Sierra Nevada.

This Subregion is primarily rural, with no large towns or communities. Small communities are distributed throughout the counties of the Subregion. Susanville, the largest of the communities in the Subregion with a population of 17,500, lies at the base of the slope where the northernmost point of the Sierra Nevada and the Southern Cascade Ranges meet. It is the portal to the Modoc Plateau to the north and east, and the Great Basin to the east.

Ranching, farming and small homesteads still dominate the landscape. Visitors to the North Subregion will find world class recreational opportunities such as mountaineering, mountain biking, kayaking, hunting, fishing, agritourism, popular historic attractions and National Parks, Forests and Bureau of Land Management lands.

The main transportation corridors are US Highway 395 (north/south) and Highway 299 (east/west). These transportation corridors effectively keep traffic flowing from southern Oregon and northeastern California to Reno, Nevada and the Central Valley of California.

The Subregion contains all or portions of the major watersheds of the Pit, Fall, and Susan Rivers. The Pit River and Fall River flow to the west into Shasta Lake. The Susan River Watershed and its tributaries flow to the east and south, ending primarily in the Honey Lake Valley and Smoke Creek.

One of the most diverse in geologic features, the North Subregion contains ecoregions of alpine, sub-alpine, lakes and wet meadows, plateaus and valley floors, and great basin ecosystems. Elevations range from roughly 4,000 feet in the valley floors to over 10,400 feet at the top of Mt. Lassen in Lassen National Park.

Native American tribes including the Pit River, Maidu, Mountain Paiute and the Washoe Tribes called this region home. The Modoc people, who lived at the Klamath River headwaters, were a prominent tribe that broke away from the Klamath tribes to the north in Oregon. Modoc County was named for this tribe.

William Nobles led the first wagon trains on the Nobles Emigrant Trail (Nationally Designated Trail) passing through the Honey Lake Valley and crossing the Sierra. In 1854 Isaac Roop opened a small trading post in what was formerly known as Roopville, renamed Susanville in honor of his daughter some years later. Isaac Roop became the first territorial governor in 1861. Roop's Fort, as it is now known, still stands in the community of Susanville the oldest building in Lassen County and is featured on the Sierra Nevada Geotourism Website.

After Statehood and the gold rush, the railroads and the timber mills contributed to development in the northern counties. The Red River Lumber Company in Westwood was home to the world's largest electric sawmill of the day (it no longer functions as a mill). The Subregion now has three active wood processing facilities and two biomass energy facilities. Gold mining was active in Lassen County until late into the 1990's.

The SNC maintains an office in Susanville and staff in the Susanville and Auburn offices serves the Subregion. The SNC has developed many effective relationships with organizations in the Subregion and will continue to build more partnerships in the future.

Current Status

The SNC has funded 24 Proposition 84 grants in the North Subregion reflecting a variety of watershed and landscape needs.

North Subregion Grants	Type of Grant/ Number	Amount
Acquisition Projects	1	\$1,000,000
Education/Interpretation	2	71,500
Monitoring/Research	2	90,000
Planning	1	48,400
Pre-Project Due Diligence	9	597,425
Site Improvement and Restoration	9	1,828,159
Total	24	\$3,635,484

The risk of catastrophic fire, the need for fuels management and the loss of significant portions of the natural resource industry (timber and mining) are key issues being addressed by stakeholders in the subregion. Overly dense forests on both public and private lands are extremely vulnerable to catastrophic wildfire and the proximity of these high danger fire areas to population centers creates enormous concern for residents and local agencies, as well as threatening water quality and habitat throughout the watersheds. As wood related infrastructure decreases, the ability to actively treat these lands becomes all the more difficult.

The Sage Steppe Ecosystem Restoration Strategy, a collaborative effort by the USDA Forest Service, the Bureau of Land Management (BLM) and Modoc County began as a discussion on how to treat and restore the sage-steppe ecosystem and its related species habitat. The strategy covers over 6 million acres of land within Modoc and

Lassen Counties. The Strategy focuses on the restoration of sage steppe ecosystems that have become dominated by western juniper over the past century.

Through mechanical treatment and removal of juniper, as well as fire use, the Modoc National Forest and the Alturas Field Office of BLM has focused on treating up to 30,000 acres per year to restore the ecosystem habitat. Sierra Nevada Conservancy Grants to the Lassen County Fire Safe Council, the BLM and the local Resource Conservation Districts have helped to meet this goal over the past three years.

The Board also recently authorized a grant to the Pit RCD for the construction of the Lower Ash Creek Wildlife Area Restoration Project which is currently under construction and is being recommended for matching grants by the California Waterfowl Association and the North American Wetlands Conservation Act funding program. The project aims to restore approximately 2,400 acres of degraded wetland habitat in a critical area of the Pacific Flyway migratory corridor.

Tourism is a mainstay element of the North Subregion's economy. Outdoor recreation opportunities are a trademark of the Region, and the Sierra Nevada Geotourism MapGuide Project highlights many of the unique attractions and events in the area. Included in these attractions is a project partially funded by the SNC, the recently acquired Modoc Line, an 85 mile rail corridor managed as a multi-use trail linking Lassen and Modoc Counties.

During their last visit to the North Subregion, the Board was given a presentation about the development of the Hatchet Ridge Wind Energy Project. Since that time, Pattern Energy has constructed a \$200 million wind farm on the top of Hatchet Ridge above the town of Burney, stretching in a line 6 ½ miles long on land leased from Sierra Pacific Industries and Fruit Growers Supply Company. Construction began in October of 2009 and the facility began commercial operation in December 2010. The 44 wind turbines, with blade tips reaching up to 410 feet above the ground, have a combined production capacity of 101.2 megawatts – equal to the annual electricity usage of 44,000 homes, and will offset 134,000 tons of carbon dioxide per year. The power is purchased by Pacific Gas and Electric (PG&E) under a 15 year contract.

The counties in the North Subregion have traditionally supported Williamson Act contracts for conservation of agricultural lands and are having to make very difficult decisions about the future viability of existing or new Williamson Act contracts. The SNC is monitoring legislative activity related to this issue and anticipates possible opportunities to complement Williamson Act efforts by assisting agricultural producers and land managers through the FY2012-13 grant program which will focus on "Preservation of Ranches and Agricultural Lands."

Next Steps

SNC staff is participating and supportive of the newly emerging Lassen Gateways Coalition. The Coalition brings together recreation and tourism providers from the

Region to collaborate on improving opportunities for visitors, businesses, and communities. The Gateways Coalition has been instrumental in securing nominations for the Sierra Nevada Geotourism MapGuide Project.

The Subregion also has many local collaborative efforts underway that are related to or are supportive of the Sierra Nevada Forest and Communities Initiative (SNFCI). SNC staff remains involved at various levels with these collaboratives. The SNC has established many partnerships and working relationships in the North Subregion. Outreach has been ongoing since the SNC's creation and will continue into the future.

SNC staff will be interacting closely with partners in the North Subregion to help develop projects supportive of the SNC's Preservation of Ranching and Agricultural Lands and Healthy Forests areas of focus during the next two years.

Recommendation

This is an informational item only; no formal action is needed by the Board at this time, although Boardmembers are encouraged to share their thoughts and comments.

Background

In July 2006, the Board adopted a five-year Strategic Plan (Plan) for the SNC, which it subsequently revised in December 2008. In June 2010, the Board endorsed a process for the creation of a new Strategic Plan by September 2011. This process included:

- A Board workshop in June 2010 where Boardmembers and stakeholders brainstormed potential areas of focus for the new Plan.
- A survey of SNC stakeholders and meetings with SNC stakeholders and staff regarding potential areas of focus for the Plan.
- An assessment of work being done by other organizations in the Region, as well as potential sources of funding, and potential roles and objectives for the SNC within each potential area of focus.
- Six workshops throughout the Region and numerous other meetings to gather input from stakeholders on what the SNC should do over the next three years within the areas of focus adopted by the Board.
- A review of the existing Climate Action Plan and Education and Communication Plan and incorporation of their contents into the new Plan wherever appropriate.

Based on all of this input, staff brought a draft of the new Strategic Plan to the Board in June 2011. The draft Plan also included initiatives already underway within the organization, which had previously been approved by the Board. The Board provided input regarding needed changes to the draft Plan and approved it to be posted for a 30-day public comment period.

Changes to Draft Plan Based on Board Input

Staff made a number of changes to the draft Plan based on input provided by the Board prior to posting it for public comment. These changes are summarized below:

- Healthy Forest Area of Focus:
 - Addition of wording in the discussion section referring to “improving forest ecological health” “traditional lumber products” and “maintenance of existing facilities such as sawmills and biomass energy plants, as well as the development of additional infrastructure.”
 - Addition of a new strategy that refers to quantification of the benefits provided by improving the health of Sierra forests.
- Preservation of Ranches and Agricultural Lands Area of Focus:
 - Changes to wording in various places to better reflect our desire to carry out our objectives and strategies in partnership with landowner organizations and others already engaged in similar activities in the Region.
 - Addition of wording in the objective related to increasing funding for preservation and stewardship of ranches and agricultural lands in the Sierra to focus on lands “that are under the threat of conversion or where additional funds are needed to ensure the long-term viability of family farms.”

- Watershed Protection and Restoration Area of Focus:
 - Addition of wording in the discussion section which stresses the benefits of “natural upstream storage.”
- Promotion of Sustainable Tourism and Recreation—no changes
- Long Term Effectiveness of the SNC Area of Focus:
 - Replacement of the term “greening” with implementation of “resource efficiency measures” in one of the strategies.
 - We added the first four words to the strategy, “Continue to assess and” streamline internal processes and systems to maximize efficiency and effectiveness,” in order to make it more clear that we are building on all of the work we’ve already done.

In addition to these changes, and as noted at the June Board meeting, all of the example actions were removed from the draft Plan prior to public comment. Staff will develop an Action Plan for approval by the Board each year, which will lay out the specific actions the SNC will take with regard to the objectives and strategies laid out in the Plan.

Current Status

In addition to posting the draft Plan for public comment, staff began to develop the first Action Plan as a further means of “ground truthing” the objectives and strategies in the draft Plan. This proved to be a very effective means of finding redundancies and the need for additional clarity in a number of areas. The final draft Strategic Plan (Attachment A) shows all of the changes made to the draft Plan based on public comment and this additional staff input.

Although SNC solicited input through an email and subsequent reminder that went to over 1,000 people, representing hundreds of organizations living or working in the Sierra, public input was very limited. Attachment B includes all of the public input received as well as an explanation of how SNC responded to the input in the final draft of the Plan.

Ultimately, the changes made to the draft Plan did not have a substantive effect on the objectives and strategies included in the Plan when it went out for public comment. The changes shown in Attachment A are generally aimed at clarifying, rather than changing, the contents of the Plan.

Changes made to the Plan based on Board input, public comment, and additional staff input was discussed with the Board committee overseeing the strategic planning process, which is comprised of Boardmembers Bob Johnston and Ted Owens.

Next Steps

Once the Board has reviewed and approved the new Strategic Plan, staff will complete development of a draft Action Plan, which will cover the period from January 2012 through the first half of 2013. Although Action Plans will ordinarily be brought to the Board on an annual basis, this initial Action Plan will cover an 18-month timeframe, so that future Action Plans will align with the State's fiscal year. This will enable SNC to build its annual budget plan based on the Action Plan approved by the Board.

The draft Action Plan developed by staff will be posted for public comment in the fall. Any input received, as well as any changes made to the Action Plan based on that input, will be provided to the Board when the Action Plan is presented to the Board for review and approval in December.

Recommendation

Staff recommends that the Board approve the new SNC Strategic Plan, with any changes the Board deems appropriate.

**Agenda Item VIII Strategic Plan
Attachment A**



Strategic Plan 2011 Final Draft

| September 8~~June-23~~, 2011

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ABOUT THE SNC

The Sierra Nevada Conservancy (SNC) is a state agency created by bi-partisan legislation co-authored by Assembly members John Laird (D-Santa Cruz) and Tim Leslie (R-Tahoe City). Assembly Bill 2600, the Laird-Leslie Sierra Nevada Conservancy Act, was signed into law by Governor Arnold Schwarzenegger in September 2004. The SNC has a broad mission based on the understanding that the environmental, economic and social well-being of the Region and its rural communities are closely linked and that the Region would benefit from an organization providing strategic direction and bringing attention and resources to the Region to better understand and meet its needs.

The mission of the SNC is to initiate, encourage, and support efforts that improve the environmental, economic and social well-being of the Sierra Nevada Region, its communities and the citizens of California.

Our Vision

The SNC's vision for the future is that the magnificent Sierra Nevada Region enjoys outstanding environmental, economic and social health with vibrant communities and landscapes sustained for future generations.

Features:

- Rich and diverse natural, physical and living resources are protected and conserved.
- Healthy, diverse and economically sustainable local communities thrive, prepared for and protected from natural disasters.
- Californians value and invest in healthy watersheds that provide high quality water, spectacular scenery and important wildlife habitat.
- Sustainable working landscapes provide environmental, economic and social benefits to the Region.
- The Region's cultural, archeological and historical resources are preserved, visited and treasured.
- Healthy and sustainable tourism, recreation and commercial activities are valued and encouraged.

Our Service Area

The SNC's service area – stretching from Modoc County in the north to Kern County in the south – covers 25 million acres and all or part of 22 counties. Comprising 25 percent of California's total land area, it is the largest conservancy region in the State. The

jurisdiction includes the mountains and foothills of the Sierra Nevada range, the Mono Basin, Owens Valley, the Modoc Plateau and a part of the southern Cascade Range, including the Pit River Watershed. The statute establishing the SNC divides the Region into six smaller Subregions.

The Sierra Nevada Region is an extraordinary resource of regional, statewide, national and even global significance. It is the state's principal watershed, supplying up to two-thirds of California's developed water supply. The Sierra sustains 60 percent of California's animal species and almost half of its plant species, including the world's largest living thing: General Sherman, a Giant Sequoia. In addition to providing water for the State, the Sierra supplies up to half of California's annual timber yield and 15 percent of the state's power needs, holding an untapped potential to increase its contribution to California's green energy portfolio. Its forests and agricultural lands are also uniquely suited to help reduce the warming impact of a changing climate by removing carbon dioxide from the atmosphere and storing it in tree trunks, branches, foliage, roots and soils. The Sierra also hosts more than 50 million recreational visits per year and is home to more than 600,000 residents in 200+ local communities – communities that depend in large part on natural resources for economic sustainability, job creation, recreation, and to preserve the community character and viewsheds that are unique to the Sierra Nevada Region.

Governance

The SNC is governed by a 16-member Board with voting members divided almost evenly between State-level appointments and local seats filled by members of County Boards of Supervisors in each of the SNC's six Subregions.

The members include:

- State Secretary for Natural Resources (or his/her designee)
- State Director of Finance (or his/her designee)
- Three members of the public appointed by the Governor
- Two members of the public, one each appointed by the Speaker of the Assembly and the Senate Rules Committee, and
- Six county supervisors whose districts are within the Region, each representing one of the six Subregions.
- Three non-voting liaison advisers: one each from the National Park Service, the U.S. Forest Service, and the U.S. Bureau of Land Management.

Program Description

In accordance with the statute establishing the SNC, all of our activities are based on the principles of balance, cooperation and equity. The statute requires that the SNC:

- Support efforts that advance environmental preservation and the economic and social well-being of Sierra residents in a complementary manner;
- Work in collaboration and cooperation with local governments and interested parties in carrying out the SNC's mission;
- Make every effort to ensure that, over time, Conservancy funding and other efforts are spread equitably across each of the various Subregions and among the program areas, with adequate allowance for the variability of costs associated with individual regions and types of projects; and
- Inform and educate all Californians as to the substantial benefits they enjoy from the Region and the importance of the environmental and economic well-being of the Region.

Program Areas

The SNC serves the Sierra Nevada Region by providing a focal point for action and helping to develop and promote a regional identity for the Sierra as a whole. The SNC does that, in part, by providing funding for local and regional projects and offering technical and other assistance for collaborative efforts in cooperation with nonprofit, tribal, and government partners at all levels. The SNC's activities fall under seven non-prioritized, legislatively mandated program areas, including:

- Increasing the opportunity for tourism and recreation in the Region;
- Protecting, conserving and restoring the Region's physical, cultural, archaeological, historical and living resources;
- Aiding in the preservation of working landscapes;
- Reducing the risk of natural disasters, such as wildfire;
- Protecting and improving water and air quality;
- Assisting the regional economy [through the operation of the Conservancy's program](#); and,
- Enhancing public use and enjoyment of lands owned by the public.

Current Funding Sources

The SNC's budget is made up of funds from the California Environmental License Plate Fund and Proposition 84, The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coast Protection Bond Act of 2006 (Prop 84). Prop 84 allocated \$54 million in bond funds to the SNC. The SNC may also receive funds and interests in real or personal property by gifts, bequests or grants. Our operations do not directly impact the General Fund.

OUR GUIDING PRINCIPLES

We are guided in our operations by a number of principles developed as part of the SNC's initial strategic planning process in 2006:

How We Operate

- The SNC conducts operations openly. Decision making will be transparent, and we always strive to improve communications throughout the Region.
- The SNC strives to maintain neutrality so all interested parties are provided an equal opportunity to participate in and benefit from the SNC's activities.

Our Key Objectives

- The SNC seeks to “add value” and build upon existing community and Regional efforts.
- The SNC brings a Regional focus to the issues of the Sierra Nevada, collecting and sharing information across the Region and communicating the benefits and contributions of the Region.
- The SNC encourages community-based solutions and will assist communities with technical expertise, information and resources necessary to achieve local solutions.
- The SNC uses the best available information and science in making decisions, identifying opportunities to fill information and technical gaps and building on and expanding community information.
- The SNC informs and educates the public throughout the Region and the State about the substantial benefits the Sierra Nevada provides to all Californians, including providing clean water for many uses outside the Sierra, and the importance of protecting and enhancing the environmental wellbeing of the Region.
- The SNC strives to identify and implement activities that result in integrated environmental, economic and social benefits rather than “either or” outcomes.

Implementing Our Programs

- The SNC develops program priorities considering the input received through community outreach efforts and seeks to meet community needs.
- The SNC is flexible in implementing its programs, recognizing the need to act based on opportunity, available funding, local and regional differences and statewide interest.
- The SNC gives priority to multi-benefit projects and integrated activities (those that address more than one of the SNC's program objectives).
- The SNC encourages projects and activities that leverage other organizations' (government, private and nonprofit) competencies and funding.
- The SNC evaluates projects considering what is occurring on surrounding lands, cognizant of potential impacts to those landscapes.

- The SNC purchases and/or creates incentives for the purchase, where practical, of resources for goods and services within the Sierra Nevada Region. We diligently seek opportunities to improve the economic well-being of communities in the Region.
- The SNC makes every effort to ensure that, over time, Conservancy funding and other efforts are spread equitably across Subregions and program areas, with adequate allowance for the variability of costs associated with individual regions and types of projects.

Working with Others

- The SNC emphasizes cooperation with local governments and other governmental, tribal and non-governmental partners in providing information, technical assistance and financial support to assist in meeting mutual goals.
- The SNC coordinates and collaborates with all partners to achieve research, project funding and program goals.
- The SNC convenes and facilitates interested parties to seek solutions for difficult problems to achieve environmental, economic and social benefits.
- The SNC respects the mission, responsibilities and obligations of other agencies and organizations.

OUR FIRST FIVE YEARS

Despite the Sierra's considerable size and significant contributions to the State's economic, environmental and social well-being, the Region historically received relatively little state or federal investment or coordination of activities to protect and steward its natural and community resources. This was due, in part, to the lack of a coordinating entity at a broader (state) level that could involve local government and other stakeholders to represent the Region as a whole. With the creation of the Sierra Nevada Conservancy, that institutional gap has been bridged. Due to our extensive outreach program over the past five years, the SNC now serves as a focal point and vehicle for partnering with local, state, and federal stakeholders, advocating for the Region and attracting additional investment to the Sierra.

The SNC has been hard at work during its first five years to meet this charge. The activities undertaken by the SNC in accordance with its first five-year Strategic Plan have established the organization as an effective partner, adding value to the Region and have led to the launch of a number of key programs and initiatives including:

Grant Program

The SNC's Grants Program, funded through the voter-approved *Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coast Protection Bond Act of 2006 (Proposition 84)*, is one of the primary tools used by the SNC to support the work of its partners across the Region. Since its first year of grant making in 2007, the SNC has authorized more than 221 individual grants to nonprofit, tribal and governmental partners. These grants, totaling almost \$40 million, have been used to improve water quality, reduce the risk of wildfire and other natural disasters, protect important natural resources and habitat, promote sustainable recreational use (when tied to resource conservation), improve resource management practices, protect working farms and ranches and address climate change impacts across the 22 counties comprising the Sierra Nevada.

Climate Change Symposium

The effects of climate change on the Sierra are expected to be significant and could have far-reaching consequences. The forests and communities of the Sierra have the potential to contribute positively by reducing emissions, sequestering carbon, protecting the State's primary source of water, generating renewable energy and proactively adapting to changing conditions. In recognition of the role the Sierra could play, the SNC convened its first symposium, attended by more than 300 participants, to discuss potential impacts and Sierra-specific tools and strategies. This effort led to the development of the first of its kind "Climate Action Plan of the Sierra Nevada: A Regional Approach to Address Climate Change" in 2009.

Climate Action Plan

In 2009, the SNC Board adopted a Climate Action Plan (CAP). This was an effort to better understand all relevant effects associated with a changing climate and determine what additional actions can be taken and what resources and information need to be generated to best serve the Sierra in mitigating and adapting to the effects of climate change. The SNC CAP was written and intended to be a dynamic document. This plan was a starting point – a stake in the ground – from which to begin to determine how climate change can best be addressed in such a diverse and complex Region. Two years later, the SNC has developed an array of projects such as the Sierra Nevada Forest and Community Initiative (SNFCI) and the Mokelumne Ecosystems Services Project which fulfill many of the actions listed in the CAP. Many other actions have been completed or are currently being carried out either by the SNC staff or by others in the Region. Other actions that still need to be completed are included in this new Strategic Plan as actions under individual Areas of Focus.

Connecting the Dots

The SNC hosted a Sierra-wide web symposium, or “webposium,” on forest health and rural economies that attracted 150 participants across nine local meeting locations and the web. The event gathered local, state and national experts; policy-makers; and environmental, tribal, industry and community representatives to discuss improving watershed/forest resiliency and health by reducing the threat of wildfire while sustainably using forest “fuels” to create local jobs and economic diversification and resilience. The webposium served as the precursor to the SNFCI.

Sierra Nevada Forest and Community Initiative (SNFCI)

The SNFCI is an effort to foster collaboration locally and regionally to support a cohesive, economically viable and sustainable approach to reducing fire risk, creating jobs, and restoring and protecting watershed health. A key component of the SNFCI is supporting locally based collaboratives that are taking action to actively manage the forests, create local jobs and improve the social well being of residents. With SNC’s assistance, these collaboratives have received federal, state and private funds as seed money to establish skills training programs, create fuel treatment and biomass utilization jobs for displaced timber workers and rural youth, and develop infrastructure for turning forest materials into value-added commercial products or renewable energy. In addition to receiving the endorsement of all 22 Sierra counties; Boards of Supervisors, the SNC has formed a Regional Coordinating Council consisting of diverse stakeholders engaged in forestry and community development issues. The Council supports local collaboratives by addressing policy issues, research and science and funding to support on-the-ground work.

Sierra Nevada Geotourism Project

Recognizing that tourism remains one of the Sierra’s strongest economic contributors, the SNC entered into a partnership with the Sierra Business Council (SBC) and the National Geographic Society to develop the web-based Sierra Nevada Geotourism Project, one of only four Geotourism projects in the United States. The project involves a Region-wide effort to engage local residents of the Sierra to identify and describe places to go or things to do that are unique and characteristic of the Region. This information is included in a website (www.sierranevadageotourism.org) to advertise the unique assets of the Sierra and to assist prospective tourists in selecting and planning for visits in the Region.

Federal Land Managers Meetings

In 2007 the SNC began hosting annual gatherings of federal land managers from agencies active in the Sierra, including National Park Service, US Forest Service, Bureau of Land Management, Natural Resource Conservation Service, and United

States Fish and Wildlife Service. The goal of these ongoing meetings is to discuss Sierra-wide issues and establish or strengthen partnerships to address regional issues.

Integrated Regional Water Management Planning

The SNC played a key role in addressing the need for Integrated Regional Water Management Planning (IRWMP) in parts of the Region where planning efforts were not already underway or completed. Completion of an IRWMP is needed to qualify for the hundreds of millions of dollars to be disbursed by the Department of Water Resources over the next five years. As a result of SNC's efforts to participate with existing IRWMP projects, and to convene and facilitate stakeholders in areas where planning was not yet occurring, most of the Region will reap the benefits of being part of an IRWMP.

Sierra Day in the Capitol

Sierra Day in the Capitol is an ongoing annual event dedicated to raising awareness among State legislators, their staff and members of the administration about the importance of the Sierra and the benefits the Region provides to the entire state of California. The 2011 Sierra Day involved 47 participants from 26 sponsoring organizations representing a broad array of interests from within and outside the Sierra.

Current Funding Opportunities

The Funding Team continues to disseminate a monthly update with information on state, federal and private funding sources relevant to nonprofit, government and tribal partners in the Sierra. The update is sent to more than 1,100 individuals and organizations throughout the Region and is then posted on the SNC Web site. By the end of 2009–10 the team had publicized more than 200 different funding-related opportunities, from actual grant and loan programs to grant writing and other educational workshops and trainings to improve partners' fund development capabilities.

Supporting our Partners in Building Sierra Awareness

The SNC has developed a sponsorship program to help organizations in their efforts to inform people and communities within the Region and across the State about issues important to the Sierra. Supporting our partners in this way helps us to achieve our mutual goals of raising awareness and encouraging ongoing discussions of Region-wide issues. In 2010, this program supported more than a dozen partner organizations in their activities, engaging thousands of people in Sierra issues. Events sponsored include the California Tribal Water Summit, the California Trails and Greenways Conference and the Rediscovering Rangelands 5th Annual Summit.

Sierra Water Group

From 2007-2009, the SNC helped to coordinate the Sierra Water Group, which consists of representatives from all of the Sierra IRWMP groups. These representatives include local, state and federal government agencies, non-profits, water purveyors and other stakeholders. A primary goal of the group has been to develop a common vision and voice for Sierra water by developing actions to be implemented collaboratively.

California Natural Diversity Database and Vegetation Mapping

In 2008–09 the SNC also provided funding to the California Department of Fish and Game to support improving the biological resource information base for the Region including updating records of rare, threatened and endangered species in the California Natural Diversity Database (CNDDDB) and vegetation mapping of the foothills of the western Sierra. The CNDDDB is a spatial database that contains records of sensitive and rare species as well as state- and federal-listed threatened and endangered species (listed species). The CNDDDB is the most commonly used database by biologists and land managers to evaluate potential impacts to biological resources resulting from proposed projects that will alter the landscape, such as development and restoration activities.

As a result of these and other activities, virtually all of the actions contained in the SNC's original Strategic Plan have been or are being accomplished or have been deemed to be ongoing activities of the SNC and have been built into our day-to-day operations. The few exceptions as well as those activities listed above that have yet to be completed, have been incorporated into this new draft Strategic Plan.

DEVELOPMENT OF THIS NEW STRATEGIC PLAN

Development of this Strategic Plan was specifically intended to focus planning efforts on measurable and attainable actions over the next three years and to set priorities for the SNC within the context of its broad mission and statutorily established program areas. This document will be implemented in ongoing collaboration with multiple partners throughout the Region. It will be carried out through specific actions identified in an annual work plan, which will set forth a realistic set of actions for the SNC to accomplish each year in support of the priorities we've established through this planning process.

While the SNC's original Strategic Plan has a goal associated with each of the SNC's seven statutorily established program areas, for this Plan, the Board established five Areas of Focus that cut across program areas, as follows:

- Healthy Forests
- Preservation of Ranches and Agricultural Lands

- Watershed Protection and Restoration
- Promotion of Sustainable Tourism and Recreation
- Long-term Effectiveness of the SNC

Although this Plan aligns specific objectives and strategies with these five Areas of Focus, the boundaries that had to be drawn around each Area of Focus for planning purposes are sometimes artificial. In reality, all of the Areas of Focus are interconnected and the objectives and strategies that are laid out in support of one Area of Focus will often help the SNC make progress in other Areas of Focus. Activities that address multiple Areas of Focus will be given priority and actions will need to be integrated across Areas of Focus to be most effective.

Following the adoption of the five Areas of Focus by the Board, staff held six workshops throughout the Region to gather input from stakeholders regarding the objectives and actions the SNC should pursue within the first four areas of focus. The workshops were held in Auburn, Susanville, Visalia, Bishop, Oroville, and Sonora and were attended by over 140 individuals representing a wide variety of interests. Stakeholders were also provided the opportunity to provide additional input via our Web site. In addition, meetings were held with staff and key stakeholders, including conservation organizations, fire safe councils, Resource Conservation Districts, landowner organizations, and others.

In addition, staff reviewed the Climate Action Plan and the Education and Communication Plan, which were both previously adopted by the Board and incorporated their contents wherever appropriate. In some instances, elements of these two previously adopted plans were deemed to be no longer relevant due to actions already taken, actions taken by other organizations, or a shift in focus by our partners. Only currently relevant activities were included in this Plan.

Although it was challenging to assimilate the large amount of input received from our stakeholders and staff, the job was made easier by the fact that consistent themes emerged regarding desired roles for the SNC within each Area of Focus and across all of the Areas of Focus. Additionally, the statute governing the SNC identifies the activities in which the SNC may engage, as the following:

- a) The conservancy may expend funds and award grants and loans to facilitate collaborative planning efforts and to develop projects and programs that are designed to further the purposes of this division.

- b) The conservancy may provide and make available technical information, expertise, and other nonfinancial assistance to public agencies, nonprofit organizations, and tribal organizations, to support program and project development and implementation.

This plan proposes that the SNC engage in these two activities identified above in carrying out the following roles:

- Advocate for the Sierra Nevada—Whether it be with decision-makers in Sacramento, the public, other state government entities, those who benefit from the Region’s resources, or others, the need for advocacy and education was strongly urged throughout all of the Areas of Focus. In some instances, this is also tied to the need to develop more compelling or quantifiable information and research about the benefits the Region provides to the State and may also involve leading Region-wide projects that build regional identity.
- Fund Projects —Funding from bond measures and other sources will be utilized to support projects that are consistent with the focus areas identified in the plan. While the types of projects funded may be constrained by specific requirements of the funding source, the SNC will strive to fund a variety of high benefit projects throughout the Region.
- Bring additional funds into the Region—Related to advocating for the Region, is the need for additional funding to address regional and local issues. In addition to SNC’s Grants Program, this may mean working with existing federal and state programs to help them better understand and address Sierra issues. In others, it may require efforts to raise private funds or explore new funding sources for the SNC, such as a fee-for-service model.
- Support local collaboration and capacity building—Many parts of the Region and many organizations within the Region may not have the information, technical expertise, or other resources they need to be more effective in addressing local concerns and issues. The SNC can help address these needs by providing technical assistance and more opportunities for collaboration at the local level.
- Lead efforts to address issues at the regional and local levels—The SNC has established itself as a neutral convener that has been successful in bringing a variety of interests together to find common ground and in leading the development and implementation of steps to move forward on issues at both the regional and local levels.

No matter what roles the SNC plays within the various Areas of Focus, this Plan emphasizes the need for the SNC to continue its practice of strong collaboration and partnership with other organizations working in the Region. Not only does the SNC plan to continue to partner with other organizations on specific actions in support of this Plan, but will also continue to seek ongoing input from stakeholders regarding what we should be doing and how we should be doing it. In addition, the SNC will carry out these roles consistent with the statutory direction to allocate funding and other efforts equitably across each of the Subregions and program areas.

We recognize that the objectives and strategies laid out in this Plan will not accomplish everything that needs to be done within each of the Areas of Focus for the Region. There are many important activities that will continue to be undertaken by other organizations throughout the Region to make our forest healthier, protect and restore watersheds, etc. Rather, this Plan lays out those objectives and strategies that are consistent with the roles stakeholders and staff articulated as being appropriate *for the SNC* and where we can add the most value.

Finally, it is worth noting that this plan addresses both the financial, i.e., grants, and nonfinancial assistance the SNC provides to the Region. Therefore, this Plan will remain relevant for the organization, whether or not the SNC has funds in the future to continue its Grants Program. The Grants Program is a key reason for our effectiveness in the Region and has played an extremely important role in allowing us to fulfill our mission. However, we have written this Strategic Plan so that, even without a Grants Program, we will still have a considerable role to play in the vitality and health of the Sierra Nevada.

The following sections describe the five Areas of Focus with specific objectives and strategies identified as priorities by the SNC Governing Board:

HEALTHY FORESTS

Discussion

The Sierra Nevada Region is facing a number of adverse impacts as a result of unhealthy forests throughout much of region. The risk and consequence of large damaging fire is significant, with serious threats to communities, habitat, water quality carbon storage and air quality are serious and impacts unavoidable without appropriate action. The issue of forest management has long been a contentious and divisive one for the Sierra Nevada. However the consequences of “more of the same” are unacceptable. It is vital that the Region find collaborative solutions to ensure that the ecological health of the Sierra forests is restored and that the rural communities surrounding these forests benefit from these restoration efforts.

The overabundance of small trees and undergrowth in many Sierra forests can weaken mature trees and lead to uncharacteristically fast-moving, high-intensity wildfires that threaten human life, degrade air and water quality and impact plant and animal habitat. Forest resiliency needs to be restored to reduce fire risk, minimize climate change impacts, and support biodiversity. Increasing the pace and scale of forest treatment to restore forest health, prevent large damaging fires and protect communities is essential.

Equally important is the need to ensure that management activities needed to restore forest health are conducted in a sustainable manner that improve the economic and social well being of Sierra communities over the long-term. As a result of the work occurring in the forest, a variety of forest products can be produced. Not only the traditional lumber products, but the biomass that is removed from forests to improve ecological health can be used to produce value-added products or to produce renewable, clean energy. These activities will create jobs and other economic activity and diversification in nearby communities important in a Region that has been hit hard by the loss of resource-related jobs and serves to create a new set of green jobs for the Region and additional green energy for California.

One approach under way is the SNC’s Sierra Nevada Forest and Community Initiative (SNFCI) seeks to meet these challenges on our public lands by bringing diverse stakeholders together in a collaborative, consensus based approach to identify and act upon areas of common agreement. A significant milestone in the implementation of SNFCI was reached with the adoption of a SNFCI resolution by more than 120 stakeholder organizations from around the Region, including unanimous adoption by all twenty-two county Boards of Supervisors. A key component of SNFCI is the maintenance of existing facilities such as sawmills and biomass energy plants, as well as the development of additional infrastructure.

Many Sierra communities are actively working to reduce the risk of large damaging fires. Fire Safe Councils, Resource Conservation Districts and others are working with local, state and federal agencies to protect communities and their watersheds. These efforts illustrate the symbiotic relationship between communities and the forests and are an important contribution to restoring forest health in the Region.

Working to return the forests to ecological health within the Region helps us meet all of our statutorily established program goals as listed below:

Primary

- Protecting, conserving and restoring the Region's physical, cultural, archaeological, historical and living resources;
- Reducing the risk of natural disasters, such as wildfire;
- Protecting and improving water and air quality;
- Assisting the regional economy through the operation of the Conservancy's program; and,
- Aiding in the preservation of working landscapes (i.e., working forests).

Secondary

- Increasing the opportunity for tourism and recreation in the Region; and
- Enhancing public use and enjoyment of lands owned by the public.

Objectives

- ***Increase awareness among policy makers and others about the benefits provided by Sierra forests and the actions needed to improve forest health and reduce the risk of large damaging fires maintain and enhance those benefits.***
 - ***Develop communication materials information and other tools for educating policymakers about the importance of Sierra forests to the rest of the State so that they understand the need to support policies and increase funding directed at Sierra forests to distribute information on forest healthy, economic opportunities, triple bottom line and other related topics.***

- Ensure the presence of the SNC and Sierra stakeholders in decision-making forums so that appropriate policies and funding streams are developed for Sierra forests.
- ***Build greater understanding and quantification of the benefits provided by improving the health of Sierra forests.***
 - Gain a greater understanding of the gaps in scientific research relevant to benefits of forest management and determine how to work collaboratively with others to address those gaps.
 - Support and monitor model projects to determine and quantify the ecosystem services provided by healthy Sierra forests.
- ***Ensure Increase funding and provide targeted support for forest and watershed protection and restoration in order to maintain the enhance the beneficial uses and health of Sierra forests and watersheds.***
 - Investigate and develop potential new funding and resource streams.
 - Provide funding through the SNC's current and future Grants Programs and leverage SNC funding to act as matching funds from other programs.
- ***Implement the SNFCI resolution to improve forest and community health support ecological restoration on forest lands and improved economic conditions in local communities through actions agreed upon in a collaborative, consensus-based process.***
 - Use the SNFCI Coordinating Council as a forum for collaboration and a venue to address policy, attract investment, and support science and research in the area of forest health to support implementation of forest restoration projects on public and private lands.
 - Act as a neutral party to facilitate increased collaboration between agencies, and organizations and stakeholders involved in forestry issues on public and private lands.

- ~~○ Work with partners to promote fuel reduction projects that reduce fire hazard and promote job growth when possible.~~
- ~~○ Work with partners to establish and maintain existing and new forest products infrastructure (i.e., sawmills, biomass energy/co-generation plants, value added products etc.) and to integrate facilities at the appropriate locations and scale to support a viable value for wood materials.~~
- *Increase the amount of scientifically sound information available to individuals and organizations working to improve the ecological health of the forests in the Sierra Nevada.***
- ~~○ Monitor, coordinate and when appropriate, initiate research about forest management, fire and biomass utilization that will lead to successful project implementation~~
- ~~○ Use GIS tools to foster understanding and collaboration across the Region~~
- ~~○ Provide access to new peer-reviewed scientific research findings to target audiences so that they are taking actions based on valid information.~~

PRESERVATION OF RANCHES AND AGRICULTURAL LANDS

Discussion

The ranching and agricultural lands of the Sierra are an integral part of the Region's and local communities' economy, history, cultural heritage and scenic beauty. In addition, these lands provide important contributions to habitat, biodiversity, water quality, air quality, carbon sequestration and open space that benefit everyone as well as preserve the rural character of many Sierra communities.

Those engaged in agriculture and ranching in the Sierra Nevada face a number of important challenges to their ongoing efforts. Regulation, transportation costs of delivering products to market and conflict with urban neighbors are just a few of the challenges. At the same time, despite the recent slowdown in the real estate market, Sierra agricultural and ranching lands remain under pressure for conversion to other uses, including residential development, especially in the fast-growing foothills Region and high-elevation meadows that adjoin urbanizing areas. The recent loss of funding

for Williamson Act subvention payments put ranches and farms further at risk. Even for those fully committed to keeping their lands “working”, these challenges make it very difficult.

The past transition of ranches, farms, and orchards to non-agricultural uses has resulted in fewer farm- and ranch-related jobs, a reduction in local food production, loss of open space and habitat, and loss of the skills, traditions and culture built around agriculture and the rural economy.

One of the factors that contribute to the conversion of agricultural and ranching lands to other uses is the lack of awareness of the many benefits agriculture and ranching provide. There is a lack of comprehensive and compelling data regarding how the protection and appropriate management of these lands positively impacts water quality, habitat and other issues. Telling the story of the true overall benefits of agricultural and ranching land in the Sierra will assist in positive policy and funding decisions at all levels.

Working to preserve ranches and agricultural lands will address a number of our statutorily established program goals as listed below:

Primary

- Aid in the preservation of working landscapes;
- Protect, conserve, and restore the Region’s physical, cultural, archaeological, historical, and living resources; and
- Assist the Regional economy [through the operation of the Conservancy's program.](#)

Secondary

- Provide increased opportunities for tourism and recreation (through agritourism); and
- Protect and improve water and air quality.

Objectives

- ***Increase understanding among decision-makers and others about the environmental, economic, and social benefits of ranches and agricultural lands in the Sierra and the actions needed to maintain and enhance those benefits.***

- Join with others to develop information and tools for educating decision-makers about the importance of ranches and agricultural lands in the Sierra and the benefits they bring to the State.
- Increase the presence of the SNC and Sierra stakeholders in decision-making forums so that policies and other actions take the needs of Sierra ranches and agricultural lands into account.
- ***Support greater understanding and quantification of the benefits provided by preservation and stewardship of ranches and agricultural lands in the Region.***
 - Gain a greater understanding of the gaps in scientific research relevant to ranches and agricultural lands in the Region and determine how to work collaboratively with other organizations to address those gaps.
 - Support model projects and other research to determine and quantify the ecosystem services provided by preservation and stewardship of ranches and agricultural lands in the Sierra.
 - ~~Support greater understanding of how management of ranches and agricultural lands in the Region lead to adaptations and mitigation to the impacts of climate change within the State.~~
- ***Increase funding for preservation and stewardship of ranches and agricultural lands in the Sierra that are under threat of conversion or where additional funds are needed to ensure the long-term viability of family farms.***
 - Provide funding through the SNC's current and future Grants Programs and leverage SNC funding to act as matching funds from other programs.
 - Work with federal, state and local agencies to increase the share of funding directed towards preservation and restoration of ranches and agricultural lands in the Sierra.
 - Investigate and develop potential new funding streams

- Work with others to assist individual farmers and ranchers in learning about available programs and program requirements so that they are able to compete successfully for funding.
- ***Assist in maintaining the viability of agricultural lands and ranches in the Sierra***
 - Learn more about the needs of farmers and ranchers in the Sierra and what the SNC can do to support them in preserving and restoring their lands.
 - Create opportunities for and participate in discussions to foster agreement and advocacy for needed changes in policy.
 - Work with partners and communities to encourage Sierra “buy local” and agritourism campaigns and to create markets to increase working lands profitability.
 - Build on existing processes to discuss mechanisms and opportunities for developing and sustaining Sierra agricultural infrastructure. ~~(e.g. meat processing facilities, biomass utilization).~~
 - ~~Increase~~ Create mechanisms to discuss grazing on public lands leading to common understanding among stakeholders and work towards building a potential to build consensus about grazing on public lands in the Sierra on policy.

WATERSHED PROTECTION AND RESTORATION

Discussion

The Sierra Nevada has hundreds of lakes, and thousands of miles of streams that together form the 31 major watersheds. These rivers and the watershed areas around them are the lifeblood of California, as they contribute over 60% of California's water needs (primarily to areas outside of the Sierra).

The importance of Sierra watersheds to the State's overall water picture cannot be overstated. The precipitation stored and captured in the upper elevations flows to fill rivers, reservoirs, and recharge groundwater basins, while natural upstream storage reduces spring flows and regulates summer flows to the valley. Approximately 23

million Californians have all or some of their drinking beginning its journey in the Sierra Nevada. The controlled release of snowmelt throughout the spring and summer helps to control winter flooding in the valleys and provides irrigation for food crops and water to keep recreation and other businesses and industries thriving throughout the summer. Sierra water also provides hydropower to light homes, and quality drinking water to meet the needs of residents throughout California, while the watersheds themselves serve as important habitat for all species of plants and animals. Investing in the Sierra – the state’s primary watershed – is a long-term solution to challenges such as increasing water demands, threatened water quality, and for buffering anticipated climate change impacts over time.

One of the biggest challenges the SNC and other organizations face in working to protect and restore the watersheds of the Sierra Nevada is the lack of awareness of the importance of these watersheds to the entire State and a more comprehensive and quantifiable understanding of the benefits they provide to downstream users. In addition, these watersheds face significant threats including fire, poorly planned development, and unauthorized recreation. Helping decision makers outside the region understand the relationship of investing in the Sierra Nevada watersheds to reliable supplies of clean water is essential.

Protecting and restoring watersheds within the Region helps us meet a number of our statutorily established program goals as listed below:

Primary

- Protect, conserve, and restore the Region’s physical, cultural, archaeological, historical, and living resources; and
- Protect and improve water and air quality.

Secondary

- Increase opportunities for tourism and recreation in the Region;
- Assisting the regional economy [through the operation of the Conservancy's program](#); and
- Enhance public use and enjoyment of lands owned by the public.

Objectives

- **Increase understanding among decision-makers, downstream users and others about the services healthy Sierra watersheds provide to the entire State and the actions needed to maintain and enhance those benefits.**
 - Develop information and other tools to educate decision-makers, downstream users and others about the importance of Sierra watersheds so that they understand the need to support relevant policies and increase funding streams directed at upper watersheds.
 - Increase the presence of the SNC and Sierra stakeholders in decision-making forums so that Sierra interests are taken into account when policy and funding decisions are being made.
 - ~~○ Educate targeted stakeholders both in the Sierra and downstream about the values and beneficial uses (e.g. natural upstream storage) of Sierra watersheds so that they understand that the Sierra is the source of their water and they become stewards of Sierra watersheds and advocate for SNC programs.~~
 - Expand the Great Sierra River Cleanup (GSRC) to improve overall health of Sierra watersheds and to encourage public stewardship and education.
- **Increase funding and provide targeted support for watershed protection and restoration in order to maintain and enhance the beneficial uses of Sierra watersheds, both within and outside the Region.**
 - Partner with federal and state agencies to increase the amount of existing funding directed towards watershed health in the Sierra.
 - ~~Ensure~~ Provide funding ~~in through SNC's future~~ bond issues for watershed protection in the Sierra Grants Program and leverage SNC funding to act as matching funds from other programs.

- Investigate and develop potential new funding streams in order to support upstream watershed protection and restoration.
- Help to build bridges between available funding and local governments and organizations in the Sierra.
- ***Better quantifyBuild greater understanding and quantification of the benefits provided by Sierra Nevada Watersheds and improve understanding of those benefits by staff and key stakeholders to generate long-term investment in watershed protection and restoration.***
 - Gain a greater understanding of the gaps in scientific research relevant to benefits of watershed management and determine how to work collaboratively with others to address those gaps.
 - Monitor and supportSupport efforts to determine and quantify the ecosystem services provided by healthy watersheds in the Region.
 - ~~Monitor and participate in efforts throughout the United States to build the case for watershed ecosystem services.~~

PROMOTE SUSTAINABLE TOURISM AND RECREATION

Discussion

Recreation and tourism have a long history in the Sierra, dating back to the early State and National Parks and accelerating with the advent of the commercial ski industry and newer sporting activities like mountain biking, rock-climbing and snowboarding. In addition to the Region’s natural wonders, its cultural and historic assets – such as Native American and early pioneer history, the California Gold Rush, a growing winery presence and vibrant arts communities – provide a rich backdrop for a growing heritage tourism market. The scenic lands and cultural/historic resources of the Sierra not only provide enjoyment to local residents, they support a multi-billion-dollar tourism industry, which is the single most important economic activity in a number of Sierra counties. While these economic activities are important to local economies, especially in light of significant areas of poverty in the Region, many of the jobs and associated spending is seasonal, presenting it own set of challenges.

Working to diversify the recreational and tourism opportunities in the Sierra Nevada will help to provide a more sustainable future to our communities. So called “place based”

tourism, exemplified by the Sierra Nevada Geotourism project provides a great example of this type of effort.

Promoting sustainable tourism and recreation within the Region helps us meet the following statutorily established program goals as listed below:

Primary

- Provide increased opportunities for tourism and recreation;
- Protecting, conserving and restoring the Region's physical, cultural, archaeological, historical and living resources;
- Assisting the Regional economy through the operation of the Conservancy's program; and,
- Enhancing public use and enjoyment of lands owned by the public.

Secondary

- Aiding in the preservation of working landscapes (through agritourism).

Objectives

- **Promote “Brand” the Sierra as a top destination for sustainable tourism and recreation while protecting valuable resources and promoting the character and economic vitality of the Region.**
 - **Continue to support marketing and development of the Sierra Nevada Geotourism Project and link it to other geotourism projects around the country.**
 - **Support the development of iconic events or experiences to help promote brand the Region.**
 - **Work Partner with ~~other~~ government entities and other partners to raise the profile of the Sierra. “brand.”**
- ~~***Encourage responsible tourism in the Sierra in order to protect valuable Sierra resources and promote the character and economic vitality of the Region.***~~

- ~~Use on-line resources such as the Sierra Nevada Geotourism project to educate visitors about the unique values of the Sierra.~~
 - Collaborate with ~~otherstourism and recreation providers~~ to build programs that enhance and protect local resources and values.
 - ~~Foster a sense of “Pride of Ownership” among people who live, work and recreate in the Sierra.~~
- ***Build local and regional capacity and increase funding to support sustainable recreation and tourism throughout the Sierra.***
 - Explore opportunities to bring new sources of funding into the Region for the promotion of sustainable tourism and recreation.
 - Increase opportunities for collaboration and information-sharing among groups at the subregional and local levels.
 - Increase the presence of the SNC and Sierra stakeholders in decision-making forums regarding tourism so that Sierra interests are taken into account when marketing and funding decisions are being made.

LONG TERM EFFECTIVENESS OF THE SNC

Discussion

In order to achieve the objectives of this Strategic Plan, it will be important for the SNC to keep an eye on the vibrancy and effectiveness of our internal organization and to ensure that we are maintaining and improving our work. While we have successfully established the SNC in our first five years, it is important that we continue to build the credibility of the organization and firmly establish ourselves as a trusted, effective partner and leader in the Region; the better the reputation of the SNC, the better we will be able to serve the interests of the Region with decision-makers, other government entities, and other partners. Additionally, the SNC must have the internal capacity necessary to focus and prioritize the implementation of this Strategic Plan and to carry out our mission. In an era of severe resource constraints for State government and for our partners, continued focus on ingenuity, collaboration, and maximum efficiency will help us to meet this challenge. While this Area of Focus is internally oriented, a strong organization will be better positioned to meet all of our statutorily established program goals.

Objectives

- ***Establish the SNC as a highly credible and effective agency in the minds of our partners, decision-makers and others within and outside the Region so that we can continue to successfully carry out our mission.***
 - Improve the SNC's visibility and publicize our work with decision-makers and the public to improve knowledge of our program successes and our mission.
 - Ensure that all staff, Boardmembers, and external partners fully understand our work and successes and can act as "ambassadors" for the SNC and promote the SNC and its work.
 - Continue to increase partnerships with other organizations that will lead to creative project ideas, greater investment in the Region overall and a leveraging of all efforts to achieve program goals.
 - Continue to build the knowledge and capacity of the SNC so that we are even better at representing and serving the Region.
- ***Enhance the SNC's ability to serve the Region by ~~increasing and diversify~~ funding for SNC programs and initiatives and diversifying methods for program delivery to ensure long-term funding for the SNC and our work.***
 - Develop strategic alliances with better-funded State agencies to bring a higher proportion of State funding to our work.
 - Investigate potential fee-for-service opportunities with other organizations.
 - Explore ~~Diversify the SNC funding stream by~~ strengthening SNC program outcomes through expanded interactions with, and support of, the nonprofit organizations arm of the SNC.

- Explore and pursue potential new sources of income (e.g. urban transportation planning dollars) to sustain and expand our work.
- Identify and implement “post-bond” opportunities for regional support.
- ***Ensure that staff are fully engaged and have the information, knowledge and skills they need to be successful in carrying out our Strategic Plan.***
 - Evaluate communication mechanisms within the organization and put additional processes and tools in place where needed.
 - Continue to solicit and respond to input from staff regarding how to make the SNC the best it can be.
 - Provide staff with the opportunities and training they need to do their jobs and continue to develop professionally.
 - Put mechanisms in place to ensure critical functions are not interrupted when staff members are out of the office.
- ***Ensure that our processes, systems, and tools are efficient and effective and enable the SNC to manage resources in accordance with our highest priorities.***
 - Continue to assess and streamline internal processes and systems to maximize efficiency and effectiveness.
 - Continue to implement actions to reduce our consumption of electricity, water and other resources consistent with the SNC Climate Action Plan resource efficiency measures throughout the organization.
 - Use information technology systems and tools to address information and collaboration needs across the Sierra.
 - Develop processes and tools to prioritize and manage projects and workloads on an ongoing basis.

- **Take necessary steps to ensure the SNC is prepared to continue operations in the event of a disaster or other unforeseen event.**

Summarized Public Comments

Susan Kane: Director, Sierra Cascade Land Trust Council

I just read through the Plan again and one item in particular caught my eye: P. 19 --- the lack of comprehensive data re land mgt and impacts on water.

This is something we wanted to address in the Foothills Report but did not have enough funding to do a comprehensive study. It is an extremely critical issue (as Dan Macon knows) that cuts across everything else outlined --- water, local food, keeping ranches and farms in production through conservation easements (preferably), and tourism and rec.

The overall plan looks great-- and ambitious.

SNC response: no change needed to Strategic Plan; input will be considered as Action Plan is developed

Bob Kirkwood: Sierra Nevada Conservancy Boardmember

"(f) Assist the regional economy THROUGH THE OPERATION OF THE CONSERVANCY'S PROGRAM." 23.3 of the PR Code section 33320. The other program areas--except the two omitted as attitudinal not programmatic--are accurately reflected in the draft plan with a change of syntax. The current plan quotes the full language above. Without the qualifying phrase this has proven to be misleading to many when it was used. As I recall this issue came up in connection with our current plan and I see it was resolved on page 7 by quoting the full statutory clause. I recommend that we do the same this time in every place where the language appears. I spotted it on Pg. 5, 16, 19, 22 and 25.

Make sure full statutory language is quoted in all cases:

"(f) Assist the regional economy THROUGH THE OPERATION OF THE CONSERVANCY'S PROGRAM." 23.3 of the PR Code section 33320.

SNC response: change made

Betony Jones: Managing Partner, Fourth Sector Strategies

First, the Priority Areas for the next five years look overlap a lot with the successes of the past five years. Although I am sure there is a lot more that can be done in those areas, I was hoping for more ideas of new opportunities for the region.

Second, I would like to see more overlap with economic goals for the region, beyond tourism and recreation. Tourism is an important economic driver, but economic diversification in the Sierra and working toward new ways of linking a healthy economy to a healthy environment (i.e. ecosystem services, energy efficiency, low-carbon technology, etc.) should be a priority for SNC. The low-carbon economy is expected to triple by 2020, and California is leading the way in addressing global environmental

challenges and demonstrating profit from doing so, but the Sierra Nevada remains a playground for the people dedicated to that. Couldn't we try to do more?

Third, the economic recession further undermines workers rights across all areas of employment. I think we need to do a better job of linking environmental quality to social and economic well-being. 10 years ago, forest management in the Sierra was a hugely controversial topic, and today more groups and interests are finding common ground. Now living/prevaling wage is the hot-button issue, especially in rural areas, and if we want people to find common ground, we have to encourage constructive dialogue. For example, why is there more passion around bringing urban youth to work on our National Forests than creating good living wage jobs for the people who live in forest communities? Why does so much of the energy efficiency work in the Sierra get outsourced to urban firms? Why does almost no one in the Sierra (it seems) support the notion of paying workers prevailing wage? These are questions we need to think about and encourage discussion around, and SNC as a convener could help with that.

Finally, noticeably absent from the Strategic Plan is any mention of Climate Change mitigation or adaptation. This is alarming and somewhat frightening. Is it too big? Too overwhelming? Too depressing? Too controversial? I believe that at this point, climate action will only be effective at the community level. Highlighting the opportunities and community co-benefits of climate action (rather than the environmental risk) is the only way I think we will move forward over the next five years. With California primed to target climate action head-on, SNC could do more to help Sierra communities understand and develop ways to contribute to and benefit from the state's climate policy.

SNC response: the areas of focus for the plan align with the mission and program goals of the SNC, which are statutorily mandated. As pointed out in other public comment received, our role in assisting the regional economy is tied to the implementation of our programs. True to that statutory direction, there's a significant economic component built into three areas in the plan—healthy forests, preserving ranches and agricultural lands, and promoting sustainable tourism and recreation. This includes efforts to identify ecosystem services and the opportunities for investment in the Region to ensure the continuation and enhancement of those services. There's also a link between economic vitality and the objectives within every area of focus in the plan related to advocating for the Region and bringing additional funding into the Region. We believe the roles set forth in the Plan for the SNC will involve us in improving local and regional economic vitality in ways that align with our mission and program goals and the input we received through extensive public outreach during the course of developing the Plan. Although the term "climate change" is not specifically called out in the Plan, it is implicit in many of the objectives and strategies and climate change will be addressed as part of the actions that will support these objectives and strategies. This integration of climate change into all of the areas of focus is consistent with direction given by our Board in December 2010.

National Park Service, Sequoia and Kings Canyon National Parks

VIA ELECTRONIC MAIL: NO HARD COPY TO FOLLOW

IN REPLY REFER TO:
N2221

7/24/2011

National Park Service
Sequoia and Kings Canyon National Parks
47050 Generals Highway
Three Rivers, CA 93271-9651

Sierra Nevada Conservancy
Attn: Janet Cohen
Auburn, CA 95603

Dear Ms. Cohen:

On behalf of Sequoia and Kings Canyon National Parks, we would like to thank the Sierra Nevada Conservancy (SNC) for this opportunity to review and comment on your "Strategy Plan 2011 Public Review Draft" dated June 23, 2011. Our comments are divided into two groups: "specific" and "general." If you have any questions, please contact Charisse Sydoriak, Chief Division of Resources Management and Science at charisse_sydoriak@nps.gov or (559) 565-3120.

Specific Comments

Page 3—Vision Statement: "...vibrant communities and landscapes sustained for future generations." It would be helpful if the term "landscapes" was defined. As drafted, any landscape regardless of character or qualities is acceptable. May the reader assume that the intent is "rural", "working", or "fully-functional ecosystems" driven by natural processes, biologically connected, and occupied by native species? Or does the SNC envision developments that increase the tax base such as more subdivisions, mines, timber mills, and similar job generating developments?

Page 3—Features: Please consider adding clean air as a valued "feature." While we note that air quality is identified under "program areas" (page 5) in other parts of the document, it does not appear as an explicit value in the Features discussion. The Sierra Nevada boasts the largest contiguous wilderness area in the State. The airshed of this area is supposed to receive the highest level of legal protection (Class I) under the Clean Air. Clean air, not only enhances public health, it also frames the spectacular scenic vistas of the Sierra Nevada.

Page 3—Features: Bullet 5 refers to preservation of the Region's cultural, archeological and historical resources. How are these resources defined by the SNC?

Page 4—Service Area: The area’s air quality/viewsheds should be identified as an extraordinary resource even though the southern Sierra Nevada air quality is impaired at times by the worst air pollution (particularly ozone) in the state and country.

Page 8—Climate Action Plan: The last sentence in this section states that while some actions prescribed in this plan have been implemented, “other actions...still need to be completed [and these actions] are included in this new Strategic Plan as actions under individual Areas of Focus.” The Areas of Focus do not clearly identify these Climate Action Plan related actions.

Pages 10-11—Supporting our Partners: Only two efforts are mentioned (Sierra Water Group and California Natural Diversity Database and Vegetation Mapping). Are these really the only Partners that resulted from “Our First Five Years”? How does the SNC define its past and present “Partners.”

It could be very helpful if (at a minimum) this entire section were reorganized within a strategic framework to give the reader a sense of organizational design, direction, progress, gaps, and connections (context) to justify the Five Focus Areas (page 12) in the Development of this New Strategic Plan section. We suggest that the list of efforts outlined in the First Five Years section be given significantly more structure by organizing the identified efforts around the allowed activities in the statute governing the SNC (page 13) which do not appear until 1 ½ pages into the Development of the New Plan section. Better yet, move the fundamental information about what the SNC is empowered to do from pages 13 and 14 to just before the “Governance” section. This modification would enable a shorter introduction to the five “Areas of Focus” and provide essential pragmatic information about legislated operating boundaries at the beginning of the Strategic Plan.

If an overarching business framework were available for reference, the reader could potentially appreciate why elements in “previously adopted plans were deemed to be no longer relevant due to actions already taken....” (page 12, paragraph 3). What happened to make an action “no longer relevant”?

Page 15—Healthy Forests Discussion: The second sentence of the first paragraph is run-on and does not make sense. Please note that the statement that “It is vital that the...ecological health of the Sierra forests [be] restored....” should be rewritten since restoration of past conditions (generally how we have been defining a healthy forest ecosystem) is impossible except through extraordinary investment of effort in small areas (showcasing past environments). Accelerated climatic change, altered fire regimes, invasive plants, fragmented landscapes due to developments, and pollution compel us to adopt a new paradigm for Sierra forests. This paradigm would define healthy forests based on the presence of critical structural elements and processes (like frequent low-intensity fires). The forests of the future will undoubtedly be very different. To try to restore past conditions and maintain existing ecosystems in perpetuity is fool-

hardy. While the first paragraph is problematic in setting the stage for action, the ideas put forth in the following paragraphs are on track.

Page 19—Preservation of Ranches and Agricultural Lands: A critical topic that is missing from the discussion is the fact that fertilizer and pesticide applications in the Central Valley are having a serious adverse impact on human health and the environment. For example, Fresno County has the highest incidence of asthma in the nation. These agriculture-related chemicals are also affecting the ranchers and farmers because they are very expensive. Central Valley fertilizers and pesticides are contaminating middle and high elevation Sierra water bodies which have very poor chemical buffering capacity.

Page 21—Watershed Protection and Restoration: Please insert a map or cite the source for the “31 major watersheds” mentioned in the first sentence of the discussion.

Page 24—Promote Sustainable Tourism and Recreation. Local recreation opportunities and tourism could be enhanced by collaborating at a regional scale to reduce pollution. Please consider adding an objective to address regional air and water pollution to support sustainable recreation and tourism throughout the Sierra. Some people avoid the southern Sierras or leave the region prematurely because recreating here is harmful to their health.

A subtopic under this objective is episodic fires and associated smoke impacts. There is understandable tension between enabling sustainable and healthy fire-dependent ecosystems and minimizing particulate matter in the air, but the greater pollution source by magnitudes is the release and transport of pollutants from burning fossil fuels and applying chemicals on agricultural lands.

General Comments

We suggest that all factual statements throughout the document be supported by a citation where the statement is made.

The Draft Plan mentions both generally and specifically the importance of enabling understanding and access to tools, information, data, and science-based knowledge. If the intent of the SNC is to broadly facilitate understanding and access, we wholeheartedly support the concept. Unfortunately, the Strategic Plan does not provide any information on what understanding and access might look like, how success will be measured, or any tangible direction or discussion of capacity for a centralized information and data access clearinghouse accessible to everyone. Information management, packaging for customized delivery and access to expert knowledge to facilitate learning is a missing component of the Draft Plan.

We encourage the SNC to adopt “Adapting to Accelerated Climate Change” as a stand-alone Focus Area. If this cannot be accomplished, an option is to explicitly address the topic as an action item within each Focal Area.

We were pleased to note that the SNC plans on "...offering technical and other assistance for collaborative efforts in cooperation with nonprofit, tribal, and government partners at all levels." (page 5); and that the "Guiding Principles" include: "build[ing] upon existing ...efforts"; using "the best available information and science;" and giving "priority to multi-benefit projects and integrated activities...that leverage other organizations' (government, private and nonprofit) competencies and funding" (page 6). The SNC, through informal staff networking has been an important contributor to the nascent Southern Sierra Conservation Cooperative (SSCC). We are very hopeful that the SNC will formally join the SSCC by signing the memorandum of understanding (MOU) this summer since the mission of the SSCC¹ and the purpose of the SNC are congruent.

The SSCC has elected to focus on sponsoring a Science in Support of Management in the Southern Sierra Nevada Symposium in the fall of 2012. We are hopeful that the SNC can assist us by becoming a "State Sponsor" for this Symposium which will inform federal, state, non-profits, and interested publics about natural resource conditions and stressors relevant to the Southern Sierra region. One of the potential outcomes of the Symposium could be the formation of working groups to look for potential opportunities to implement climatic change adaptation plans across jurisdictions. If you would like to discuss this sponsorship opportunity further, please contact Charisse Sydoriak, the parks' Chief of Resources Management and Science, at (559) 565-3120; or contact Koren Nydick, the SSCC Chair at (559) 565-4292.

Sincerely,

/s/ Karen Taylor-Goodrich
Superintendent, Sequoia and Kings Canyon national Parks

SIGNED ORIGINAL ON FILE

cc: Charisse Sydoriak, Chief, Resources Management and Science

¹ The mission of the SSCC is "*to leverage partners' resources and efforts to conserve the regional native biodiversity and key ecosystem functions within the Southern Sierra Nevada Ecoregion in the face of accelerated local and global agents of change.*"

SNC Response: After review and comment by the SNC Board on the first draft of the Strategic Plan in June, we are not prepared to make wholesale changes in how the Plan is organized or formatted. We also believe that some of the comments will be addressed through the development of our annual action plans, which will provide more details as to what we will be doing to implement the objectives and strategies contained in the Plan. With regard to requests for more information included in the comments above, we would be happy to meet with Karen to provide that information.

Responses to other specific comments are provided below:

- The SNC's vision and its associated features were firmly established shortly after the agency was formed. It was developed through a highly collaborative process that included extensive public input.*
- We will add viewsheds as an extraordinary resource of the Region on page 4 of the Plan.*
- The SNC Board decided not to include climate change as a separate area of focus in the Plan at its meeting in December 2010. Although the term "climate change" is not specifically called out in the Plan, it is implicit in many of the objectives and strategies. Climate change will be addressed as part of the actions that will support these objectives and strategies. This approach was confirmed by the Board Strategic Plan Subcommittee in August 2011.*
- With regard to "partners" we believe that this comment has arisen because of a misreading of the Draft Plan. "Supporting Our Partners" is included in a list of key programs and initiatives launched in our first five years. The Sierra Water Group and the California Natural Diversity Database are also included in this list and are not sub-programs of "Supporting Our Partners." In fact, all of the activities listed in that section of the Plan involved collaboration and partnerships.*
- With regard to the overarching framework of the report, we decided on the current structure to reflect on-the-ground experience gained in the past 5 years by our staff and input received from our stakeholders in a variety of venues. This approach is designed to better reflect the integration of many aspects of our work within the context of our statutory framework, but is not driven by our statutory framework in the manner you suggest.*
- The comments regarding the restoration of forest health suggests that this is synonymous with returning to historic conditions. We concur that this is not attainable in most situations. Forest health is defined in a variety of ways by a variety of interests and SNC is not attempting to develop the "ultimate" definition. By working collaboratively with interested parties the SNC intends to be a key partner in achieving forest health objectives that are place based and scientifically supportable.*
- The use of fertilizer and pesticides in the Central Valley is regulated by state and local agencies and is outside of the purview of the SNC.*
- With regard to addressing regional air and water pollution, we believe that objectives and strategies in the Plan related to preservation and stewardship of resources within the Region will help to address these issues. Given our current resource constraints, we are not prepared to add a separate objective under the*

Tourism and Recreation area of focus to specifically address all of the issues associated with air and water pollution in the Region.

- *The SNC plans to continue to participate in and support the Southern Sierra Conservation Cooperative.*

Background

The Sierra Nevada Conservancy (SNC) was allocated \$54 million in Proposition 84, passed by the voters in 2006. Approximately \$50 million of this amount was available for grant awards to eligible nonprofit organizations, public agencies and federally recognized tribal organizations. To date approximately \$40 million has been awarded to a variety of projects consistent with Proposition 84's requirements and SNC's governing statute.

At its June 2011 meeting, the SNC Board directed staff to develop draft grant guidelines for the FY 2011-12 grant cycle to support Healthy Forests as identified in the Conservancy's Strategic Plan. The Board also decided that half (approximately \$5 million) of the remaining dollars available to the SNC through Proposition 84 would be used to support this area of focus, and the remainder to be allocated in the grant cycle for FY 2012-13 to support the Preservation of Ranches and Agricultural Lands area of focus.

The Board approved a number of changes from previous SNC Grant Guidelines, discussed further below, to be included the draft guidelines. A public review draft reflecting this direction was available for public comment from July 20 to August 15, 2011.

Current Status

SNC staff is recommending approval of Final DRAFT Grant Guidelines for Proposition 84 Healthy Forests for FY 2011-12 ([Attachment A](#)). These draft grant guidelines include all revisions made as the result of considering comments received during the public comment period, as well additional staff analysis. If approved, the final guidelines will be made available to potential applicants in late September, 2011. A companion Grant Application Packet (GAP) with necessary forms and instructions will also be available to assist applicants.

Pursuant to Board direction and input from stakeholders and the public, the Final Draft Grant Guidelines include significant changes compared to previous Proposition 84 guidelines prepared by SNC. Following is a list of the substantive changes included in this year's Draft Grant Guidelines:

- Submission of a pre-application is required, with eligible projects receiving an invitation to submit a full application.
- Eligible Projects have been more narrowly defined to support the Healthy Forests focus area.
- Fee title Acquisitions or pre-project work supporting fee title acquisitions are not eligible.
- A prioritization of project categories with an associated weighting rubric has been introduced to favor "on-the-ground" projects (pending Board decision at this meeting).

- Category One grants will be limited to either \$250,000 or \$350,000 (pending Board decision at this meeting).
- Category Two grants will be limited to \$75,000.
- Evaluation process and criteria have been modified to ensure fairness and transparency.
- Grant awards will be made without specific or guaranteed allocation by Subregion, although geographic distribution of projects will be considered.

In addition, based on Board discussion and direction, staff has solicited input from Firesafe Councils and others on ways to ensure that the SNC grant application process encourages high quality fuel reduction projects. Based on that input, the guidelines allow the submission of a completed Firesafe Council application as part of the pre-application, thereby reducing the time and effort needed to prepare a pre-application. The information in the pre-application will be carried forward into the full application as well.

Staff has compiled all of the comments received during the public review period into an attachment ([Attachment B](#)) showing all changes incorporated into the Final Grant Guidelines.

Next Steps

While the Board may have comments or suggestions on various aspects of the guidelines, there are two specific decisions for the Board to make at this meeting regarding items identified with alternatives in the Draft Grant Guidelines:

1. The first of these decisions is to choose one of the suggested weighting criteria point values to be assigned for Project Category Types (the total points possible is 100, including the points listed below).

Alternative One

Give priority to grant awards in this order:

- Site improvement projects (5 points).
- Pre-project activities that ready on-the-ground site improvement projects (2 points).
- Acquisition of conservation easements (1 point).
- Pre-project due-diligence projects that ready the acquisition of conservation easements (0 points).

Alternative Two

Give priority to grant awards in this order:

- Site improvement projects (5 points).
- Pre-project due diligence projects that ready on-the-ground site improvements or the acquisition of conservation easements (2 points).
- Acquisition of conservation easements (0 points).

Staff recommends Alternative One be included in the final guidelines to provide continued priority to on-the-ground projects.

2. The second decision is to choose a maximum grant amount for Category One grants.

- Alternative One \$5,000 to \$250,000, or
- Alternative Two \$5,000 to \$350,000

Staff recommends Alternative Two to accommodate the broadest range of viable projects.

Additional next steps include making any final revisions to the guidelines based on Board direction received at this meeting, completing the GAP, and posting the guidelines on the SNC Web site for release. The proposed schedule for this grant cycle is as follows:

GRANT PROGRAM ELEMENTS	Target Date or Duration
RELEASE HEALTHY FOREST GUIDELINES AND GAPS - OPEN RFP	9/26/2011
PRE-APPLICATION DEVELOPMENT PERIOD: SNC staff will be available to work with applicants on preparation of pre-applications to be submitted during this period.	9/26/2011 to 10/21/2011
PRE-APPLICATION SUBMISSION DEADLINE: If an applicant wishes to receive SNC grant funding, they <u>must</u> submit a pre-application and the associated attachments no later than COB on this date.	10/21/2011
PRE-APPLICATION REVIEW PERIOD: SNC will review pre-applications for eligibility (including focus area alignment) and completeness. Invitations to submit a full application may occur any time after the pre-application has been reviewed, but no later than COB 11/16/11.	10/24/2011 to 11/16/2011
FULL APPLICATION DEVELOPMENT PERIOD: Applicants who receive an invitation to submit a full application should work with SNC staff to develop and refine their full application during this period.	11/16/2011 to 1/23/2012
FULL APPLICATION SUBMISSION DEADLINE - CLOSE RFP: All elements of a full application must be complete and submitted by COB on this date.	1/23/2012
FULL APPLICATION REVIEW: SNC staff and technical evaluators will evaluate all complete applications, resulting in a score up to 100 points. Consultation with the Board Subregional subcommittees, as well as communication with affected local agencies will occur during this period.	1/23/2012 to 4/27/2012
FINAL RECOMMENDATIONS TO SNC BOARD: Staff will provide recommendations based on the evaluation, including consideration of geographic distribution of projects.	6/7/2012

Recommendation

Staff recommends the Board approve the Sierra Nevada Conservancy Proposition 84 Healthy Forests Grant Guidelines, Fiscal Year 2011-12, including changes based on Board direction to take the necessary actions to implement the 2011-12 Sierra Nevada Conservancy Grant Program.



**SIERRA NEVADA CONSERVANCY
PROPOSITION 84 HEALTHY FORESTS GRANTS PROGRAM**

**FUNDED BY THE
The Safe Drinking Water, Water Quality and Supply, Flood Control, River and
Coastal Protection Bond Act of 2006**

DRAFT

**GRANT GUIDELINES
Fiscal Year 2011-12**

www.sierranevada.ca.gov

The Sierra Nevada Conservancy initiates, encourages, and supports efforts that improve the environmental, economic, and social well-being of the Sierra Nevada Region, its communities, and the citizens of California.

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I. Introduction

A. Background

The Sierra Nevada Conservancy (SNC) is a California state agency that initiates, encourages, and supports efforts that improve the environmental, economic, and social well-being of the Sierra Nevada Region, its communities, and the citizens of California. The SNC provides state funding through its Proposition 84 Grants Program for local projects in partnership with eligible nonprofits, tribes, and public agencies.

California voters passed Proposition 84, The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (the Act) on November 7, 2006. Proposition 84 added Section 75050 to the Public Resources Code (PRC), authorizing the State to issue bonds, and the Legislature to appropriate the proceeds, for the protection and restoration of rivers, lakes and streams, their watersheds, and associated land, water, and other natural resources. Section 75050 (j) of the PRC allocates \$54 million of these funds for SNC.

The Laird-Leslie Sierra Nevada Conservancy Act, enacted in 2004 and commencing with PRC Section 33300, established the SNC, and Sections 33343 and 33346 set forth the authority for SNC to award grants of funds in order to carry out the purposes of the Act. The SNC has adopted Program Guidelines and is currently revising its Strategic Plan in accordance with the Act; these documents provide general direction for SNC's activities and serve as the basis for these Grant Guidelines.

B. Purpose of Grants Guidelines and Grants Application Packet

The Grant Guidelines establish the process used by the SNC to solicit applications, evaluate proposals, and authorize grants under the SNC Proposition 84 Grant Program. They also explain the scope of, and the requirements for, grant applications. A [Glossary of Terms](#) is provided in [Appendix C](#).

A Grant Application Packet (GAP) accompanies the Grant Guidelines, and includes information and forms needed for each category of grant applications. For applicants who want more information about the administrative requirements once a grant is authorized, sample grant agreements for each of the Proposition 84 project types are provided at: <http://www.sierranevada.ca.gov/sncgrants/managing-your-grant>.

II. Grant Program Information

A. Program Funding and Focus 2011-13

The SNC has approximately \$10 million remaining from its original \$54 million Proposition 84 allocation. These remaining funds will be evenly allocated over Fiscal Years 2011-12 and 2012-13, with a specific focus assigned for each year. For Fiscal Year 2011-12, grant funds will be allocated to the Healthy Forests area of focus as defined in the SNC Strategic Plan, and for Fiscal Year 2012-13 funds will be allocated to the Ranching and Agricultural Lands area of focus. Guidelines specific to the Ranching and Agricultural Lands area of focus will be issued in 2012, and are anticipated to contain the same general provisions as these Guidelines, but with different types of eligible projects and evaluation criteria.

In order to be eligible to receive a grant award from the SNC in 2011-12, all projects must meet **all** of the following criteria:

1. Maintain a direct focus on healthy forests (as described below).
2. Meet the Public Resources Code 75050 (Proposition 84) mandate that awards go only to projects that protect and restore rivers, lakes and streams, their watersheds and associated land, water, and other natural resources.
3. Be consistent with the SNC mission and program areas as described in [Appendix B](#)

In addition, projects proposed on private land must demonstrate a clear public benefit in order to be eligible for funding, and any revenue generated as a direct result of a grant-funded project must be tracked and subsequently re-invested into the project (e.g. the sale of forest products).

Healthy Forests activities, for the purposes of this grant program, include projects that are designed to preserve or improve Sierra Nevada conifer and mixed conifer forest health by reducing the risk and impacts of large, damaging fires and/or preserving or restoring ecosystem function in forests and meadows. Grants for Healthy Forest projects will be allocated to two grant categories and will be awarded in one round.

B. Grant Categories

Category One grants include site improvement/restoration projects and acquisition of conservation easements. Examples of potential Category One grant projects include, but are not limited to:

1. Vegetation treatments, prescribed fire or other fuel reduction activities to reduce the risk and harmful impacts of large, damaging fires.
2. Forest management to increase forest resilience, and/or improve habitat conditions and biodiversity.

3. Reforestation and implementation of suitable stand maintenance activities after wildfire, when appropriate.
4. Forest treatments to prevent or treat forest pests and invasive species.
5. Vegetation treatments to increase carbon sequestration benefits, and foster adaptation resiliency of vegetation in light of predicted climate change.
6. Conservation easements that protect forested lands from conversion to other uses and protect natural resources.
7. Meadow restoration to improve habitat function and water retention.
8. Sustainable utilization of biomass and a full range of forest products, including saw logs, resulting from activities associated with improving forest health.

Category Two grants are limited to pre-project activities that are necessary for a specific future on-the-ground project that meet the requirements in these Guidelines for Category One projects, including the Healthy Forest definition.

Examples of Category Two grant projects include work such as:

1. Acquiring permits.
2. Completing California Environmental Quality Act (CEQA) and or National Environmental Policy Act (NEPA) compliance.
3. Performing appraisals for conservation easement acquisitions.
4. Performing necessary studies and assessments, and developing necessary project designs related to a specific site or physical project.
5. Preparing plans or supplementing existing plans that will result in a specific project or a set of projects.

C. Ineligible Projects

Note: Unlike in previous years, the SNC will not fund activities related to fee title acquisition. As a result, the SNC will not accept applications during 2011- 13 grant rounds for Category One or Category Two projects related to fee title acquisitions.

Examples of ineligible projects include:

1. Fee title acquisitions and associated planning activities.
2. Grants to service or repay bridge-loans.
3. Purchase of mechanical equipment solely for purposes of implementing a single project.
4. Projects dictated by a legal settlement or mandated to address a violation of, or an order (citation) to comply with, any law or regulation.
5. Operations and maintenance of existing structures, including roads.
6. Education, outreach, or event-related projects.
7. Projects to implement required mitigation measures unless they are included as a part of the overall implementation of a project eligible for SNC grant funds.

This list is not exhaustive and is offered only as guidance to potential applicants. The SNC will make determinations of eligibility on a project-by-project basis during the evaluation phase of the application process. If you have questions about the eligibility of your project, please consult with SNC staff.

D. Eligible Applicants

Grant funds may be authorized for:

1. Public agencies (any city, county, district, or joint powers authority; state agency; public university; or federal agency).
2. Qualifying nonprofit 501(c)(3) organizations. "Nonprofit organization" means a private, nonprofit organization that qualifies for exempt status under Section 501(c)(3) of Title 26 of the United States Code, and whose charitable purposes are consistent with the purposes of the Conservancy.
3. Eligible tribal organizations (includes any Indian tribe, band, nation, or other organized group or community, or a tribal agency authorized by a tribe, which is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians and is identified on pages 9250-9255, inclusive, of Document 95-3839 (February 16, 1995) of the Federal Register, as that list may be updated or amended from time to time).

NOTE: As a general rule, organizations or individuals performing non-grant-related work for the Sierra Nevada Conservancy under contract are ineligible to apply for a grant from the SNC during the life of the contract. This policy applies to organizations that:

1. Contract directly with the SNC.
2. Are providing services as a subcontractor to an individual or organization contracting directly with the SNC.
3. Employ an individual, on an ongoing basis, who is performing work for the SNC under a contract whether as the contractor or as a subcontractor.

If you have a contract with the SNC and are contemplating applying for a grant, please consult with SNC staff to determine eligibility.

E. Process

All applicants are required to comply with the SNC's pre-application process. Pre-applications will be evaluated to confirm applicant and project eligibility, including relevance to the Healthy Forests focus area. SNC program staff will be available to provide assistance in the development of a pre-application

Full applications will be reviewed by a panel consisting of technical experts and SNC staff. Site visits may be requested as part of the evaluation process. Applications will be awarded points in accordance with the evaluation criteria described in Section IV of these Guidelines.

In Fiscal Year 2011-12 approximately \$5 million will be available for awards, based on the remaining Proposition 84 funding and any returned funds from previously authorized projects. Geographic distribution of projects will be considered in determining project awards, however unlike previous grant cycles, funding will be awarded without a specific or guaranteed allocation by Subregion.

F. Consultation and Cooperation with Local Agencies

In compliance with the SNC's governing statute, we notify local government agencies, such as counties, cities and local water districts, of eligible grant projects being considered for funding in their area.

For all applications under consideration, SNC staff will notify the county and/or city affected and public water agency (when appropriate), and request comments within 15 business days following notification. The SNC will make all reasonable efforts to address concerns raised by local governments. The individual SNC Boardmembers representing each geographic Subregion within the SNC boundary will also be notified at this time and may wish to communicate with the affected entities as well.

If an applicant has a project-specific resolution of support from the affected city and/or county and water agency, it should be included in the application package in order to facilitate the overall assessment process.

G. Grant Provisions

For each awarded grant the SNC develops an individual grant agreement with detailed provisions and requirements specific to that project. Please be aware that if you are authorized to receive a grant from the SNC, the provisions listed below will also apply:

1. Actual awards are conditional upon funds being available from the State.
2. Grant-eligible costs may be incurred by the grantee only after the grantee has entered into a fully executed agreement with the SNC; only these costs will be eligible for reimbursement.

The SNC will provide assistance to the grantee to ensure the grantee's clear understanding and interpretation of the terms and conditions of the grant.

III. Applying for a Grant

Note: See Grant Application Packet (GAP) for more application information.

A. Pre-Application Requirement

Applicants are required to complete and submit an electronic pre-application to SNC by the date posted on the SNC Web site. (Note: If your organization applied to the California Firesafe Council Grants Clearinghouse for 2012, please skip this section and go to Section A.1 below.) All pre-application information and forms will be available on the SNC Web site, and any pre-application that is submitted after the

deadline will not be considered for evaluation. Basic project information, such as that listed below, is requested in the pre-application:

- Grant application type
- Project name
- Applicant name and address
- Applicant type
- Applicant's authorized representative
- Person with day-to-day responsibility for management of the grant
- Project description
- Funding and budget information
- Project location, including latitude and longitude
- Status of California Environmental Quality Act (CEQA) compliance
- Type and status of land tenure for the project (site improvement projects only)
- Appraisal status (conservation easement acquisition projects only)
- Articles of incorporation, IRS letter, and bylaws (nonprofit organizations only)

1) California Firesafe Council Application Reciprocity

FOR LOCAL ORGANIZATIONS THAT HAVE APPLIED TO THE CALIFORNIA FIRESAFE COUNCIL GRANTS CLEARINGHOUSE ONLY: As an alternative to submitting the mandatory SNC pre-application form, local organizations that applied to the 2012 California Firesafe Council (CFSC) Grants Clearinghouse will be allowed to submit a copy of their CFSC grant application – with a short supplemental information sheet – to meet the SNC's pre-application requirement. If invited to submit a full application, all applicants will be required to use the regular SNC Grant Application Packet, which requires additional information.

Use of Pre-Application

Pre-applications described in Sections A and B above will be evaluated to confirm applicant and project eligibility. Eligible applicants whose projects meet the Proposition 84, SNC mission and program areas, and focus area criteria will receive an invitation to submit a full application. SNC program staff will be available to provide assistance to invited applicants in developing the elements of a full application. Applicants invited to submit full applications will not need to re-submit pre-application information.

2) Multiple Pre-Applications

An applicant can submit pre-applications for more than one project and may be invited to submit multiple full applications.

3) Project Eligibility

Project eligibility will be assessed during the pre-application phase of this grants solicitation process. Generally, funds must be expended within the statutory boundaries of the Sierra Nevada Conservancy for a project to be eligible.

Certain types of projects which involve implementation outside the boundaries of the Region may also be eligible if they meet all guideline requirements of the SNC and have a direct benefit to the Region. Such projects might include physical projects located just outside the boundary which result in tangible benefits to resources within the boundaries of the SNC. Applicants should consult with SNC staff when such projects are being considered. See [Appendix A](#) or <http://www.sierranevada.ca.gov/maps/snc-region> for the Sierra Nevada Conservancy's boundaries.

B. General Information

Applicants who have received an invitation to submit a full application will be able to find all needed materials and forms on the SNC Web site or from any SNC office by request. All full application materials are due and must be either delivered to the SNC headquarters office in Auburn by 5:00 PM on the application due date or mailed and postmarked no later than the due date. Any full application that is delivered or is mailed and postmarked after the deadline will not be considered for evaluation. Files must be delivered in the format specified in the GAP. Applications that are deemed incomplete or ineligible may not be processed or evaluated by the SNC.

C. Category One: Site Improvement/Restoration or Conservation Easement Acquisition

1) Overview

As described earlier in this document, only site improvement and/or restoration projects and conservation easement acquisitions in the SNC's stated Healthy Forests focus area will be eligible for grant awards in the 2011-12 Category One grant round. Examples of potential Category One grant projects include, but are not limited to:

- Vegetation treatments, prescribed fire or other fuel reduction activities to reduce the risk and harmful impacts of large, damaging fires.
- Forest management to increase forest resilience, and/or improve habitat conditions and biodiversity.
- Reforestation and implementation of suitable stand maintenance activities after wildfire, when appropriate.
- Forest treatments to address forest pest and invasive species.
- Vegetation treatments to increase carbon sequestration benefits, and foster adaptation resiliency of vegetation in light of predicted climate change.
- Conservation easements that protect forested lands from conversion to other uses and protect natural resources.
- Meadow restoration to improve habitat function and water retention.
- Sustainable utilization of biomass and a full range of forest products, including saw logs, resulting from activities associated with improving forest health.

The proposed funding ranges for Category One grant projects are:

- \$5,000 to \$250,000, or
- \$5,000 to \$350,000

The SNC Board will determine the maximum Category One grant amount at the September 2011 Board meeting where these Guidelines will be considered for approval.

2) Site Improvement Requirements

- All pre-applications, including those for projects to be implemented on federal and tribal lands, are required to address how CEQA compliance will be achieved. (See Section III.I on Environmental Documentation for more information).
- All full applications are required to identify and state progress and projected dates of completion for all permits necessary to complete the project.
- In compliance with the Professional Foresters Law (Public Resources Code (PRC) Sections 750-753, et seq.) projects that impact on the management and treatment of the forest resources and timberlands of this state are required to use [Registered Professional Foresters](#).
- Full applications must include site and topography maps, as well as site photos.
- Land Tenure:
Applicants must submit documentation to the SNC showing that they have adequate tenure to, and site control of, the properties to be improved or restored¹. Proof of adequate land tenure includes, but is not necessarily limited to:
 - Fee title ownership.
 - An easement or license agreement, sufficient for completion of the project consistent with the terms and conditions of the grant agreement.
 - Other agreement between the applicant and the fee title owner, or the owner of an easement in the property, sufficient to give the applicant adequate site control for the purposes of the project.

For projects involving multiple landowners, all landowners or an appointed designee must provide written permission to complete the project.

- Land Tenure Requirements: – Alternate Process
When an applicant does not have tenure at the time of application, but

¹ Adequate site control is the power or authority to conduct activities that are necessary for completion of the project consistent with the terms and conditions of the grant agreement.

intends to establish tenure via an agreement that will be signed upon grant authorization, the applicant must follow the alternate land tenure process by submitting a template copy of the proposed agreement, memorandum of understanding (MOU), or permission form at the time of application. Once a project has been authorized for funding by the SNC Board, the applicant must submit documentation of land tenure before a complete grant agreement can be executed. Applicants are encouraged to submit this information in an expeditious manner. If this information is not provided within 90 days of Board authorization, the SNC may choose not to fund the project.

3) Conservation Easement Acquisition Requirements

- The SNC will accept applications from public agencies, qualifying nonprofit organizations, and eligible tribal organizations to acquire conservation easements (fee title acquisitions are not eligible for grant funding in this cycle).
- Any conservation easement acquisitions must be from willing sellers.
- The terms under which the conservation easement is acquired shall be subject to the SNC's approval.
- All interests to be acquired must be in perpetuity.
- A grant application to acquire a conservation easement is required to specify all of the following:
 - The intended use of the property;
 - The manner in which the land will be managed; and,
 - How the cost of ongoing management will be funded.
- Applications are required to include a recent appraisal (two paper copies and an electronic version [CD]); see [Appendix F](#) for applicable requirements according to California State appraisal regulations. All appraisals will be reviewed by the California Department of General Services. Appraisals are requested at the time of full application submittal, but applicants will have 60 days from the application due date to provide the SNC with a completed appraisal. Any applicant taking advantage of this delay does so at his/her own risk, as the SNC cannot guarantee that necessary reviews will be conducted in time to meet the Board schedule.
- If the project applicant intends to transfer the responsibility for the project to a third party in the future, evidence that the third party is aware, willing, and capable of assuming the long-term management of the project must be provided. The SNC must approve such transfer prior to it occurring.
- Proposition 84 funds may not be used to service or retire debt previously incurred by an eligible applicant in connection with the applicant's acquisition of a real property interest.
- The SNC may require applicants to provide a Phase I or Phase II Environmental Site Assessment (toxics report) on any property proposed for conservation easement acquisition. Applicants should consult with SNC

staff to determine if this requirement is applicable.

D. Category Two: Pre-Project Grants

Category Two grants are limited to pre-project activities that are necessary to prepare for a specific future on-the-ground project that meets the SNC grant program criteria. In other words, Category Two grants encompass pre-project activities for the types of projects that would be eligible for a Category One grant according to these Guidelines.

Examples of Category Two grants include work such as:

1. Acquiring permits.
2. Completing California Environmental Quality Act (CEQA) and or National Environmental Policy Act (NEPA) compliance.
3. Performing appraisals for conservation easement acquisitions.
4. Performing necessary studies and assessments, and developing necessary project designs related to a specific site or physical project.
5. Preparing plans or supplementing existing plans that will result in a specific project or a set of projects.

The maximum amount for individual Category Two grants is \$75,000.

E. Environmental Documents

The SNC is required to comply with the California Environmental Quality Act (CEQA) at the time the Board authorizes any grants. This means the SNC must possess completed environmental documentation in order for its Board to make the findings necessary to authorize grant requests. The type, cost, timing, and amount of documentation needed to satisfy CEQA requirements can vary greatly depending on the type and scope of the proposed project and the type of applicant.

Since CEQA compliance will vary depending on the proposed project activities and the type of applicant, it is very important that applicants consult with SNC staff as early as possible before the application deadline to determine what documents would be needed for inclusion in a full application.

For purposes of CEQA compliance, all activities proposed within a grant application will fall into one of three categories:

1. Not a “Project”

The action is not defined as a “project” under CEQA and therefore is not subject to CEQA review. No CEQA compliance documentation is required of the applicant in this situation. The full application must include a description of why the applicant believes the project is not considered a project under CEQA.

2. Exempt from CEQA either Statutorily or Categorically

Specific types of activities have been identified as exempt from environmental analysis under CEQA. Requirements for CEQA documentation differ by applicant type, as follows:

- State or local agencies authorized to certify CEQA documents are required to submit the appropriate, completed CEQA documents, including a filed, date-stamped Notice of Exemption, from either the county clerk or the Governor's Office of Planning and Research with the application.
- For projects submitted by all other applicants (nonprofit organizations, federal agencies, tribal organizations) over which no other state or local agency has discretionary authority, the SNC will act as lead agency in the CEQA process and will file a Notice of Exemption for a project upon authorization by the Board.

3. Subject to CEQA Analysis

Activities that do not fall into the first two categories will require completion of additional environmental documentation (e.g., Negative Declaration, Mitigated Negative Declaration, or Environmental Impact Report). SNC requires copies of the adopted environmental documentation and the filed, date-stamped Notice of Determination to be submitted with the full application.

Applicants should note that the CEQA Statutes and Guidelines were revised in 2010 to provide guidance to public agencies on how to address the issue of greenhouse gas emissions in draft CEQA documents. Along with all of the usual CEQA topic areas, this issue must be addressed in any Negative Declarations or Environmental Impact Reports submitted to the SNC as part of a grant application. For a revised CEQA Guidelines Initial Study Checklist, [click here](#). The SNC also encourages applicants to review the [2010 CEQA Statutes and Guidelines](#), which incorporate the adopted greenhouse gas emissions amendments.

If a project involves National Environmental Policy Act (NEPA) documentation because the applicant is a federal agency or the project is occurring on federal land, the applicant must provide a copy of the NEPA documentation and consult with SNC staff to determine the appropriate mechanism for meeting CEQA requirements in order to be eligible for awarding of State funds.

Additional discussion and direction regarding SNC requirements and the CEQA process may be found in [Appendix E](#). We strongly encourage you to contact SNC staff for assistance well in advance of the pre-application deadline since CEQA compliance can require a significant amount of time to complete.

F. Projects with Uncertain Treatment Area

If a project's geographic area or deliverables cannot be fully determined at the time of application because the applicant is trying to maximize treatment, the grant

application must indicate the minimum and maximum numerical objective (deliverables) that the project will likely achieve. Examples of these types of projects include, but are not limited to, vegetation clearing activities, revegetation projects, or invasive plant removal projects. Environmental review documentation for these projects must cover the maximum area proposed.

G. Eligible Costs

Only direct project costs for items within the scope of the project and within the time frame of the project agreement are eligible for payment. Costs related to project-specific performance measures and reporting are required to be addressed in the project budget.

Eligible administrative costs must be directly related to the project and may not exceed 15 percent of the project implementation cost. To determine the amount of eligible administrative costs, the applicant must first determine the cost of implementing the project, not including any administrative costs. Once the project implementation cost has been determined, the applicant may calculate administrative costs and include them in the total grant request.

H. Ineligible Costs

Indirect expenditures billed as a percentage of implementation costs are not eligible for reimbursement. These are expenses that involve ongoing operations, or repair or maintenance costs, regardless of whether the repair or maintenance may last more than one year.

In addition, grant funding may not be used to establish or increase a legal defense fund or endowment, make a monetary donation to other organizations, or pay for food or refreshments.

If ineligible costs are included in the project budget, it could result in the project being deemed ineligible in total. In some cases, the project may be approved for funding with the total amount of the award reduced by the amount of the ineligible costs. In that event, SNC will contact the applicant to confirm that the project is still viable. Applicants should avoid including ineligible costs in the application and should contact SNC staff with questions.

I. Performance Measures and Reporting

Performance measures are used to track progress toward project goals and desired outcomes. They provide a means of reliably measuring and reporting the outcomes and effectiveness of a project and how it contributes to the SNC achieving its programmatic goals.

Applicants must propose project-specific performance measures at the time of full application submittal. Detailed information and recommended performance measures can be found in [Appendix D](#) of this document. Applicants may also propose alternative performance measures, which will be subject to the approval of

SNC staff if the grant is authorized. The proposed measure(s) will be finalized in consultation with SNC staff prior to grant agreement approval. Please refer to the Evaluation Criteria, Section IV, for further description of how performance measures will be considered as part of the application.

All grantees will be required to provide periodic progress reports and a final report. The final report must include data related to the project performance measures. See <http://www.sierranevada.ca.gov/sncgrants/managing-your-grant> for additional information on the required content of these reports.

IV. Healthy Forests Grant Proposal Evaluation Criteria

Applications will be evaluated using the following criteria to determine which projects are consistent with the requirements of Proposition 84, provide the greatest contribution to achieving improved forest health, and are supportive of the Program Goals and mission of the SNC. Additional criteria used to evaluate applications include: project quality and readiness, cooperation and community support, long-term maintenance and sustainability, and project category preference.

When describing a project, applicants should include enough detail so that a person unfamiliar with the project could understand the project's location, purpose, goals, outcomes, design or methodology, staffing, and costs. Applications will be awarded points as described below. The maximum number of points possible for each application is 100.

A. Proposition 84 Land and Water Benefits and SNC Program Goals and Mission (Maximum 40 points)

Based on the applicant's project description, up to 40 points may be awarded for the following items:

- 1. Consistency with the Goals of Proposition 84 (Maximum of 20 points)**
Evaluators will be looking for concise project descriptions that clearly explain how the project will contribute to the protection and restoration of rivers, lakes and streams, their watersheds, and associated land, water, and other natural resources.
- 2. SNC Program Goals and Mission (Maximum of 20 points)**
Evaluators will be looking for applications that clearly align with the SNC's mission and Program Areas (listed in [Appendix B](#)). Projects that provide substantive benefits across multiple program areas, as well as address the SNC's "triple bottom line" of environmental, economic, and social well-being, will receive a higher score. More detailed descriptions of the SNC program areas can be viewed at <http://www.sierranevada.ca.gov/about-us>.

B. Project Quality and Readiness (Maximum of 45 points)

Up to 45 points may be awarded for applications that exhibit a complete, realistic and attainable plan for success. Project Quality and Readiness will be evaluated in the areas listed below. Applicants should ensure they include information that clearly describes project outcomes that improve forest health and responds to the noted questions in each area.

1. Healthy Forest Benefits (Maximum of 20 points)

Projects will be evaluated based on their contribution to preserving or improving forest health in the Sierra Nevada Region, as defined in these guidelines. A variety of factors will be considered, depending on the type of project being evaluated. For example:

- Fuels reduction and forestry projects will be evaluated based on how the project contributes to one or more of the following: decreased risk of large damaging fire, improved fire resiliency, appropriate species diversity, improved habitat, etc.
- Meadow restoration projects will be evaluated based on how the project contributes to improved healthy forests overall, increases in natural storage of water, hydrologic benefits or effects downstream, etc.
- Conservation easements will be evaluated based on how the project contributes to the ongoing management of working forests, including protecting against the threat of conversion to another use, the protection of natural resources, habitat connectivity, etc.

2. Purpose, Goals, and Deliverables (Maximum of 5 points)

- Does the project have clearly stated purpose, goals, and deliverables?
- Does the applicant propose using identified best management practices and/or appropriate scientific information in achieving project deliverables?
- Is the project part of a larger plan? If so, how does it relate to the overall goals and deliverables?
- If the project includes removing materials from the land, such as biomass, is there an intended use or purpose for the materials?

3. Workplan and Schedule (Maximum of 5 points)

- Does the workplan adequately describe the specific tasks and schedule needed to complete the project and achieve the stated deliverable(s)?
- Is the workplan realistic and does it describe the specific roles of all partners involved in the project?

4. Budget (Maximum of 5 points)

- Are the budgeted amounts adequate and appropriate to achieve the stated deliverables?
- Is the applicant providing in-kind resources?
- If funding other than SNC funding is needed for project completion, what is the status of other funding?

5. Restrictions, technical documents, and agreements (Maximum of 5 points)

- Are necessary permits, agreements, and technical documents in place?
- Are there property restrictions and/or encumbrances that could adversely impact project completion?

6. Organizational Capacity (Maximum of 5 points)

- Does the applicant possess the capacity to complete the project as proposed?
- Does the applicant, including current staff, have experience in completing similar projects?
- If appropriate, does the applicant have project partners and/or contractors with expertise necessary for project completion?

C. Cooperation and Community Support (Maximum of 5 points)

Up to 5 points may be awarded for applications that demonstrate community support from a diverse range of stakeholders. Projects that were developed through a collaborative group or a process that included public input, such as the development of a Community Wildfire Protection Plan, Integrated Regional Water Management Plan, Forest Plan, General Plan, etc., will receive a higher score.

D. Long-term Management and Sustainability (Maximum of 5 points)

Up to 5 points may be awarded for applications that clearly describe how the long-term management of the project will be accomplished and financed. Projects funded with Proposition 84 dollars are required to be maintained for a minimum of 10 years after implementation.

E. Project Category Prioritization (Maximum of 5 points)

In scoring grants, the SNC will use the following prioritization methodology. Each application submitted will automatically be assigned a point value based on project type. Priority weighting is awarded to Category One restoration and site improvement projects over all other project types.

One of the two alternatives for project type priority weighting listed below will be selected for the final Guidelines, based on public comments and SNC Board direction. This decision will be made at the September 2011 SNC Board meeting.

1. Alternative One

Give priority to grant awards in this order:

- Site improvement projects (5 points).
- Pre-project activities that ready on-the-ground site improvement projects (2 points).

- Acquisition of conservation easements (1 point).
- Pre-project due-diligence projects that ready the acquisition of conservation easements (0 points).

2. Alternative Two

Give priority to grant awards in this order:

- Site improvement projects (5 points).
- Pre-project due diligence projects that ready 1) on-the-ground site improvements or 2) the acquisition of conservation easements (2 points).
- Acquisition of conservation easements (0 points).

In addition to the technical evaluation, SNC staff will consider geographic distribution of proposed projects when developing recommendations for the SNC Board.

APPENDIX A

Program Geographic Area

Project must be located in, or partly in, the boundaries of the Sierra Nevada Region to be eligible. PRC Section 33302 (f) defines the Sierra Nevada Region as the area lying within the Counties of Alpine, Amador, Butte, Calaveras, El Dorado, Fresno, Inyo, Kern, Lassen, Madera, Mariposa, Modoc, Mono, Nevada, Placer, Plumas, Shasta, Sierra, Tehama, Tulare, Tuolumne, and Yuba, bounded as follows:

On the east by the eastern boundary of the State of California; the crest of the White/Inyo ranges; and State Routes 395 and 14 south of Olancho; on the south by State Route 58, Tehachapi Creek, and Caliente Creek; on the west by the line of 1,250 feet above sea level from Caliente Creek to the Kern/Tulare County line; the lower level of the western slope's blue oak woodland, from the Kern/Tulare County line to the Sacramento River near the mouth of Seven-Mile Creek north of Red Bluff; the Sacramento River from Seven-Mile Creek north to Cow Creek below Redding; Cow Creek, Little Cow Creek, Dry Creek, and the Shasta National Forest portion of Bear Mountain Road, between the Sacramento River and Shasta Lake; the Pit River Arm of Shasta Lake; the northerly boundary of the Pit River watershed; the southerly and easterly boundaries of Siskiyou County; and within Modoc County, the easterly boundary of the Klamath River watershed; and on the north by the northern boundary of the State of California; excluding both of the following:

- (1) The Lake Tahoe Region, as described in Section 66905.5 of the Government Code, where it is defined as "Region."
- (2) The San Joaquin River Parkway, as described in Section 32510.

See: <http://www.sierranevada.ca.gov/maps/snc-region> for a general map of the Region; however, applicants should contact staff to verify whether project is located in an eligible area.

APPENDIX B

SNC Mission

The Sierra Nevada Conservancy initiates, encourages, and supports efforts that improve the environmental, economic, and social well-being of the Sierra Nevada Region, its communities, and the citizens of California.

SNC Program Areas

The Sierra Nevada Conservancy was created as a state agency to do all of the following, working in collaboration and cooperation with local governments and interested parties:

- Provide increased opportunities for tourism and recreation;
- Protect, conserve, and restore the Region's physical, cultural, archaeological, historical, and living resources;
- Aid in the preservation of working landscapes;
- Reduce the risk of natural disasters, such as wildfires;
- Protect and improve water and air quality;
- Assist the Regional economy through the operation of the SNC's program; and,
- Undertake efforts to enhance public use and enjoyment of lands owned by the public.

APPENDIX C

Glossary of Terms

Unless otherwise stated, the terms used in the SNC Proposition 84 Grant Guidelines and Grant Application Packet shall have the following meanings:

Acquisition – To obtain ownership of permanent interest in real property through conservation easements. Leaseholds and rentals do not constitute Acquisition.

Administrative Costs – Administrative costs include any expense which does not relate directly to project implementation. Similar to the traditional definition of ‘overhead,’ administrative costs include rent, utilities, travel, per diem, office equipment and supplies, services such as internet and phone, etc.

Applicant – The entity applying for a SNC grant pursuant to these guidelines.

Application – The individual application form and its required attachments for grants pursuant to the SNC Program.

Appraisal - An estimate of the value of real property or other specific interest in real property.

Authorized Representative – The officer authorized in the Resolution to sign all required grant documents including, but not limited to, the grant agreement, the application form, and payment requests. The authorized representative may designate an alternate by informing SNC in writing.

Best Management Practice – A practice or combination of practices considered to be the most effective means (including technological, economic, and institutional considerations) of meeting a particular goal or achieving a particular end.

Biological /Other Survey – An evaluation or collection of data regarding the conditions in an area using surveys and other direct measurements.

Board – The Governing Board of the SNC as established by PRC Section 33321.

Bond or Bond Act – Proposition 84, The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resources Code Section 75001 et seq.).

Capital Improvement Projects – Projects that utilize grant funds for acquisition of conservation easements or site improvement/restoration.

CEQA – The California Environmental Quality Act as set forth in the Public Resources Code Section 21000 et seq. CEQA is a law establishing policies and procedures that require agencies to identify, disclose to decision makers and the public, and attempt to

lessen significant impacts to environmental and historical resources that may occur as a result of a proposed project to be undertaken, funded, or approved by a local or state agency. For more information, refer to: <http://ceres.ca.gov/ceqa/>.

CEQA/NEPA Compliance – Activities an entity performs to meet the requirements of CEQA or NEPA.

Collaborative Process – Willing cooperation between stakeholders with different interests to solve a problem or make decisions that cut across jurisdictional or other boundaries; often used when information is widely dispersed and no single individual, agency or group has sufficient resources to address the issue alone.

Condition Assessment – Characterization of the current state or condition of a particular resource.

Conifer Forest – Type of forest characterized by cone-bearing, needle-leaved trees, characteristic of much of the Sierra Nevada Region.

Conservancy – The Sierra Nevada Conservancy as defined in Public Resources Code Section 33302 (b).

Conservation Easement – Any limitation in a deed, will or other instrument in the form of an easement, restriction, covenant or condition which is or has been executed by or on behalf of the owner of the land subject to such limitation and is binding upon the successive owners of such land, and the purpose of which is to retain land predominantly in its natural, scenic, historical, agricultural, forested or open-space condition. (Civil Code Section 815.1)

Data – A body or collection of facts, statistics, or other items of information from which conclusions can be drawn.

Design/Permit – Preliminary project planning or identification of methodologies or processes to achieve project goals, and the process of obtaining any regulatory approvals or permits necessary from appropriate governmental agencies in order to conduct the work of the project.

Easement – An interest in land entitling the holder thereof to a limited use or enjoyment of the land in which the interest exists, or to restrict the use or enjoyment of the land by the owner of the fee title.

Eligible Costs – Expenses incurred by the grantee during the agreement performance period of an approved agreement, which may be reimbursed by the SNC.

Enhancement – Modification of a site to increase/improve the condition of streams, forests, habitat and other resources.

Environmental Site Assessment – Phase I, Phase II or other reports which identify potential or existing contamination liabilities on the underlying land or physical improvements of a real estate holding.

Executive Officer – Executive Officer of the SNC appointed by the Board, pursuant to Public Resources Code Section 33328, to manage the Conservancy.

Fair Market Value – The value placed upon property as supported by an appraisal that has been reviewed and approved by the California Department of General Services or other authority designated by law or by the SNC.

Fee Title – The primary interest in land ownership that entitles the owner to use the property subject to any lesser interests in the land and consistent with applicable laws and ordinances.

Fiscal Sponsor – An organization that is eligible to receive SNC Proposition 84 grants and is willing to assume fiscal responsibility for a grant project, although another entity would carry out the grant scope of work.

Grant – Funds made available to a grantee for eligible costs during an agreement performance period.

Grant Agreement – An agreement between the SNC and the grantee specifying the payment of funds by the SNC for the performance of the project scope within the agreement performance period by the grantee.

Grant Agreement Performance Period – The period of time during which the eligible costs may be incurred under the grant, and in which the work described in the grant scope must be completed.

Grant Agreement Term – The period of time that includes the agreement performance period, plus time for all work to be billed and paid by the state. This period is the same as the beginning and ending dates of the agreement.

Grantee – An entity that has an agreement with the SNC for grant funds.

Grant Scope – Description of the items of work to be completed with grant funds as described in the application form and cost estimate.

Infrastructure Development/Improvement – The physical improvement of real property, including the construction of facilities or structures (such as bridges, trails, culverts, buildings, etc.).

In-kind Contributions – Non-monetary donations that are utilized on the project, including materials and services. These donations shall be eligible as “other sources of funds” when providing budgetary information for application purposes.

Land Tenure – Legal ownership or other rights in land, sufficient to allow a grantee to conduct activities that are necessary for completion of the project consistent with the terms and conditions of the grant agreement. Examples include: fee title ownership; an easement for completion of the project consistent with the terms and conditions of the grant agreement; or agreements or a clearly defined process where the applicant has adequate site control for the purposes of the project.

Mixed Conifer Forest – Forests along a broad continuum of climatic zones and including many different assemblages of species in addition to conifers. Unlike forests dominated by a single species, the different constituents of mixed conifer forests create varying structures and spatial patterns.

Model/Map – Representations to visually show the organization, appearance or features of an area or subject.

Monitoring/Research – To search, observe or record an operation or condition with tools that have no effect upon the operation or condition.

Natural Resource Protection – Those actions necessary to prevent harm or damage to rivers, lakes, and streams, their watersheds and associated land, water, and other natural resources, or those actions necessary to allow the continued use and enjoyment of property or natural resources and includes acquisition, restoration, preservation and education.

NEPA – The National Environmental Policy Act of 1969, as amended. NEPA is a federal law requiring consideration of the potential environmental effects of proposed project whenever a federal agency has discretionary jurisdiction over some aspect of that project. For more information, refer to: <http://ceq.hss.doe.gov/index.html>

Nonprofit Organization– A private, nonprofit organization that qualifies for exempt status under Section 501(c)(3) of Title 26 of the United States Code, and whose charitable purposes are consistent with the purposes of the SNC as set forth in Public Resources Code Section 33300 et seq.

Other Sources of Funds – Cash or in-kind contributions necessary or used to complete the acquisition or site improvement/restoration project beyond the grant funds provided by this program.

Outreach Materials – Audio, visual and written materials developed to help explain a particular topic or subject.

Performance Measure – A quantitative measure used by the SNC to track progress toward project goals and desired outcomes.

Plan – A document or process describing a set of actions to address specific needs or issues or create specific benefits.

Planning – The act or process of creating a plan.

Pre-Project Due Diligence – The analysis necessary to identify all aspects influencing a project and determine the risks associated with a project.

Preservation – Protection, rehabilitation, stabilization, restoration, development, and reconstruction, or any combination of those activities.

Project – The work to be accomplished with grant funds.

Project Coordinator – An employee of the SNC who acts as a liaison with the applicants or grantees and administers grant funds, ensuring compliance with guidelines and the grant agreement.

Proposition 84 – See Bond.

Public Agencies – Any city, county, district, or joint powers authority; State agency; public university; or federal agency.

Region – The Sierra Nevada Region as defined in Public Resources Code Section 33302 (f).

Registered Professional Forester – a person who, by reason of his or her knowledge of the natural sciences, mathematics, and the principles of forestry, acquired by forestry education and experience, performs services, including, but not limited to, consultation, investigation, evaluation, planning, or responsible supervision of forestry activities when those professional services require the application of forestry principles and techniques. The use of registered professional foresters in the management and treatment of the forest resources and timberlands of this state is defined in [Public Resources Code 750-753, et seq.](#)

Resilience – The ability of an ecosystem to regain structural and functional attributes that have suffered harm from stress or disturbance.

Region-wide – Providing benefits that affect the overall breadth of the SNC Region or multiple Subregions within the Region.

Resource Protection – Those actions necessary to prevent harm or damage to natural, cultural, historical or archaeological resources, or those actions necessary to allow the continued use and enjoyment of property or resources, such as acquisition of conservation easements, development, restoration, preservation or interpretation.

Restoration – Activities that initiate, accelerate or return the components and processes of a damaged site to a previous historical state, a contemporary standard or a desired future condition including, but not limited to, projects for the control of erosion, the control and elimination of exotic species, fencing out threats to existing or restored natural resources, road elimination, and other plant and wildlife habitat improvement.

Site Improvements – Project activities involving the physical improvement or restoration of land.

SNC – Sierra Nevada Conservancy.

Stewardship Plan– A plan to provide ongoing implementation and management associated with the acquisition of a conservation easement or site improvement/restoration project.

Study/Report – Research or the detailed examination and analysis of a subject.

Total Cost – The amount of the Other Sources of Funds combined with the SNC grant request amount that is designated and necessary for the completion of a project.

Tribal Organization – An Indian tribe, band, nation, or other organized group or community, or a tribal agency authorized by a tribe, which is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians and is identified on pages 9250-9255, inclusive, of Document 95-3839 (February 16, 1995) of the Federal Register, as that list may be updated or amended from time to time.

Working Landscape(s) – Lands producing goods and commodities from the natural environment (such as farms, ranches, and forests in timber production). For many communities, these lands are an important part of the local economy, culture, and social fabric.

Working Landscape Preservation – Actions that preserve activities occurring on ranches, farms, and forestlands that result in sustainable economic, ecological, and social benefits to communities, people, and their environments.

APPENDIX D

Performance Measures

Performance measures are used to track progress toward project goals and desired outcomes. They provide a means of reliably measuring and reporting the outcomes and effectiveness of a project and how it contributes to SNC achieving its programmatic goals.

All grantees are required to report on performance measures for their projects. Certain information will be asked of all projects. This includes data related to four quantitative performance measures if applicable to the project:

- Number of People Reached
- Dollar Value of Resources Leveraged for the Sierra Nevada
- Number and Type of Jobs Created
- Number of New, Improved or Preserved Economic Activities

In addition to the information that will be asked of all projects, grantees will report on performance measures (usually one to three) related to their specific project.

Submitting Performance Measures in the Grant Application

You must propose project-specific measures as part of your grant application. Generally, you will select these measures from the pre-approved list developed by the SNC. However, you also have the option of proposing a different measure in your application if you believe it would be more appropriate for your project. Final Performance Measures will be determined in consultation with SNC staff, but it is highly recommended that the applicant work with SNC staff during the pre-application process to concur on the appropriate Performance Measures prior to application submission.

The Performance Measures you select should be directly applicable to your project's goals, outcomes, and deliverables. Approved measures become part of a grantee's final grant agreement.

The four Performance Measures listed above that are required of all projects should be addressed in the grant application as to if and how they are applicable to the project.

The applicant is not expected to conjecture the quantitative outcomes of the Performance Measures in the grant application, but merely to list and discuss their applicability.

Selecting Project-Specific Performance Measures

1. You should begin the process of selecting project-specific performance measures by referring back to the project category you selected for your project.

The table on the following page provides a list of the recommended measures that are most likely to be relevant for projects in each category. A description of all of the measures follows the table. Examine your project purpose, goals, desired outcomes, and deliverables (from your project general description). Select measures that will help you determine whether and how well these have been achieved. (If you are unclear on which measure/s to select or have questions, please contact SNC staff.)

2. Review your project workplan and budget to ensure you have factored in the time and cost to gather and report performance measure-related information. For each Performance Measure, a detailed description of information gathering and reporting requirements is provided on the SNC website:

<http://www.sierranevada.ca.gov/sncgrants/managing-your-grant/detailed-performance-measure-descriptions>

3. You may find that the performance measures listed below are not relevant to your project. SNC encourages the development of performance measures most appropriate for your project. Development of new measures should be done in consultation with SNC staff, because it requires their approval. When proposing a new performance measure, keep in mind that the measure should directly relate to a specific project goal, outcome, or deliverable. Consider performance measures that can be tracked using accepted methods to ensure that your data will be consistent and defensible. For any new performance measures proposed for your project, provide the following information:

- Clear definition
- Data collection method(s)
- Data sources
- Target values

Reporting Performance Measures Outcomes in the Progress and Final Reports

Grantees must report on all Performance Measures that are incorporated into the grant agreement in the Progress Reports (when interim measurement is applicable) and the Final Report, in accordance with the Detailed Performance Measures descriptions.

Grantees are also required to provide qualitative, or narrative, information in their final project reports as requested on the Final Report form.

**Performance Measures by Project Category
All Grants**

A. Common to All Categories
<ul style="list-style-type: none"> 1. Number of People Reached 2. Dollar Value of Resources Leveraged for the Sierra Nevada 3. Number and Type of Jobs Created 4. Number of New, Improved, or Preserved Economic Activities
B. Common to Site Improvement & Acquisition Categories
<ul style="list-style-type: none"> 5. Kilowatts of Renewable Energy Production Capacity Maintained or Created 6. Linear Feet of Stream Bank Protected or Restored 7. Number of New Recreation Access Points 8. Number of Special Significance Sites Protected or Preserved 9. Tons of Carbon Sequestered or Emissions Avoided 10. Measurable Changes in Knowledge or Behavior
C. Acquisition Only
<ul style="list-style-type: none"> 11. Acres of Land Conserved
D. Site Improvement Only
<ul style="list-style-type: none"> 12. Acre Feet of Water Supply Conserved or Enhanced 13. Acres of Land Improved or Restored 14. Acre Feet Per Annum of Streamflow Improved 15. Feet of Trail/Path Length Constructed or Improved 16. Mass of Pollutants Reduced Per Year
E. Pre-Project Planning
<ul style="list-style-type: none"> 17. Number of Collaboratively Developed Plans and Assessments 18. Percent of Pre-Project and Planning Efforts Resulting in Project Implementation 19. Measurable Changes in Knowledge or Behavior

Performance Measure Descriptions

The following Performance Measures (PMs) have been developed to meet SNC's initial needs as it launches its programs and provides initial grant funding for several project types. These PMs, along with a brief description of each, are listed below in five broad categories: Performance Measures for All Projects, Performance Measures Common to Site Improvement and Acquisition Projects, Performance Measures for Acquisition Projects, Performance Measures for Site Improvement Projects, and Performance Measures for Pre-Project Planning Projects.

A. Performance Measures for All Categories

1. Number of People Reached

Number of People Reached measures progress of information-sharing and education efforts and inclusiveness of other project efforts such as plan development.

2. Dollar Value of Resources Leveraged for the Sierra Nevada

The Dollar Value of Resources Leveraged provides a measure of the additional resources contributed to SNC funded projects by grantees and other partners. The total value is based on other funds provided by external sources, valuation of volunteer hours, and the value of in-kind contributions made by a project.

3. Number and Type of Jobs Created

Number and Type of Jobs Created provides an accounting of the full-time equivalent jobs created by SNC-funded activities. Information provided should describe whether the job is expected to be temporary or long-term.

4. Number of New, Improved, or Preserved Economic Activities

New, Improved, or Preserved Economic Activities measures the types, quantities, and, where appropriate, estimated dollar values of new, improved, or preserved activities, products, and services resulting from the project.

B. Performance Measures Common to Site Improvement and Acquisition Projects

5. Kilowatts of Renewable Energy Production Capacity Maintained or Created

The Kilowatts of Renewable Energy Production Capacity maintained or created is based on the California Energy Commission's (CEC's) standards for renewable energy eligibility and includes energy generation capacity from biomass, wind, solar, small hydroelectric and other qualifying sources.

6. Linear Feet of Stream Bank Protected or Restored

Linear Feet of Stream Bank Protected or Restored provides a measure of a project's contribution to water quality, riparian property values, habitat, and stream connectivity. Information provided should indicate whether the stream bank is being protected or restored.

7. Number of New Recreation Access Points

Number of New Recreation Access Points measures improvements in recreation access by: type of access points, recreation type, and change in capacity.

8. Number of Special Significance Sites Protected or Preserved

Number of Special Significance Sites Protected or Preserved records the total number of sites with important cultural or natural features that are protected from development or other adverse impacts.

9. Tons of Carbon Sequestered or Emissions Avoided

Tons of Carbon Sequestered or Emissions Avoided demonstrates the value of Sierra ecosystem resources in reducing the effects of climate change. Potential project types can include conservation forest management, renewable energy generation, and industrial process improvements. The carbon reductions included in this performance measure will be informed by and linked, as

appropriate, to standard approaches and protocols such as those published by the California Climate Action Registry.

10. Measurable Changes in Knowledge or Behavior

Measurable Change in Knowledge or Behavior tracks the effects of educational and interpretive efforts to improve appreciation for and stewardship of Sierra Nevada resources. Examples of behavioral change include increased Firewise landscaping and removal of noxious weeds on private property. Examples of change in knowledge include improved student understanding of climate change and increased public acceptance of prescribed fire.

C. Performance Measures for Acquisition Projects

11. Acres of Land Conserved

Acres of Land Conserved includes areas that have been conserved through acquisition, including easements. This performance measure provides an accounting of the extent of landscape and natural resources conserved by SNC activities. Information provided should include the method of conservation (acquisition or easement) and the primary purpose of conservation (recreation, open space, working landscapes, etc).

D. Performance Measures for Site Improvement Projects

12. Acre Feet of Water Supply Conserved or Enhanced

Acre Feet of Water Supply Conserved or Enhanced measures the benefits of water conservation and efficiency projects and particular restoration efforts that impact timing of flows. These actions benefit both local residents and the people of California who receive their water supply from the Sierra Nevada. Project activities can include: meadow restoration to enhance runoff timing or incentive programs such as converting to drip irrigation to reduce demand.

13. Acres of Land Improved or Restored

Acres of Land Improved or Restored tracks efforts to reduce the risk of natural disasters, such as catastrophic wildfire, and improve natural resource conditions, such as site productivity and wildlife habitat, through site improvement. Information provided should identify whether the acres protected have been categorized by importance or priority rating through another agency or program, such as acres of critical habitat, or acres in moderate, high and very high fire hazard areas, as delineated by the CALFIRE Fire Hazard Severity Zoning Map.

14. Acre-Feet per Annum of Streamflow Improved

Acre-Feet per Annum of Streamflow Improved measures the changes in flow conditions in a given stream or river resulting from a project. This performance measure directly addresses improving water quality and habitat, since flow can be a controlling driver in these issues. Subcategories include: water conservation or efficiency projects dedicating conserved water to instream flows, actions that

result in changes in management, short-term leases of water for instream flows, and permanent transfers through acquisition of a water right.

15. Feet of Trail/Path Length Constructed or Improved

The Feet of Trail/Path Length Constructed or Improved incorporates paved and unpaved multi-use urban, hiking, OHV, equestrian and other trails and paths. Information provided should identify the length, type of trail/path and type of use.

16. Mass of Pollutants Reduced Per Year

The Mass of Pollutants Reduced Per Year indicates the pollutant reduction effectiveness of restoration, water quality, and air quality projects. Current projects focus on reducing sediment and mercury pollution; however, additional pollutants may be targeted in future projects. Information provided should identify the pollutant type/s to be reduced and the amount of reduction.

E. Performance Measures for Pre-Project Planning Projects

17. Number of Collaboratively Developed Plans and Assessments

The Number of Collaboratively Developed Plans and Assessments is a measure that may be relevant for a wide variety of projects. Plans and assessments help communities plan for resource use, qualify for targeted funding, and support understanding of conditions and management options. Examples of anticipated subjects include fire protection, water resources, land use, tourism development, habitat surveys and many more.

18. Percent of Pre-Project and Planning Efforts Resulting in Project Implementation

Percent of Pre-project and Planning Efforts Implemented measures progress in moving SNC-funded projects from initial stages of collaboration and planning to on-the-ground actions and acquisitions.

19. Measurable Changes in Knowledge or Behavior

Measurable Change in Knowledge or Behavior tracks the effects of educational and interpretive efforts to improve appreciation for and stewardship of Sierra Nevada resources. Examples of behavioral change include increased Firewise landscaping and removal of noxious weeds on private property. Examples of change in knowledge include improved student understanding of climate change and increased public acceptance of prescribed fire.

APPENDIX E

California Environmental Quality Act Compliance

Overview

The Sierra Nevada Conservancy (SNC) is a state agency and therefore SNC actions are subject to all provisions of the California Environmental Quality Act (CEQA). This means that when the SNC is initiating or making discretionary decisions such as providing financial support to entities for projects, we must ensure that project activities are undertaken in compliance with CEQA.

Projects are defined by CEQA as: The whole of an action that has potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, and specifically related to the SNC grant program:

A project includes an activity which is funded, in whole or in part, through public agency contracts, **grants**, subsidies, loans, or other assistance from a public agency.

Applicants should note that the CEQA Statutes and Guidelines were revised in 2010 to provide guidance to public agencies on how to address the issue of greenhouse gas emissions in draft CEQA documents. Along with all of the usual CEQA topic areas, this issue must be addressed in any Negative Declarations or Environmental Impact Reports submitted to the SNC as part of a grant application. For a revised CEQA Guidelines Initial Study Checklist, [click here](#). The SNC also encourages applicants to review the [2010 CEQA Statutes and Guidelines](#), which incorporate the adopted greenhouse gas emissions amendments.

Completion of appropriate documentation

Applicants are strongly urged to consult with SNC staff prior to initiating the application process to determine how best to meet the CEQA requirements. Failing to do so may result in inadequate documentation and ultimately in the project being deemed ineligible.

For activities that meet the CEQA definition of a project, the appropriate documentation must be completed and adopted or certified by a California local or state agency ("Lead Agency"). The Lead Agency for environmental documentation must determine whether or not the project will have a significant potential impact on the environment. The SNC will act as a Lead Agency or a Responsible Agency depending upon the status of previous CEQA documentation for proposed projects.

The following options explain the requirements for applicants based on level of required documentation and type of applicant.

Categories of Proposed Projects

Proposed projects will fall into one of the following four CEQA categories:

➤ **Not a Project per CEQA**

Upon receiving a grant application or pre-application consultation request, SNC must evaluate whether or not the activity being proposed is defined as a project for CEQA purposes. If the proposal does not meet the CEQA definition of a project, no documentation is required and the applicant should note that this is the case in the application (examples might include some planning activities).

➤ **Categorical and Statutory Exemptions**

Specific types of activities have been identified as exempt from environmental analysis under CEQA. All projects of this type funded by the SNC require the filing of a Notice of Exemption for categorically or statutorily exempt projects.

Requirements for projects in this category differ by applicant type, as follows:

- State or local agencies authorized to certify CEQA documents are required to submit the appropriate, completed CEQA documents, including a filed Notice of Exemption, with the application.
For projects submitted by all other applicants (nonprofit organizations, federal agencies, tribal organizations) over which no other state or local agency has discretionary authority, the SNC *will* act as lead agency in the CEQA process and *will* file a Notice of Exemption for a project upon authorization by the board.

➤ **Negative Declaration and Mitigated Negative Declaration**

An Initial Study must be completed for projects which are not categorically or statutorily exempt. If the Initial Study concludes that a project will not have a significant impact on the environment, a Negative Declaration may be prepared and adopted by the Lead Agency. When impacts are identified and may be alleviated through mitigation measures during project implementation, a Mitigated Negative Declaration may be prepared and adopted by the Lead Agency. Noticing, Preparation, and Public review for these documents may require several months to complete. Documentation of completed actions must be provided with application.

➤ **Environmental Impact Report**

If it is determined through an Initial Study that a project may result in a potential significant impact to the environment, an Environmental Impact Report (EIR) is required. Noticing, Preparation, and Public review for an EIR may require up to two years for completion. Documentation of completed actions must be provided with application.

Consistency with National Environmental Policy Act (NEPA)

Projects that are located on Federally Managed Lands must comply with both NEPA and CEQA requirements. If the federal agency has found that the project is a categorical exclusion under NEPA, the signed Decision Notice must be submitted with the application. If the environmental impacts of the project are analyzed in an Environmental Assessment or Environmental Impact Statement, a completed Finding of No Significant Impact (FONSI) or Record of Decision must be submitted at the time of application along with the approved document. The SNC may act as the Responsible Agency under these circumstances **if the document complies with the provisions of the comparable CEQA document.** However, in some instances the NEPA process may not adequately meet CEQA requirements. Federal agencies or those conducting activities on federal lands are strongly encouraged to coordinate with a California public agency on CEQA compliance issues.

APPENDIX F

Appraisals

If a grant of funds is made to acquire an interest in real property the agreement between the SNC and the recipient will require all of the items listed below:

1. The transfer of an interest in the real property shall be subject to approval of the SNC, and a new agreement sufficient to protect the public interest shall be entered into between the SNC and the transferee.
2. The deed or instrument by which the grantee acquires an interest in real property under the grant shall include a power of termination on the part of the SNC. The deed or instrument shall provide that the SNC may exercise the power of termination by notice in the event of the grantee's violation of the purpose of the grant through breach of a material term or condition thereof, and that, upon recordation of the notice, full title to the interest in real property identified in the notice shall immediately vest in the SNC, or in another public agency or a nonprofit organization or tribal organization designated by the SNC to which the SNC conveys or has conveyed its interest.

REGULATIONS FOR THE SUBMITTAL OF APPRAISAL REPORTS TO THE STATE OF CALIFORNIA FOR THE ACQUISITION OF CONSERVATION LANDS:

Appraisal Reports prepared for the acquisition of any land or interest therein by or with funding from an "acquisition agency" as defined in Public Resources Code Section 5096.501 (a) must conform to the following minimum standards in order to be considered for Appraisal Review by the State.

1. Appraisal reports shall be prepared by, and include a signature by an appropriately Licensed or Certified Real Estate Appraiser in good standing. (Pursuant to Part 3, commencing with Section 11300 of Division 4 of the Business and Professions Code and the California Code of Regulations Section 3701.)
2. Appraisal reports shall include descriptive photographs and maps of sufficient quality and detail to clearly depict the subject property and any market data relied upon, including the relationship between the location of the subject property and the market data.
3. Appraisal reports shall include a complete description of the subject property land, site characteristics and improvements. Valuations based on property's development potential shall include:
 - Verifiable data on the development potential of the land (e.g. Certificate of Compliance, Tentative Map, Parcel Map, Final Map).
 - A description of what would be required for a development project to proceed.

Appraisal reports shall include a statement by the appraiser indicating to what extent land title conditions were investigated and considered in the analysis and value conclusion.

Appraisal reports shall include a discussion of implied dedication, prescriptive rights or other unrecorded rights (Civil Code Sec. 801-813, 1006-1009) that may affect value. Indicating the extent of the investigation, any knowledge of, or observation of conditions that might indicate evidence of public use.

Appraisal Reports, or portions thereof, concluding other than nominal value for specialty interest, including but not limited to timber, minerals, or carbon credits, shall be prepared and signed by a certified or registered professional qualified in the field of specialty interest.

CALIFORNIA DEPARTMENT OF GENERAL SERVICES (DGS) APPRAISAL SPECIFICATIONS

All appraisals must be completed and signed by a State of California Certified Real Estate Appraiser who certifies that the appraisal is in compliance with the [Uniform Standards of Professional Appraisal Practice](#) as currently adopted by the Appraisal Standards Board of the Appraisal Foundation.

Sierra Nevada Conservancy
Draft Healthy Forests Grant Guidelines FY2011-12
Summarized Public Comments

Jessica Neff, Pacific Forest Trust
July 27, 2011

Dear SNC Board and Staff:

Thank you for the opportunity to review and comment on your latest draft of the Prop 84 Healthy Forests Grants Program Guidelines. The Sierra Nevada Conservancy has been a great partner in the Sierra both through the grants program and its role as a convener for the many issues that affect the Region. We think that many of the proposed changes to the grant program will help the SNC be strategic and have the greatest impact with its remaining Prop 84 funding.

First, we would like to thank you for clarifying that conservation easement projects are viable projects for funding under the Healthy Forests funding cycle. We think that conservation easements are an important tool in the overall health of California's forest landscape. Secondly, we would also like to commend you on formalizing the pre-application process. We have used this process in past grant rounds and have found the SNC staff's feedback extremely valuable.

Below are a few additional comments and questions we had regarding the current draft guidelines:

PAGE 5: II. A. Program Funding and Focus 2011-13: In the paragraph beginning with "In addition...", it would be helpful to clarify whether or not *conservation easement acquisition projects* must also track and re-invest into the project any revenue generated. It seems that it would be difficult for a conservation easement acquisition project to track and re-invest, so if this paragraph could clarify that conservation easements are not subject to this requirement, that would be helpful.

PAGE 12: III. G. 3. Conservation Easement Acquisition Requirements: Under the last bullet point, it would be helpful to have more clarification as to what would cause a conservation easement project to need a Phase I or Phase II Environmental Site Assessment. As a land trust accredited through the Land Trust Alliance for our exemplary use of the industry's Standards and Practices it is not generally our practice to do a Phase I or II Environmental Assessment on easement projects unless there is some cause for concern based on past land use. Additionally, this is not a requirement that we have seen in working with other State funders such as the Wildlife Conservation Board.

PAGE 18: IV. E. Project Category Prioritization: We would prefer Alternative 1 and also think conservation easement projects represent a more concrete on-the-ground

project than pre-project activities for site improvement projects or acquisition projects and should be given a higher point value over these types of pre-project activities. Also, in Alternative Two, it is a little confusing what the difference is between the second and third bullet points. Does the second bullet point mean to say “Pre-Project due diligence projects that ready on-the-ground site improvements or ***pre-project due diligence projects that ready*** the acquisition of conservation easements”?

Thank you again for providing us with the opportunity to respond and comment on the Grants Program Guidelines!

Sincerely,

Jessica Neff

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Jessica Neff
Conservation Project Manager

The Pacific Forest Trust
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jneff@pacificforest.org
<http://www.pacificforest.org>

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SNC response:

- *Changes made - Clarifications were made specifying that any revenue generated directly from the use of grant funds (e.g. sale of forest products) need to be re-invested in the project. Future revenue from the property (such as in the case of a conservation easement) would not be subject to this provision as it is not a direct result of the project.*
- *No Changes – The presence of, or remediation activities related to, toxic materials could potentially impact the viability of a conservation easement. A specific question related to knowledge of previous land use will be added to the Grants Application Packet (GAP).*
- *No Changes made – concurs with staff recommendation on prioritization by project type.*

Brandon Pangman: Sierra County Planning Department

July 27, 2011

Attn: Jim Branham, Executive Officer, Sierra Nevada Conservancy

Dear Mr. Branham, or designee:

Please accept this comment from the Sierra County Planning Department in response to your e-mailed request for comments on SNC's "DRAFT Grant Guidelines for its 2011-12 Healthy Forest Grant Program funded by Proposition 84" received on July 20, 2011.

We are concerned about the confusing CEQA language found in Appendix E of the Draft Guidelines (which we recognize has been used in previous grant guidelines as well). Specifically: 1) the confusion over "Lead Agency" determination where no other state or local agency has permitting authority over a proposed Healthy Forest project; and 2) SNC's claim that, 'Under specific circumstances, SNC will act as a Lead Agency, if the project meets the definition of being categorically or statutorily exempt from CEQA. This opportunity may exist for project applicants that are not state or local agencies' (p.33).

Regarding the first issue, Sierra County has on a number of occasions been asked to file a CEQA Notice of Exemption on behalf of a (non-public agency) applicant for an SNC grant--and we were informed that they were told this was a requirement by SNC and/or a condition of the grant. But in each of those instances, Sierra County was not a permitting authority in any capacity whatsoever; Sierra County exercised no discretion and granted no entitlement--or even a ministerial permit. By definition (ref. CEQA Guidelines, CCR section 15367), "'Lead Agency' means the public agency which has the principal responsibility for carrying out or approving a project..." and a "Project" under CEQA (ref. PRC section 21065 and Guidelines CCR section 15378) is "an activity directly undertaken by any public agency...[or], (b)...by a person which is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies... [or], (c)...that involves the issuance to a person of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies." While the Sierra Nevada Conservancy meets the definition of Lead Agency in issuing a grant of funds to carry out proposed Healthy Forest (or other) project--specifically under PRC 21065(b), above--insofar as the proposed project is conducted on federal (often USFS) lands and/or merely involves forest thinning and brush clean-up whether on public or private lands, and such activities are not regulated by local zoning or other regulations, Sierra County does not require a permit or grant of entitlement for such activities and therefore is not and legally should not be construed as the Lead Agency (or even a 'Responsible Agency') under CEQA. By executing and filing a Notice of Exemption (or Notice of Determination) on behalf of an SNC grant applicant for a project over which the County has no jurisdiction and no permitting authority, the County is essentially being asked to assume legal responsibility, and potentially liability, when it should not. In short, when a grant of entitlement or other discretionary review and approval is not necessary by a local agency for a proposed Grant project, and the project/activity is not being undertaken by a public agency itself, SNC retains 'Lead Agency' status under CEQA and should not communicate or

insinuate otherwise to its grant applicants. CEQA compliance remains the responsibility of the Lead Agency, not the applicant. SNC should file the Notices of Exemption/Determination (even if the costs for CEQA compliance and filing of notices are passed on to the applicant or project proponent).

Regarding the second (related) issue, Sierra County does not agree with the statement contained in Appendix E of the Grant Guidelines that 'SNC will act as a Lead Agency' only under specific circumstances, and further assuming the project is categorically or statutorily exempt from CEQA. If SNC is the Lead Agency by virtue of its support of a proposed project through a grant of financial assistance, it remains Lead Agency whether the project is exempt or not. SNC may certainly pass the cost and even the preparation of CEQA-compliant studies and filing of notices on to the applicant, but it remains SNC's responsibility to make the final determination under CEQA as Lead Agency---not to the county or city in whose jurisdiction or boundaries the proposed project may fall.

Sierra County agrees with the statements contained in the "Overview" section at the beginning of Appendix E to the Draft Grant Guidelines; but we are concerned about the confusing and sometimes misleading statements near the bottom of the same page (p. 33) which has led a number of applicants (and even SNC staff) to claim that Sierra County must act as Lead Agency and file CEQA Notices, when this should not be the case. Please amend the language contained in Appendix E to the Draft Grant Guidelines to better clarify to applicants that, when no other state or local agency has discretionary authority over a proposed project, SNC shall be the Lead Agency and CEQA Notices must be executed and filed with the Office of Planning and Research by SNC.

Thank you for your consideration of these comments.

Sincerely,

Brandon Pangman
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bwp:0711, encl.

SNC response: Changes made – Language has been clarified to delineate the different responsibilities for addressing CEQA and NEPA requirements based on the type of

applicant and level of environmental review. The SNC is not requesting counties or local governments to assume liability for completing CEQA on behalf of any applicant unless required to comply with regulatory or permitting requirements.

Eric Huff: State Board of Forestry and Fire Protection

August 5, 2011

Dear Governing Board of the Sierra Nevada Conservancy:

Thank you for the opportunity to comment on the Conservancy's draft "Grant Guidelines" in support of "Healthy Forest" projects across the Sierra Nevada Range. I applaud the Governing Board's decision to award half of the remaining Proposition 84 Funds to such projects and appreciate the rigor of the draft Grant Guidelines to that end.

My sole comment relates to the apparent oversight of the importance of including reference in the draft Grant Guidelines to the requirement for compliance with the Professional Foresters Law, Public Resources Code Section 750, *et seq.* While the common misperception is that the Professional Foresters Law (PFL) only applies to projects involving a Timber Harvesting Plan or commercialization of wood products, the PFL is actually far broader in scope.

Public Resources Code (PRC) Section 753 defines "forestry" as:

...the science and practice of managing forested landscapes and the treatment of the forest cover in general, and includes, among other things, the application of scientific knowledge and forestry principles in the fields of fuels management and forest protection, timber growing and utilization, forest inventories, forest economics, forest valuation and finance, and the evaluation and mitigation of impacts from forestry activities on watershed and scenic values...

Forested Landscapes are defined in Public Resources Code §754 as,

...those tree dominated landscapes and their associated vegetation types on which there is growing a significant stand of tree species, or which are naturally capable of growing a significant stand of native trees in perpetuity, and is not otherwise devoted to non-forestry commercial, urban, or farming uses.

On page 6 of the draft Grant Guidelines, there are eight examples of "Category One grant projects" as follows:

Examples of potential Category One grant projects include, but are not limited to:

- 1. Vegetation treatments, prescribed fire or other fuel reduction activities to reduce the risk and harmful impacts of large, damaging fires.***
- 2. Forest management to increase forest resilience, and/or improve habitat conditions and biodiversity.***
- 3. Reforestation and implementation of suitable stand maintenance activities after wildfire, when appropriate.***
- 4. Forest treatments to address forest pest and invasive species.***
- 5. Vegetation treatments to increase carbon sequestration benefits, and foster adaptation resiliency of vegetation in light of predicted climate change.***
- 6. Conservation easements that protect forested lands from conversion to other uses and protect natural resources.***
- 7. Meadow restoration to improve habitat function and water retention.***
- 8. Sustainable utilization of biomass and a full range of forest products, including saw logs, resulting from activities associated with improving forest health.***

The plain text indicates that at least six of these examples clearly involve the professional practice of forestry as it is defined in statute. This would seem to suggest that that the involvement of a State licensed Registered Professional Forester (RPF) would be necessary to carry out such projects. However, there is no mention of compliance with the PFL or the importance of specifying RPF involvement in a grant application.

I note that the draft Grant Guidelines, Appendix E specifies the requirement for demonstrated compliance with the California Environmental Quality Act (CEQA). Appendix F similarly specifies the requirement for involvement of a licensed or certified Real Estate Appraiser. However, conspicuously absent is the requirement for compliance with the PFL. I therefore suggest that the draft Grant Guidelines be revised to include a requirement for demonstrated compliance with the PFL referenced in the body of the Grant Guidelines and included in an appendix consistent with Appendices E and F.

If I may assist staff at the Conservancy with specific language to address this oversight, please let me know. Thank you once again for the opportunity to comment.

Eric K. Huff, RPF No. 2544
Executive Officer, Foresters Licensing
Board of Forestry and Fire Protection
P. O. Box 944246
Sacramento, CA 94244-2460

(916) 653-8031; (916) 616-8643 (Cellular)

SNC response: Changes made- Reference to use of, and information related to, the legally required roles of Registered Professional Foresters has been added.

Carl Somers: The Trust for Public Land

August 15, 2011

Rushing to beat the bell here, but I know comments were due today on your draft Healthy Forests guidelines and we did want to go on record saying a couple of things:

1/ Bully for you guys for requiring pre-applications! We know this may create more work for your staff, but it sure does make life easier for grantors, given the time and resources that go into preparing a competitive complete grant application.

2/ Knowing what labor and materials cost these days, and knowing that scale is everything when it comes to fuel reduction projects and the like, we would advise going with a maximum \$350k grant threshold rather than the lower \$250k figure.

Hope this is helpful.

Cheers,
CS

Carl Somers
Associate Director, Sierra Nevada and Nevada
Trust for Public Land, Western Division
101 Montgomery St, Suite 900
San Francisco, CA 94104

Tel: 415.495.5660x287
Fax: 415.495.0541

The Trust for Public Land - conserving nature near you

SNC response: No changes made – consistent with staff recommendation.

Laurie Oberholtzer: Sierra County Land Trust

August 15, 2011

Sierra County Land Trust
PO Box 404
Sierra City, CA 96125

August 15, 2011

Sierra Nevada Conservancy
11521 Blocker Dr.
Auburn, CA 95603

Via e-mail

Re: Draft 2011-12 Grant Guidelines

To Whom It May Concern:

Please accept these comments on the Draft Grant Guidelines for Fiscal Year 2011-12 which are based on our experience over a number of proposition 50 and 84 grant cycles.

Environmental Review

(page 13, Item I.2)

We appreciate the recognition that many projects can qualify for a Statutory or Categorical CEQA exemption and that the lead agency can often be the State. We would appreciate it if you would make it clear in the guidelines that the Notice of Exemption need not have gone through the 30 day waiting period before the grant is submitted. This is not necessary, since it is rare that a challenge would result and, if so, it would result before the grant reaches final review.

Priority Weighting

(Page 18, items 1 and 2)

We would appreciate that additional weighting be given to conservation easements as they can have an extremely positive impact on forest health and are long term in nature. Weighting equal to site improvements should be considered.

Thank you for the opportunity to comment.

Sincerely,

Laurie Oberholtzer
Director

SNC response:

- *Changes made – Language has been clarified to delineate the different responsibilities for addressing CEQA and NEPA requirements based on the type*

of applicant and level of environmental review. The SNC is will act as lead agency when authorizing a grant to fund a project proposed by a non-profit organization. The public appeal time will begin when the SNC files CEQA documentation.

- *No changes made- weighting criteria based on SNC Board direction.*

Calli-Jane Burch: Butte County Fire Safe Council

August 15, 2011

Hello Sierra Nevada Conservancy,

Thank you for the opportunity to review and provide comment on the draft grant guidelines which are available at <http://www.sierranevada.ca.gov/sncgrants/>. I would like to complement SNC on the work that went into the draft. There are no portions which were unclear. Below are comments on elements of the guidelines I felt were particularly helpful:

1. The focus on forest health in the first round of funding will produce lasting projects in the Sierra Nevada.
2. The examples of projects (page 6) which Category One funding may be requested were very helpful. I was glad to see treatment of invasive species was included in the examples.
3. The pre-application process is a good approach to saving everyone time....grant applicants and reviewers.
4. The description of Consultation with local agencies was very good in clarifying the type of communication that goes into a project award (page 8).
5. Thank you for allowing the California Fire Safe Council reciprocity in place of a full pre application (page 9).
6. The section "J. Projects with Uncertain Treatment Area" is a new and interesting concept (page 14). Hopefully the flexibility will allow for better projects.

Thank you again,
Sincerely,
Calli-Jane Burch
Butte County Fire Safe Council

SNC response: No changes made

Background

The SNC 2006 Strategic Plan identifies the need to develop System Indicators to measure progress in improving the environmental, economic and social well-being of the Sierra Nevada Region. At its meeting in October 2008, the Board adopted a set of nineteen indicators. However, the Board approved some revisions to that original set of indicators at its March 2011 meeting to reflect the types of data that are currently available.

As anticipated in discussions at previous Board meetings, it has proven to be very difficult and time consuming to gather data that coincide with the boundary of the Sierra Nevada Region, despite the assistance of a consultant with expertise in indicators projects in other areas. The primary challenge is the fact that the SNC boundary does not adhere to the county or other boundaries often used to report information. In some instances, a complete set of data is simply unavailable across the Region, so that incomplete or proxy data must be used. Further, some indicators have required the creation of a new methodology for gathering, combining and analyzing data since no established methodology existed in the Region or anywhere else.

Current Status

Despite these challenges, staff has used information gathered by the consultant and has gathered and analyzed additional data to develop the first in a series of five reports that will be presented to the Board over the course of this fiscal year. The idea of splitting the indicators into five separate reports came about in response to a meeting of the project's Advisory Committee following the March Board meeting. This approach enables each subset to be presented in a way that is more easily understood and affords greater opportunity to focus on the linkages among certain sets of data. The five reports will be:

- Demographics and the Economy
- Land Conserved and Habitat
- Air and Water Quality and Climate
- Forest Lands
- Agricultural Lands and Ranches

In this first report (see Attachment A), population and demographic indicators assess the population distribution across the Region and growth trends, as well as the racial/ethnic, age, and educational characteristics of the Region.

The economic Indicators include fundamental measures of economic vitality: productive output, income, employment patterns, business dynamics, travel spending, and power generation. (Economic output data specifically relevant to farm, rangeland, and forest production will be explored in subsequent reports.)

While the data and analysis included in this report are interesting and sometimes surprising, they are generally not as relevant to the SNC's mission and program goals as the information that will be included in subsequent reports on issues related to forests, agricultural lands, habitat, water quality and climate. However, in providing general information on demographic and economic conditions in the Sierra, this report not only provides a basic understanding of these issues in the Region, but also a foundation for subsequent reports to build upon.

Demographics and the Economy Report Highlights

Demographic and economic conditions in the Sierra Nevada Region mirror those of the rest of the State in many important ways, and also differ substantially in others. Further, demographic and economic conditions within the Region often vary substantially across Subregions. It is interesting to note that the population, demographic, and economic indicators for the Central Subregion often vary substantially from the rest of the Region. Because it accounts for a large percentage (47.6%) of the Region's total population and economic activity, it has a significant impact on Region-wide averages.

Here are some report highlights:

- The rates of population growth have been about the same for the Region and the State, but the Region is less diverse and older than California as a whole. The rates of population growth in different parts of the Region are highly uneven, ranging from 16 percent in the Central Subregion to 2 percent in the North Central Subregion over the past decade.
- Health, Retail Trade, and Education represent the largest sectors of both the Region's and the state's economies with health accounting for 14.5 percent of total jobs in the SNC Region in 2009. The Region seems to have a higher percentage of 'green jobs' than California as a whole, according to State of California data. It is interesting to note that the definition of "green jobs" likely does not include some resource-related jobs performed in the Region, that should be considered 'green', but may not be picked up in the data under the state definition of a green job.
- Median Household Income is higher in the Central Subregion than California overall, but incomes are substantially lower than the state in all the other Subregions. Income is also growing at a slower rate and a larger share of income is from sources other than employment earnings. Between 2000 and 2009, income growth ranged from +4 percent in the Central Subregion to -2% in the North and South Central Subregions.
- Between 2000 and 2009, average unemployment in the Region has been about one percent lower than for the state. However, unemployment rates vary considerably across the Region. In 2009, when the California's unemployment rate was 13.8 percent, regional unemployment ranged from slightly less than 11 percent to nearly 16 percent.
- Large-hydroelectric power in the Sierra Nevada (9,300 megawatts of capacity) accounts for 73.5 percent of the State's hydroelectric capacity. These plants combined with other renewable energy sources in the Region (674 megawatts)

accounted for 14.3 percent of California's total electrical capacity in 2009. Biomass plants in the Region accounted for 222 megawatts of capacity in 2009, with another 129 megawatts of capacity just outside the SNC boundary. The Region added 101 megawatts of wind energy in 2010.

Next Steps

This report establishes a baseline for additional analysis over time. Information relative to each indicator will be available on the SNC Web site and will be updated periodically as the underlying data is updated, providing an opportunity to observe trends over time. We may also identify new sources of data over time, which will provide an opportunity to enhance this original analysis.

In addition to providing information relevant to the administration of the SNC's programs throughout the Sierra Nevada Region, we hope that this information will also be useful to others located in or working in the Region as they develop and implement their own projects and programs. In some instances more detailed data are available beyond what is provided in the report. The SNC will make this more detailed information available to others upon request.

Recommendation

Staff recommends the Board approve this first System Indicators report after making any revisions resulting from its review.

Agenda Item X
Demographic and Economic
System Indicators
Attachment A



System Indicators

Demographics and Economy

Final Draft Report

August 2011

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INTRODUCTION

The Sierra Nevada Region provides critical resources for the state, the nation, and even to the world. It is *the* major source of water for the state, providing irrigation for the central valley to produce food for the global market, and is a major supplier of domestic and industrial water for much of California. The Sierra forests provide a large portion of lumber for the state and recreation for local communities as well as tourism destinations for all Californians, people from all over the U.S., and international visitors.

In order to know whether the Sierra Nevada Conservancy (SNC) is effectively carrying out its programs and to track the environmental, economic and social well-being of the Sierra Nevada, SNC's Strategic Plan identifies the need to develop, in collaboration with other organizations, a set of "environmental, economic and social well-being indices to monitor the progress in the various program and geographic areas."

This report is the first in a series of five reports that will summarize the System Indicator data gathered by the SNC and provide some analysis and findings relative to the twenty-three indicators approved by the SNC Governing Board in March 2011. This first report will focus on the Demographics and Economy of the Region. Subsequent reports will cover Water Quality, Air Quality, and Climate; Land Conservation and Habitat; Agriculture and Ranch Lands; and Forest Lands. All of the reports will be developed and presented to the Board by June 2012.

These reports establish a baseline for additional analysis over time. Information relative to each indicator will be available on the SNC Web site and will be updated periodically as the underlying data is updated, providing an opportunity to observe trends over time. We may also identify new sources of data over time, which will provide an opportunity to enhance this original analysis.

In addition to providing information relevant to the administration of the SNC's programs throughout the Sierra Nevada Region, we hope that this information will also be useful to others located in or working in the Region as they develop and implement their own projects and programs. If you would like more detailed information regarding any of the indicators, some additional detail will be available on the SNC Web site and further detail may be available by contacting the SNC at the address and phone number provided on the last page of this report.

In this first report, population and demographic Indicators assess the population distribution across the Region and growth trends, as well as the racial/ethnic, age, and educational characteristics of the Region.

The economic Indicators include fundamental measures of economic vitality: productive output, income, employment patterns, business dynamics, travel spending, and power generation. [Economic output data specifically relevant to farm, rangeland, and forest production will be explored in subsequent reports.]

CHALLENGES AND STRATEGIES

A major challenge in gathering system indicator data for the SNC Region is that so much information is reported in a way that does not align with the Region's boundaries. The SNC's boundary was uniquely established by statute and does not correspond well to political or demographic boundaries that often govern how data is collected.

To the extent possible, data was obtained and developed at the highest resolution possible (often Census Blocks) that are available for Geographical Information System (GIS) processing. However, some of the data are only available at county or other various regional levels. In these instances, the challenge was to align the data as closely as possible with the SNC boundary without skewing the analysis by including misleading information from outside the Region or by not including relevant information from inside the Region. Finding the best alignment between the SNC boundary and how data was collected was addressed on a case-by-case basis, but three approaches were used for purposes of this report. These are described in the following Regional Definitions section.

REGIONAL DEFINITIONS USED IN THIS REPORT

The 22 counties that make up the Sierra Nevada Conservancy (SNC) Region are organized into six Subregions:

North: Modoc, Shasta, Lassen Counties

North Central: Tehama, Butte, Plumas, Sierra Counties

Central: Yuba, Nevada, Placer, El Dorado Counties

South Central: Amador, Calaveras, Tuolumne, Mariposa Counties

South: Madera, Fresno, Tulare, Kern Counties

East: Alpine, Mono, Inyo Counties

A number of counties straddle the SNC Region's western foothill boundary (Shasta, Tehama, Butte, Yuba, Placer, Madera, Fresno, Tulare, and Kern Counties), with most of the population centers (i.e. Redding, Red Bluff, Chico, Roseville/Lincoln, Madera, Fresno, Visalia, and Bakersfield)

lying in the Central Valley, outside of the SNC Region. Placer and El Dorado Counties also straddle the eastern boundary (the Tahoe Basin), but have a larger proportion of land area and population within the SNC Region. This situation complicates the compilation of indicator data specifically relevant to the SNC Region.

Because much of the SNC boundary is independent of political or demographic reference lines, there are considerable challenges to developing data that is Sierra-specific. Three regional definitions based on the geographical availability of the data have been developed as a framework for data acquisition and analysis:

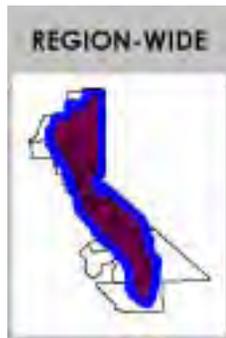
- **SNC Region (Region-wide)**
- **Counties Entirely Within the SNC Region and Counties Partially Within the SNC Region (i.e. all of the 22 counties that comprise the SNC Region)**
- **Counties Entirely Within the SNC Region, plus El Dorado & Placer Counties**



SNC Region-wide

This definition is used for Indicators that have data that align with the SNC boundary. The SNC Region, described by Census Block, is the most precise regional definition. The majority of demographic and economic Indicators use Region-wide data developed through Geographic Information Systems (GIS).

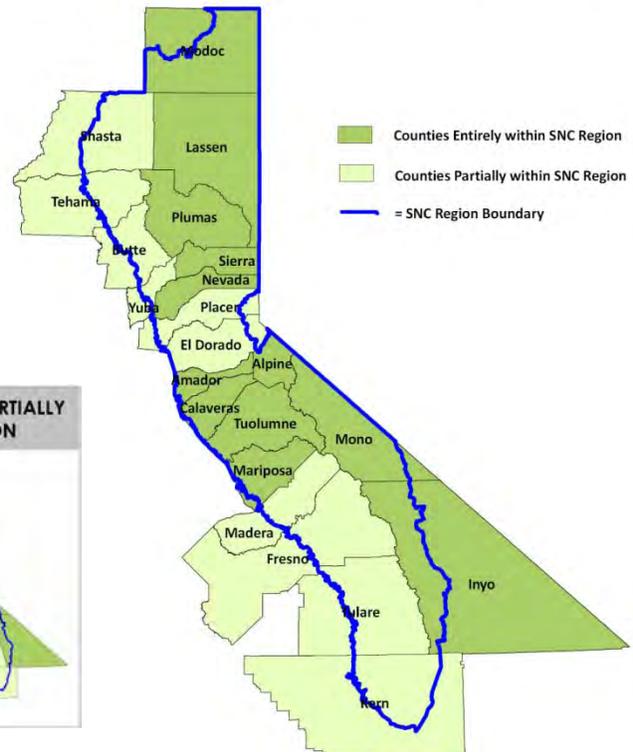
Sierra Nevada Conservancy Region-Wide



Counties Entirely Within the SNC Region and Counties Partially Within the SNC Region

This definition is used where data is only available at the county level, but it is important that we include data for all 22 counties that comprise the SNC Region, even though it includes a large demographic or economic component that outside of the Regional boundary.

Counties Entirely within SNC Region and Counties Partially within SNC Region



Counties considered entirely within SNC Region include Alpine, Amador, Calaveras, Inyo*, Lassen, Mariposa, Modoc*, Mono*, Nevada, Plumas, Sierra, and Tuolumne Counties. Counties partially within the SNC Region include Butte, El Dorado, Fresno, Kern, Madera, Placer, Shasta, Tehama, Tulare, and Yuba Counties.

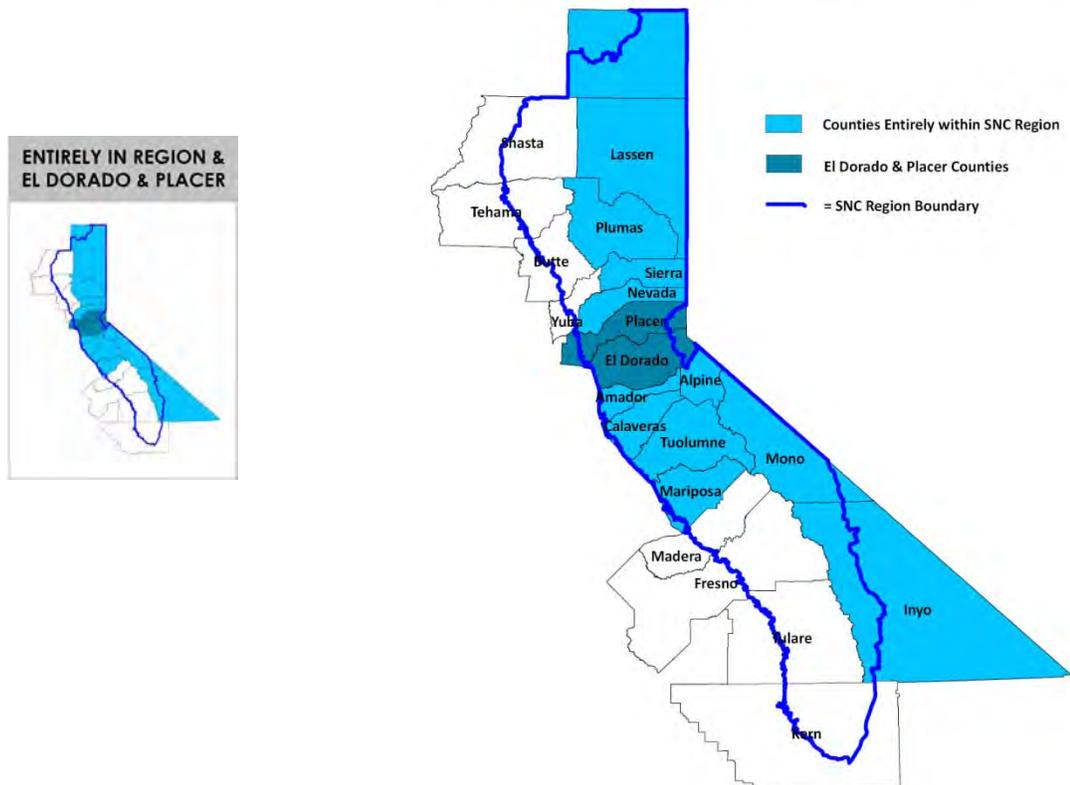
* See discussion of these three counties on the next page.

Counties Entirely Within the SNC Region, plus El Dorado & Placer Counties

For Indicators where pertinent data is available only at the county level, and inclusion of counties that lie substantially outside the SNC boundary would distort analysis of the Region, 'Counties Entirely Within the SNC Region' is used as a best proxy for regional analysis. Nine counties are truly entirely within the SNC Region (Alpine, Amador, Calaveras, Lassen, Mariposa, Nevada, Plumas, Sierra, and Tuolumne), while three others (Modoc, Mono, and Inyo) are included in this definition for purposes of this report. Including these three counties in the group of counties "entirely" within the SNC Region makes sense for purposes of demographic and economic analysis, because, while they have significant land area outside the Region, nearly all of the population and economic activity in these three counties reside in the Region.

For Indicators that are assessed based on this definition of 'Counties Entirely Within the SNC Region,' a supplemental analysis has been developed for El Dorado and Placer Counties. While these two counties have significant population and economic activity outside the Region, they also have a large proportion inside the Region. Eighty-three percent of El Dorado County's population and 33 percent of Placer County's population are within the SNC Region, and combined account for 48 percent of the Region's total population. Because they have large populations and economies, excluding them from a county-level analysis of the Region would leave a huge gap in our understanding of the Sierra Nevada. However, these counties are strongly impacted by proximity to the Sacramento area, and therefore, as a whole, the characteristics of these counties are substantially different from the rest of the Sierra.

Counties Entirely within SNC Region and El Dorado & Placer Counties



REPORT HIGHLIGHTS

Demographic and economic conditions in the Sierra Nevada region mirror those of the rest of the state in many important ways, and also differ substantially in others. For example, while the rates of population growth have been about the same for the Region and the State, the SNC Region is less diverse and older. Also, types of employment in the Region are not as different from the rest of the state as one might suspect, but the Sierra Nevada region seems to have a higher percentage of ‘green jobs’ than the average for California. In terms of income, Median Household Income in the Region is only a little lower than for the state, but it is growing at a slower rate and a larger share of household income derives from sources other than direct employment earnings.

Importantly, just as conditions vary hugely across California, so do they across the Region—averages don’t tell the story. For example, while rates of population growth have been about the same for the Region and the state, growth in different parts of the Region is highly uneven. Median Household Income is much higher in the Central Subregion than in any of the other Subregions. Also, while unemployment rates for the Region as a whole compare favorably with those of California, in 2009 there was a considerable range in the unemployment rates of the Sierra’s six Subregions, ranging from 11 to 16 percent.

Here are some of the key findings from the eleven demographic and economic indicators:

Population

The population of the SNC Region grew by 72,000 between 2000 and 2010, to 788,000 people. Overall regional population growth has been nearly identical to the State and is projected to parallel State growth over the next ten years.

Growth is highly uneven throughout the Region. The Central Subregion accounted for 72 percent of total population growth; some Subregions hardly grew at all.

Population growth has slowed since 2003, and many counties have lost population in the last few years, mostly due to people moving out of the area to other parts of California.

Demographics of Residents

The Sierra Nevada is much less racially and ethnically diverse than the rest of California, although it is becoming slightly more diverse, particularly through a growing Hispanic presence, which now makes up 10 percent of the population.

The median age in the Region is 11 years older than in California overall, and growing older faster.

The Region does a better job of graduating students from high school than most of the State (88 percent of people in the Region have a high school diploma compared to 80 percent of Californians); however, only 21 percent of Sierra Nevadans have a four-year or higher degree compared to 29 percent for the State overall.

Per Capita Gross Domestic Product (GDP)

The region on average generated from \$14,000 to \$17,000 less annual GDP per person than the average for all of California between 2000 and 2008. In 2007, just prior to the recession, GDP per capita for California was \$49,500, but \$34,750 for counties entirely within the SNC Region. Placer and El Dorado Counties were right in between.

Median Household Income (MHI)

Median Household Income overall in the Region is only a little lower than for the state (\$57,000 vs. \$61,600) but is growing at a slower rate. But within the Region incomes are very unequal. The Central Subregion has by far the highest MHI in the Region (\$69,700 in 2009) and also grew the fastest in the past decade. MHI's in the other five Subregions are well below the state median, and several Subregions experienced decreasing household incomes.

Employment by Economic Sector

The three largest employment sectors in the Region are the same as for the State— health, retail trade, and education. The manufacturing and professional/tech sectors are relatively smaller in the Sierra Nevada economy than they are in California generally, while construction is relatively larger. Consistent between the Region and the State, the health sector is growing the fastest while manufacturing is rapidly declining as a component of the economy.

As defined by the California Employment Development Department (EDD), the Sierra Nevada region appears to have a higher level of 'green employment' than the average for California.

Sources of Income

For counties entirely within the SNC Region, earned income comprises a lower proportion (47 percent) of total personal income than for California (58 percent), or for Placer and El Dorado Counties (61 percent). Sierra Nevada Counties have higher levels of income comprised of interest, dividends, and rent (24 percent) than California (19 percent); and higher levels of social transfer payments (19 percent) than for the state (13 percent).

Unemployment Rates

For both the State and the Region, unemployment rose dramatically between 2007 and 2009 due to the recession. In all years, average unemployment in the Region has been about one percent lower than for the state. However, unemployment rates vary considerably across the Region. In 2009, when the California's unemployment rate was 13.8 percent¹, regional unemployment ranged from slightly less than 11 percent in the East Subregion to nearly 16 percent in North-Central. However, even these variations do not capture more localized struggles with high unemployment.

¹ These unemployment rates are Esri Business Analyst estimates, which are higher than what are reported by the US Census Bureau. Census Bureau unemployment data is available only by county and does not align with the SNC boundary.

While unemployment rates worsened in some Subregions in 2010, they improved in others—notably the North-Central Subregion.

Business Churn

Business churn indicates the rate of business creation and failure, and relocation of businesses into and out of an area. Robust churn tends to indicate a healthy business sector. Generally, business churn in the Sierra Nevada Region is fairly similar to the State overall.

Travel and Tourism Spending

Direct travel spending in the Sierra Nevada Region is estimated to be between \$3 billion and \$5 billion per year, out of total California travel spending of nearly \$100 billion. Ground transportation spending (largely higher gas cost) has been by far the fastest growing component of travel spending. Recreational expenditures were nearly stagnant between 1995 and 2007, while retail sales spending actually fell 4 percent.

Renewable and Distributed Energy

Large-hydroelectric power² in the Sierra Nevada (9,300 megawatts of capacity) accounts for 73.5 percent of the State's hydroelectric capacity. An estimate of the retail value of electricity generated by Sierra Nevada water is \$2.4 billion in 2010.

Other renewable energy sources in the Region total to a capacity of 674 megawatts as of 2009 (102 megawatts of wind energy was added in 2009). Geothermal (all in Inyo County) is the largest source of renewable energy and the only one with significant growth between 1989 and 2009.

² Large-hydroelectric power generation is not classified as renewable energy by the California Energy Commission and is excluded from the Renewable Portfolio Standard (RPS). Large-hydro is defined by the Commission to be facilities of over 30 megawatt capacity.

Population of the Sierra Nevada Region



People are the driver of the local economy and consumers and stewards of local resources. Understanding the population of the Sierra Nevada Region and its growth trends is important to planning for the present and future needs of the communities and to ascertain the impacts of regional growth on sustaining and protecting the resources of the Region.

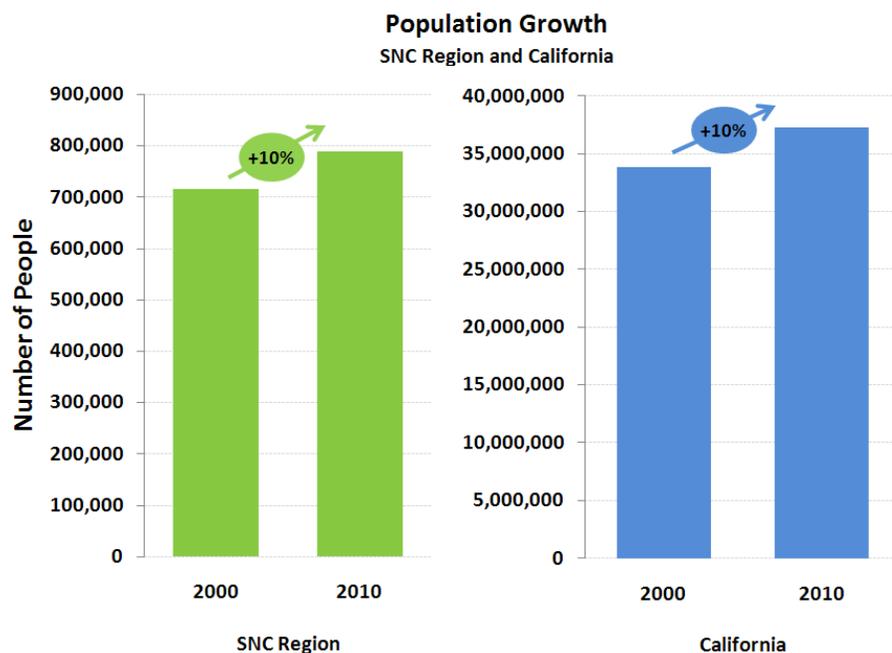
Between 2000 and 2010, the population within the Sierra Nevada grew by 10 percent – nearly exactly the same rate as California as a whole. The number of people in the Region increased by 72,000 – from 716,000 to 788,000. In 2010, 2.1 percent of Californians lived within the boundary of the SNC Region.

Population growth has not been constant over the past decade however. The *rate* of growth has been gradually slowing throughout this period. Growth has also been uneven throughout the Region. The twelve counties defined as entirely within the SNC Region, in aggregate, have actually been losing people each year since 2007, and at an increasing rate. Placer and El Dorado Counties (including those portions outside the SNC Region) have

maintained more robust growth, though the growth rate has been slowing since 2003. (See the next Indicator – Components of Population Change.)

The California Department of Finance (DOF) has released new post-census projections for population change from 2010 to 2020. This assessment predicts slower population growth than the 2007 pre-recession estimates. These figures don't allow correlation with the SNC boundary, but interestingly, the DOF predicts that growth for the aggregate of the counties entirely within the SNC Region will be 11.4 percent, almost exactly the same rate of growth estimate as for the state as a whole – 11.5 percent growth over the next ten years.

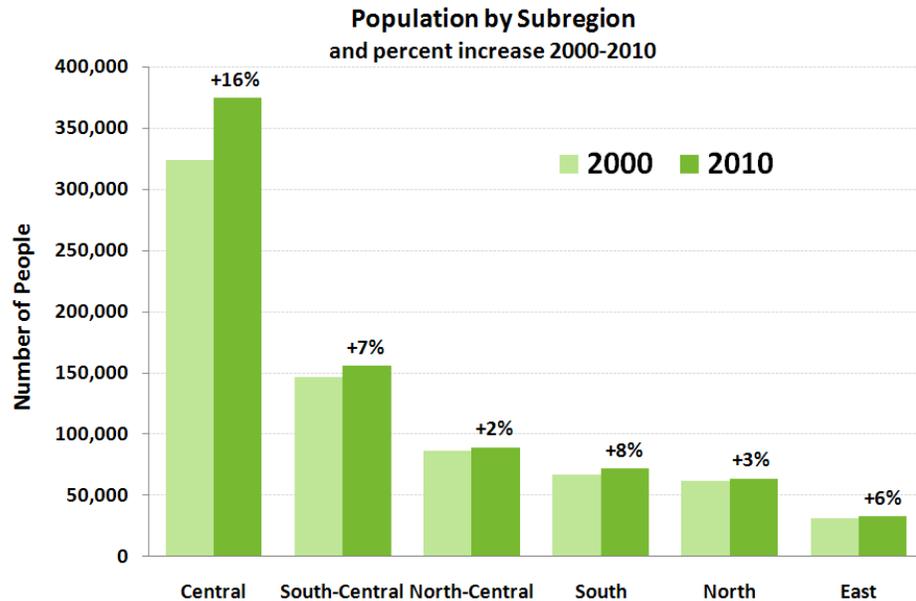
The majority of the population growth over the past ten years occurred in the Central Subregion, which has the largest population (375,000 in 2010) and grew at the fastest rate (16% over the past ten years). In fact, this one Subregion added 51,500 people and accounted for



Geographic Definition: Census Block
Data Source: U.S. Census Bureau, 2000 and 2010 Census of Population and Housing

72% of overall regional growth. (The portion of El Dorado County within the SNC Region grew by 23 percent.) The South-Central Subregion added about 10,000 people, and the South 5,000. The other Subregions grew by a bit less than 2,000 people each. Alpine, Sierra, and Plumas Counties, as well as the portion of Tehama County within the SNC Region, all lost population.

As of 2010, the Central Subregion accounted for 47.6 percent of the Sierra Nevada Region’s population. About 20 percent of the Sierra Nevada’s population lives in the South-Central Subregion. The East Subregion’s 33,000 people represent just four percent of the total regional population.



Geographic Definition: Census Block
Data Source: U.S. Census Bureau, 2000 and 2010 Census of Population and Housing.

For most of the nine counties that

straddle the SNC western boundary, the majority of the population lives outside of the Sierra Nevada, largely in cities such Bakersfield, Fresno, Chico, and Redding. Some of these counties have a very small proportion of residents living inside the SNC Region: just 1.9 percent for Fresno County, 2.0 percent for Tulare, and 2.1 percent for Kern. In the northern counties, with

Share of Total SNC Region Population by Subregion 2010	
Central	47.6%
South-Central	19.8%
North-Central	11.3%
South	9.1%
North	8.0%
East	4.2%

smaller Valley population centers, the proportion of people living in the Sierra Nevada is larger, though still small: 29 percent for Butte County and 11 percent for Shasta, though only 3 percent for Tehama.

Placer and El Dorado Counties are a somewhat different case. Both counties have significant population centers in the Lake Tahoe basin that are outside the SNC Region. Additionally, a large portion of Placer County’s residents live west of the SNC boundary. The ratios of people living inside the Region to the

overall population of these counties are also changing. In 2000, 40 percent of Placer County residents lived in the SNC Region, but that percentage dropped to 33 by 2010 as most of the growth was in communities such as Roseville and Lincoln. (Lincoln was the fastest growing city in the United States over the past decade.) However, the proportion of El Dorado residents residing in the SNC Region actually increased slightly over the decade to nearly 83 percent in 2010.

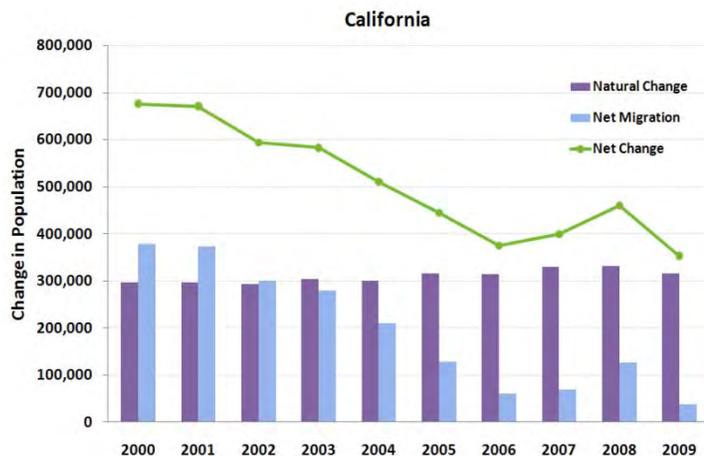
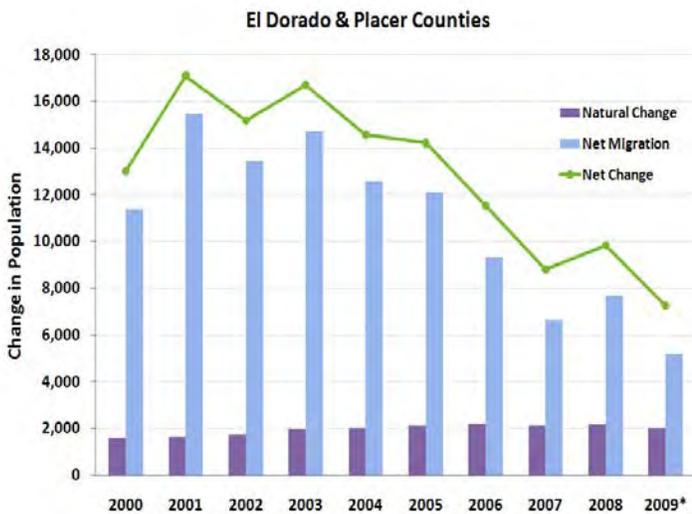
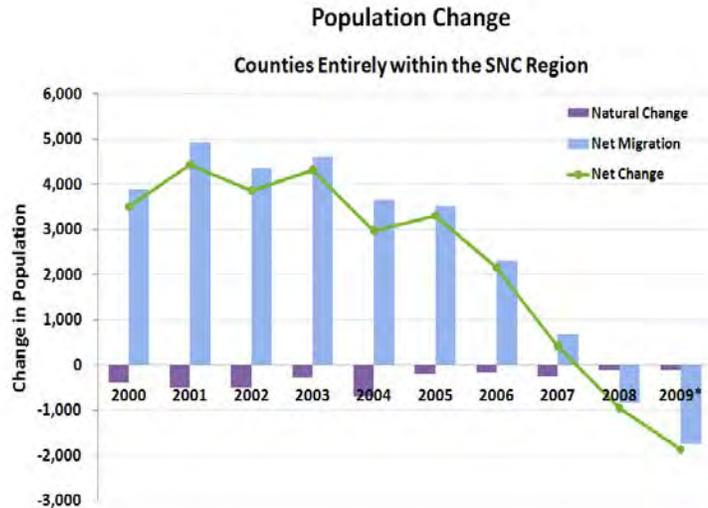
Components of Population Change (for a Portion of the Region)



To plan for the Region's and for communities' needs, we would like to know not only whether the population is growing or shrinking, but what

factors are creating the change. Are local families thriving and expanding or are children leaving the area? Are people moving into the area from other parts of California and the U.S., or from other countries? These determinations contribute to our understanding of the overall demographic trends in the Region. For the counties defined as entirely within the SNC Region, population growth has been slowing since 2001 and the population has actually been declining since 2007. Since at least 2000, death rates have exceeded birth rates in these counties, leading to a negative 'natural' population change. Therefore, between 2000 and 2006, people moving into these counties accounted for all the population growth. In 2008 and 2009, however, more people emigrated from these counties than immigrated, accounting for the recent population decline.

Because 48 percent of Sierra residents live in the SNC portion of El Dorado and Placer counties, it is interesting to note that the growth rates in these two counties have also slowed since 2001, although they have maintained a substantial net growth through 2009 as a result of positive net migration and a consistent natural growth rate by way of higher birth rates due to a younger population. However, since

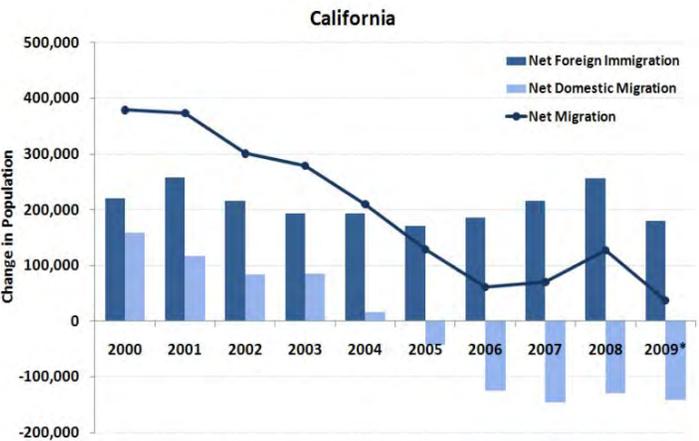
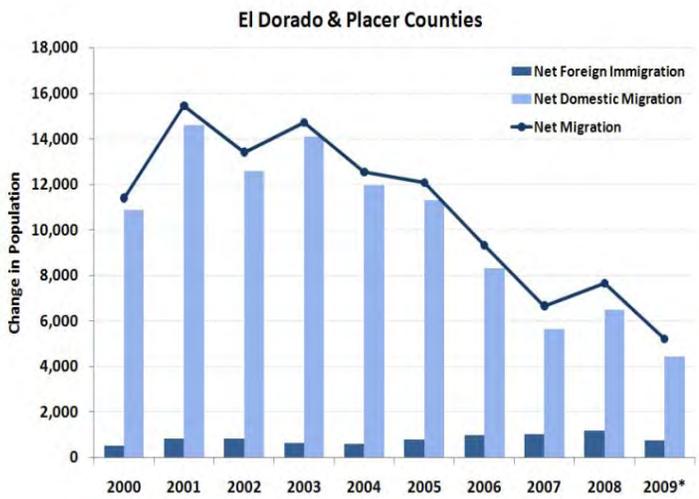
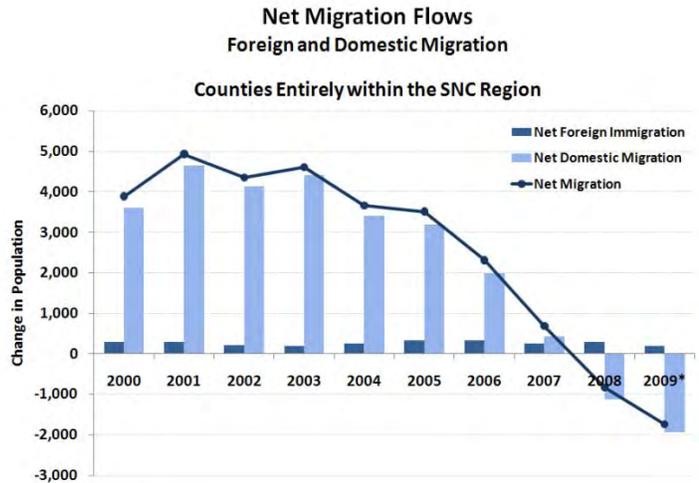


*Preliminary population estimates for 2009
Data Source: California Department of Finance
Analysis: Collaborative Economics

exactly half of El Dorado and Placer County’s combined population reside outside the Region, with much of the growth occurring west of the SNC boundary, what is specifically occurring in the SNC portion of these counties is unclear.

California’s overall growth rate has also slowed during the decade, falling from nearly 700,000 per year in 2000 to about 350,000 per year in 2009. This decline was entirely due to a decline in net migration³. However, a review of the sixth chart shows that foreign immigration has remained consistently strong through all the years. In contrast, while 150,000 more Americans moved to California than moved out of the state in 2000, since 2005 that trend has reversed and now many more Californians leave the state each year.

Since 2001, net migration has been on a downward slope both in the counties entirely within the SNC Region and El Dorado and Placer Counties, as well as for California. However in 2008, the net migration trend in the counties entirely within the SNC Region diverged from the California and El Dorado and Placer Counties. It marked the first year in which more people left the core of the Sierra Nevada than entered the Region. This is due to declining domestic migration, as the region has continued to attract a small number of foreign immigrants. El Dorado and Placer Counties continue



*Preliminary population estimates for 2009
 Data Source: California Department of Finance
 Analysis: Collaborative Economics

³ Net migration includes all legal foreign immigrants, residents who left the region to live abroad, and domestic migration, the balance of people moving to and from the region from within the United States. It does not include illegal immigration.

Net Migration 2009-2009			
	Counties Entirely Within the SNC Region	El Dorado & Placer Counties	California
Domestic	-1,937	4,447	-141,865
Foreign	194	770	179,493

to experience positive domestic migration, though whether that is true for the portions of the counties within the SNC Region is unknown.

Demographics of Residents



As with Components of Population Change, changes in the demographics of residents may call for changes in services and may have economic impacts, e.g., educational attainment of residents is an indicator of the opportunity for economic vitality.

The Sierra population is becoming more diverse, although at a slower rate than California as a whole—the white, non-Hispanic population fell from 83 to 77 percent of the total population between 2000 and 2009.

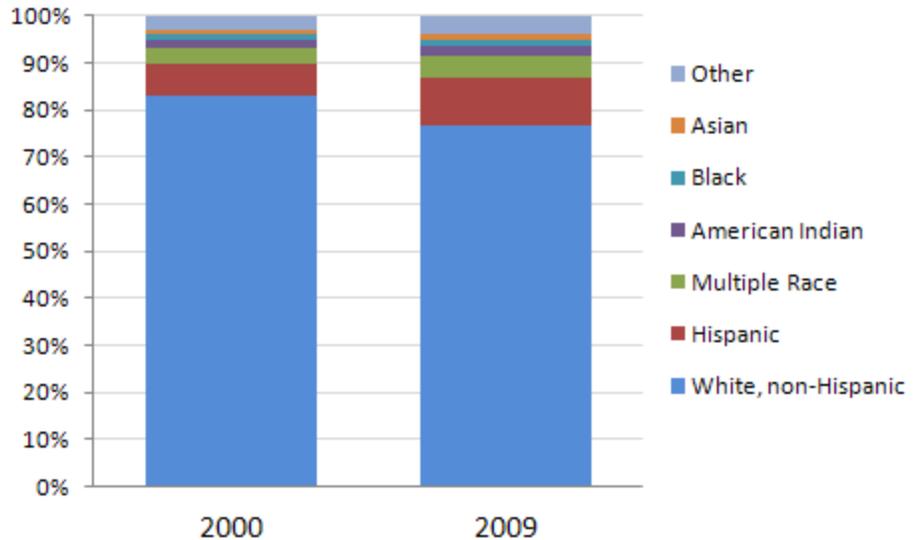
The Hispanic population grew from 7 percent to 10 percent of the

population of the SNC Region. However, there is considerable variation between counties. Most of the counties of the Central, North-Central, and North Subregions are about 8 percent Hispanic. Mono County and the Sierra portions of Tulare, and Fresno Counties have higher Hispanic populations: 23 percent, 17 percent, and 14 percent respectively.

Amador County and the portions of Madera, Fresno, Tulare, and Kern Counties within the Sierra Nevada Region have the fastest growing Hispanic populations.

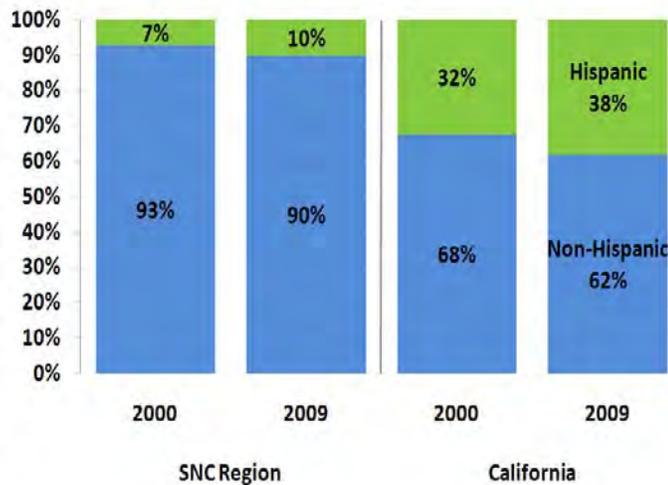
American Indians account for 2.1 percent of the Sierra Nevada population. A few counties have much higher native populations: Alpine County is 19 percent American Indian, and Inyo is 10

Race & Ethnicity - SNC Region



Geographic Definition: Census Block Data Source: U.S. Census Bureau, 2000 Census of Population and Housing. ESRI forecasts for 2009

Hispanic Population



Geographic Definition: Census Block Data Source: U.S. Census Bureau, 2000 Census of Population and Housing. ESRI forecasts for 2009

percent. The portion of the population made up of other minority groups is small: 1.2 percent African-American and 1.5 percent Asian.

It should be noted that Lassen County is a demographic anomaly in the Region. Census Bureau data indicates that the minority populations are much higher than one might expect for that area: 18 percent Hispanic and 8 percent African-American. The presumption that this is due to the large prison population and workforce in that county is supported by another statistic from the Census Bureau – males made up 64 percent of Lassen’s population in 2009.

Two racial classifications that increased in size substantially between 2000 and 2009 were people who classified themselves as ‘multiple race,’ which grew from 3 percent to 4.5 percent; and ‘other,’ which grew from 2.5 percent to 3.7 percent of the total regional population. There has been a general trend in more recent years of people who previously self-classified as a single race to change their status to ‘multiple’ or ‘other’ in later surveys. This should be kept in mind when considering whether changes in demographic data represent actual changes in the character of residents or if part of the explanation for any apparent demographic shifts reflects changes in how people describe themselves.

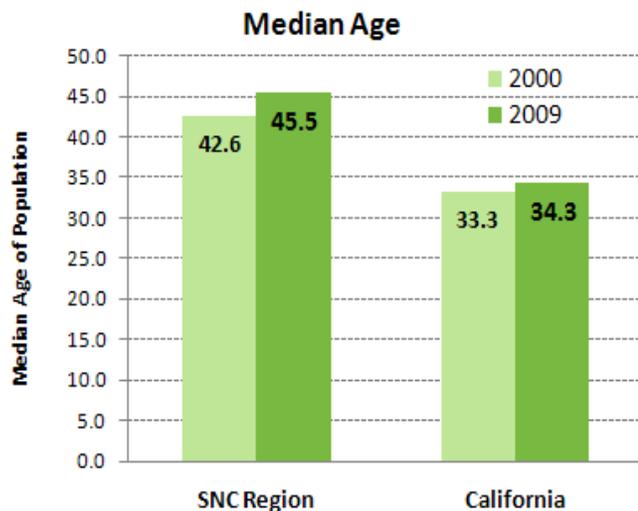
The most significant demographic distinction between the SNC Region and California as a whole is in the Hispanic make up. While the Hispanic population of the Sierra Nevada expanded three percentage points to comprise 10 percent of the population, California’s Hispanic population grew from 32 to 38 percent of the State’s population.

The SNC Region is older and aging more rapidly than the population of California overall. The median age in the SNC Region increased from 42.6 to 45.5 between 2000 and 2009. In the same time period, California’s median age increased by only one percentage point to 34.3 in 2009, more than 11 years younger than the median age for the SNC Region.

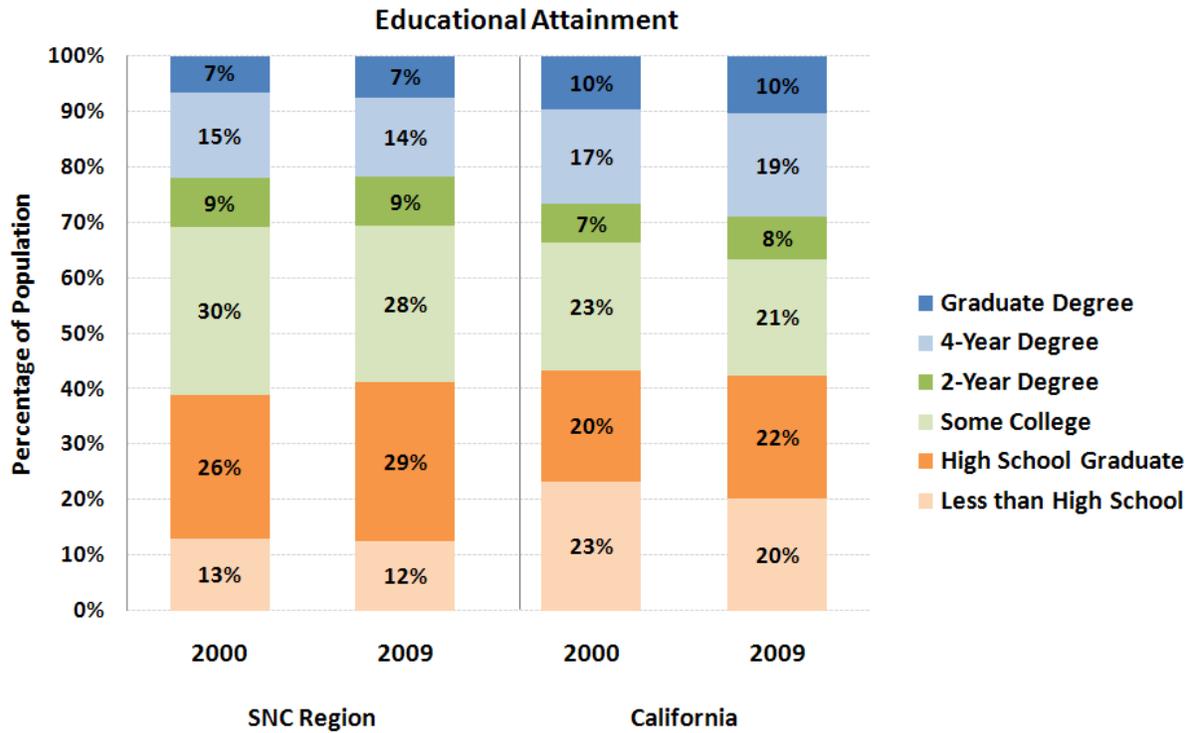
The Sierra Nevada is more successful at getting kids to graduate from high school than is the State as a whole. However, the population of the Region has a lower proportion of

college graduates than the state average. For SNC Region:

- In 2009, only 12% of the population had not graduated from high school; overall, 20% of Californians lacked a high school diploma. Both the state and the Region showed improvement in graduation rates.
- A particularly high proportion of Sierra Nevada residents (28%) had attended some college without completing any kind of degree, compared to 21% of all Californians.



- In 2009, 30% of Sierra Nevada residents possessed a 2-year degree or higher; while 37% of all Californians had some sort of college degree. The gap was even more evident at the higher levels, where only 21% of Sierra Nevada residents had obtained a 4-year or graduate degree compared to 29% for the state.



Geographic Definition: Census Block
 Data Source: U.S. Census Bureau, 2000 Census of Population and Housing. ESRI forecasts for 2009.

Per Capita Gross Domestic Product (for a portion of the Region)



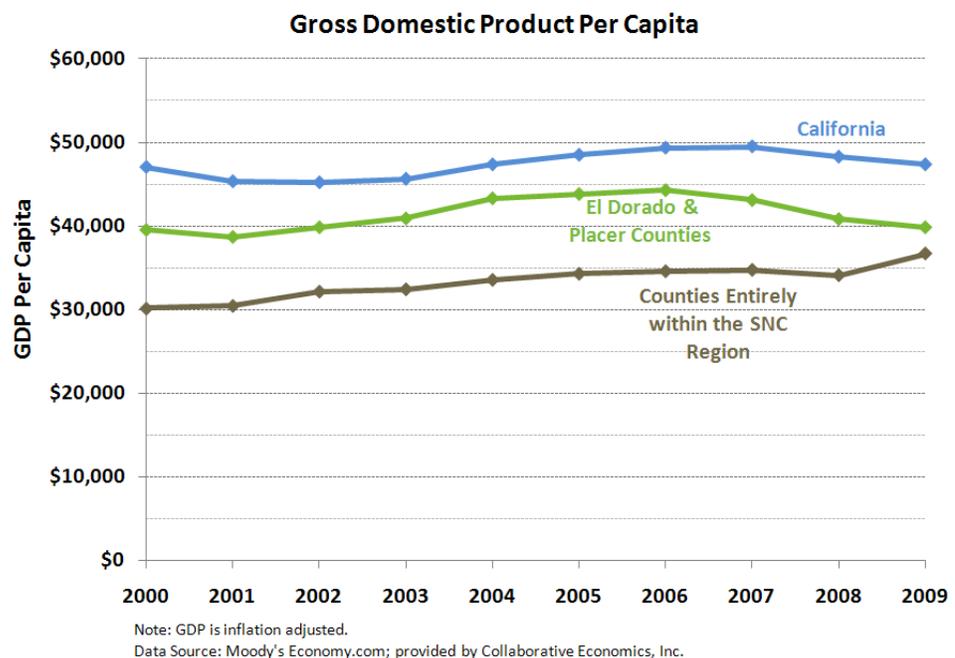
Gross Domestic Product (GDP) is the end value of everything produced by businesses and individuals and is a measure of the size of an economy. GDP is a basic measure of economic health and can indicate whether a region's economy is growing or shrinking. When expressed on a per capita basis it highlights a workforce's effectiveness in creating economic wealth. The level and trend over time of per capita GDP provides a benchmark to gage the needs (improved education?) and opportunities (new policies for business development?) for improving the economic vitality of the region.

Gross domestic product (GDP) per capita is significantly lower in the Sierra Nevada than for California as a whole. From 2000 to 2007, per capita GDP in the twelve counties defined as entirely within the SNC Region grew steadily from \$30,200 to \$34,800 (adjusted for inflation to 2009 dollars) but throughout this period trailed average state GDP by between \$14,000 and \$17,000 in each year. In 2009, as California's per capita GDP declined in the recession, the economies of these twelve counties increased sharply to \$36,700, narrowing the gap with the state to \$10,700.

Whether 2009 was an anomaly for the Sierra Nevada region or whether the Region will fair relatively better economically and continue to close the gap with the State will only be known when data for subsequent years becomes available.

However, there was a sharp uptick in the number of new businesses in the previous year (2008) and a relatively low number of business failures [see section on Business Churn]. This may have created a strong basis for a better 2009.

El Dorado and Placer Counties have a higher per capita GDP than the rest of the SNC Region, though still lower than the State. However, these two counties exhibited significant economic declines in GDP between 2006 and 2009.



The twelve counties entirely within the SNC Region accounted for a total of \$13.15 billion of GDP in 2009, compared to California's total GDP of \$1.8 trillion. A rough estimate is that the total GDP for the entire SNC Region was about \$30 billion⁴, which would be 0.7 percent of the statewide figure. In 2009, total GDP in the counties entirely within the SNC Region increased by seven percent over 2008, much faster growth than in previous years. Mariposa and Mono Counties had particularly robust growth in 2009. In contrast, the total GDP of California, adjusted for inflation, fell nearly four percent from 2008 to 2009⁵.

Gross Domestic Product				
Counties Entirely Within the SNC Region	GDP in \$ Millions		Percent Change	Percent Population in SNC Region *
	2008	2009		
Mariposa	\$556	\$648	+17%	100%
Mono	\$1,000	\$1,128	+13%	100%
Amador	\$1,248	\$1,378	+10%	98%
Alpine	\$56	\$62	+10%	100%
Lassen	\$1,120	\$1,211	+8%	100%
Calaveras	\$1,028	\$1,110	+8%	100%
Tuolumne	\$1,892	\$2,029	+7%	100%
Plumas	\$805	\$857	+7%	100%
Inyo	\$760	\$806	+6%	95%
Nevada	\$3,375	\$3,514	+4%	100%
Modoc	\$355	\$337	-5%	89%
Sierra	\$99	\$71	-28%	100%
Total	\$12,295	\$13,152	+7%	99%

Note: GDP is inflation adjusted. * Population is 2010 census

Gross Domestic Product				
Counties Partially Within the SNC Region	GDP in Millions		Percent Change	Percent Population in SNC Region *
	2008	2009		
Tehama	\$1,860	\$2,066	+11%	3%
Yuba	\$1,814	\$1,963	+8%	15%
Placer	\$15,608	\$15,889	+2%	33%
Kern	\$33,115	\$33,372	+1%	2%
Madera	\$4,445	\$4,460	0%	19%
Tulare	\$14,619	\$14,598	0%	2%
Butte	\$8,533	\$8,386	-2%	29%
Fresno	\$37,558	\$36,857	-2%	2%
Shasta	\$6,486	\$6,294	-3%	11%
El Dorado	\$5,591	\$5,097	-9%	83%
Region Total	\$129,631	\$128,982	-1%	13%

Note: GDP is inflation adjusted. * Population is 2010 census

⁴ Based on Regional population and estimate of Regional median (not average) per capita GDP

⁵ U.S. Department of Commerce, Bureau of Economic Analysis: California's Real GDP adjusted for inflation (chained 2005 dollars) was \$1.766 trillion in 2008 and \$1.701 trillion in 2009.

Median Household Income

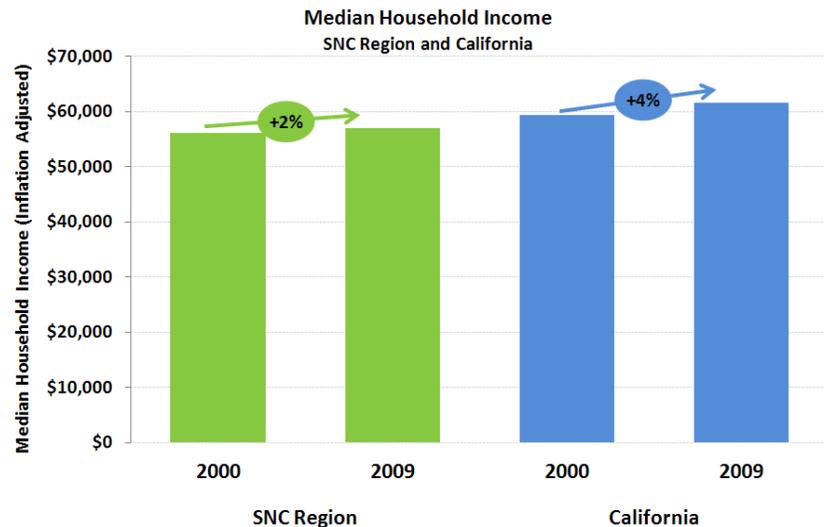


Household Income is the most direct measure of how average families are doing economically. It is the flip side of per capita GDP – it measures what people earn and receive as compared to the wealth they produce.

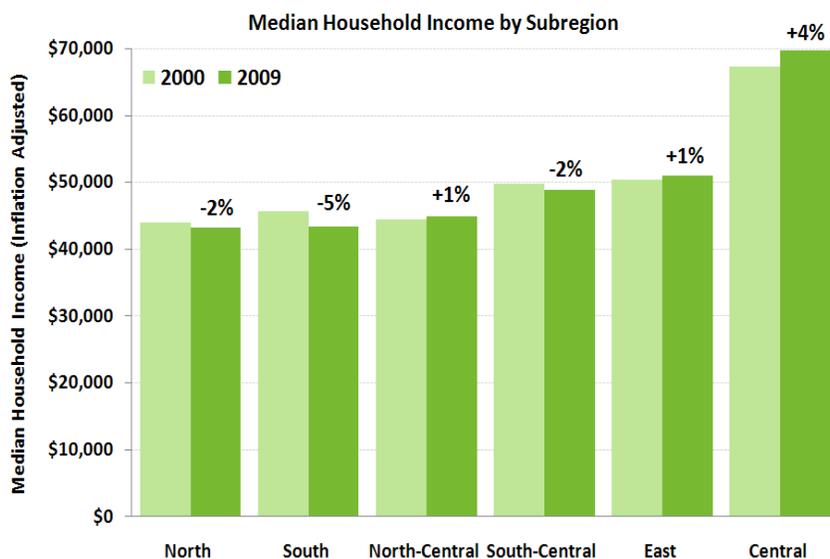
With an average median household income of roughly \$57,000 in 2009, the SNC Region fell \$3,600 below the state median. However, this aggregation masks large income differences within the Sierra Nevada.

There is a large income disparity between the Central Subregion and the rest of the Sierra. The median household income level in the Central Subregion was \$69,700 in 2009 (considerably higher than California) while the other five Subregions had average income levels ranging between \$43,200 and \$51,000 (considerably lower than the State). With a four percent increase from 2000 to 2009, average income of the Central Subregion also grew the fastest. Average median household income in three of the Subregions, adjusted for inflation, declined in the past decade.

Even though the Region’s median household income increased by two percent in the last decade, the median income for Californians as a whole increased at a faster rate—4 percent, widening the income gap between those living in the Sierra Nevada and the rest of the State.



Note: For SNC Region, MHI is the average of the median household incomes for each county
 Geographic Definition: Census Block
 Data Source: U.S. Census Bureau, 2000 Census of Population and Housing. ESRI forecasts for 2009.



Note: For each Subregion the MHI is the average median household income for each county in the Subregion
 Geographic Definition: Census Block
 Data Source: U.S. Census Bureau, 2000 Census of Population and Housing. ESRI forecasts for 2009.

Employment by Economic Sector



Measuring employment by industry illustrates the composition of the Region's economy. Employment shifts across industry sectors can be indicative of structural changes to the economy. The economy constantly evolves over time, with new industries growing and some old ones withering away. Understanding the employment levels and growth, or decline, of industry sectors helps communities plan for their educational, infrastructure, and policy needs.

Health, Retail Trade, and Education represent the largest sectors of both the Region's and the state's economies. Health accounted for 14.5 percent of total jobs in the SNC Region in 2009, compared to 12.4 percent of California's jobs.

Health was also the fastest growing sector in the Sierra since 2000, overtaking Retail Trade as the top employer. California followed a similar trend with Health overtaking the Manufacturing and Retail Trade sectors, which had been the biggest employers in 2000. Other economic sectors that have experienced some growth in the Sierra include: education, professional & technology, finance, and arts & entertainment. All of these sectors displayed similar growth patterns to the whole of the state.

Manufacturing has exhibited the steepest decline in the Sierra Nevada, with employment falling from 7.7 percent to 5.2 percent of total jobs between 2000 and 2009. This is not just a regional phenomenon, however. Manufacturing declined as an employer of California's workforce at essentially the same rate (but representing a larger proportion of workers), dropping from 13 percent to 9 percent of the workforce during the same period. In 2000, manufacturing was by far the largest employment sector in the state – now it is fourth (and ninth in the Sierra).

Other sectors with significant declines in employment in the Sierra include public administration and transport/warehousing. These declines are not in line with state trends; public administration employment actually increased for the state. Construction in both the Sierra and California grew as a provider of jobs between 2000 and 2007 and then immediately saw a drop between 2007 and 2009 due to the recession.

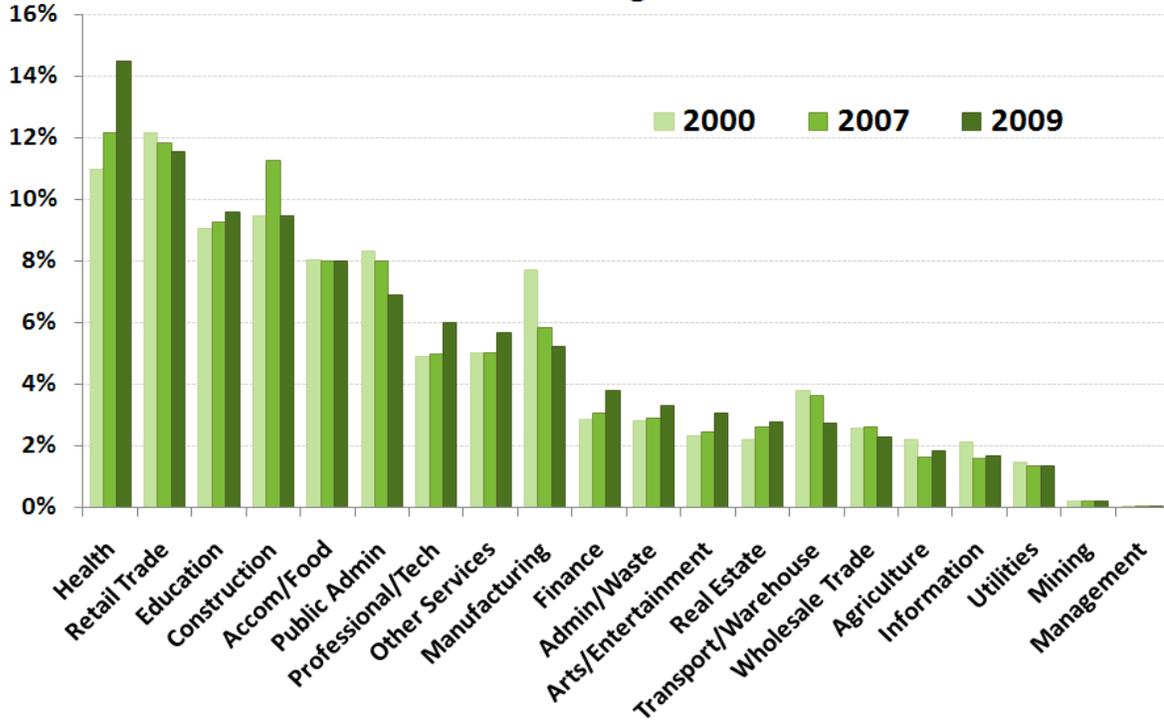
The Green Economy

The green economy is not an employment sector as described above, but rather individual jobs within any industry that support a greener economy. As defined by the California Employment Development Department (EDD), the green economy consists of jobs whose activities:

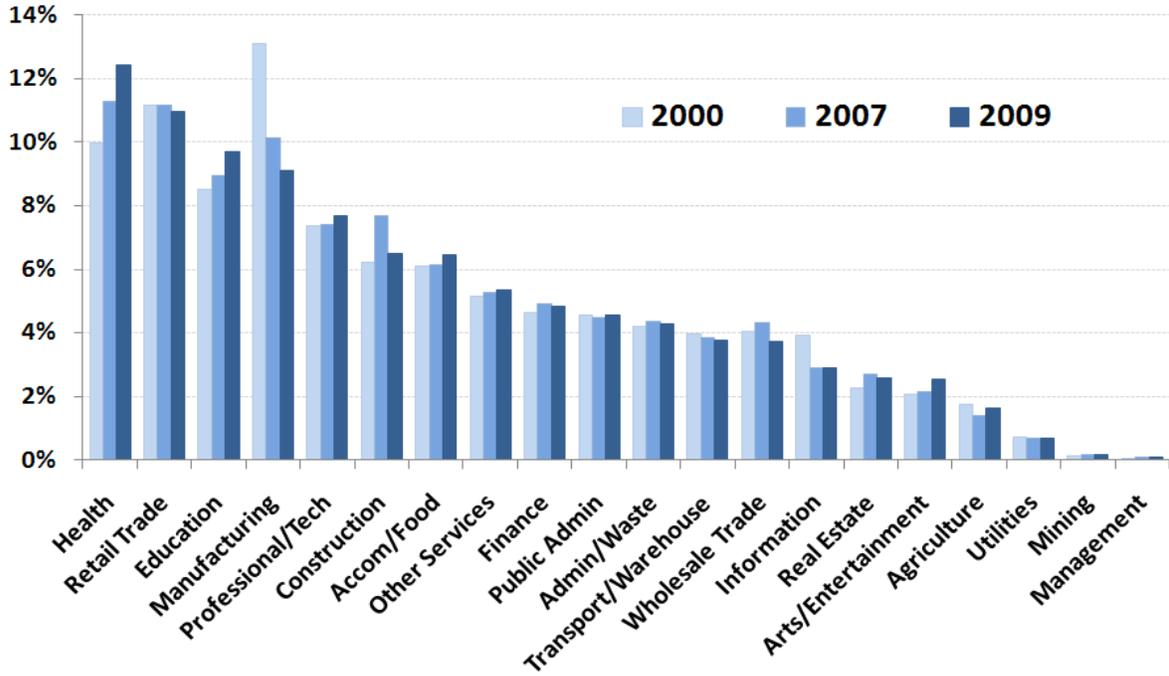
1. Generate and store renewable energy
2. Recycle existing materials
3. Manufacture, distribute, construct, install, or maintain energy efficient products
4. Foster education, awareness, or compliance of the green economy
5. Manufacture natural and sustainable products

Employment by Industry Percent of Total Employment by Sector

SNC Region



California



Geographic Definition: Census Block
 Data Source: U.S. Census Bureau, 2000 Census of Population and Housing. ESRI Forecasts for 2007 and 2009.

The 2010 EDD *California's Green Economy* survey reported 432,840 green jobs out of 12.6 million total jobs reported in the survey, indicating that green jobs comprise 3.4 percent of the state's employment. The survey breaks down these jobs into nine regions; unfortunately, the configuration of these regions fits very poorly with the configuration of the SNC Region, making it impossible to provide an accurate estimate of green jobs in the Sierra Nevada using this information.

The only EDD region that is entirely within the SNC Region is their Central Sierra region consisting of Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, and Tuolumne Counties. These seven counties reported 1,990 green jobs, which accounted for 4.8 percent of total reported jobs in those counties, a higher ratio than the state average.

The Northern California region includes Lassen, Modoc, Nevada, Plumas, and Sierra Counties, but also other northern and north-west counties. This northern region reported 10,360 green jobs accounting for 8.1 percent of total jobs. This ratio is much higher than the state average and is by far the 'greenest' economy in California. However, only about 30 percent of the population of these northern counties resides in the SNC Region, so it impossible to say if this 8.1 percent figure is indicative of the North and North-Central SNC Subregions (and Nevada County in the Central Subregion). But it would be reasonable to surmise that there is enough similarity among these counties that green employment in the northern Sierra is considerably higher than the state average of 3.4 percent.

Placer and El Dorado Counties, with their larger populations, is a more difficult case to assess. They are included in the Greater Sacramento region in the EDD analysis. This region reported only 2.9 percent green employment, lower than the state average.

It is unclear if the portions of these counties inside the SNC Region have a green employment rate higher than 2.9 percent. Although one cannot say for sure, based on the figures described above, it seems likely that the SNC Region has higher 'green employment' than the state average.

The EDD report also categorizes green jobs by industry sector, but only for the state as a whole, not by county or region. The employment sectors with the most green jobs are manufacturing (accounting for 20.5 percent of all green jobs in California), construction (14.2 percent), professional & technical services (9.7 percent), wholesale trade (7.6 percent), and agriculture and forestry (7.3 percent). The Utilities sector (accounting for 4.1 percent of all green jobs) has the highest proportion of green jobs of any sector – 28 percent of Utilities jobs are green.

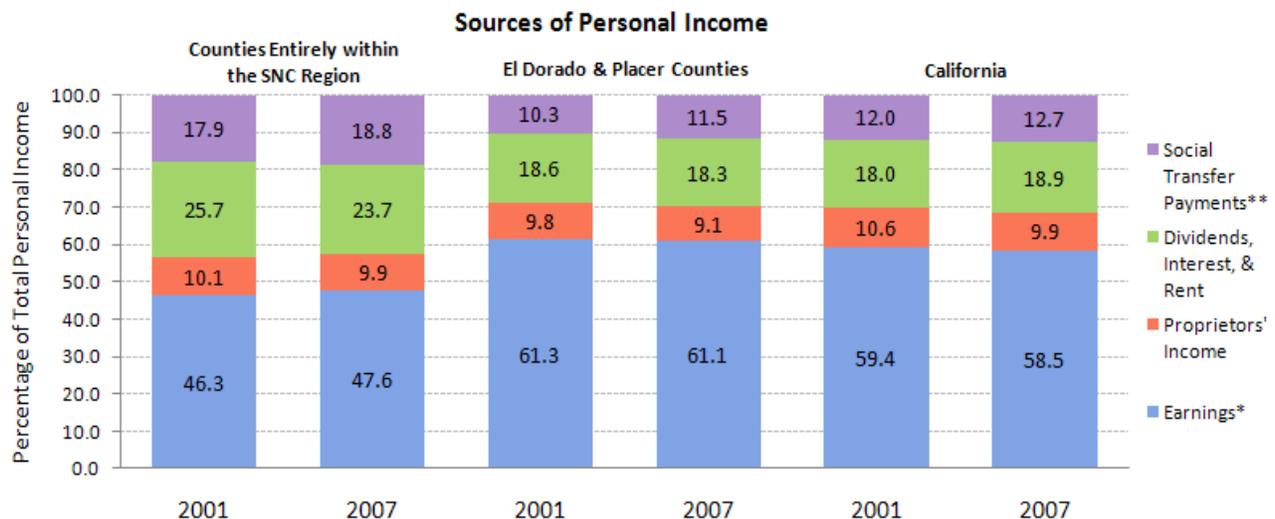
Employment in manufacturing and professional services is lower in the SNC Region than for the state, indicating two large sectors where the Sierra lacks green job opportunities. On the other hand, statewide, 8.8 percent of agriculture and forestry jobs were reported as 'green'. It is possible that some of the forestry work taking place in the Sierra around fuels treatments and biomass is not being picked up by the EDD. As needed work in this area expands, the role of the Sierra Nevada in California's 'green economy' needs to be tracked and documented.

Sources of Income (for a Portion of the Region)



While the dominant source of income for a community, region, or state is employment earnings, there are other significant sources: business and investment income; rent; and a variety of local, state, and federal social transfer payments, including social security. The relationship between those sources and changes over time provides another window into the economic balance and vitality of a region.

In the twelve counties defined as entirely within the SNC Region, retirement and investment income provides a much larger share of total income than for the State, or for Placer and El Dorado Counties. In 2007, 19 percent of the income in the twelve counties was social transfer payments, in contrast to 13 percent for California and 11 percent for Placer and El Dorado Counties. The twelve counties also had a much higher proportion of investment income (24 percent from dividends, interest, or rent) compared to 19 percent for the state and 18 for Placer and El Dorado. Across the board, proprietors' income accounted for 10 percent of total income.



*Earnings includes Wage & Salary Disbursements, Supplements to Wages and Salaries, and Adjustments for Residence; less Contributions for government social insurance.

**Social Transfer Payments (Federal, State, and Local) is Personal Current Transfer Receipts.

Data Source: U.S. Bureau of Economic Analysis

Income from 'earnings' (wages and salaries) accounted for only 47.6 percent of total income in the twelve counties entirely within the Region, compared to 61 percent in Placer and El Dorado Counties and 58.5 percent for the State.

Although earnings in the twelve counties accounts for less than half of total income, that source grew slightly from 2001 to 2007, increasing from 46.3% to 47.6% of total income. Earnings as a proportion of total income was unchanged from 2001 to 2007 for Placer and El Dorado Counties, and declined overall in California by one percentage point. Social transfer payments increased by one percentage point, while dividends, interest, and rent declined substantially from 25.6 percent to 23.7 percent in the twelve counties.

In real terms, total income in the twelve counties entirely within the SNC Region rose 17.2 percent from 2001 to 2007, to \$12.7 billion. This was better than for the State, where total income rose 14.4 percent (to \$1.573 trillion). Placer and El Dorado Counties (including those portions outside the Region) had a more robust income growth of nearly 27 percent.

In the twelve counties, social transfer payments was the fastest growing income component, increasing 23 percent in real terms from 2001 to 2007. However, this was about the same rate of growth as for California, while transfer payments increased 41 percent in Placer and El Dorado Counties.

Earnings (wages and salaries) in the twelve counties increased 20 percent (over \$1 billion) between 2001 and 2007, compared to a 13 percent increase in California. Earnings increased 26 percent in Placer and El Dorado Counties.

Dividend, interest, and rent income increased weakly in the twelve counties (8 percent real growth from 2001 to 2007 – with most of that growth just in the last year) compared to Placer and El Dorado (25 percent) and California (20 percent).

Proprietors' income declined dramatically in 2006-2007, erasing nearly half the gains since 2001.

Percent Change in Personal Income						
Source of Income	Counties Entirely Within the SNC Region		El Dorado & Placer Counties		California	
	2001-2007	2006-2007	2001-2007	2006-2007	2001-2007	2006-2007
Social Transfer Payments (Federal, State, and Local)**	+23%	+3%	+41%	+5%	+21%	+3%
Earnings*	+20%	+2%	+26%	+2%	+13%	+2%
Proprietors' Income	+14%	-11%	+17%	-11%	+7%	-6%
Dividends, Interest, & Rent	+8%	+6%	+25%	+6%	+20%	+7%

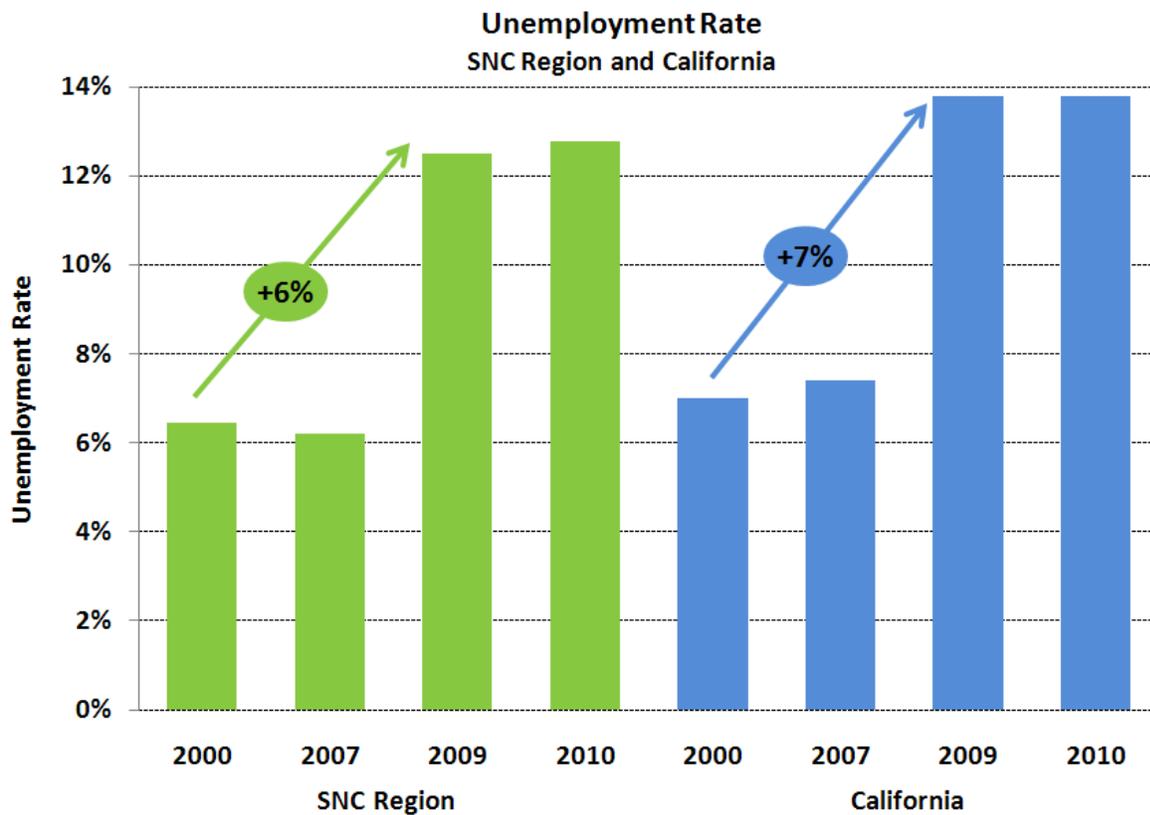
Unemployment Rate



Different regions can have very different economic toolboxes. A diversified local economy may hedge against high employment; on the other hand, a specialized industry base may more vulnerable or less vulnerable to a recession. In any case, the fact is that unemployment rates can vary a great deal from one region to another, and each region needs to be able to assess its economic vulnerabilities.

The U.S. economic recession hit California and the SNC Region hard.

Unemployment in the Region and the State essentially doubled from 2007 to 2010: from 6.2 to 12.8 percent within the SNC Region and from 7.4 to 13.8 percent in the State. Both before and during the recession, unemployment in the SNC Region as a whole has been about one percent lower than the State as a whole.

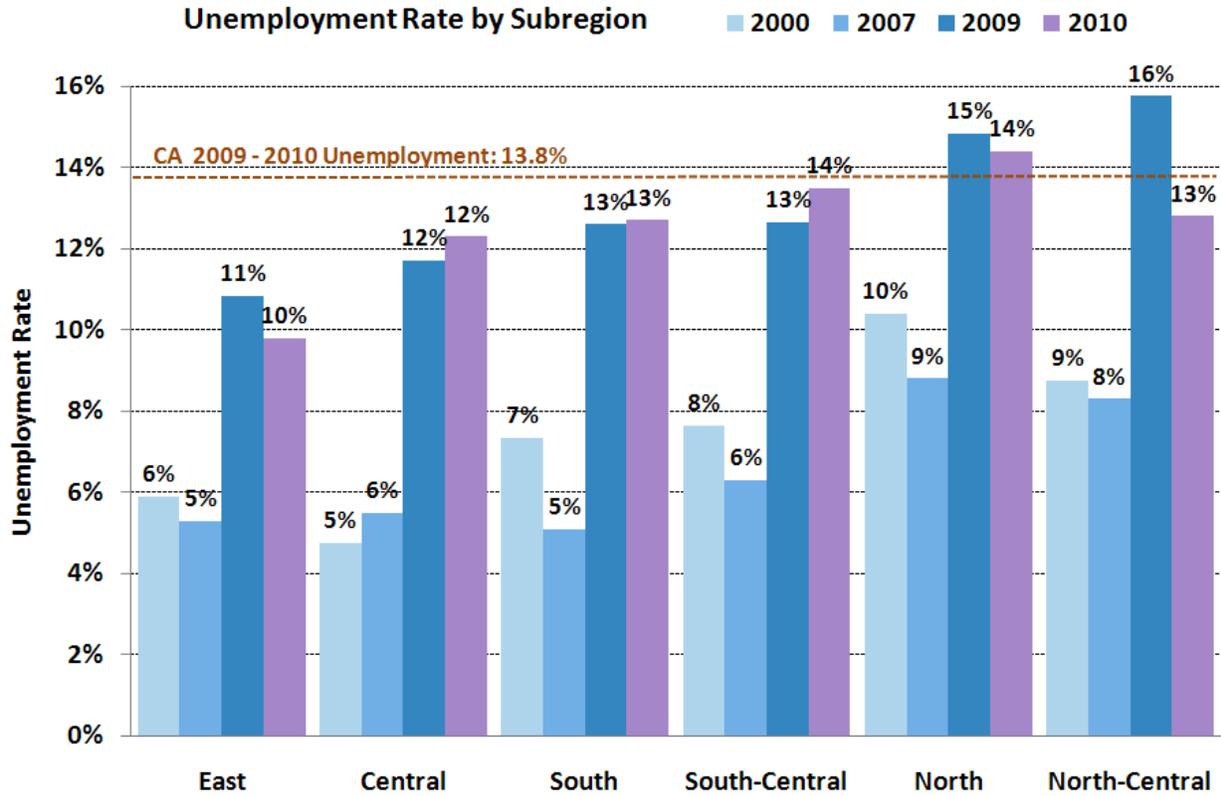


Geographic Definition: Census Block

Data Source: U.S. Census Bureau, 2000 Census of Population and Housing. ESRI forecasts for 2007-10.

The unemployment rate varies greatly between the Subregions, however. Between 2000 and 2007 all of the Subregions except the Central experienced an improving employment picture. Nevertheless, the North and North-Central Subregions struggled with comparatively high unemployment even during that period.

That pattern has carried through the current economic downturn. In 2009, the North and North-Central Subregions continued to exceed the state average with 15 and 16 percent unemployment respectively. The East Subregion continues to have the lowest unemployment rate, with the remainder just a little below the state average.



Geographic Definition: Census Block

Data Source: U.S. Census Bureau, 2000 Census of Population and Housing. ESRI forecasts for 2009 & 2010.

Business Churn (for a Portion of the SNC Region)

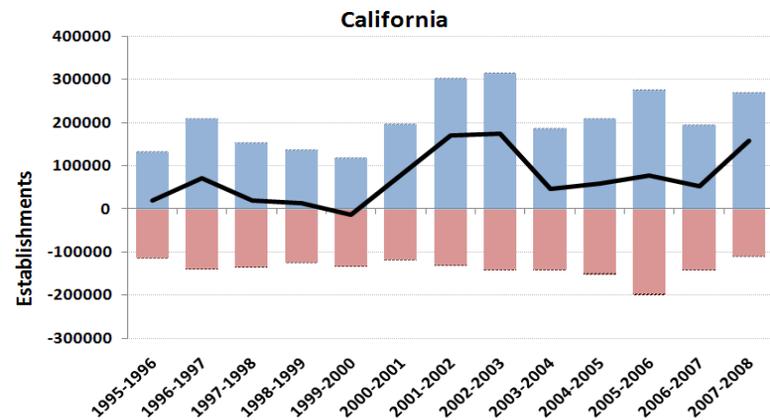
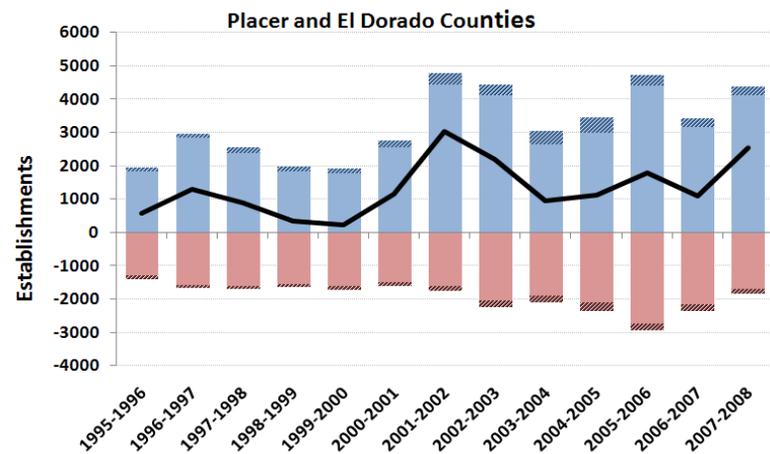
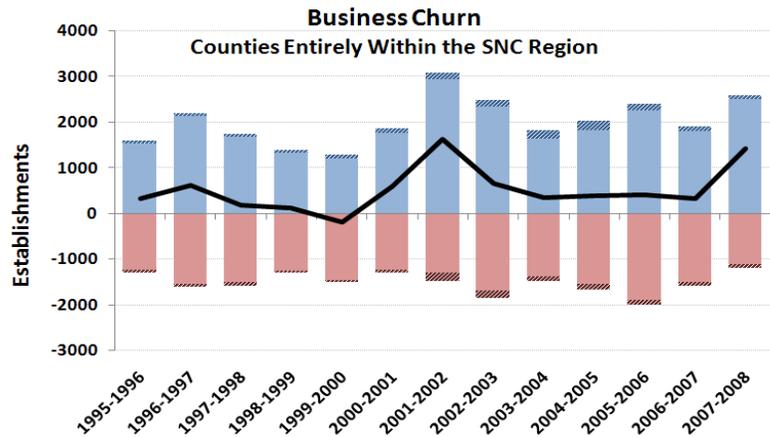


Business churn, the pattern of how businesses start and fail and relocate, reflects the dynamism of the economy.

An economy “churns” as business establishments open, close, move in, and move out of the area. A dynamic, healthy economy usually has a high rate of churn with more firms opening and moving in, than closing and moving out of the area.

What is true for the SNC Region and California overall is that almost all of the net new business establishments are the product of business creation rather than firms moving into the region. In other words, business relocations are a very small proportion of the churn in the Region’s and the State’s economies. The growth in business establishments is based almost entirely on how much greater the number of company openings are than business shutdowns.

The annual number of business openings in counties entirely within the SNC Region has grown faster over the last decade than the number of business closings. Openings have exceeded closings—sometimes by large margins—every year since 2000. Between 1995 and 2008, these counties gained from 2,000 to 4,500



Geographic Definition: County
 Source: National Establishment Time Series Database (NETS)
 Analysis: Collaborative Economics

▨ Firms Moving In ■ Firm Openings
▨ Firms Moving Out ■ Firm Closings
— Net Firm Churn (Gains-Losses)

establishments annually due to businesses opening or moving in, while losing an average of 1,500 to 3,000 establishments annually due to businesses closing or moving out. The annual net gain was typically about 500 businesses per year.

Placer and Eldorado Counties have experienced even greater churn and higher net gains (though the majority of these were likely outside of the SNC Region).

The churn in the counties within the SNC Region, as well as Placer and El Dorado Counties, produced an overall net gain in jobs in every year between 1995 and 2008 except for 1999-2000. Since the latest data available is 2008, the recent recession will likely impact this trend.

In terms of how this churn relates to the total number of business establishments in a region or the state, for the counties entirely within the SNC Region, 500 establishments represents about two percent of the total number of establishments. The average net change in Placer and El Dorado Counties has typically been closer to three percent of total establishments. California has averaged around two percent annual net gain in these years. In this sense, the counties in the Sierra Nevada are not much different in business creation than California as a whole.

There has been a change in the relationship between California and the rest of the U.S. in terms of migration of businesses since 1995. For the counties entirely within the SNC Region, in 1995-96 only 3 percent of businesses moving into these counties relocated from outside of California, and 15 percent of those moving out of the Region relocated out of state. By 2007-08, 15 percent of relocations to the Region came from outside California, and 29 percent of existing businesses moved to other states. The pattern for Placer and El Dorado Counties was not much different.

Business Migration Summary					
Counties Entirely Within the SNC Region					
		Establishments		Jobs	
		1995-1996	2007-2008	1995-1996	2007-2008
% of Total Moving In	From Rest of California	97%	85%	98%	91%
	From Rest of U.S.	3%	15%	2%	9%
% of Total Moving Out	To Rest of California	85%	71%	88%	93%
	To Rest of U.S.	15%	29%	12%	7%
Placer & El Dorado Counties					
		Establishments		Jobs	
		1995-1996	2007-2008	1995-1996	2007-2008
% of Total Moving In	From Rest of California	95%	86%	97%	91%
	From Rest of U.S.	5%	14%	3%	9%
% of Total Moving Out	To Rest of California	78%	64%	88%	65%
	To Rest of U.S.	22%	36%	12%	35%

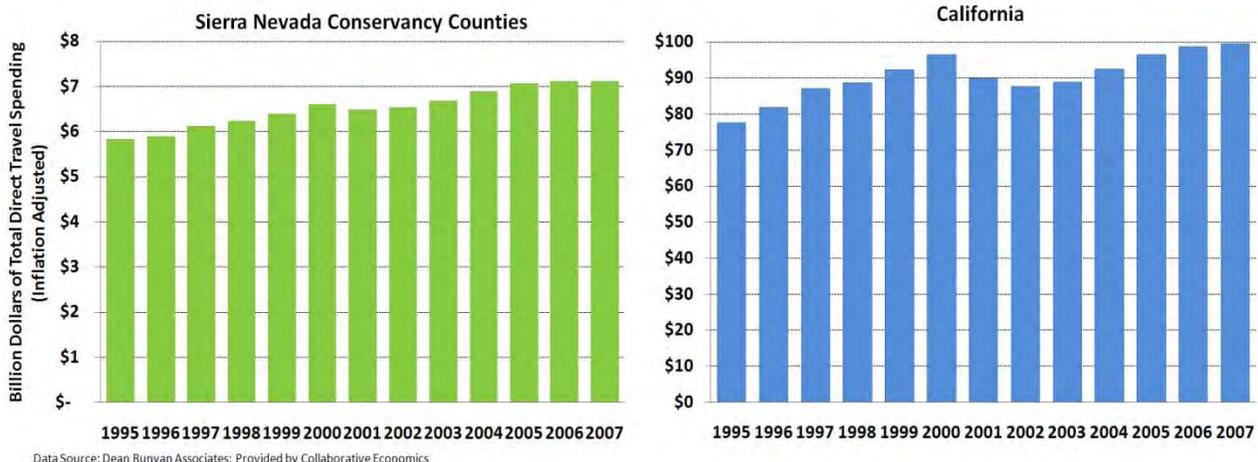
Travel and Tourism Spending



The Sierra Nevada Region’s wealth of natural assets such as national parks and countless recreation opportunities attracts visitors from across the globe, which makes travel and tourism an important component of the Region’s economic activity. Properly gauging the size, trend, and impacts of this economic sector is important to optimizing the development of this huge resource for the welfare of communities and residents in a sustainable manner.

Direct travel spending in the 22 counties that lie entirely or partly within the Sierra Nevada region (including those portions that lie outside the SNC’s boundaries) increased by 22 percent between 1995 and 2007, reaching a high of \$7.1 billion. However, since 2005, total travel spending in these counties has plateaued. Travel spending for California as a whole increased 28 percent since 1995, though year-to-year growth was more variable. Focusing on the twelve counties entirely within the SNC Region, growth in direct travel spending was a little lower at 19 percent over the twelve years.

Total Direct Travel Spending



Because the data were reported only for whole counties, it is not possible to separate out that portion of the spending in the counties that are only partly in the SNC Region. Travel spending in 2007 strictly within the entire SNC Region was certainly much less than the \$7.2 billion reported for all 22 counties. About \$1.9 billion was spent in the twelve counties entirely within the SNC Region in 2007.

With regard to travel spending in the 10 counties that are mostly outside the SNC Region, what amount of the \$5.8 billion was actually spent inside the Region would be difficult to tease out. Certainly, some significant portion of the travel spending in those counties is inside the Region. Most of these counties are gateways to the Sierra and the SNC portion of them include Sequoia and Kings Canyon, Lake Isabella, Yosemite, Mt. Lassen, Lake Oroville, and recreation in the Central Subregion including major ski areas. On the other hand, some travel spending related to getting to the Sierra Nevada (such as gas) is spent in the Central Valley portion of

these counties. A reasonable estimate on total spending related to tourism in the SNC Region might be between \$3 billion and \$5 billion.

Likely due mostly to rising gas prices, Ground Transportation and Motor Fuel spending has experienced the most dramatic uptick in spending, increasing 99 percent between 1995 and 2007. Most other travel spending categories increased to a lesser extent, but retail sales have declined in recent years.

In 1995, total direct travel spending in the 22 counties that comprise the SNC Region accounted for 7.5 percent of total travel spending for California (the counties entirely within the SNC Region accounted for two percent of state travel spending). By 2007, this number had dropped 0.4 percent, to 7.1 percent for the 22 counties (1.9 percent for counties entirely within the SNC Region).

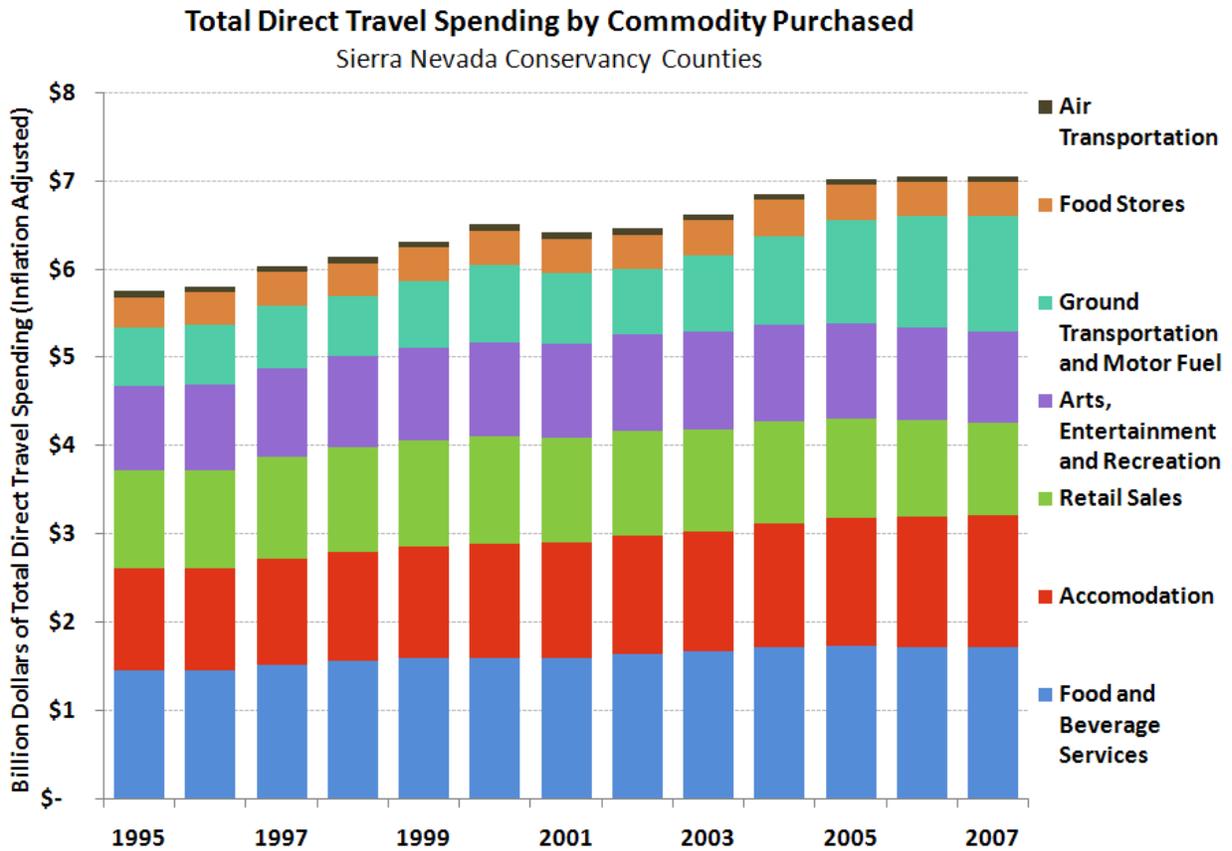
All of these figures are prior to 2008, when the recession hit. The next Indicator update will capture that impact. There are some indications that Sierra tourism has fared comparatively well in these tough economic times. In the tourism-centric East Subregion, unemployment is well below the state level, and Mariposa County had 17% GDP growth in 2009, possibly due to strong

Total Direct Travel Spending by County (in dollars)					
		1995	2007	Percent Change 95-07	% of County Pop. in SNC Region
Counties Entirely within the SNC Region	Alpine	25,873,173	28,268,863	9%	100%
	Amador	86,010,817	115,850,939	35%	98%
	Calaveras	136,498,467	157,277,672	15%	100%
	Inyo	166,986,854	195,312,141	17%	95%
	Lassen	58,319,530	66,714,516	14%	100%
	Mariposa	294,674,457	315,686,098	7%	100%
	Modoc	19,299,988	23,129,069	20%	89%
	Mono	288,940,403	393,810,954	36%	100%
	Nevada	226,565,079	286,183,685	26%	100%
	Plumas	103,212,980	107,216,086	4%	100%
	Sierra	16,502,888	18,708,847	13%	100%
	Tuolumne	148,665,851	168,893,604	14%	100%
Counties Partially within the SNC Region	Butte	213,978,130	266,344,083	24%	29%
	El Dorado	637,319,175	625,512,831	-2%	83%
	Fresno	893,953,076	1,119,446,957	25%	2%
	Kern	984,858,818	1,232,522,407	25%	2%
	Madera	175,518,009	205,797,319	17%	19%
	Placer	584,174,280	810,134,203	39%	33%
	Shasta	318,030,240	375,410,495	18%	11%
	Tehama	97,339,071	122,532,670	26%	3%
	Tulare	292,576,633	388,465,569	33%	2%
	Yuba	61,815,904	82,442,283	33%	15%
Total		5,831,113,823	7,105,661,292	22%	21%

Percent Change in Travel Spending in the 22 Counties of the SNC Region		
Category	1995-2007	2006-2007
Food and Beverage Services	+18%	+0.2%
Accommodation	+24%	+1%
Retail Sales	-4%	-4%
Arts, Entertainment & Recreation	+6%	-3%
Ground Transportation & Motor Fuel	+99%	+4%
Food Stores	+14%	+0.3%
Air Transportation	-12%	-1%

tourism related to Yosemite as people find the Sierra Nevada a relative bargain for their vacation dollars in tough economic times.

Direct travel spending is well distributed amount the five largest categories for the 22 counties. Food and beverage services is the largest component at about 24 percent of total spending in 2007. Accommodation accounted for about 21 percent and ground transportation just under 19 percent.



Data Source: Dean Runyan Associates; Provided by Collaborative Economics

Renewable and Distributed Energy Sources



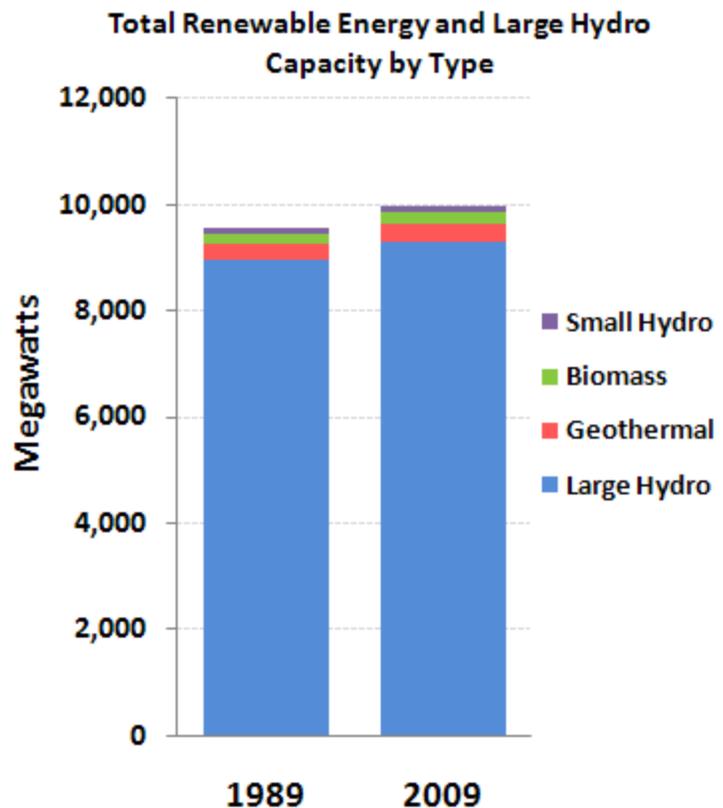
Hydroelectric power is an important economic resource provided by the Sierra Nevada region. Most of the value of this resource flows out to the rest of the state. The value of this resource, and its reliance on water, must be understood and appreciated by all Californians. Additionally, development of renewable energy from other sources is an opportunity to create economic value for the Region.

Renewable sources of energy are viewed as the future of energy production. Generating energy through ecologically sustainable sources not only protects the environment but creates new economic growth opportunities and lessens dependence on fossil fuels. The State of California has mandated that twenty percent of its energy (excluding large hydropower) come from renewable sources by 2017. Most recently, Governor Brown has proposed the creation of 20,000 Megawatts (MW) of new 'green energy' by 2020. Different parts of the State are assessing their own unique mixes of natural and energy resources.

Ninety-three percent of all the non-fossil energy produced in the SNC Region is by large-scale hydro-electric power plants, which are not classified as 'renewable energy' by the State. Most of this is 'distributed energy', meaning it is sold outside of the Region in which it is generated. The SNC Region is nonetheless a large contributor to the state's carbon-free energy production. Large hydro capacity was 9,300 Megawatts in 2009, accounting for over 70% of California's installed hydro capacity. (Since much of the remainder is represented by facilities located just outside of the SNC Region, but supplied by Sierra water, nearly all of the state's hydro power actually comes from the Sierra.)

Total "renewable energy" capacity from small-scale hydro-electric power plants, geothermal, and biomass was 674 Megawatts.

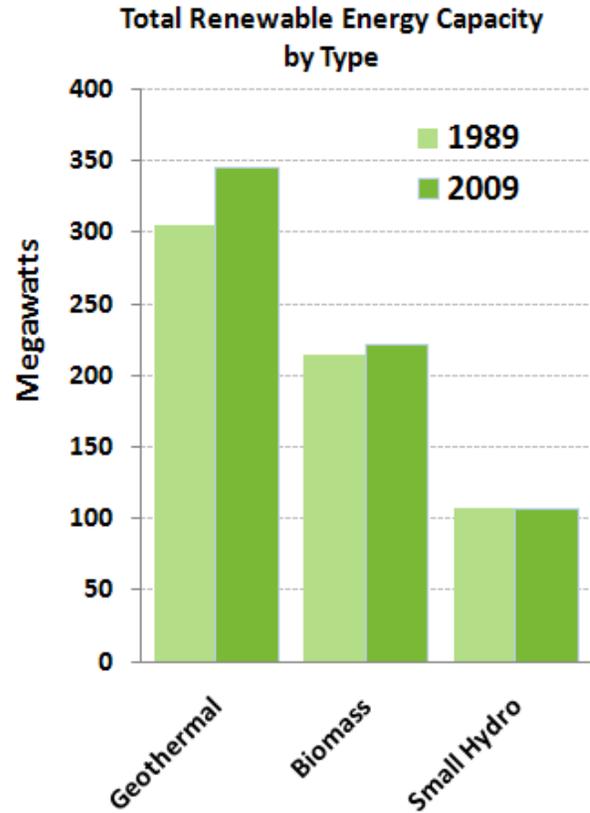
Combined, these 9, 974 Megawatts of non-carbon generating sources accounted for 14.3 percent of California's total installed electrical capacity in 2009.



Geographic Definition: Zip Code
Data Source: California Energy Commission

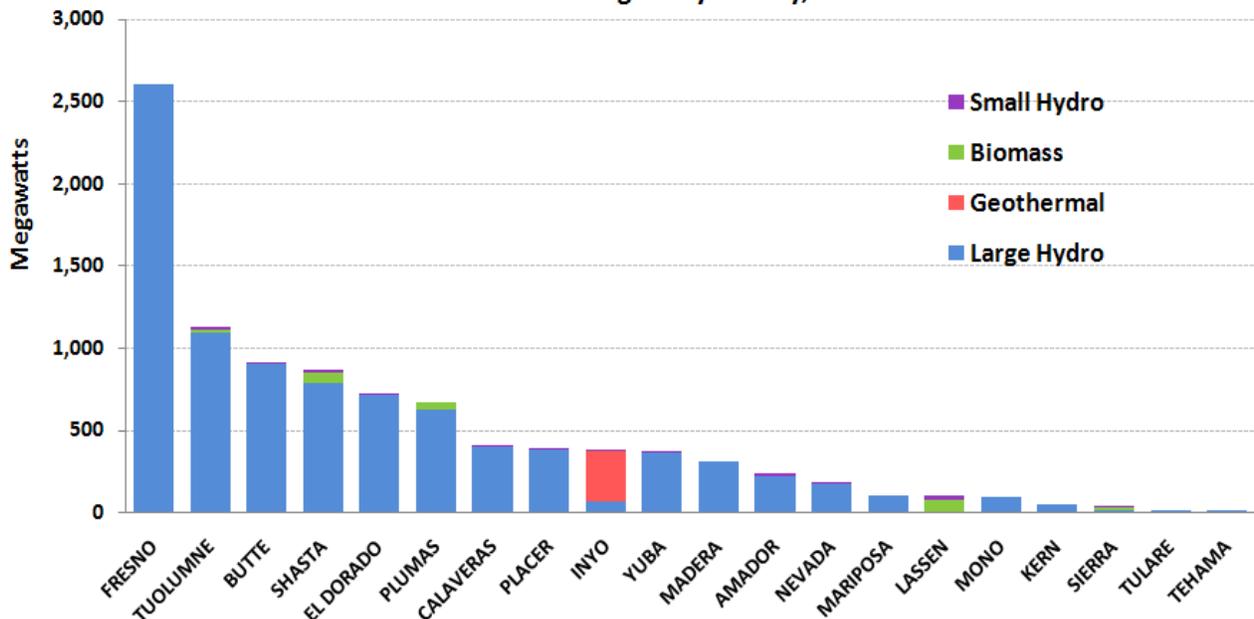
There was miniscule growth in both large hydro and renewable energy in the 20 years from 1989 to 2009; each expanding by only about four percent. Geothermal energy in Inyo County accounted for nearly all the growth in renewable energy, expanding from 305 MWs to 345 MWs.

With a capacity of 2,600 Megawatts of large hydro, Fresno County leads the region in non-fossil distributed energy capacity. For comparison, the typical coal/natural gas power plant has a capacity of 500 MW. The northern Sierra Nevada – Shasta, Lassen, and Plumas Counties – hold most of the biomass capacity of 222 Megawatts. Additionally, there are several biomass plants just outside of the SNC boundary in Placer, Butte, and Shasta Counties that utilize fuel material from the SNC Region. These plants have a capacity of 129 Megawatts that is not reflected in the SNC data.



Geographic Definition: Zip Code
Data Source: California Energy Commission

Renewable Energy and Large Hydro Capacity by Type within the SNC Region by County, 2009



Geographic Definition: Zip Code
Data Source: California Energy Commission

Wind power is emerging as a significant potential new source of renewable energy in the Sierra Nevada, though siting in the Region is likely to bring challenges. Prior to 2010, the only commercial wind power generated within the SNC boundary was an portion of the Tehachapi Pass wind farm that straddles Highway 58 (which is also the SNC boundary in that area), with 805 Megawatts of total facility capacity. The Hatchet Ridge wind project above Burney in Shasta County went online in 2010. Its 46 turbines have a capacity of 102 Megawatts. While located far inside the Region, it represents more distributed energy that is exported to the grid. The Bureau of Land Management has recently accepted a proposal to build a 51MW wind farm project on Fredonyer Peak near Eagle Lake in Lassen County.

Value of Sierra Nevada Energy

It is important to understand that *capacity* (the maximum number of watts that can be generated at an optimum time) of an energy generator is much different from the *amount* (in watt-hours) of electricity that is actually generated over the course of a year. This is particularly important for large hydro and renewable sources, which operate at less than full capacity or not at all for large portions of time. Large hydro is particularly dependent on the amount of precipitation from year to year⁶.

What the generation and sales of electricity means to the Region is unclear. Much deeper research would be required to determine how much of the revenues funnel through the regional economy. What can be estimated is the *value* of the electricity that the Region's water resources create. *Electric Power Monthly* reported the average retail price of electricity in California across all use sectors (residential, commercial, industrial, and transportation) in 2010 at 12.83 cents per kilowatt-hour. This allows for a rough estimate of the retail value of large hydro electricity produced in the SNC Region of \$2.4 billion.⁷

Since renewable energy sources in the Sierra Nevada are relatively tiny by comparison at this time, the value of electricity generated by these renewable sources would be much less, perhaps one to two hundred million dollars.

⁶ According to the California Energy Commission, in 2009 the state's large hydro generation totaled 25.15 Gigawatt-hours of electricity, 12.2 percent of electricity generated in the State, whereas in 2007, large hydro generated 43.6 Gigawatt-hours or 14.5 percent of the state's electricity.

⁷ This estimate relies on the assumption that since Sierra hydro represents about 73.5 percent of the state's hydro capacity, it accounts for 73.5 percent of the electricity generated (i.e. about 18.5 Gigawatt-hours in 2009) at a retail rate of 12.83 cents per kilowatt-hour.

CONTACT INFORMATION

For more detailed information on the individual Indicators or explanation of their development, please contact:

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Background

The Sierra Nevada Conservancy (SNC) is required by its statute, Public Resource Code Section 33350, to “make an annual report to the Legislature and to the Secretary of the Natural Resources Agency regarding expenditures, land management costs, and administrative costs.” The SNC’s goal for the annual report is to provide an attractive, informative, and easily understood summary explaining the SNC’s annual budget and highlighting major accomplishments for the year.

For the last three annual reports, 2007-2008, 2008-2009, and 2009-2010, the SNC used the document as a principal education and outreach tool: with interactive multi-media components, professional layout, full four-color printing, and widespread distribution in both hard copy and electronic formats. Preparation and distribution of these previous annual reports entailed a significant investment of time and resources, including both hard costs of production/distribution and staff costs associated with developing a full-scale product with professional photography, video clips, and expanded text.

Given the current California State budget situation and a variety of operational limitations faced by the SNC, staff recommends using a scaled-down approach for 2010-2011. A streamlined version of the report will still meet the SNC’s statutory requirements and fulfill our goal to provide a high-quality, informative document to our stakeholders: legislators, Secretary of Natural Resources, partners, and the public.

We can continue to review this approach in future years. For example, we may want to return to a larger-scale annual report document when the Proposition 84 grant program ends, in order to highlight the results of the projects funded under that program. Similarly, as we achieve other Strategic Plan objectives, we may want to provide more detailed information in the annual report.

Current Status

The proposed streamlined approach for the 2010-11 annual report will provide a brief update on each of the activities outlined in the SNC’s 2011 Action Plan, including the Proposition 84 grant program to date, along with the mandated budget and fiscal activities section.

Proposed Outline:

- Brief Introduction
- Program Accomplishments (based on 2011 Action Plan list), including:
 - Grant Program
 - Awarded 2011
 - Completed during this fiscal year (and as a % of total)
 - Accomplished (based on Performance Measures)

- Sierra Nevada Forest and Community Initiative
- Strategic Plan
- External Outreach
- Great Sierra River Cleanup
- Geotourism MapGuide Project
- Sierra Day in the Capitol
- Water Report and Water Facts Booklet
- Mokelumne River Environmental Benefits Program
- System Indicators
- Pacific Forest & Watershed Lands Stewardship Council
- Budget and Fiscal information

Next Steps

Staff is recommending that the 8 to 10 page annual report design, layout, and illustrations will be compiled in-house. With Board concurrence, staff will prepare the annual report and distribute it appropriately. Staff anticipates that the annual report, as described above, would be distributed by October 31, 2011.

Recommendation

Staff recommends the Board approve the proposed approach for preparing the 2010-11 annual report and direct staff to develop and distribute the completed report.

Background

In early 2009 the Sierra Nevada Conservancy (SNC) partnered with the Sierra Business Council (SBC) and the National Geographic Society to develop the Sierra Nevada Geotourism MapGuide Project. The MapGuide Project consists of an interactive website that highlights unique and authentic tourism destinations in the Sierra Nevada. The project supports the SNC's mandate to enhance tourism in the Sierra Nevada Region while also promoting the preservation of cultural and heritage resources.

The project has been divided into four phases covering the entire Sierra Nevada Region, including three counties of western Nevada. Major funding for the project has come from the SNC, SBC, the Morgan Family Foundation, El Dorado County, Inyo County, the US Forest Service, the Federal Highways Administration (FHWA), and the Nevada Commission on Tourism. Many thousands of "people-hours" have also been donated to the project by community volunteers serving on the geocouncils who have taken the time to write and create "nomination pages" for inclusion on the web map. Total committed funding for the project to date is approximately \$485,000. Additional annual investments are needed to market and further develop the project.

Three out of the four phases of the project have been completed and are live on the web at www.sierranevadageotourism.org. These phases are the Southern Sierra, Yosemite Gateways and Byways (which includes the eastern Sierra), and the Tahoe-Emigrant Corridor. The final Sierra Cascade Phase is wrapping-up now. Web site viewing metrics are monitored on a regular basis to help gauge project success and for use by businesses and tourism professionals in the Region. To date, the project has 1,096 Sierra specific destination pages posted on the MapGuide. The site is being viewed approximately 15,000 times per month by people from 89 countries and growing steadily. The Board was last updated on the progress of the project in March 2011.

Current Status

The Southern Sierra nomination phase closed with great success. Individuals from Madera, Fresno, Tulare, and Kern counties created 217 new destination pages which include everything from "Kern River Astronomy Club" nights to Scenic Byway Tours through Kings Canyon National Park.

The fourth and final Northern Sierra/Cascade (NSC) nomination period was opened in June and will close on September 4, 2011. This phase covers the largest nomination area of the project and represents the following eight counties: Sierra, Plumas, Yuba, Butte, Tehama, Lassen, Shasta and Modoc. A very active and energetic NSC Geocouncil has formed to represent communities from this phase area, and they are in the midst of presenting informational "how-to" workshops throughout the northern Sierra. Nominations are coming in and will surely represent a broad collection of what the area has to offer visitors.

National Geographic is starting the design of a printed map for the Yosemite Gateways / Byways phase of the project. Input from local Geocouncil and stakeholders is being

scheduled to help with design and distribution strategies. Funding for this print map comes from a grant from the Federal Highway Administration (FHWA). Additional Print maps may be considered for other areas of the project if funding can be secured.

Additionally, the following activities have occurred since the last Geotourism MapGuide Project update:

- The Sierra Nevada Geotourism web page has received a make-over that presents clearer graphics and a modified web-map that loads with more speed than the previous page;
- Twelve “Virtual Tours” have been added to the website, including Mark Twain speaking from his book, “Roughing It”. The virtual tours have been built by “V-Tours, Inc.” and funded by the Nevada Commission of Tourism as well as other destination cities and sites;
- An introductory video to the website has been produced by Convergence Media featuring well-known television personality, Doug McConnell;
- A hand held application for mobile phones has been developed by Old Town Creative. This app will reflect the assets on the MapGuide and use GPS to inform visitors of nearby Geotourism destination sites.
- The Sierra Nevada Geotourism Partners have been instrumental in the formation of a National Geotourism Council with participation from Geotourism projects across the country.

The North Sierra/Cascade nomination phase will close at the end of the summer and the regional geocouncil will meet in September to review nominations. The culmination of this nomination phase will mark the completion of the “basic construction” of the website and mark a transition towards marketing and fine tuning the content. Even though the website will have been constructed, nominations will continue to be accepted at any time to maintain a constant infusion of fresh content. The geocouncils from all four Regions of the Sierra will continue to stay organized and will meet occasionally to review new nominations and act as forums to organize and support geotourism. With the website constructed, the roles of the geocouncils will shift to maintaining, promoting, and expanding the website.

As completion of the website draws near, the Sierra Wide Geocouncil (SWC) and project management partners are looking ahead and developing multiple approaches to increase exposure and use of the website by visitors and partners. Also, several opportunities have been identified to improve the website by adding functions, tools and more content. Implementing an annual marketing plan and pursuing additional project elements will require continued commitments of time and money from partners and geocouncils. Aggressive goals have been set by the project partners to ensure the project yields a positive return to the region, and will warrant additional investments to maintain and market the project.

In support of previous statements, further development and marketing of The Sierra Nevada Geotourism MapGuide Project is identified as a significant component of the "Promotion of Sustainable Tourism and Recreation" focus in the SNC's draft Strategic Plan.

Recommendation

This is an informational item only; no formal action is needed by the Board at this time, although Boardmembers are encouraged to share their thoughts and comments.

Background

The Board launched the Sierra Nevada Forest and Community Initiative (SNFCI) over one year ago. This initiative fosters local and Regional collaboration to support a cohesive, economically viable, and sustainable approach to reducing fire risk, creating jobs, and protecting our valuable forest and watershed resources. SNC staff work closely with the diverse participants of the local collaboratives, including local governments, environmentalists, community and economic development representatives, to help them achieve their goals. SNFCI also has strong coordination with federal agencies, including the US Forest Service (USFS), the Bureau of Land Management (BLM), the National Park Service (NPS) and resource-oriented state agencies.

The SNFCI Regional Coordinating Council works on Regional and statewide issues that can influence the success of local forest collaborative efforts. SNC Board Vice Chair Bill Nunes and former Board Vice Chair Steve Wilensky are co-chairing the Regional Coordinating Council, and Boardmember Bob Kirkwood along with Boardmember Nunes are serving as the Board liaisons to the Initiative. Other members include representatives from the woods products industry, local government, environmental and conservation organizations, community groups and water interests. The primary federal land managers, USFS, BLM and NPS, participate in an advisory role.

The primary focus of the Coordinating Council is policy, investment, emerging technology, and science and research. The Coordinating Council has already suggested broadening the participation to include agricultural/ranching interest, Tribal entities and the Board of Forestry. SNC staff and the Coordinating Council are following up with these suggestions. The work of the SNFCI Regional Coordinating Council will help reduce barriers to the implementation of local, on-the-ground projects by providing support and feedback to local forest collaboratives based on their needs as communicated via effective two-way communication about Regional issues affecting local efforts.

Current Status

The third SNFCI Regional Coordinating Council meeting was held in June 2011. The primary highlights of this meeting were:

- A few Coordinating Council members provided brief overviews about the progress that is being made at the local level to address: an all-lands approach to forest management, integrating the triple bottom line into this work, and identifying long-term funding mechanisms to restore the forested watersheds. These presentations helped to support an extensive conversation about the implementation of the Forest Service's Leadership Intent for Ecological Restoration and to identify specific ways in which the Council could support this implementation.

- During the previous meeting, the Coordinating Council agreed to support the Region 5 Leadership Intent. However, there has been continuing discussion about the need for a more specific implementation plan and accountability measures, particularly in the areas of increasing the pace and scale of treatment, prioritizing areas, and assuring community benefit. Coordinating Council members proposed to (1) form a working group from the Coordinating Council to work with Forest Service to support implementation of the Leadership Intent with a focus on increasing the pace and scale of forest treatment; and (2) the full Coordinating Council would act in an advisory role to develop a shared vision and help articulate the general concepts for implementation.
- Continuing Discussion on Reauthorization of Secure Rural Schools Funding –A bill proposing the Reauthorization of Secure Rural Schools is expected in the near future. There are several options for such a bill, which may impact the contracting period and the amount and uses of retained receipts. The Coordinating Council agreed to prepare policy positions on the major alternatives in preparation for the actual legislation.
- The next Coordinating Council quarterly meeting will be in October in Auburn.

Newsletter: The SNFCI newsletter is being distributed electronically on a quarterly basis to provide regular communications about the Initiative progress. The second electronic newsletter was published in August.

Regional Analyses: The SNC is assisting in the assessment of available data relating to the supply of woody biomass on public lands and developing an inventory of existing facilities and their volume capacities within the Sierra Nevada. This information will serve to begin development of a “regional blueprint” that can help ensure a balance of lumber mills, biomass to energy facilities, small wood and other value added products facilities, appropriately scaled and geographically distributed. This strategy will help target SNFCI efforts toward areas of greatest need. Staff continues to network with established groups with common goals to involve them in the initiative and evaluate specific support SNC may be able to offer them.

Mokelumne Watershed Ecosystem Services: A project funded by the SNC and the Forest Service will address how upper watershed restoration treatments, primarily fuel hazard reduction and forest health management, will benefit downstream beneficiaries and reduce utility operational costs in the Mokelumne Watershed. This is a part of long term effort to build an investment platform linking forest restoration and management to the beneficiaries of the ecosystem services that the watershed provides. This phase of the analysis will be done by modeling a range of wild fire scenarios occurring under current watershed conditions verses fully restored watershed conditions and evaluating associated post-fire recovery and restoration costs. Consideration will be given to other restoration needs including road decommissioning and restoration, meadow and riparian restoration and other measures that can protect water quality, quantity and help

maintain a normal hydrologic cycle. The project will also include a strategy to target restoration work in areas that provide the most benefit to the water resources and the greatest environmental gains.

New Sierra Cascade All-Lands Enhancement (SCALE) demonstration effort: Two local forest collaborative efforts have joined together to engage State and Federal agencies in new all-lands approaches for ecological restoration. The Amador-Calaveras Consensus Group and the Burney-Hat Creek Collaboratives are working together to develop solutions focusing on the triple bottom line (environment, economy, and community/equity). Representatives from these collaboratives are working with the SNC to develop multi-agency partnerships focused on demonstration projects that can promote healthy communities and a restoration economy.

Willow Creek Collaborative Forest Restoration Plan: The Sustainable Forests and Communities Collaborative (SFCC) is launching a collaborative forest planning process focusing on the Sierra National Forest Willow Creek Watershed with facilitation support from SNC staff. In addition to providing stakeholders guidance for the District Ranger on the 'desired conditions' for the forest, it will help build relationships between the community and Forest Service staff. SNC staff are also building capacity in collaboration building and facilitation under the guidance and mentoring of facilitators from the Center for Collaborative Policy, which will allow them to provide such assistance to other collaborative efforts in the future. The effort will have its kick-off meeting in early September and is expected to be completed by February, 2012.

Rural Business Enterprise Grant Update: The SNC in partnership with the Yosemite-Sequoia Resource Conservation District successfully obtained a Rural Business Enterprise Grant last year. Two feasibility studies were funded, supporting biomass sort yards in Wilseyville (Calaveras County) and North Fork (Madera County). The Madera County project has been finalized and the Calaveras County report is expected soon. Both studies were completed by TSS Consultants which worked with the Region 5 Forest Service biomass consultant, to produce a value-added biomass opportunity matrix. This matrix allows prospective entrepreneurs to evaluate various biomass processing options in terms of initial investment, site requirements, technological status, permitting, supply needs, markets, etc. This valuable tool will be available on websites for use by other communities interested in economic use of woody biomass materials.

Future Status

Staff will continue working with the Coordinating Council to support the Forest Service with implementation of the Leadership Intent for Ecological Restoration. SNC staff is continuing to establish more consistent and diverse communications to stakeholders. Electronic SNFCI newsletter continues to be distributed and the staff will upgrade the SNFCI webpage with more photos, graphics and general information.

Staff will continue to engage federal land management agencies with SNFCI through the Regional Coordinating Council as well as the local collaboratives, recognizing that these agencies are ultimately responsible for management decisions on these public lands. As appropriate, additional resources will be focused on such items as support for market analysis/biomass utilization, business plan development and support for the Coordinating Council. Additional opportunities will be actively sought to submit applications for funding to support both local and Regional SNFCI activities.

Through logistical support, facilitation and general guidance, SNC staff will continue to encourage local collaboratives to move continually towards on the ground projects with quantifiable results. Staff will also look for additional opportunities to support local efforts in new areas of the Sierra Nevada.

Recommendation

This is an informational item only; no formal action is needed by the Board at this time, although Boardmembers are encouraged to share their thoughts and comments.

Background

At the September 2, 2010 Board meeting, the Executive Officer was authorized to enter into a Memorandum of Understanding (MOU) and subsequent funding agreements with the Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council). The MOU includes descriptions of roles and duties to be performed by the SNC related to the monitoring of lands or easements to be donated to various organizations. The MOU clearly states that no agreement would require the SNC to perform duties unless adequate resources were provided to reimburse the SNC, and such duties would only be performed to the extent that resources were available.

Further, the SNC Board also authorized the Executive Officer to establish an appropriate budgetary mechanism to receive and expend funds necessary to fully cover the costs to perform the responsibilities associated with the MOU and any subsequent authorized agreements between the SNC and the Stewardship Council.

On September 16, 2010 the Stewardship Council board delegated authority to the Stewardship Council Executive Director to enter into a MOU with the SNC that would guide the negotiation of specific contracts pertaining to: 1) the SNC serving as the covenant holder on watershed lands donated to the US Forest Service (USFS); and 2) the SNC carrying out certain other roles with respect to conservation easements on donated lands. The delegation was approved with the understanding that the negotiated contracts would be subject to board approval at a later date.

Current Status

The MOU with the Stewardship Council remains in effect; however there has been very little progress on taking the actions contemplated when the MOU was signed. The Stewardship Council is still assessing how to proceed with donations and which, if any, lands may be donated to various USFS units. This process is taking longer than initially anticipated due largely to unresolved technical and legal issues. Therefore, negotiations with the Stewardship Council on the implementation of the MOU proposed tasks have been indefinitely delayed.

Based on discussions with the Department of Finance, the SNC has received support from Secretary John Laird, Natural Resources Agency, to use existing reimbursement authority to recover costs associated with tasks that could begin as early as FY 2011-12.

Next Steps

The SNC will continue to communicate with the Stewardship Council and stay current with their process. If and when further services of the SNC are requested, the SNC will assess staff resources and determine how to best support the Stewardship Council. In the meantime, the SNC will submit a Budget Concept Paper to the Department of Finance to prepare for the possible use of the existing Reimbursement Authority to recover costs beyond FY 2011-12. Any further actions will be reported to the SNC Board as they occur.

Recommendation

This is an informational item only; no formal action is needed by the Board at this time, although Boardmembers are encouraged to share their thoughts and comments.

Background

In 2009, the Sierra Nevada Conservancy (SNC) began coordinating the Great Sierra River Cleanup – A volunteer event focused on removing trash from the rivers, lakes and streams of the Sierra Nevada. This project aimed to expand upon the cleanup efforts of numerous groups and organizations by establishing and supporting cleanups in watersheds throughout the Sierra Nevada Region. The Cleanup coincides with the California Coastal Cleanup Day. During the first two years, the event attracted more than 7,500 volunteers and succeeded in removing over 270 tons of trash from more than 700 streamside miles. In both 2009 and 2010 the event received support from legislators representing the Sierra Nevada, including participation by Assemblymen Jim Nielsen, Ted Gaines, and Dan Logue at cleanups in their districts.

Current Status

At this time there are 49 groups planning to participate in Cleanup efforts in 19 Sierra Nevada counties. Sites being hosted by these groups also stretch into 2 neighboring valley counties. Sponsors committed to this year's event include PG&E, the California Ski Industry Association, CalTrans, the Pacific Forest and Watershed Lands Stewardship Council, and the Sierra Pacific Foundation. The event is also supported by a variety of in-kind support from the California Coastal Commission, Whole Foods, Nature's Path, and Crystal Geyser.

Interested volunteers are now able to register for the 2011 Great Sierra River Cleanup by visiting the [Cleanup location](#) map on SNC's Web site. The map may be used to locate local cleanup events and provides instruction for volunteers on how to pre-register with the local cleanup organization using the contact information provided. Site information from this map is also transferred to the California Coastal Commission's Cleanup location map on www.coast4u.org and to the International Ocean Conservancy's map at www.signuptocleanup.org in order to attract even more volunteers from outside of the Region.

In addition to outreach through the Web sites listed above, SNC has also pursued various other approaches to advertising the Great Sierra River Cleanup. A concentrated effort was made by SNC student assistant Candice Heinz to increase the presence of the Great Sierra River Cleanup on Facebook and Twitter. A YouTube video advertising the Cleanup was created and posted on the [SNC YouTube](#) channel. Nominations for Cleanup sites were created on the Sierra Nevada Geotourism web page in an effort to appeal to travelers using the site to plan vacation activities. Outreach was done to the 230,000 state employees by including a call for volunteers on the bottom of all state paycheck stubs during the month of August. The Great Sierra River Cleanup was featured at the Forest Foundation's California Forest Center during this year's California State Fair resulting in distribution of approximately 300 posters and flyers to potential volunteers from all over the state. Lastly, a significant effort was made by SNC Information Officer, Pete Dufour and all of the local organizations participating in the 2011 event to distribute news releases to attract media coverage throughout the Region and the state.

Next Steps

Staff will continue to coordinate with cleanup groups to promote the September 17 event, recruit volunteers, and establish connections between area legislators and local cleanup events. Outreach will be made to both local and larger regional media outlets and efforts to secure sponsorship for the 2012 Great Sierra River Cleanup will continue.

Recommendation

This is an informational item only; no formal action is needed by the Board at this time, although Boardmembers are encouraged to sign up and participate in one of the Cleanup sites.