

SIERRA NEVADA STRATEGIC ASSESSMENT – POLICY DISCUSSION

FACING NEW CHALLENGES

Background

Since its creation, the Sierra Nevada Conservancy (SNC) has supported the Sierra Nevada Region by providing funding for projects, offering technical assistance, and pursuing a variety of partnerships in support of the program objectives identified in AB 2600:

- Provide increased opportunity for tourism and recreation in the Region.
- 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 wildfire.
- Protect and improve water and air quality.
- Assist the Regional economy.
- Enhance public use and enjoyment of lands owned by the public.

Although our sources of funding have limited our actions in some cases, over time we have been active in all of these areas and have implemented a suite of programs using the resources available to us.

Challenges

Today, the Sierra Nevada natural landscape is changing at a pace not seen in recorded history: climate change is altering what we thought we knew about watersheds and forests.

Some of the important challenges facing our Region include:

1. Massive tree mortality as a result of bark beetle infestation and a years-long drought;
2. Increasing wildfire occurrence, size, and severity;
3. Lack of infrastructure and associated markets to process the amount of biomass that needs to come out of Sierra forests to make them healthy and resilient to climate impacts;
4. Lack of capacity by land management agencies, non-governmental organizations (NGOs), local governments, and others to restore watershed health at the needed pace and scale, to pursue available grants/funding resources, and to manage grants and implement projects;
5. Increasingly complex and time-consuming planning processes making it difficult to achieve large, landscape-scale efforts to create healthy resilient forests and watersheds; and
6. Lack of long-term stable sources of funding and the challenge of having landscape-scale impact utilizing existing funding sources.

Over time, the SNC has attempted to respond to and address these issues as they've arisen by making decisions to maximize our impact and concentrate the resources at our disposal on the Region's most pressing needs. We've narrowed the focus of our remaining Prop 84 and limited Prop 1 grant programs to focus on improving forest health as the highest priority. We created a partnership with the United States Forest Service (USFS) to develop and implement the Sierra Nevada Watershed Improvement Program (WIP) with the goal of increasing the pace and scale of forest restoration to return our forests to a healthy and resilient state. And, this year, we've focused our attention on the Tahoe-Central Sierra Initiative (TCSI) to test innovation in a variety of land management and associated activities to get work on the ground done immediately and to create a model for further protection in the Sierra Nevada.

Further, SNC funding – probably the single most public element of the SNC's activities – is woefully inadequate to address the need. To effectively address the challenges identified above, the SNC and the Region will need additional funding, preferably a stable, long-term source of funding. What and who the SNC funds, as well as the activities we pursue for funding ourselves, have built our relationships with the Region and with partners.

Today, as we near the end of our Prop 84 funding and spend our Prop 1 dollars, the SNC faces a potential boom-or-bust situation with potential for significant impacts on our programs and organizational structure. Two new potential funding opportunities (SB 5 and Jerry Meral's water initiative) may provide up to \$305M for implementation of SNC programs. But, at the moment, these funds are not yet certain. In pursuing additional funds the SNC has rarely applied for grant funds as an organization, but has recently, successfully done so under the TCSI, and may consider pursuing other grant opportunities in the future. Actions we take as we try to stabilize funding and distribute funds across the Region have the potential to address Region-wide problems – and generate more interest in the Region overall – but also could complicate our relationships with in-Region partners.

Strategic Assessment

The SNC has embarked on a strategic assessment of the Region to understand the impacts associated with the environmental, process, and funding challenges identified above. Our goal is to utilize the results of the assessment to chart a course that allows us to have the biggest and best impact on our Region over the next years. As we move into the future, the choices the SNC makes to address the new challenges and whether we find ourselves in a boom or a bust financial climate have implications on SNC mission, programs, and organizational structure, as well as on how we partner in the Region to get the work that needs to be done completed. General questions we hope to address in our Strategic Assessment of the Region and its needs include:

- Do these new challenges call for a Sierra Nevada Conservancy “program reset”? What would that look like?
- Does SNC need to reconsider its focus in light of these issues?

- Is a new investment strategy needed? What would that look like, either with or without additional long-term funding?
- Are SNC's partnerships effective? Can they be improved? How?
- Do SNC's successful programs such as the WIP and the TCSI also have some unintended negative consequences? If so, how should we address them?

In order to answer these questions and ensure that we are on the right path to protecting the Region, we have identified a number of policy questions that fall, generally, into two broad topics: 1) SNC Programs, Mission and Organizational Structure, and 2) Partnerships.

TOPIC: SNC Programs, Mission, and Organizational Structure

Discussion

The combination of new and continuing environmental and economic challenges, existing complex planning processes, in-Region capacity limitations, and funding uncertainties raise the question of the role the SNC should be playing to address these wide-spread issues which are severely impacting our Region. As programs have been developed and implemented, has the SNC been viewing the problems and needs with the right focus? What new opportunities should we be embracing to protect the Sierra Nevada? Do changing economic, political, scientific, and social conditions, require current SNC programs to be changed in some new and integrated way?

Programmatic Questions and Considerations

1. Should SNC change its programs to address, inhibit, prevent, mitigate and/or respond to the impacts brought about by the drought, tree mortality, and/or uncharacteristic wildfire in the Region? How? Should this change SNC's role in the Region? How?
2. If the current myriad challenges continue to restrict watershed restoration occurring at the needed pace and scale, and massive disturbance events become the norm, should SNC's proactive forest restoration activities shift to post-event recovery activities? What would this look like in terms of funding, programs, and organizational structure?
3. The SNC has invested resources and staff in support of efforts to establish facilities that will result in the utilization of biomass material removed as a part of restoration activities. Is this a role SNC should continue to play? Are there strategic partnerships that the SNC could establish to assist in the financial and business side of attracting new investment?
4. There seemingly is a lack of workforce available to adequately address the scope and scale of restoration needs on the ground (e.g., experienced equipment operators, truck drivers, registered professional foresters). This lack of capacity may have implications on SNC's ability to get work done at the pace and scale

needed, especially if we receive significant funding from current legislative bonds and initiatives. What role, if any, should SNC play to address the capacity limitations emerging throughout the Region?

5. Regulatory agencies (State Water Resources Control Board and Regional Water Quality Control Boards, Department of Fish and Wildlife, etc.) with authority in the Sierra Nevada often have access to funding through fees and fines. Should the SNC, a non-regulatory agency, do more with these regulatory opportunities? Given SNC's existing statutory roles, is it appropriate to engage more directly with regulatory agencies? What are the risks of this kind of shift? (E.g., new state laws have legalized marijuana in California which could have significant implications for our Region. Are there new roles or opportunities that the SNC should be considering as a result of these new laws and, if yes, what are they?)
6. Many community economies in the SNC Region were built around the timber industry. With that industry having seen dramatic decline in recent decades in the Region, is there an opportunity to transition to other economic sectors? What role can a "restoration economy" play? What is the opportunity for increased recreation and tourism? What do our economies and our communities need to grow and flourish? What kind of role should SNC play in helping with this transition?
7. Climate change adaptability and mitigation efforts are underway from a variety of CA state agencies – CA Air Resources Board, CA Natural Resources Agency, Department of Water Resources, Governor's Office of Planning and Research, etc. – with many of the identified recommended actions to be implemented in the SNC Region such as carbon sequestration, watershed protection, etc. What role should the SNC play in these efforts? Does SNC's unique partnership with the USFS provide an opportunity for the SNC? And, how can rapidly developing scientific perspectives best be incorporated into these and all of our climate-based efforts?
8. Iconic outdoor recreation experiences throughout the Sierra Nevada are enjoying record-levels of visitation. Should SNC capitalize on this trend in order to build "branding" and leverage funding and policy in support of restoration? How? What role should SNC play in developing sustainable tourism/recreation in communities throughout the Region?

Funding Questions and Considerations

1. SNC activities have largely been guided by funding availability (Proposition 84, Proposition 1). Should passage of a more expansive parks bond and or water infrastructure initiative change our current programmatic focus? How? What activities are missing that could be addressed by program/structure changes?
2. SNC's statute requires the organization to "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 stated goal areas..." How has the SNC been doing in meeting this requirement? What actions can be taken to improve performance in this area?

3. Does having significantly more money mean expanding current forest health focus to include stream and meadow restoration, recreation development, and/or facilities improvement projects in this category? Should SNC reconsider funding acquisitions?
4. Should the amount of funding received in a new bond or water initiative, if approved by voters in 2018, have us re-think our processes for expending such funds? Should all funds be awarded through a competitive grant process? What are the implications of utilizing directed funding – funds awarded through partnerships instead of a strictly competitive process? What funding criteria should be established under this approach?
5. Are there as-yet unexplored opportunities to expand our emphasis to include socio-cultural or economic issues in the Region? If so, what are the parameters?

TOPIC: PARTNERSHIPS

Discussion

Partnerships are essential for getting work done in an area as large and diverse as the Sierra Nevada. The USFS is the largest landowner in the Region, and the SNC has partnered with them most recently in the WIP. Additional partners will be necessary to address Regional needs, which go beyond forest and watershed health to community vibrancy and climate adaptation. Who else should the SNC be developing these types of partnerships with? Stakeholders who operate outside of the Region, including national and international organizations? What do these partnerships look like and how do they provide benefits across the Region? And finally, what existing partnerships need strengthening?

Programmatic Questions and Considerations

1. The USFS has been an important partner to the SNC, and we have focused a great deal of energy on solidifying and building that partnership. What are the implications of SNC's close relationship with the USFS? Are there unintended consequences resulting from this partnership that we need to be considering? Are important connections limited due to this partnership?
2. The WIP is currently focusing significant attention on the Tahoe-Central Sierra Initiative (TCSI). Given the TCSI addresses only a portion of the Region, how does the WIP remain a relevant program throughout the Sierra Nevada? What are ways for more stakeholders to engage and connect? How can WIP inform planning/implementation efforts in all SNC Subregions?
3. The TCSI brought together federal and state agencies and NGOs to collaborate on a large, landscape-level project. Is this a collaboration model for SNC to export to other Subregions? Can this model build capacity for implementing such projects in other parts of the Region? How?

4. Complex planning processes contribute to inadequate action in restoring the health of our forests and watersheds. What's the appropriate role for the SNC in identifying and supporting modifications to processes such as NEPA/CEQA?
5. The SNC has signed on to a Memorandum of Understanding (MOU) promoting the increased use of prescribed and managed fire as restoration tools. What are the implications of SNC actively promoting restoration fire? What role should SNC play in working with air quality regulators to allow greater use of fire, given the short-term impacts on air quality (understanding the clear science behind long-term benefit)?
6. Restoration work such as that funded by the SNC often results in the need for ongoing maintenance work to ensure the benefits from the initial investment are maintained. Funding for such activity is limited. How can the SNC address this challenge? Is there an opportunity for the SNC to build such funding into its programs?
7. What new challenges and changing conditions are our partners facing that impact the ways in which we work with them? What new partnerships should we be developing? What existing partnerships should we strengthen? How?

Funding Questions and Considerations

1. The SNC recently successfully applied for funding from CAL FIRE for projects in the TCSI landscape. What are the implications of SNC competing with our partners for funding such as this? What criteria might the SNC utilize to determine if/when it's appropriate to pursue funding that partners and stakeholders may also pursue?
2. The SNC relies on many organizations throughout the Region to implement its programs. Many of these organizations face significant challenges in sustaining themselves financially (e.g., Resource Conservation Districts, Fire Safe Councils, various collaboratives). What role, if any, should SNC play in increasing the capacity and sustainability of these partners?