



# 2019 RCIS SYMPOSIUM MEETING SUMMARY

## ABSTRACT

A summary of the meeting held on December 3, 2019 in Sacramento, CA for stakeholders, practitioners and agency staff to collaborate, share information and engage in a community of practice for the Regional Conservation Investment Strategy program

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# Regional Conservation Investment Strategies 2019 Symposium Summary

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## **I. Executive Summary**

The second annual Regional Conservation Investment Strategy (RCIS) Symposium kicked off at Beatnik Studios in Sacramento on December 3, 2019, hosted by the Nature Conservancy. Over 90 people attended, representing a diverse spectrum of interests – resource agencies, transportation and water agencies, conservation organizations, local governments, mitigation experts, business, academic researchers, and policy advocates. The day consisted of sharing information and learnings through panel discussions, tabletop interactive discussions, individual speakers, opportunities to network and connect with friends and colleagues and create new connections. The goals of the Symposium were to share information on the RCIS program, consider best practices, and foster a community of practice.

Specifically, the attendees:

- Explored how the RCIS program and RCISs evolved over the past year, and what was needed for the program to be successful
- Discussed the what and why: big picture goals, value propositions, motivations, funding, integrated planning
- Considered the how: design, data and information, alignment, engagement
- Engaged in a deep dive on Mitigation Credit Agreements with key questions
- Surfaced issues and challenges
- Collaborated, connected, and built community



The symposium demonstrated a growing interest in the RCIS program, as the attendance represented almost 30 percent increase over the prior year, and deeper participation from a diversity of sectors<sup>1</sup>.

California's Regional Conservation Investment Strategy (RCIS) Program is a non-regulatory, voluntary approach to assess the conditions of conservation lands in a given region and enables advance mitigation, consistent with conservation goals and objectives through Mitigation Credit Agreements. RCISs are designed to enable RCIS proponents and stakeholders to identify regional conservation needs for a robust set of focal species and natural communities to inform conservation actions, guide infrastructure siting and development and enable advance mitigation actions.

The agenda for this year's meeting centered around four panel discussions based on critical topics identified in the 2018 RCIS meeting and issues that were emerging as important to the success of the program. There was strong of interest among the panelists and attendees, as noted by the number of questions for the panelists and engagement of the audience. Chuck Bonham, California Department of

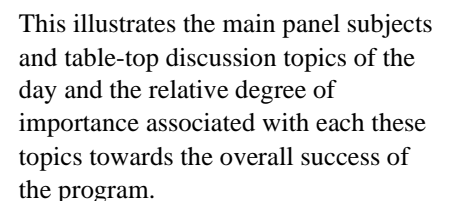
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<sup>1</sup>See Appendix 1 for the list of organizations and agencies that attended.

The two tabletop discussions offered opportunities for the attendees to collaborate on key questions, and the many breaks and reception provided opportunities to network and connect throughout the day.

The day centered around key issues and discussion topics that were identified by the symposium's steering committee, topics that were carried over from last year's symposium or were emerging issues of importance. Those issues and topics were:

- Comments and recommendations for the key discussion topics follow in the meeting summary.





## ***Next Steps***

Throughout the symposium, suggestions were given for areas of focus over the coming year, presenting opportunities for the community of practice to continue to engage on specific issues. In addition, during the last session of the day, there was strong commitment from the group to continue ongoing meetings and connecting opportunities among practitioners and agencies in support of the RCIS program. The areas of focus include:

- Need to move the existing RCISs through the approval process more expeditiously.
- Launch the MCA pilot process with MCA proponents and other regulatory agencies to inform MCA guidelines development.
- Support existing and future RCISs through funding and collaborative engagements.
- Continue to innovate and iterate to develop RCISs that are user-friendly and achieve key goals such as conservation investment and advance mitigation for infrastructure projects.
- Continue the dialogue, building community and a learning network through online forums, regular meetings and annual symposiums.



## **II. Key Topics of Discussion**

The following are highlights of the discussions throughout the day regarding key RCIS topics, such as best practices, implementation challenges, important outputs, use cases, usability and engagement.

### **Mitigation Credit Agreement (MCA)**

The key message from the panels, tabletop discussion and keynote speakers is that we need to continue focus on moving MCAs from legislative idea to reality. We need to successfully pilot MCAs that demonstrate key aspects of the new tool. Success of the RCIS program will ultimately depend, in part, on successful implementation of the MCA concept.

Pilot programs can be used to demonstrate proofs of concept, such as multi-agency engagement and support and issuing credits for temporary habitat enhancements, to enable long term viability of the program. RCIS and MCA projects could be of benefit in areas where Natural Communities Conservation Plans (NCCPs) and mitigation credits are not in place. In addition, MCAs have to work with existing credits and mitigation programs.

MCAs may benefit from utilizing existing templates currently in place (such as Bank Enabling Instruments) for the pilot phase. For long term success, these templates need to be flexible to make them more efficient and effective tools.



Some strategies that were suggested to explore include:

- Programmatic MCAs
- Identifying pathways to encourage strong state and federal engagement
- Prioritizing MCAs for habitat enhancement actions
- MCAs on public lands for enhancement actions can serve to improve restoration or conservation opportunities.

### **Working Lands**

Given the prevalence of cultivated agriculture and ranching within the State, creating a successful outcome with landowners is critical to success for both RCISs and MCAs. This will require situational dependent solutions that can be tailored to individual private landowner's needs and capacity, including long-term and short-term stewardship actions and temporary vs. permanent protection.

The challenge for practitioners is to identify how to use the MCAs as a bridge to help ranchers and farmers maintain land tenure through diversification of working lands income sources in the face of current challenges, such as groundwater regulations, crop failures due to unpredictable rainfall and drought, external trade policies or other factors that force change in types of crops produced; or future challenges as a result of climate change and forecasted environmental and economic changes.

In considering the requirements for landowner participation, it's important that mitigation credits make market sense for them to enable conservation, restoration or enhancement.

### **Multi-Agency Collaboration**

Successful collaboration between federal, state and local agencies is important to identify areas of overlap with programs and regulatory requirements to improve better use of limited resources. It was noted that some agencies may be staffed for mitigation banking and NCCP programs, but not for RCIS.

One action item discussed was to hold collaboration meetings between CDFW and other regulatory agencies as an extension of current meetings held between agencies. For example, CDFW and US Fish and Wildlife Service (USFWS) have a regular coordination meeting on conservation and

mitigation planning where RCIS issues and projects could be incorporated. Another idea to help foster agency collaboration is for RCIS project teams to capture as much information from existing conservation plans, recovery plans and other regulatory guidance in drafting new RCIS plans for consideration. For infrastructure agencies, it is imperative that RCISs represent the full suite of resources in a region, and MCAs include opportunities to address permitting needs for different resources regulated by different agencies. Voiced by transportation agency panelists, the vision is that transportation projects routinely incorporate proactive conservation planning into their planning and mitigation work to assist with project delivery.

Another point made was that transportation projects often cross county boundaries, thereby requiring engagement with other agencies and which should be reflected in the RCIS. It was exciting to hear the transportation agencies and Reclamation District 108 report on incorporating conservation planning in transportation development and processes. This approach helps integrate local needs and concerns into RCISs and aims to make the permitting processes more efficient.

## **Funding**

There are several sources of funding available, primarily from government sources with currently limited opportunities for private investment. Practitioners are encouraged to pursue state and local funds, including the use of Prop 68 funds<sup>2</sup> for conservation work. The use of private investment is an option, but it is essential that the mitigation approach makes financial sense before approaching these funding sources. Private philanthropic funds may be available, but the conservation value needs to be strongly articulated and demonstrate innovation, behavior change and policy goals. Private philanthropic funds can be utilized to add elements to RCIS planning that are not easily funded, such as community engagement and innovation.

It is also important to secure the needed funding required for RCIS development.

## **Local Government**

Early engagement with local governments is critical to success. Panelists recommended that RCIS proponents identify the local context, and engage local communities, government entities and stakeholders early in the process. Coordination between local governments and RCIS proponents will also help ensure RCISs are consistent with local land uses. Knowledge of context at the local level and values of the community is important, as well as an understanding of county history and previous conflicts or disagreements, with respect to regulatory



<sup>2</sup> See WCB's Prop 68 website: <https://wcb.ca.gov/Grants/Funding/Prop68-Opportunities#92273-regional-conservation-investment-strategies>

agencies. This can help identify potential barriers and roadblocks early in the process.

CDFW reported that they see requests for similar conservation actions coming from multiple agencies and RCISs can help reduce time spent processing requests by working to align conservation priorities and requests for approval. Since the CDFW is the recipient of requests for plans or permits from different county or city governments, the better the alignment among requestors, the better the CDFW could speed along all the processes.

### **Permitting Process**

RCIS should be a tool that improves efficiency in the planning and permitting processes. RCIS Program is aligned with CDFW's "Cutting Green Tape" initiative<sup>3</sup> to help drive permitting decisions to support regional conservation priorities.

A couple of ideas were discussed to improve the permitting process:

- Bundle multiple requests to CDFW to help make the permitting process more efficient.
- Ensure RCISs reflect the suite of ecological resources in the RCIS area, not just the resources regulated by CDFW.
- Ensure MCAs can incorporate advance mitigation actions representing different resources and agencies (e.g., US FWS, Army Corps, EPA, National Marine Fishery Service, regional water quality control boards) to allow for more efficient permitting.
- Improve knowledge and understanding of the RCIS (planning) and HCP/NCCP (permitting) process. The overlap between RCIS and HCP/NCCPs is a sensitive topic, as RCISs can be seen as a competing program. Language in the statute is helpful to ensure collaboration and coordination.



### **Communication**

The importance of communication plans came up in both the 2018 and 2019 meetings, as effective communication across all stakeholders is both difficult and important to the success of RCIS and all conservation programs. A few key takeaway messages from this year include:

- Engage early and often with CDFW; CDFW stated that stakeholders and partners focus on continued coordination between and among CDFW headquarters and the regions. This helps identify and resolve issues more effectively and efficiently.
- Include stakeholders early in the process to develop RCIS goals and identify conservation priorities; Design a stakeholder strategy early in the process to better identify the suite of

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<sup>3</sup> See <https://resources.ca.gov/Initiatives/Cutting-the-Green-Tape>



people and entities to include and to better identify obstacles. This includes users of the RCIS, those involved in implementation and potential MCA proponents.

### **III. Guest Speaker Highlights**

**Morning Speaker:** **Rick Macedo**; *Chief, Habitat Conservation Planning Branch, CA Department of Fish and Wildlife*

Rick expressed excitement about the progress that's been made on the RCIS program. One RCIS has been approved and there are more in the pipeline. This shows CDFW's commitment to the program and the unique design of the RCIS program in the conservation world to bring elements of wildlife and ecosystem management together.

The role of CDFW is to put workable guidelines in place to bring the legislation from concept to reality. The Department would like to see the RCIS program bring strategic thinking to mitigation programs, resulting in better planning around permit requests for environmentally beneficial actions.

**Luncheon Speaker:** **Chuck Bonham**, *Director, CA Department of Fish and Wildlife*

Director Bonham's key message was **Stay the Course!** We're making progress and the RCIS program is strategically important to the Department.



Director Bonham stated that California can turn the RCIS program into a national example of how to do strategic conservation planning. He was excited to have California play this leadership role with the RCIS program. He recognized that the CDFW needs to be more efficient and asked for the attendees' help in this regard. One example is to help the Department meet its goal of reducing "green tape." Director Bonham sees the RCIS program as a way to process and approve regional requests more quickly. He suggested partners bundle and package requests to CDFW into more unified requests as one way to accomplish this.

He emphasized that transportation and water Infrastructure agencies are our allies and partners in conservation planning. The task ahead of us is to figure out how we work together to align and enhance our shared goals.

## IV. Group Tabletop Discussion Summary

Meeting participants were assigned to table groups to discuss topics originally identified in the 2018 RCIS meeting as being important for the long-term success of the program. The Steering Committee for the Symposium identified specific topics for each table to consider related to developing RCISs. The groups were provided background information and questions to consider as part of their discussion.

The goal of the group discussion was to come up with 3-5 ideas or suggestions to help overcome barriers or identify tactics related to their topic area to ensure successful RCIS development.

<b>Topic #1: Key Elements in Developing RCISs</b>	
<b><i>Topic Areas:</i></b>	<b><i>Top Suggested Actions or Approaches</i></b>
Data/Information Strategies and Approaches	<ul style="list-style-type: none"><li>• Decide data needs at the beginning of project.</li><li>• Utilize public academic institutions to collect data.</li><li>• Create searchable databases and websites with standard formats.</li><li>• Keep the user in mind to help identify data and information needs, and ease of use.</li></ul>
Ensuring Multi-Agency alignment and support	<ul style="list-style-type: none"><li>• Acknowledge barriers across agencies, such as complexity, staffing requirements and differences in terminology or methodology.</li><li>• Proactively identify and address overlapping requirements. The result could be a common set of requirements to be used across permitting agencies.</li><li>• Consider adding RCISs as a topic area to already-established joint agency meetings.</li><li>• Streamline the structure of documents so they can apply across agencies.</li></ul>
Successful Engagement Strategies	<ul style="list-style-type: none"><li>• Begin with “What’s in it for me” mindset approach for each stakeholder sector. Consider what is important depending on positions/roles and how to create win-win scenarios for the stakeholders, agencies and practitioners.</li><li>• Engage early with CDFW with objectives identified upfront.</li><li>• Begin the work with the end in mind. Know what success should look like and what is most important to accomplish.</li><li>• Design engagement strategies at the outset of the process to ensure comprehensive engagement to help address stakeholder needs, priorities and concerns.</li></ul>

	<ul style="list-style-type: none"> <li>Consider shorter term goals (3-5 years) vs long term goals which may be harder to achieve and gain agreement from all stakeholders. Demonstrating success early on will help create the “reason to believe” and support for a longer-term plan.</li> </ul>
Designing RCISs with Implementation in mind	<ul style="list-style-type: none"> <li>Identify the most meaningful metrics to evaluate implementation. This may be a case where less is more.</li> <li>Include the parties implementing the plan in the initial program design – that gives them ownership of the plan and its success.</li> <li>The RCIS should anticipate changes to local landscape over time, as a result of climate change.</li> <li>Develop a format for the RCIS document that is easy to access and use. Consider fewer words, more graphics and interactive tools.</li> </ul>

<b>Topic #2: Mitigation Credit Agreements (MCA)</b>	
<b>Topic Areas:</b>	<b>Top Suggested Actions or Approaches</b>
Developing Programmatic MCAs	<ul style="list-style-type: none"> <li>Focus on the opportunities to enroll working lands, including temporary enhancement credits as an incentive to private property owners.</li> <li>Consider ways for the legislature to include and incentivize MCAs in conservation or infrastructure related legislation.</li> <li>Prioritize a programmatic MCA as one of the first pilots to work through the issues.</li> </ul>
Pathways to State and Federal engagement	<ul style="list-style-type: none"> <li>Focus on State agencies first, and then approach Federal agencies. Involve multiple agencies in the early MCA pilot projects.</li> <li>Templates: Does the Bank Enabling Instrument (BEI) meet the needs of MCA projects or is something new needed?</li> <li>Limitations: Understand when limitations are real vs. assumed, especially related to the definition of banking program.</li> </ul>
MCAs for habitat enhancement actions	<ul style="list-style-type: none"> <li>Identify what types of projects that would benefit and that the agencies likely to support.</li> <li>Valuation: calculate Return on Investment for wildlife crossings or enhancement.</li> <li>Identify types of impacts can be offset with enhancement credit.</li> </ul>

MCAAs on Public lands	<ul style="list-style-type: none"> <li>• Public lands adjacent to wildlife corridors can be part of MCA design.</li> <li>• MCAs could bring funding to better manage existing public lands.</li> <li>• Credits for public lands actions could also include consideration of impacts on neighboring properties.</li> </ul>
Incentives for MCA development	<ul style="list-style-type: none"> <li>• Habitat enhancement credits can be incentives.</li> <li>• Monetize the value of working lands being included.</li> <li>• Demonstrate potential for success.</li> </ul>

## V. Next Steps

### **Priority Action Items:**

*Continue* this forum: Plan another RCIS Annual Symposium for 2020.

*Develop an e-mail list serve* to continue on-line dialogue and shared learning.

***Pilot Project:*** Align Federal and State policies and practices with the desired outcome of meeting requirements of both Federal and State agencies so they may support/approve an MCA.

- Rick Macedo (CDFW) and Jen Norris (US FWS) discussed the possibility of expanding existing joint agency meetings on listed species to include RCIS program.
- Explore an opportunity to pilot an MCA between CDFW and US FWS to establish feasibility and best practices.





# Appendix 1

## RCIS Steering Committee Members and Organizations Represented

### **Steering Committee:**

<b>Aaron Gabbe</b>	ICF	<b>Kenneth Kao</b>	Bay Area Metropolitan Transportation Commission
<b>Brian Croft</b>	US Fish and Wildlife Service	<b>Kim Delfino</b>	California Defenders of Wildlife
<b>Bronwyn Hogan</b>	US Fish and Wildlife Service	<b>Laura Hollender</b>	CA Dept. of Water Resources
<b>Carin Loy</b>	Caltrans	<b>Liz O'Donoghue</b>	The Nature Conservancy
<b>Chris Beale</b>	Resources Law Group	<b>Michelle Nuttall</b>	Southern California Edison
<b>Edmund Sullivan</b>	Santa Clara Valley Habitat Agency	<b>Ron Unger</b>	CA Dept. of Fish and Wildlife
<b>Francie Mitchell</b>	The Nature Conservancy	<b>Sam Uden</b>	Conservation Strategy Group
<b>Graham Chisholm</b>	Conservation Strategy Group	<b>Shannon Lucas</b>	CA Dept. of Fish and Wildlife
<b>Jodi McGraw</b>	Jodi McGraw Consulting	<b>Stuart Kirkham</b>	Caltrans
<b>Katie Riley</b>	Environmental Incentives	<b>Travis Hemmen</b>	Westervelt Ecological Services

### **Organizations Represented:**

AECOM	Environmental Defense Fund	S.D. Bechtel Jr. Foundation
Albert A. Webb Associates	Environmental Incentives	Sequoia Riverlands Trust
Area West Consulting	GEI Consultants	Southern California Association of Governments
Association of Bay Area Governments	Governor's Office of Planning and Research	Sonoma Ag + Open Space District
Bay Area Metropolitan Transportation Commission	HDR Consulting	Southern California Edison
California Defenders of Wildlife	ICF	State Coastal Conservancy
California Dept. of Fish and Wildlife	Institute for Ecological Health	Strategic Growth Council
California Dept. of Water Resources	Jodi McGraw Consulting	Sutter Butte Flood Control Agency
California High Speed Rail Authority	KSN Civil Engineering	Terrell Watt Planning Consultants
California Natural Resources Agency	L.A. Co. Dept. of Regional Planning	The Nature Conservancy
California State Legislature	Metropolitan Transportation Commission	Transition Habitat League

California State Transportation Agency	Mountains and Rivers Conservancy	Transportation Agency of Monterey County
California State Water Resources Board	Priority Strategies	UC Berkeley Law
Caltrans	Reclamation District 108	UC Davis
Conservation Strategy Group	Resource Environmental Solutions	US EPA
Craig Denisoff Consulting	Resources Legacy Group	US Fish and Wildlife Service
Dudek	San Bernardino County Transportation Agency	Westervelt Ecological Services
East Bay Regional Park District	Santa Clara Valley Habitat Agency	Wildlife Conservation Board
East Contra Costa Habitat Conservancy	Santa Clara Valley Open Space Authority	WRA Consulting
ECORP Consulting	Santa Clara Valley Transportation Agency	WSP
Endangered Habitats League	Santa Cruz Regional Transportation Commission	Yolo Habitat Conservancy

## Appendix 2

### Panel Discussion Summaries

#### **Panel #1: Deciding to do an RCIS, Factors, Uses, Motivations**

**Moderator:** *Shannon Lucas*, Senior Environmental Scientist Supervisor, CA Department of Fish and Wildlife

**Panel Members:**

- *Grace Blakeslee*, Senior Transportation Planner, Santa Cruz County Regional Trans. Commission
- *Meegan Nagy*, Deputy Manager, Reclamation District 108
- *Stuart Kirkham*, Senior Environmental Planner, Caltrans
- *Dan Silver*, Executive Director, Endangered Habitats League

***General Comments to consider when deciding to do an RCIS:***

- Maintain close coordination with CDFW early and often to keep project on track.
- Ensure a complete and extensive planning process.
- Think ahead about funding.
- Be clear on your goals.
- Make sure mitigation credits meet your goals.
- Be sure to have the right locals in the room at the beginning to make the process work.

***Discussion Points***

**Dan Silver:**

- Salient aspect of San Bernardino RCIS: renewable energy mitigation as a driver for the West Mojave plan.
- Lessons learned: Coordinate closely with CDFW from the outset to keep plan on track; think about funding needs, which are considerable.
- Simpler than other tools, such as NCCP. Preparation and adoption are relatively simple; implementation is not. Some concerns: What is to stop a voluntary RCIS from just being a “paper” plan that is not implemented?
- Local governments are critical and need to voluntarily respect priority conservation areas and set them aside during the land use process. Still, local governments fail to do so even when the plan is an NCCP to which they are a *signatory* yet alone for a plan in which they may have no ownership. Conservation generally remains a low priority at the local level and institutional memory is evanescent.
- Biological impacts need to be recognized during CEQA, mitigation required, and mitigation properly directed. Yet this may not happen, depending upon the quality of the EIR, which may well be poor.

- Landowners will have to turn their valuable properties into untested mitigation credits and find that it makes market sense. This is a big leap.
- Funding: From the NCCPs, we've learned that a biologically successful preserve system *cannot* be assembled using project mitigation alone; major state and local funding is critical and will be needed for RCIS success.
  - However, both the recent state Administrations, and associated Legislatures, have not met the funding needs of *existing* NCCPs let alone a slew of new RCISs. Bond act funds have been minimal. In particular, the massive GGRF, in spite of a portfolio that includes Natural and Working Lands, is NOT being allocated to habitat. Those who work in state government need to step up and do something to help solve this.

Grace Blakeslee:

- The planning piece of RCIS legislation works with goals of integrated transportation planning.
- The challenge is to find mitigation plans that will meet the needs of all stakeholders.

Meegan Nagy:

- RCIS is an opportunity to challenge current difficulties in the permitting process
- Use RCIS as a tool to improve the efficiency in the planning and permitting process.
- Working lands: Focus on how to make RCIS successful for “working lands” with conservation mechanisms that work for landowners.
  - For this important group, experience is that they leveraged outside funding and agencies to make RCIS planning work.
  - The longer it takes to fund and finalize an RCIS, the more skeptical landowners will become. Efficiency in the initial process is critical in gaining support among this group.
- Look for small wins to demonstrate value of RCIS program and then expand from there.
  - Limit scope to help achieve goal and show potential for success with landowners.
- Public lands: RCIS is a tool/opportunity for public lands that are not currently managed for conservation and utilize for mitigation and conservation.
- There is a challenge for RCIS across county boundaries. These programs need to have objectives and content that helps conservation of species across county boundaries.

Stuart Kirkham:

- Caltrans' goals related to RCIS is to improve project delivery and meet the department's conservation goals.
  - Overall, Caltrans is looking to establish more successful mitigation associated with their projects.
  - Caltrans is also working to align conservation projects with transportation projects funded by tax measures.
- The role of Caltrans project managers is to ensure that investments are meeting department goals. The planning process identifies specific regions for mitigation or areas of greatest impact.



- Conservation plans need to be cognizant of overall transportation plan goals. Commitment is necessary from all parties (stakeholders) to set goals.
  - Having a comprehensive conservation planning documents in place will help Caltrans develop mitigation plans.
  - RCIS works well if other conservation tools are not in use or available. The agency has interest in mitigation credits in areas that currently don't have them. Looking to implement RCIS in areas where NCCP's are not in place.
- MCA: Concern with how MCA (credits) work with existing credit and mitigation programs.

## **Panel #2: Developing an RCIS: RCIS program and RCISs in process**

**Moderator:** *Andrea Mackenzie*, General Manager, Santa Clara Valley Open Space Authority

### **Panel Members:**

- *Josh Lee*, Chief of Planning, San Bernardino Transportation Agency
- *Aaron Gabbe*, Senior Project Manager- Conservation Planning, ICF International
- *Mike Zeller*, Principle Transportation Planner, Transportation Agency for Monterey County
- *Laura Cholodenko*, Project Manager- Tidal Wetland Restoration, State Coastal Conservancy

### ***Discussion Points***

#### **Andrea Mackenzie:**

- Think of RCIS as vehicle for mitigation and big picture approach for achieving conservation priorities and having impact. Use RCIS for comprehensive conservation planning.
- They had multiple challenges with respect to having an HCP/NCCP in portions of the RCIS area, that were resolved by collaborating with the habitat conservation agencies and creating an MOU (Memorandum of Understanding) with the Santa Clara Valley Habitat Agency.
- In retrospect, wished they knew more about local county history with San Benito County with respect to county agencies, elected officials and regulatory agencies and how to engage them better/earlier.

#### **Josh Lee:**

- Doing an RCIS was an easy choice for their county because it aligned with their current goals and work plans.
- Engagement of stakeholders is critical, ran out of funding partially due to extended engagement, but they really wanted to be hands on. Useful to get stakeholders to provide information on what they see as conservation priorities. Important to early on, figure out context of the local community.
- Facilitated stakeholder meetings were held with organizations critical of mitigation banking, advance mitigation planning to discuss conservation priorities.
- RCIS integrated conservation plan is a helpful tool in areas of high development potential. RCIS allows you to identify areas of mitigation and conservation potential.

- Useful to take RCIS data and transfer to web-based format for users to easily find focal species, etc.

Aaron Gabbe:

- ICF is working on 5 RCISs; CDFW has refined the guidelines in collaboration with stakeholders, which has been helpful. Many of the revisions ICF and in-development RCISs have recommended are directly informed by the RCIS development processes and how we expect the guidelines to play out in implementation.
- As more RCISs are being developed, we are collecting more data, information and experience on how to scope these programs.
- Challenge is setting objectives for RCISs, particularly quantitative objectives for focal species and other conservation elements.
- RCIS vision is now broader and more comprehensive and this really helped alignment with Bay Area conservation initiatives but does not align as closely with other RCISs.
- There is some tension between vision of RCISs and how to apply to different political and physical geographies
  - In Sacramento Valley, for example, there are very different challenges compared to the Bay Area; more dominated by agricultural land. Most natural habitats in the RCIS area are protected on wildlife refuges and other protected areas. Setting quantitative protection objectives for natural habitats was very challenging, as little is left and we wanted to avoid identifying specific private lands for conservation
- Leaning on existing conservation plans has been helpful for identifying conservation actions and priorities.
- Identifying conservation priorities was pivotal; working with conservation agencies to get that priority information was the most valuable aspect of stakeholder outreach; getting that information from a variety of folks was most valuable; it wasn't dependent on one agency's feedback. Need to decide who needs to be at the table and figure out how to entice them to participate.

Laura Cholodenko:

- State Coastal Conservancy is the proponent of East Bay RCIS, and very close to completing the plan; final plan to be submitted early 2020.
- Opportunity of RCIS: opportunity to do good planning in the face of urbanization, site projects more carefully, and directing mitigation and conservation funding to priority areas
- Draft plan set numerous conservation targets for species habitat using methodology developed for the Conservation Lands network. CLN is land cover based and not habitat based so application of the methodology was problematic. Lesson- Need to carefully consider if modification of existing tools is appropriate. Important to have a clear strategy on how to engage local stakeholders.
- During engagement, requested written comments on administrative drafts of the plan but didn't get that. One engagement approach was to focus discussion on specific aspects of the plan that are of interest to people; the steering committee decided that conservation priorities would be a good topic to gather local knowledge of the region and priority areas for conservation and restoration. Created maps and asked stakeholders to mark-up areas where they're working or interested in developing projects.

- Some stakeholders expressed concern that a program like the RCIS which facilitates advance mitigation could be a disincentive for the development community to avoid and minimize project impacts. Had several specific conversations on this topic and included language in documents that emphasize need to follow the mitigation hierarchy.

Mike Zeller:

- TAMC is sponsor for Monterey County RCIS.
- The purpose of our Agency developing a RCIS is to facilitate permit streamlining and assist with project delivery. Prior to this process, our Agency worked with Caltrans, regulatory agencies, and the Elkhorn Slough Foundation to develop the Elkhorn Slough Early Mitigation pilot project. Through this effort, we were able to identify habitat needed for mitigation early in the development of the US 101 Prunedale Improvement Project and set that habitat aside for mitigation credits. With this effort, we're looking to do something similar county-wide.
- Our effort is primarily funded by Caltrans grant and matched with Measure X, our local sales tax for transportation.
- Early stages of RCIS; draft to hopefully be ready in early spring 2020
- Habitat protection and connectivity rolled into planning
- Need a way to mesh RCIS conservation goals with entity conservation goals and objectives.
- Partner with Caltrans, CDFW, and local jurisdictions to develop your list of stakeholders early in the RCIS development process to ensure buy-in.
- What didn't work: we had great stakeholder turnout at the initial meetings, but that has dropped off as the information that we are presenting has become more technical. So work with your stakeholders to identify who at their organizations are the appropriate people to be reviewing materials and attending meetings depending on where you are in the process – it may not always be the same person.

### **Panel #3: Funding for RCIS Development, Sources and Strategies**

**Moderator:** *Rebecca Fris*, Assistant Executive Director, California Wildlife Conservation Board

**Panel Members:**

- *Kenneth Kao*, Principle Planner, Bay Area Metropolitan Transportation Commission
- *Polly Escovido*, Chief, Grants unit, California Natural Resources Agency
- *Gary Knoblock*, Senior Program Manager, S.D. Bechtel Jr. Foundation
- *Bill Craven*, Chief Consultant, CA Senate Natural Resources and Water Committee

**Topic Questions:**

*New or untraditional sources of funding?*

- Polly Escovido: For implementation projects, seller discounts have been appearing as an option

- Gary Knoblock: If there were data layers on additional values like groundwater recharge, fire risk reduction, or carbon sequestration, for example, there could be ways that additional public agencies would want to add funds for regional decision-making tools.
- Bill Craven: the appeal of these tools is obvious, but the political reality is a much heavier lift
  - Making the RCIS larger and more complicated, will only add more cooks in the kitchen and getting to yes that much more difficult
- Kenneth Kao: Funding streams looking at seed money to capitalize a Regional Advance Mitigation Program in the San Francisco Bay Area
- Rebecca Fris: Wildlife Conservation Board has funds specific to funding RCIS development.

#### Essentialness of private investments?

- Gary Knoblock: Yes, lot of potential there, utilizing and getting buy-in from businesses.
- Hal Holland (Westervelt): what is the return of the investment? They won't just put money in as a donation essentially, so the mitigation side is what generally drives private investment.

#### Revolving loan funds – is there an argument to be made for this type of investment?

- Bill Craven: Positive and negative to this answer; positive it could attract multiple funding sources.
- Bill Craven: Not sure if RCISs are mature enough to have level of confidence to set up a revolving loan fund.
  - Currently there is not an obvious way to recoup your funds through an RCIS.
  - If RCIS and MCA are linked, you could bill the RCIS as a legitimate expenditure – it gets you toward the MCA where you start to recoup funds.

#### **Discussion Points**

##### Kenneth Kao:

- From the beginning, it is important to know how much your RCIS is going to cost. Need to know how much seed money is required to get mitigation program off the ground.
- Investigate many funding options: state, federal, local options (county wide agencies can have line item in local tax initiatives).
  - Biodiversity should be considered as a requirement to secure funding.
  - The State does provide funding for planning.
    - Look to see how to use Prop 68 funds to fund priorities for conservation.
  - TNC assisting in pricing out what it would actually take to implement RAMP, RCISs, etc.
- The more layers of data and benefits of RCIS would attract more funding (i.e. water). More diverse areas of benefit would engage more diverse sources of funding.

##### Polly Escovido:

- California Natural Resources Agency oversees Prop 68 funds and is an option for funding new RCIS.



- Tips and Tricks: Call the funding organization and attend workshops before applying to grants! Minimize errors and helps give you competitive edge..... ***follow the directions in the solicitation!***
- July 2020, the California State Library will have a statewide database of all funding sources.
- Visit State Website for reference tools to help ID programs and cycle for funding:
  - <http://resources.ca.gov/wp-content/uploads/2019/07/Final-Agency-Grants-and-Loans-as-of-July-2019.pdf>
  - [http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB2252](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB2252)

Gary Knoblock:

- The **realities** of private philanthropy present some obstacles. Conservation philanthropy:
  - Rarely understands land-use policy
  - Is leery of government processes
  - Is allergic to habitat mitigation out of concern that it condones habitat conversion and infrastructure building.
  - However, there is some evolution happening in philanthropy to better understand these issues and the potential for positive conservation outcomes.
- There are some **opportunities** with private philanthropy – key would be to involve philanthropy in elements beyond just the core RCIS document development. Appealing to philanthropy would be:
  - Community engagement in a public process, especially engaging historically marginalized communities.
  - Consensus building to move community forward.
    - RCIS not necessarily sold as a planning document in this case but as a consensus building tool.
  - Consensus building in a region to address what can seem like intractable problems – DRECP model. Opportunity to sell RCIS as way to achieve larger regional issues, not just conservation planning.
    - Efforts that advance innovative approaches like multi benefit planning, ecosystem services, climate resilience, regional scale cross sector work.
    - In other words, you're not selling the RCIS as a planning document, but rather as a path to achieve bigger results for a region.
- **Strategies:**
  - Public funding will probably need to pay for the bulk of the work for developing an RCIS.
  - Private philanthropy can add elements that go beyond the basics, like community engagement and developing innovations.
  - Could be beneficial to target regional funders who are looking to achieve regional outcomes like “better communities” and the RCIS can be a tool and process to move in that direction.

Bill Craven:

- MCA: when this bill was passed MCAs were not as hugely important to RCISs as they are now; an observation on how a bill works its way through legislature but is not always implemented with same emphasis. Note that if there is a capital outlay, consider both public and private sources of funding.
  - If more benefits were included in RCISs would state be more likely to fund their development? Possibly-
  - How do you link bond funding to conservation initiatives?

- Climate: Expand into Greenprint and Sustainable Communities Strategies (SCS).
  - Consideration of ESA in scope of RCIS would increase funding return on investment.
- Legislative considerations:
  - Set Baseline in request for State funding: Define funding needs, so legislature can react better.
  - Remember that the more complex the plan, the more complex the politics and getting to yes.
  - Unclear how Federal funding mandates work with RCIS. Can these funds be used as seed money?
- Bonds: Create incentives within Infrastructure agencies to support RCIS development.
  - Consider a Bond for funding which will benefit infrastructure agencies.
  - To justify a \$500M bond investment, RCIS will need to mature from where it is today.
  - Possibility to consider a joint bond measure to fund RCIS and MCA, creating a virtual cycle where RCIS provides MCA credits and MCA credits then fund RCIS.

#### **Panel #4: Making RCIS's work-** Critical factors and strategies to ensure RCIS success

**Moderator:** *Chris Beale*, Attorney, Resources Law Group LLC

#### **Panel Members:**

- *Jodi McGraw*, Principle, Jodi McGraw consulting
- *Kim Delfino*, California Program Director, Defenders of Wildlife
- *Jennifer Norris*, Field Supervisor, US Fish and Wildlife Service
- *Ron Unger*, Landscape Conservation Planning Manager, CA Department of Fish and Wildlife
- *Matt Gause*, Director of Ecology and Land Stewardship, Westervelt Ecological Services

#### ***Discussion Points***

##### **Jodi McGraw:**

- How can smaller counties use RCIS data for other purposes? Can we extend data from RCIS for other uses, including non-conservation, such as local planning or general plans?
- What does success look like?
  - Conservation on the ground.
  - Stakeholders walk away feeling good about the work.
- Important to find ways to make permitting easier. Can fees be lowered for mitigation?

##### **Kim Delfino:**

- RCIS can be beneficial to help identify areas ripe for conservation. Potential to be a catalogue for

underrepresented areas.

- Value long term, as we understand impact of climate change, is that RCIS become a series of resiliency documents for the state.
  - Is there potential that we could see species being delisted from ESA as a result of an RCIS in place?
  - How working lands are managed in the future will be impacted by labor changes and changes in groundwater management. Can we use RCIS as a tool to help farmers and ranchers stay on their land with changing landscape?
- Consider Department of Defense lands in RCIS. DOD has a lot of land with conservation value and they have funding opportunities. If you are considering Federal lands in your RCIS, important to include federal land managers in the process as a key stakeholder
- RCIS overlap with Federal planning: use RCIS to determine where conservation will happen and where development will happen.
- Consistency and predictability with number of credits. It is possible to develop a template to determine credits based on RCIS plan?
- Consider the concept of temporary habitats to incentivize MCA development.

#### Jennifer Norris:

- RCIS overlap with Federal planning: use RCIS to determine where conservation will happen and where development will happen.
- RCIS is an inventory of ecological resources, as well as plan to improve the value of those resources.
- How can you use existing guidelines and statutes for an RCIS proposal? Idea is to recycle as much as possible and to get other agencies involved.
- RCIS information can jumpstart HCP & NCCP planning and permitting process.
- Program needs to allow for variability in locations and plans to be successful.

#### Ron Unger:

- CDFW continues to learn and find ways of being more efficient as RCIS drafts are being prepared and come in to CDFW for review and approval. CDFW is looking for RCISs to be comprehensive, without “holes” (i.e., RCIS areas not excluding geographic areas within the RCIS boundary).
  - Early and ongoing CDFW coordination and consultation in RCIS preparation process is now strongly suggested in the guidelines and RCIS staff involvement helps to reduce errors and omissions and comments later.
  - Internal training program in place at CDFW for RCIS review process.
- Staffing is an issue in CDFW related to total workload requirements. The CDFW RCIS team is also the same folks working on MCA and NCCPs and other major tasks.
- In the future, CDFW would like to see information from RCIS applications used for the NCCP permit process, so that applicants receive some benefit for the effort put into developing an RCIS.
- For long-term success of the RCIS Program, would like to see us get ahead of pressures such as land use changes, development, and other pressures, including the impact of climate change on habitats.
  - Have RCIS across counties currently with no regional conservation plans in CA, so that multiple communities may benefit from the Program and so biodiversity is maintained.
- Would like to see 2-3 RCIS approved in the next year and another 10 in the next 5 years.

Matt Gause:

- RCIS will have valuable applicability for properly siting mitigation to achieve the best conservation results. This will be especially useful in areas of the state where significant data gaps exist (i.e., San Joaquin Valley, Northeastern CA)
- Ultimately the success of the RCIS program is going to be rooted in how the MCAs play out
- Within the next year we really need a prototype MCA in place that we can trial on an actual or hypothetical project. Within 5-years we really need to have worked out how working lands fit into the RCIS / MCA process if working lands are truly going to be conserved within the program.
- If an MCA is developed and additional federal agency (e.g., USACE or USFWS) approval of credits is required it may be best to take an MCA and run it through the Interagency Review Team (IRT) process with the US Army Corps of Engineers (i.e., the banking process). I'm not totally sure what this looks like, but I think it could be accomplished.

## **Appendix 3**

### **Tabletop Discussions Sheets: Background Information and Questions to consider for each topic**

*The following are the discussion sheets that directed the participants to discuss specific topic areas and questions.*

## ***Tabletop Topic #1: Key Elements of Developing RCIS***

### **MULTI-AGENCY ALIGNMENT**

**Issue:** The RCIS statute enables CDFW to approve RCIS documents and issue mitigation credits. How can we structure the RCIS so other wildlife and natural resource regulatory agencies can participate in RCISs and potentially approve mitigation credits?

**Background:** California's AB 2087, the RCIS statute is a state law administered by the California Department of Fish and Wildlife (CDFW). An RCIS is a voluntary, non-regulatory, and non-binding conservation assessment that includes information and analyses relating to the conservation of focal species, their associated habitats, and other natural resources<sup>4</sup>. Once approved by CDFW, RCISs allow for the establishment of Mitigation Credit Agreements (MCAs). Credits under MCAs can be used for compensatory mitigation for impacts under the California Endangered Species Act, California Environmental Quality Act and Lake and Streambed Alteration Program.

RCISs can address resources protected by a range of state and federal agencies, as well as by CDFW, including regional water quality control boards, U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, US EPA, National Marine Fishery Service. In this vein, RCISs can provide a snapshot and assessment of a region's natural resources and ecological processes to enable integrated, landscape scale conservation planning. This flexibility provides an opportunity for state and federal agencies to participate in the development of RCISs to reflect their resource protection goals and statutory requirements. It can also support a framework for MCAs to be developed to provide compensatory mitigation for resources regulated by other state and federal agencies, such as wetlands, waters and fish species. Infrastructure agencies have indicated that enabling multi-agency mitigation credits add value to an RCIS and MCA. However, challenges remain; such as regulatory staff capacity to engage in RCISs and MCAs,

differing agency requirements and processes, and delays resulting from the need for review and approval by numerous agencies.

**The Challenge:** How can RCISs and MCAs provide a framework for integrated, multi-agency planning, including resources for the suite of conservation values, needs and priorities? Can RCISs and MCAs fit into or be combined with existing mitigation programs and multi-agency processes? How can key agencies engage with, support and potentially approve RCISs and MCAs? Why is this important?

#### **Questions to Consider:**

- ☐ Why is it important to have multi-agency engagement in RCISs and potentially MCAs? What are the opportunities that it could create, or problems it could address?
- ☐ How does an RCIS complement or conflict with existing mitigation policies, such as the Clean Water Act 2008 Mitigation Rule and the US FWS 1981 Mitigation Policy? Do RCISs and MCAs align with other policies?
- ☐ What are the barriers?

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<sup>4</sup>In addition to focal species and other elements, an RCIS shall include "...Important resource conservation elements within the strategy area, including, but not limited to, important ecological resources and processes, natural communities, habitat, habitat connectivity, and existing protected areas..." From AB2087/ Fish and Game Code Chapter 9, Section 1852(c)(4)



- ☐ Are there ways to address **overlapping requirements** among the different agencies in RCISs and MCAs, e.g., by including and assessing resources protected by other agencies, or by combining MCAs with instruments and agreements used by other agencies?
- ☐ Are there efficiencies that could be achieved through developing an RCIS, capturing and sharing data and collaboration?
- ☐ How to address the staff capacity issue to work on RCISs? Are there opportunities to optimize the **bandwidth, capacity and time** agencies need to work on RCISs?

Feedback from last year's 2018 RCIS Symposium:

- ☐ *Mitigation requirements: State and federal agencies must coordinate to ensure that mitigation opportunities identified in the RCIS can be used for both sets of regulatory requirements.*
- ☐ *Dedicated resource: How do you get a dedicated liaison at each of the agencies (unclear who funds this) to do an early review of RCIS plans and MCA so you have early buy-in?*
- *Overlapping requirements: Agencies have overlapping mitigation requirements. Agencies involved need to think about how their mitigation requirements are used. How can we mesh the diverse regulatory requirements and programs from different agencies, so that we aren't reinventing the wheel?*
- ☐ *Data access: Providing a data portal for RCISs and MCAs that all agencies can access will minimize duplicity in work across multiple agencies.*

## DATA/INFORMATION REQUIREMENTS AND STRUCTURE

Issue: What are the best practices to enable RCISs to include robust conservation data and analyses, be efficiently developed, and be easy to use for the audience to incentivize implementation, for both conservation objectives and mitigation objectives?

Background: RCISs are intended to be science-based data-rich conservation strategies that use the best available data and are organized around focal species and natural communities incorporating critical issues such as climate change adaptation and connectivity. The statute identifies requirements and the associated guidelines provide more detail on data and data organization. The statute also requires the data to be transferred to CDFW so that the data can be captured and housed at a state agency for the public's access. At the same time, motivations behind the statute include the desire for RCISs to be developed and completed in a shorter time frame (1-2 years) and be easy to use to drive conservation investments to high priority areas and to enable advance mitigation.

The Challenge: There is tension inherent in those two objectives, i.e., how can a robust, data rich strategy be developed quickly and easily usable, including by non-conservation entities? What are best practices and approaches to meet these needs and encourage implementation? In addition to the requirements, what other data (e.g., multi-benefit conservation values) can be helpful to guide conservation and mitigation investments?

### **Questions to Consider:**

- ☐ What are the best methods to gather the relevant data?
- ☐ What are the key questions to answer to help organize the approach?
- ☐ What are the best methods to display the information? In a report? Online? Interactive web tool?
- ☐ In addition to focal species and natural communities, what other data would be helpful to address other critical issues, such as climate mitigation and resilience, water supply and habitat connectivity?
- ☐ What practices would *discourage* involvement and implementation?

### **Feedback from last year's 2018 RCIS Symposium:**

- ☐ Data Portal: *Providing a data portal for RCISs and MCAs for all agencies to access will minimize duplicity in work across multiple agencies.*
- Biodiversity/Connectivity: *An accepted method for demonstrating connectivity is needed. Focal species & non-focal species allows you to build in more conservation priorities with less effort.*
- ☐ Mapping: *Suggested State-wide vegetation mapping. Consistency of mapping across state would be beneficial.*

## ENGAGEMENT STRATEGIES

Issue: What are best practices around engaging partners, stakeholders and potential users in developing RCISs to incorporate community values and goals and enable implementation? What management structures work well for developing the RCIS?

Background: RCISs can provide a snapshot and assessment of a region's natural resources and ecological processes to enable integrated, landscape scale conservation planning. They are intended to help identify areas for conservation investments and mitigation investment; ideally they should be user-friendly to enable implementation. In order to foster RCIS support, approval and implementation, it is critical to have sound engagement strategies. While AB 2087 includes requirements to involve local governments in the RCIS development, RCIS proponents will benefit from engaging with a wider circle of partners. Such activities may include:

- Developing a stakeholder map and outreach strategies to identify and engage communities, representatives of different sectors (e.g., transportation, water and working lands), conservation NGOs, potential users/implementers, elected officials, the science community and the private sector.
- Developing communications tools that include collateral, maps and presentations.
- Considering different methods of outreach, such as workshops, meetings, digital
- Articulating the information you are seeking and how you will use feedback.

In addition, a project management structure can incorporate engagement with key partners. For example, an RCIS's Core team (which may include the RCIS sponsor, consultant and close partners who will be deeply engaged in the work) may rely on a Stakeholder Group of key partners, potential users and science experts to provide feedback and advice on direction.

The Challenge: Engagement strategies are critical to the success of an RCIS. However, capacity and resource constraints will naturally limit engagement. What are the best practices and structures for engagement? Who are the key audiences to engage? What audiences are often overlooked that should be highlighted?

### **Questions to Consider:**

- ☐ Who are the critical audiences to engage?
- ☐ What are sound engagement structures (e.g., stakeholder groups, ad hoc outreach)
- Is there common "playbook" that can be developed for outreach programs, so that local sponsors can easier modify/adjust material for local application?
- ☐ How can engagement strategies help add value to RCISs?
- ☐ How can engagement help identify implementation opportunities?

## DESIGNING WITH IMPLEMENTATION IN MIND

Issue: What are the best practices that relate to RCIS structure, format, information and engagement to enable implementation of an RCIS?

Background: RCISs can provide a snapshot and assessment of a region's natural resources and ecological processes to enable integrated, landscape scale conservation planning. In addition, they are required to be consistent with existing land uses and consider infrastructure development plans in the region. RCISs require resources, capacity and engagement to develop, which will be well worth it if it fosters implementation. In order to encourage implementation and usability, it is important to consider how the RCIS may be used and by whom? What would success look like? The answers to those questions may lead a proponent to consider the structure and format that is best for implementation; what information should be included and how that information is displayed; and who to engage in the development of the RCIS.

The Challenge: As a new tool, there are different approaches to designing an RCIS that should relate to audience, uses and the market for an RCIS. How can RCISs be designed to foster robust implementation of an RCIS?

### Questions to Consider:

- ☐ What have been successful conservation plans or integrated plans you have seen over the years? Why would you consider them successful? What made them stand out?
- ☐ How important is it to know the potential users of an RCIS? How might those use cases drive the structure, format and engagement strategies?
- ☐ What are some questions or issues that would help decide the format and design features of an RCIS?
- ☐ Why do you think some conservation design plans fail?
- ☐ What would be key characteristics of RCISs to enable implementation?

### Feedback from last year's 2018 RCIS Symposium:

- ☐ Design process: *The process of developing an RCIS should inform the design. Start with inventory, then create design alternatives. Expand from primarily a species centric focus to include broader ecosystems and habitats, such as water and wetlands.*
  - ☐ *Local factors: Consider the RCIS as a locally driven initiative. Strategic area maps can incorporate both ecological boundaries and political boundaries to ensure relevance and success. What are pressures/stressors due to land conversion, water use, policy drivers? Consider both the what/where and the how/who.*
- ☐ Planning: *Use values and techniques for synthesizing and distilling information in planning context. Start with a broad scope and then prioritize based on preparer's needs. An interactive map and users guide would be valuable tools.*
  - ☐ *Plans are locally driven and should include opportunities to engage with local entities and community members, beginning with local context-setting.*
- ☐ Science based approach: *Figure out what your plan is designed to accomplish. These are biodiversity-based plans, but they are also about working lands, so bake those needs into the planning process. Prioritize actions that take into account local conditions.*

- *Species and resources need to be the drivers of conservation of resources. Biodiversity and species richness impact the RCIS scope and species selection. Identify species impacted by local stressors (e.g. invasive species, pesticides).*
- *Balance tradeoffs: Between a standards/criteria-based approach versus a spatially explicit/mapped approach. You want spatially explicit priorities with stacked values, even if quantitative objectives are a hard part of the process.*

## ***Tabletop Topic #2: Mitigation Credit Agreements***

### **PROGRAMMATIC MCAs**

Issue: There is some dispute over whether AB 2087 clearly allows for Programmatic MCAs, but they are certainly desired. This discussion topic is intended to explore the potential benefits and challenges of Programmatic MCAs, potential use cases and multi-agency engagement.

#### *Background on Programmatic MCAs:*

MCAs can provide the opportunity for entities to plan for and implement a program of mitigation actions that would be used for predicted mitigation needs for a suite of future infrastructure or development projects. Under this approach, an MCA sponsor, guided by conservation priorities expressed in an approved RCIS, identifies areas on the landscape and a suite of proposed conservation actions (protection, restoration, enhancement) that are candidates for projects that would meet the sponsor's (or partner's or customer's) predicted mitigation needs. Having CDFW's concurrence that the areas and actions are generally right through approval of a programmatic MCA would give the sponsor confidence to move ahead on the mitigation program, sooner, for a suite of projects. It would also incentivize the sponsor to secure enough funding (in whole or in part) for the entire mitigation program as opposed to a traditional, project-by-project, approach.

The benefits of this approach include:

1. It would help the sponsor focus its mitigation effort on a range of opportunities and have flexibility given the difficulties of securing specific parcels and implementing conservation projects. For example, if a landowner decides she is not willing to sell, the sponsor can pursue other opportunities. Given the challenges inherent in conservation projects, the MCA sponsor would welcome the flexibility and confidence of CDFW's support.
2. Once approved, the MCA sponsor could seek a larger amount of funding for the program of mitigation projects, not just one project. This funding flexibility could result in project efficiencies with a longer time frame and a higher likelihood of leveraging other funds for mitigation projects.
3. It could allow the MCA sponsor to design and implement a more robust program of conservation actions that, stitched together, could result in a more connected and successful ecological outcome.

Importantly, the MCA sponsor would not receive the credits until the mitigation actions agreed to in the MCA are completed and CDFW agrees that the conditions are satisfied and releases the credits. Likewise, if an MCA is approved and the MCA sponsor does *not* pursue or successfully complete mitigation actions, the sponsor would not receive credits.

Of the questions below, choose three to discuss.

#### **Questions to Consider:**

- What are the benefits of a programmatic MCA?
- What are the challenges of a programmatic MCA? How can those challenges be overcome?
- What are examples of use-cases for programmatic MCAs?
- Can other agencies (in addition to CDFW) support or approve programmatic MCAs? If not, what would be needed to facilitate that approval?
- How do programmatic MCAs align or conflict with existing mitigation policies and practices?



## **PATHWAYS FOR OTHER AGENCY APPROVALS (FEDERAL AND STATE)**

RCISs can address resources protected by a range of state and federal agencies, as well as by CDFW, including regional water quality control boards, U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, US EPA, National Marine Fishery Service. In this vein, RCISs can provide a snapshot and assessment of a region's natural resources and ecological processes to enable integrated, landscape scale conservation planning.

This flexibility provides an opportunity for state and federal agencies to participate in the development of RCISs to reflect their resource protection goals and statutory requirements. It can also support a framework for MCAs to be developed to provide compensatory mitigation for resources regulated by other state and federal agencies, such as wetlands, waters and fish species. Infrastructure agencies have indicated that enabling multi-agency mitigation credits add value to an RCIS and MCA. This would be especially valuable in the programmatic MCA concept, allowing an MCA proponent to identify mitigation opportunities to address different resource priorities for different permitting processes.

However, challenges remain; such as regulatory staff capacity to engage in RCISs and MCAs, differing agency requirements and processes, and delays resulting from the need for review and approval by numerous agencies.

Of the questions below, please choose three to discuss.

### **Questions to Consider:**

- What are possible pathways for other agencies to lend support to and approve MCAs?
- What information would be necessary to be included in an RCIS and MCA for other agencies to engage in (support and approve) an MCA?
- What level of engagement (capacity and timing of engagement) would be necessary?
- Are there existing models for multi-agency mitigation instruments? How would MCAs be different or similar to them?

## **MCAs ON PUBLIC LANDS**

One intention of the RCIS/MCA program was to bring attention and support to conservation actions on existing protected lands as well as to actions on private lands that benefit or abut public or protected lands. Often, lands in public ownership are not permanently protected with a conservation easement, and/or lack endowments or other funding to provide for restoration and enhancement activities. Depending on a variety of factors, it may be possible to design an MCA that brings support for conservation actions to lands already in public ownership. Furthermore, CDFW is considering working cooperatively with public agencies on pilot MCAs, potentially on lands already in public ownership. Given this, how can an MCA program be designed or piloted to demonstrate this concept without weakening the MCA program or opening it up to challenge?

Of the questions below, please choose three questions to discuss.

### **Questions to Consider:**

- What is an example of a publicly owned property that might fit the MCA program?
- What factors might exclude some publicly owned lands (e.g., funding sources, concerns about additionality) from being included in an MCA?
- What level of permanent protection should be required in order to credit conservation actions on public lands?
- CDFW has indicated in its draft MCA Guidelines that it would credit conservation actions on public lands at a different rate than conservation actions on private or non-publicly owned lands. Do you agree with this approach, or see room for nuance?
- What would be needed to credit temporary enhancements on public lands?
- Would allowing MCAs on public lands disincentivize MCAs on private lands?

## INCENTIVES FOR MCA DEVELOPMENT

MCAs must provide value to a sponsor; without a clear value and use of the credits, there would be no use for an MCA. What would motivate a potential MCA sponsor to pursue an MCA? What would be use cases for MCAs? What are the characteristics that would be important to spur investment in an MCA? Why would someone pursue an MCA vs. other mitigation pathways such as banks, in-lieu fees or habitat conservation plans?

This discussion topic is intended to generate ideas and suggestions for key attributes of MCAs that would be important for motivating investment in an MCA.

Of the questions below, choose three to discuss.

### **Questions to Consider:**

- Identify specific use cases for MCAs.
- When would one pursue an MCA vs. another mitigation solution? How should an MCA be different from a bank?
- What would be important characteristics of MCAs that would add value for an infrastructure agency or conservation investor?
- What are existing challenges in the field of mitigation or conservation that MCAs can address?
- What are conservation goals could MCAs help achieve?
- What flexibility is needed for MCAs in a mitigation market?

## MCA<sub>s</sub> FOR HABITAT ENHANCEMENT ACTIONS

AB 2087 enables MCAs for Habitat Enhancement action, defined as, "...an action to improve the quality of wildlife habitat, or to address risks or stressors to wildlife, that has long-term durability but does not involve land acquisition or the permanent protection of habitat, such as improving in-stream flows to benefit fish species, enhancing habitat connectivity, or invasive species control or eradication." (Sec. 1851(g) of Chapter 9 of the Fish and Game Code)

The motivation to enable mitigation for habitat enhancement actions was to encourage investments in important conservation strategies that were not able to get mitigation credit; the examples in the definition point to the need.

As with any new tool, the issue is complex. Considerations such as durability, alignment with other policies, timing and credit valuation are all important questions to explore.

Of the questions below, please choose three to discuss. You can also develop a new question that the group would like to discuss.

### **Questions to Consider:**

- What would be a typical use case, i.e., what kinds of project impacts would such enhancements address? What are other examples of habitat enhancement actions that were not listed in the statute that you think an MCA could credit?
- What regulatory structures, models, or policies exist that support the habitat enhancement action concept?
- What are the best ways to be able to practically match the length of a credit to the impact it is offsetting to ensure durability<sup>5</sup> in a real-life example? What land protection instruments and financial assurances can be used to ensure durability?
- What are models for crediting habitat enhancement actions?
- What are the main challenges or barriers to this concept, and how can they be overcome?

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<sup>5</sup> Sec. 1856(d): "The department shall ensure the long-term durability of a habitat enhancement action. If a habitat enhancement action is used to create one or more mitigation credits pursuant to this section, the habitat enhancement action *shall remain in effect at least until the site of the environmental impact is returned to preimpact ecological conditions.*" (emphasis added)

## Appendix 4

### Summary of All Notes from Group Tabletop Discussions

#### Tabletop Discussion #1: *Key Elements in Developing RCISs*

##### Data /Information Strategies and Approaches

- Getting visioning process early on to decide what data to use and what is needed.
- Information is only as good as the quality involved in getting it.
- Look toward public academic institutions to help collect data.
- Keep the user in mind to help identify data and information needs.
- Ensure that data for RCIS is publicly available. All RCIS and MCA documents/data should be posted on a central interactive website, searchable by names/keywords. Map interface so that user can see where all RCISs and MCAs are located, with links to associated documentation, maps, data, etc.
- Establish standards for data formats and GIS metadata for all “new” data, so easier to search database for all information related to keywords.

##### Ensuring Multi-Agency alignment and support

- Barriers:
  - Complexity. Adds time and resources.
  - Hard to identify common requirements to get buy-in and avoid conflicting proposals.
  - Capacity of staff to participate.
  - Fear of undermining mitigation banks.
- Overlapping requirements:
  - Have flexible guidelines that allow different agencies to participate as needed in areas where banking template doesn’t fulfill needs.
  - Beef up level of certainty that MCAs will be accepted by CDFW at permit-issuing time. Also need it from other agencies, in a less complex instrument compared to BEI.
  - Army Corps- need to reconcile approach to transferability of permittee-responsible mitigation while clearly not asking ACOE to change its regulations.
  - CDFW- How can we find new funding sources for conservation outside of fees?
- Ideas on how to make it work:
  - Recognize that some agencies like Caltrans and HSR have different missions.
  - How to structure documents among agencies? Involve all agencies early on to ensure that multi-agency priorities and requirements are reflected in the RCIS strategy.
  - Local jurisdictions and conservation organizations.
  - Consider adding RCISs as a topic area to already-established joint agency meetings.
  - Identify and work with problematic stakeholders early.
  - Need concept stage that all agencies agree to.
  - Include goals and objectives that translate to resource agencies.

### Successful Engagement Strategies

- Approach audience with “What’s in it for me.”
- Identify objectives upfront. Engage early with CDFW as the process is still developing.
- Begin with the end in mind. What is the end objective? This will determine if permanent or temporary engagement is needed.
- Consider temporary goals to get initial buy in from skeptical stakeholders.
- Design engagement strategies at the outset of the process to ensure comprehensive engagement to help address stakeholder needs, priorities and concerns.

### Designing RCISs with Implementation in mind

- Structure of the plan itself: Clear definition/description of what implementation would look like. Metrics to evaluate implementation.
- Importance of engaging everyone involved upfront, especially those who will be implementing the plan.
- Develop a format for the RCIS document that is easy to access and use. Consider fewer words, more graphics and interactive tools.
- Identify roles and responsibilities. Find specific ways to align State and Federal law for MCAs to work. Help CDFW be an advocate with other regulators to meet multi-agency permitting requirements.
- Anticipate projects and changes to landscape in the region with demand and climate change (e.g. water, wetlands, carbon, etc)
- Need to have forecast match up with the plan.
- Look at who will use the plan to establish design requirements.
- How do you pull in partners to get through MCAs at the beginning? Need that to be in design.



## Tabletop Discussion #2: A focus on Mitigation Credit Agreements (MCA)

### Developing programmatic MCAs

- Simplify and incentive development, enrolling working lands, invest in MCAs, facilitate successful demonstration of MCAs.
- Extend to prospectus legislation to a broader suite/portfolio of projects.
- Consider ways for the legislature to include and incentivize MCAs in conservation or infrastructure related legislation.
- Benefits to programmatic approach, ability to leverage umbrella implementation; programmatic mitigation banks; balance between thoroughness and upfront and efficiencies.
- Provide temporary enhancement credits. Helpful for working landowners.
- Prioritize a programmatic MCA as one of the first pilots to work through the issues and demonstrate success.

### Pathways to state and federal engagement/incentives

- Focus on State agencies first, then approach Federal agencies. Awareness for differences in semantics between agencies. Different words, similar ideas.
- For agencies to approve they'll need to be a tangible on the ground thing for agencies to approve, template for approval. Based on existing Bank Enabling Instrument or need a new template? Extend existing pathways.
- Understanding when limitations are very real, especially when things don't fit definition of a banking program.
- Involve multiple agencies in the early MCA pilot projects.

### MCAs for habitat enhancement actions

- What types of projects would benefit from this? What agencies support this type of action?
- Wildlife crossings/enhancements and how you calculate a credit for a crossing will be important. Return on investment.
- Factoring in how we could have an affordable credit. Valuation.
- Unique nature of habitat enhancement actions may not facilitate the idea of a one-stop shop
  - What types of impacts can you use enhancement credit to offset?
- Challenges:
  - Consistent crediting, site selection, transient habitat patches.
  - Getting agencies comfortable with benefit of temporary mitigation.

### MCAs on public lands

- Consider higher value for determination of impact on neighboring lands for proposed development.
- High value to determine impact on neighboring lands.
- Consider use of easements for temporary impacts.
- Consider wildlife corridors/crossing as mitigation for MCAs
  - Acknowledged the soft CEQA language on this

- Could be addressed through stronger climate change and corridor analysis in RCIS to better set up this MCA discussion.
- Placement of parcels and how we balance valuation of land depending on where it is and its critical function, connectivity
  -

#### Incentives for MCA development

- Habitat enhancement credits (e.g. Fern protection to offset temporary effects)
- Enroll working lands more effective. Monetize.
- RCIS and MCA facilitate multi benefit crediting.
- Successful demonstrations.

# Appendix 5

## Complete set of comment notes from Guest Speakers

### Opening Comments

***Rick Macedo***, Chief, Habitat Conservation Planning Branch, CA Department of Fish and Wildlife

- The strategic element of RCIS legislation is unique in the conservation world. The RCIS program is important because it brings elements of wildlife and ecosystem management together.
- The role of CA Department of Fish and Wildlife (CDFW) is to put guidelines in place around the RCIS legislation, to make it workable and bring legislation from concept to reality as a conservation tool for the state of CA.
- The RCIS program brings strategic thinking to mitigation programs that are integral to infrastructure projects that the CDFW deals with every day. The Department is looking to the RCIS process to help with planning around many of permit requests that impact environmentally sensitive habitat such as stream crossings, culverts, etc.

### Lunchtime Speaker

***Chuck Bonham***, Director, CA Department of Fish and Wildlife

*Topline message: “Stay the Course”*

- California is one of the 25 Biodiversity hotspots on the planet. CA has more biodiversity than any other place in the country but leads the nation in loss of habitat.
- Important that we keep moving forward with this program, this is not the time to back off or give up. We can turn this into a national example of how to do strategic conservation planning.
- CDFW will institute goals for numbers of RCISs approved in 2020 and MCA pilots instituted.
- Working through RCIS pilots to help refine what the guidelines should be and improve success rate of RCISs and MCAs
  - The department, including Secretary Crowfoot, wants to reduce “green tape,” resulting in faster approvals and processing of requests.
  - How do we create dynamics that guide large institutions into funding conservation? RCIS have an opportunity to move large institutions thinking around conservation.
- Other than the creation of mitigation banks, what major change can or will RCISs bring?
  - Expedition of timeline, help CDFW work faster
  - Creating a dynamic for our large institutions to utilize funding and energy into a joint agreement of conservation priorities in the region
  - It would be largely impactful, if Caltrans and CDFW were to think similarly about conservation in project strategy and design.
  - Corraling political spectrums
- Transportation and infrastructure agencies are our allies and partners

- Working with these agencies to attach our conservation goals to their goals; aligning and enhancing our shared goals together; we may not be there yet, but we're on our way
  - CDFW wants to be a partner with Caltrans on modernizing wildlife infrastructure such as fish passageways and culverts.
- Help CDFW be more efficient- Opportunity to package requests to CDFW into more unified requests. As an example, the Department will receive requests for permits, RCIS, HCP's separately *from the same organization*. The more efficient the submitting organization is in bundling all their requests from the agency, into a unified request, the easier it would be for the agency to process.
- CDFW is undertaking a change management program to institute reforms in the budget process and resource allocation. We understand that changing the process while doing the work is difficult, but necessary to be successful going forward.
- What is the reform timing? What do you see as the future?
  - The department engaged the services of Deloitte to implement "Service based budgeting" to transform the CDFW budget model and planning process for future use. This model will allow the department to build budgets that are better aligned to priorities, mission and objective of the Department.
  - Unpacking the mission and allocating resources, task library and resources. We have 3000 tasks and understanding of the gap between capacity and tasks will allow for redirecting resources to close those gaps.
- How can we help you?
  - By not giving up, providing feedback, holding department accountable
  - The hope is an RCIS will be a one stop shop, but that's dependent on the partnerships and engagement
  - Understanding the pains of taking legislation into implementation