

Coastal Impact Assistance Workshop  
MMS held this workshop on July 17-18, 2006 in Reston, Virginia at the Sheraton Reston.



**Table of Contents:**

<b>Agenda .....</b>	<b>2</b>
Monday, July 17, 2006 .....	2
Tuesday July 18, 2006 .....	3
<b>PowerPoint Presentations from the Workshop: .....</b>	<b>4</b>
Chapter 1, Introduction .....	4
Chapter 2, Eligible Producing States and .....	9
Chapter 3, Coastal Impact Assistance Program (CIAP) Allocations .....	9
Chapter 4, CIAP Fund Uses, Restrictions, Limitations, etc .....	15
Chapter 5, CIAP Plan .....	33
Chapter 6, CIAP Review and Approval .....	47
Chapter 7, Performance and Financial Report- Grant Comments and Questions .....	49
Chapter 8, Compliance with Authorities .....	61

## Agenda

Monday, July 17, 2006

Time	Action
7:30	Sign-in
8:00	Welcome and Opening Remarks
8:30	Workshop Purpose and Guidelines
8:45	<a href="#"><u>Chapter 1, Introduction</u></a>
9:00	<a href="#"><u>Chapter 2, Eligible Producing States</u></a> <a href="#"><u>Chapter 3, CIAP Allocations</u></a>
9:30	<a href="#"><u>Chapter 4, CIAP Fund Uses, Restrictions, Limitations etc.</u></a>
10:15	Break
10:30	Chapter 4, continued
11: 45	Lunch
1:00	<a href="#"><u>Chapter 5, CIAP Plan</u></a>
3:00	Break
3:15	<a href="#"><u>Chapter 6, CIAP Review and Approval</u></a>
4:00	<a href="#"><u>Chapter 8, Compliance with Authorities</u></a>
4:45	Wrap-up
5:00	Close

Tuesday July 18, 2006

Time	Action
8:30	<a href="#"><u>Chapter 7, Performance and Financial Report- Grant Comments and Questions</u></a>
10:15	Break
	Federal Agency Representatives with Coastal Programs
10:30	U.S. Department of Agriculture/NRCS
10:40	U.S. National Park Service
10:50	U.S. Geological Service
11:00	General Questions
11:45	Lunch
1:00	“Round Table Discussion” (State Representatives)
	State’s current CIAP status;
	implementation process;
	proposed project types
	Potential project submittals – numbers
	State’ best Practices/lessons learned from 2001 CIAP,
	Pooling State efforts for cost sharing letters from agencies
3:15	Break
3:30	Round Table discussion (continued)
4:45	Wrap-up
5:00	Close



**PowerPoint Presentations from the Workshop:**

Chapter 1, Introduction

**The Energy Policy Act of 2005**  
**Coastal Impact Assistance Program**

---

Draft Guidelines Workshop  
July 17, 2006



Chapter 1, Slide 1 of 9

**Coastal Impact Assistance Program**

---

**MMS CIAP Mission:**

The MMS will manage an efficient and effective Coastal Impact Assistance Program that ensures funds apportioned by the Secretary to states and coastal political subdivisions:

- Conserve, protect and restore coastal areas through mitigation of damage to natural resources in coordination with current federally-approved marine coastal, or comprehensive conservation management plans,
- Mitigate the impact of Outer Continental Shelf activities through funding of onshore infrastructure projects and public service needs

Chapter 1, Slide 2 of 9

# Coastal Impact Assistance Program

## Chapter 1. Introduction

**Energy Policy Act of 2005 Enacted August 8, 2005**

**Section 384 created the Coastal Impact Assistance Program (CIAP) by amending Section 31 of the Outer Continental Shelf Lands Act (OCSLA)**

**Vested the authority and responsibility of CIAP to the Secretary of the Interior**

**Secretary delegated authority to the Minerals Management Service (MMS)**

Chapter 1, Slide 3 of 9

# Coastal Impact Assistance Program

## CIAP Statutory Language

- Defines States, Coastal Political Subdivisions, qualified revenues, etc.
- \$250 mm; FY07 – FY10; allocated based on ratio of qualified OCS revenues
- Coastal Political Subdivisions receive directly 35% of State allotment
- Qualifying Criteria:
  - Coastal conservation, protection or restoration
  - Mitigation of damage for fish, wildlife or natural resources
  - Planning assistance and general administrative
  - Implementation of federally-approved marine coastal or comprehensive conservation management plans
  - Mitigation of OCS activities through infrastructure and public service needs
- Develop a Plan - requires public participation, implementation program, and measures which determine availability of other federal resources

Chapter 1, Slide 4 of 9

## Coastal Impact Assistance Program

### Director CIAP Statutory Requirements

**Director Plan Approval - receive plans and determine if they are consistent with and contain:**

- At least one of 5 criteria in the Act
- Appropriate State and CPS contact information
- Governor certification on the provision of ample opportunity for public participation in the development and revision of Plan
- Actions taken to determine availability of assistance from other relevant Federal resources
- Implementation program with descriptions on the use of program funds

**Director - determines that expenditures made are consistent with statute**

Chapter 1, Slide 5 of 9

## Coastal Impact Assistance Program

**CIAP is a two phase process to minimize delays in approvals and expedite disbursement of funds**

**Phase 1: Director Approval of Management and use of Funds (Plan)**

**Phase 2: Project Application, Approval and Release of Funds**

Chapter 1, Slide 6 of 9

# Coastal Impact Assistance Program

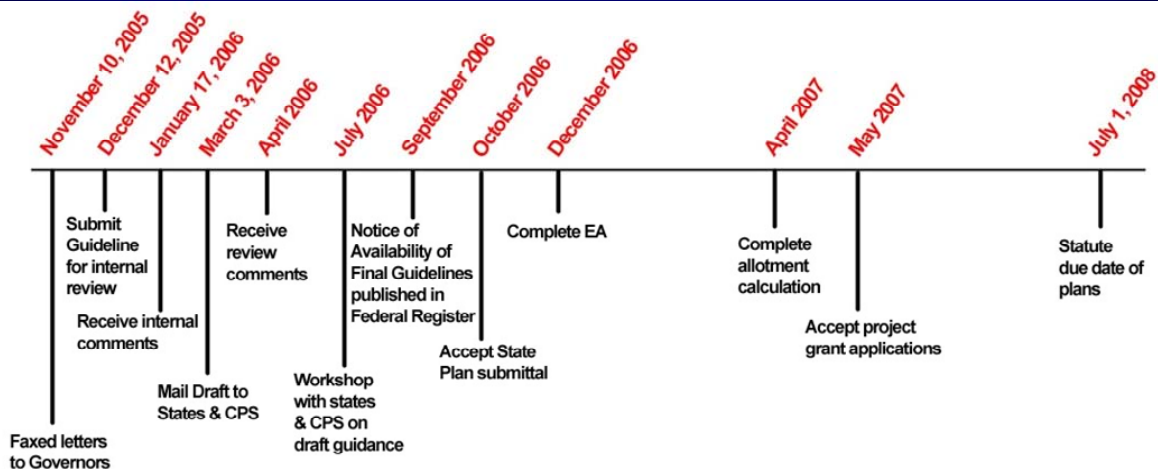
## Chapter 1. Intro con't - comment

### Louisiana

We remain concerned about the timeline for the MMS publication of final CIAP guidelines (9/29/06). We plan to begin implementing projects, some of the projects to be included in LA CIAP Plan, before funding allocations will be known. We are looking for reasonable assurances for reimbursement of these projects.

Chapter 1, Slide 7 of 9

# Coastal Impact Assistance Program



Chapter 1, Slide 8 of 9

## Coastal Impact Assistance Program

---

### **Conclusion**

- **Gives the States and CPSs as much time as allowable to develop their plans;**

**Optimizes Plan submittal time and with Plan approval be eligible to submit project applications for funding**

**Allows MMS to work with states to expedite grant review processes**

**Provides a process and timetable for recipients to access funds in as timely a manner as possible**



## Coastal Impact Assistance Program

### Chapter 2: Eligible Producing States and Coastal Political Subdivisions

#### Producing State –

has a coastal seaward boundary within 200 nautical miles of the geographic center of a leased tract, not including any State with a majority of its coastline subject to leasing moratoria

#### Coastal Political Subdivision –

the local political jurisdiction immediately below the level of State government, any part of which is

(a) within the coastal zone (as defined in Section 304 of the CZMA of 1972) as of 8/8/05, and

(b) not more than 200 nautical miles from the geographic center of any leased tract

Chapter's 2 and 3, Slide 1 of 11

## Coastal Impact Assistance Program

### Chapter 2: Eligible Producing States and Coastal Political Subdivisions – Comments

#### Alaska

- The draft guidelines identify only two eligible CPS. However, there are eight eligible coastal political subdivisions in the State of Alaska. They include the North Slope Borough, Northwest Arctic Borough, Municipality of Anchorage, Bristol Bay Borough, Kenai Peninsula Borough, Kodiak Island Borough, Lake and Peninsula Borough, and Matanuska-Susitna Borough. The State recommends that MMS revise Appendix B to incorporate these municipalities as eligible coastal political subdivisions.

Chapter's 2 and 3, Slide 2 of 11

## CIAP Eligible Producing States and Coastal Political Subdivisions

Alabama Counties	Alaska Boroughs	California Counties	Louisiana Parishes	Mississippi Counties	Texas Counties
Baldwin	Anchorage	Alameda	Assumption	Hancock	Aransas
Mobile	Bristol Bay Borough	Contra Costa	Calcasieu	Harrison	Brazoria
	Kenai Peninsula	Los Angeles	Cameron	Jackson	Calhoun
	Kodiak Island	Marin	Iberia		Cameron
	Lake & Peninsula	Monterey	Jefferson		Chambers
	Matanuska-Susitna	Napa	Lafourche		Galveston
	North Slope	Orange	Livingston		Harris
	Northwest Arctic	San Diego	Orleans		Jackson
		San Francisco	Plaquemines		Jefferson
		San Luis Obispo	St. Bernard		Kenedy
		San Mateo	St. Charles		Kleberg
		Santa Barbara	St. James		Matagorda
		Santa Clara	St. John the Baptist		Nueces
		Santa Cruz	St. Martin		Orange
		Solano	St. Mary		Refugio
		Sonoma	St. Tammany		San Patricio
		Ventura	Tangipahoa		Victoria
			Terrebonne		Willacy
			Vermilion		

Chapter's 2 and 3, Slide 3 of 11

## Coastal Impact Assistance Program

### Chapter 3: Coastal Impact Assistance Program Allocations

Funding allocations to States and CPS shall be determined using the formulas mandated by the Act (Section 31(b))

The amount allocated for FY2007 and FY2008 shall be determined using FY2006 Qualified OCS Revenues (QOCSR), and the amount allocated for FY2009 and FY2010 shall be determined using FY2008 QOCSR

The amount allocated to a producing State shall be at least one percent of the amount available for disbursement each fiscal year

Chapter's 2 and 3, Slide 4 of 11

## Coastal Impact Assistance Program

### Chapter 3: Coastal Impact Assistance Program Allocations – Definition of Revenues

- Qualified Outer Continental Shelf Revenues (QOCSR)
  - Includes amounts from leased tracts subject to a lease for the purpose of drilling for, developing, and producing oil or natural gas resources, the geographic centers of which lie within 200 nautical miles of the coastline of any producing State
  - Includes all revenues associated with these leased tracts, received by Minerals Revenue Management and disbursed to the U.S. Treasury during FY06 and FY08
  - Does not include revenues from leased tracts within specific distances of coastal State boundaries that are already shared with producing States (43 U.S.C. 1337(8(g)))

Chapter's 2 and 3, Slide 5 of 11

## Coastal Impact Assistance Program

### Chapter 3: Coastal Impact Assistance Program Allocations – State Allocation Formula

- The amount allocated to each producing State is based on the ratio that the amount of QOCSR generated off the coastline of the producing State bears to the amount of QOCSR generated off the coastline of all producing States
- Gulf of Mexico region: When more than one producing State is within 200 nautical miles of a leased tract, the amount allocated to each State for the leased tract shall be inversely proportional to the distance between
  - The nearest point on the coastline of the producing State, and
  - The geographic center of the leased tract

Chapter's 2 and 3, Slide 6 of 11

## Coastal Impact Assistance Program

### Chapter 3: Coastal Impact Assistance Program Allocations – CPS Allocation Formula

- 35% of the amount allocated to each producing State shall be paid to the CPS within that State
  - 25% of the amount shall be allocated to each CPS in the proportion that the population of the CPS bears to the total population of all CPS within the State (US Census 2000)
  - 25% of the amount shall be allocated to each CPS in the proportion that the coastline length of the CPS bears to the total coastline length of all CPS within the State (SLA baseline)
  - 50% of the amount shall be allocated in amounts that are inversely proportional to the respective distances between the points in each CPS that are nearest to the geographic center of each leased tract
  - Exceptions for the States of Alaska and Louisiana are detailed in 384(b)(4)(C) and 384(b)(4)(D)

Chapter's 2 and 3, Slide 7 of 11

## Coastal Impact Assistance Program

### Chapter 3: Coastal Impact Assistance Program Allocations – Comments

#### Alabama

- It has been stated that individual program funding amounts will not be available until April 2007. While we understand that these funding amounts are based on revenues accruing in this current year, we are struggling with the concept of putting a plan together without some idea of the funding that will be available. As such we recommend that program funding estimates be provided to each state and coastal political subdivision for purposes of plan development. Estimates could be derived from utilizing FY2005 revenues, or from utilizing revenue earned in the 1st half of the FY2006 and projecting those numbers out to a full year. We understand, of course, that any estimate provided may be substantially different from actual funding amounts that a state or coastal political subdivision may receive.

Chapter's 2 and 3, Slide 8 of 11

## Coastal Impact Assistance Program

### Chapter 3: Coastal Impact Assistance Program Allocations – Comments

#### Alaska

- Section 384 of the Energy Policy Act of 2005: Coastal Impact Assistance Program, within Section 31(b)(4)(B)(ii)(I) and (II), page 12: the phrase “the number of miles of coastline” is used to determine a portion of the allocation formula for payments to the coastal political subdivisions of the State. While Section 31(a)(4) provides the definition to mean “... the term ‘coast line’ in section 2 of the Submerged Lands Act(43 U.S.C. 1301)”, it is not clear how the coastline will be measured. Certain measuring schemes or assumptions can result in drastically different calculations. The system or procedure used to calculate the coastline mileage for the coastal political subdivisions should take advantage of the recent advances in measurement systems and schemes, and should provide an accurate and objective measurement. The State would like to participate in the discussion and selection of the coastline mileage measurement system.

Chapter's 2 and 3, Slide 9 of 11

## Coastal Impact Assistance Program

### Chapter 3: Coastal Impact Assistance Program Allocations – Comments

#### California

- We would appreciate publication of state and local political subdivision allocations as early as feasible. What opportunities may we have to review MMS' methods to calculate the allocations to the states and political subdivisions? It would be preferable that we would have this opportunity prior to any formal and final announcement of the allocations.

Chapter's 2 and 3, Slide 10 of 11

# Coastal Impact Assistance Program

## Chapter 3: Coastal Impact Assistance Program Allocations – Comments

### Mississippi

- **Appendix A: Sec 31 (4) Payments to CPS (B) Formula (iii) 50%:**  
When will this be determined by the Secretary and relayed to our agency?

## Coastal Impact Assistance Program

### Chapter 4. Coastal Impact Assistance Program Funds

- 4.1. Authorized Uses of Funds
- 4.2. Restrictions on the Use of Funds
  - 4.2.1. Cost Sharing or Matching of Funds
  - 4.2.2. Funds Distribution Limitation
- 4.3. Compliance with Authorized Uses of Funds
- 4.4. Incurring Costs before Plan Approval
- 4.5. Escrow Account
- 4.6. Sub-Grants and Project Funding
- 4.7. Time Limitation of Funding

Chapter 4, Slide 1 of 36

## Coastal Impact Assistance Program

### 4.1—Authorized Uses of Funds

CIAP funding must be used for at least one or more of the following purposes:

1. Projects and activities for the conservation, protection, or restoration of coastal areas, including wetland
2. Mitigation of damage to fish, wildlife, or natural resources
3. Planning assistance and the administrative costs of complying with CIAP
4. Implementation of a federally approved marine, coastal, or comprehensive conservation management plan
5. Mitigation of the impact of OCS activities through funding of onshore infrastructure projects and public service needs

Chapter 4, Slide 2 of 36

## Coastal Impact Assistance Program

### 4.1—Authorized Uses of Funds

CIAP funding must be used to directly benefit an authorized use.

CIAP funds will not be released to support **litigation or lobbying efforts.**

Chapter 4, Slide 3 of 36

## Coastal Impact Assistance Program

### 4.1—Authorized Uses of Funds

#### Alabama:

- *Would the following federally approved plans meet category 4 criteria: Coastal Zone Management, National Estuarine Research Reserves, Comprehensive Conservation Management Plans, Comprehensive Wildlife Conservation Strategy, Coastal Estuarine Land Conservation Program, Forest Legacy Program and U.S. Army Corps of Engineers coastal project plans?*

Chapter 4, Slide 4 of 36



## Coastal Impact Assistance Program

### 4.1—Authorized Uses of Funds

#### Alabama:

- *When a Plan is submitted to MMS for review, is it acceptable to identify potential land acquisition targets by geographic area, habitat type or both, instead of identifying specific tracts?*
- *Recommends that the process allow for including of alternative tracts in the event that a primary target falls through.*

Chapter 4, Slide 5 of 36

## Coastal Impact Assistance Program

### 4.1—Authorized Uses of Funds

#### Alabama:

- *Will MMS require use of federal 'yellow book' appraisal standards for appraisals associated with land acquisitions which are a component of a state CIAP plan? Recommends the use of such standards.*

Chapter 4, Slide 6 of 36

## Coastal Impact Assistance Program

### 4.1—Authorized Uses of Funds

#### Alaska:

- *The MMS draft guidelines do not appear to limit the uses of CIAP grant monies to Outer Continental Shelf (OCS) activity impacts, or to projects or activities that are specifically within the State's coastal zone (and by extension, the coastal zone boundaries of the eligible coastal political subdivisions). Requests that section 4.1 be clarified to make it clear that CIAP funds are not limited to OCS activity impacts or to projects, activities, or initiatives solely within the coastal zone.*

Chapter 4, Slide 7 of 36

## Coastal Impact Assistance Program

### 4.1—Authorized Uses of Funds

#### Mississippi:

- *A list of sample projects likely to be eligible for funding under CIAP would be helpful and would assist agencies in developing acceptable project proposals.*

Chapter 4, Slide 8 of 36

## Coastal Impact Assistance Program

### 4.1—Authorized Uses of Funds

#### Texas:

- *Requests a more detailed description of what constitutes a “direct benefit.”*

Chapter 4, Slide 9 of 36

## Coastal Impact Assistance Program

### 4.2—Restrictions on the Use of Funds

#### 4.2.1—Cost Sharing or Matching of Funds

No cost sharing or matching requirement under CIAP.

The ability to use CIAP funds as a cost-match under another federal program is dependent on the statutory provisions of the second program.

Written confirmation from the other agency will be required.

Chapter 4, Slide 10 of 36

## Coastal Impact Assistance Program

### 4.2.1—Cost Sharing or Matching of Funds

#### Alaska:

- *Recommends greater flexibility in using the CIAP grant monies for cost sharing and matching requirements in other Federal grant programs.*

Chapter 4, Slide 11 of 36

## Coastal Impact Assistance Program

### 4.2.1—Cost Sharing or Matching of Funds

#### Louisiana:

- *Recommends that MMS not require a new letter from the involved Federal agency each time a grant request is made for a similar type of project with identical restrictions or allowances.*

Chapter 4, Slide 12 of 36

## Coastal Impact Assistance Program

### 4.2.1—Cost Sharing or Matching of Funds

#### **Louisiana PACE** (Parishes Against Coastal Erosion):

- *Believes the guidelines should provide as much information as possible regarding the use of CIAP funds for non-federal match. The coastal parishes want to leverage their CIAP allocations by using them as matching funds for such federal programs or grants.*

Chapter 4, Slide 13 of 36

## Coastal Impact Assistance Program

### 4.2—Restrictions on the Use of Funds

#### 4.2.2—Funds Distribution Limitation

Funding limitation—No more than 23% of CIAP funds received in any fiscal year may be spent on:

- Planning assistance and the administrative costs (category #3)
- Mitigation of the impact of OCS activities through funding of onshore infrastructure projects or public service needs (category #5)

Chapter 4, Slide 14 of 36

## Coastal Impact Assistance Program

### 4.2.2—Funds Distribution Limitation

#### Alabama:

- *Will land acquisition be subject to the 23% spending cap if it is attached to authorized uses 1, 2 and 4? Recommends land acquisition not be subject to the spending cap.*

Chapter 4, Slide 15 of 36

## Coastal Impact Assistance Program

### 4.2.2—Funds Distribution Limitation

#### Alaska & Louisiana:

- *Recommend that MMS define or otherwise clarify what projects and activities would qualify as a “public service need” under category 5. **For instance**, would providing flood protection to developed areas or improving road service to public port facilities meet that definition?*

Chapter 4, Slide 16 of 36

## Coastal Impact Assistance Program

### 4.2.2—Funds Distribution Limitation

#### California:

- *Believes the proposed definition of infrastructure is too broad and asks MMS to more generally define it. For example, trails, roads, and parks often are associated projects and activities for the conservation, protection, or restoration of coastal areas, including wetland; or the mitigation of damage to fish, wildlife, or natural resources.*

Chapter 4, Slide 17 of 36

## Coastal Impact Assistance Program

### 4.2.2—Funds Distribution Limitation

#### Louisiana:

- *Recommends clearly indicating whether (and what types of) any infrastructure-related expenditures are authorized under authorized use #1, #2, and #4, and, if so, whether they are subject to the 23% limitation.*

Chapter 4, Slide 18 of 36

## Coastal Impact Assistance Program

### 4.2.2—Funds Distribution Limitation

#### Louisiana:

- *Recommends clarifying whether a “public service needs” project under authorized use #5 must be located onshore, and confirm whether those projects must have linkage to OCS impacts.*
- *Would infrastructure projects, such as hurricane protection levees, floodgates, highways and port facilities, needed to mitigate OCS-caused impacts be allowed if such projects are located below the mean high water line?*

Chapter 4, Slide 19 of 36

## Coastal Impact Assistance Program

### 4.2.2—Funds Distribution Limitation

#### Louisiana PACE:

- *Requests further definition of “infrastructure.” Several parishes are planning “bricks and mortar” projects which will contain an infrastructure component but will also have significant habitat restoration and environmental protection aspects.*
- *Can land acquisition be part of a conservation project implemented under category #1, #2 or #4?*

Chapter 4, Slide 20 of 36



## Coastal Impact Assistance Program

### 4.2.2—Funds Distribution Limitation

#### Mississippi:

- *Any percent restrictions on offshore infrastructure projects?*

Chapter 4, Slide 21 of 36

## Coastal Impact Assistance Program

### 4.2.2—Funds Distribution Limitation

#### Texas:

- *Requests that 23 percent spending limitation apply to individual awards, not fiscal years.*

Chapter 4, Slide 22 of 36

## Coastal Impact Assistance Program

### 4.2.2—Funds Distribution Limitation

#### Texas:

- *Requests that beach nourishment, restoration of dunes without a structural core, construction of parks, recreational piers, walkways, trails and land acquisition be excluded from the definition of “onshore infrastructure”, and allow projects that are both onshore and offshore to be prorated to determine the 23% limitation on onshore infrastructure.*

Chapter 4, Slide 23 of 36

## Coastal Impact Assistance Program

### 4.2.2—Funds Distribution Limitation

#### Texas:

- *Requests a definition of “mean high water.”*

Chapter 4, Slide 24 of 36

## Coastal Impact Assistance Program

### 4.3—Compliance with Authorized Uses of Funds

Expenditure must be consistent with at least one of the 5 authorized uses or money stops

- Requires MMS continued oversight
- To avoid unnecessary disputes, MMS encourages projects that clearly meet an authorized use

Chapter 4, Slide 25 of 36

## Coastal Impact Assistance Program

### 4.3—Compliance with Authorized Uses of Funds

#### Texas:

- *Requests alternative remedies for enforcing authorized use provisions. Rather than suspending all funding until the dispute has been resolved, MMS should provide a mechanism for dispute resolution such as mediation or arbitration before cutting off funds.*

Chapter 4, Slide 26 of 36

## Coastal Impact Assistance Program

### 4.4—Incurring Costs before Plan Approval

Once MMS approves a State Plan, qualified recipients may submit grant applications for project funding.

States and CPS's may claim costs incurred on or after August 8, 2005 subject to our review and approval.

Chapter 4, Slide 27 of 36

## Coastal Impact Assistance Program

### Sec. 4.4—Incurring Costs before Plan Approval

#### Alabama:

- *If we hire dedicated program staff, prior to plan and grant application approval, will those costs be reimbursable once the funding is available in 2007?*

Chapter 4, Slide 28 of 36

## Coastal Impact Assistance Program

### 4.4—Incurring Costs before Plan Approval

#### Louisiana:

- *Requests MMS to allow CIAP plan preparation costs to be recouped.*

Chapter 4, Slide 29 of 36

## Coastal Impact Assistance Program

### 4.4—Incurring Costs before Plan Approval

#### Mississippi:

- *Believes our approach to disbursing CIAP funds after Plan and grant application approval is inconsistent with the Act. To be consistent, MMS should disburse funds after approval of the State Plan.*

Chapter 4, Slide 30 of 36

## Coastal Impact Assistance Program

### 4.5—Escrow Account

The Act authorizes MMS to hold CIAP funds in escrow. Interest will accrue to the benefit of the Federal Government.

Funds will be disbursed following Plan approval and subsequent grant award.

Chapter 4, Slide 31 of 36

## Coastal Impact Assistance Program

### 4.5—Escrow Account

#### Mississippi:

- *Believes our approach to disbursing CIAP funds after Plan and grant application approval is inconsistent with the Act. To be consistent, MMS should disburse funds after approval of the State Plan.*

Chapter 4, Slide 32 of 36

## Coastal Impact Assistance Program

### 4.6—Sub-Grants and Project Funding

States and CPS's may issue sub-grants to other State or local agencies, universities, or other entities

All projects do not need to be undertaken solely within a State's coastal zone, although authorized use category 1 limits projects to the coastal area.

States and CPS's may also combine their allocations to fund mutually beneficial projects.

Chapter 4, Slide 33 of 36

## Coastal Impact Assistance Program

### 4.6—Sub-Grants and Project Funding

#### **Alabama:**

- *While the guidance clearly states that projects do not need to be undertaken solely within a State's coastal zone, Alabama intends to limit the program boundary to the "coastal watersheds." Is this acceptable?*

#### **Alaska:**

- *Believes it is correct not to limit projects or activities to the State's coastal zone, but recommends that MMS require projects to remain within a coastal resource district's political boundary even though its may be located interior to the State's coastal zone.*

Chapter 4, Slide 34 of 36

## Coastal Impact Assistance Program

### 4.7—Timing Limitation of Funding

Grant will be awarded for a 4-year period.

A no cost extension may be requested.

Funding for multiple fiscal years may be combined for a single project.

For purposes of grant management, the State and CPS are separate entities, thus separate time periods/limits could be established.

Chapter 4, Slide 35 of 36

## Coastal Impact Assistance Program

### Questions:

National CIAP Coordinator: Lee Benner Minerals Management Service 381 Elden Street Herndon, Virginia 20170 (703) 787-1710	Alaska OCS Region: David Johnston Minerals Management Service 3801 Centerpoint Drive, Ste 500 Anchorage, Alaska 99503 (907) 334-5273
Gulf of Mexico OCS Region: Stephanie Gambino Minerals Management Service 1201 Elmwood Park Boulevard New Orleans, Louisiana 70123 (504) 736-2856	Pacific OCS Region: John Smith Minerals Management Service 770 Paseo Camarillo Camarillo, California 93010 (805) 389-7833

Chapter 4, Slide 36 of 36



## Coastal Impact Assistance Program

### Chapter 5: Coastal Impact Assistance Plan

#### 5.1. Plan Submittals

#### 5.2. Plan Required Components

- 5.2.1. Designated State Agency
- 5.2.2. Designated Contact for Coastal Political Subdivisions
- 5.2.3. Governor's Certification of Public Participation
- 5.2.4. Coordination with Other Federal Resources and Programs
- 5.2.5. Plan Implementation Program
- 5.2.6. Proposed Project Lists
- 5.2.7. Proposed Project Descriptions

#### 5.3. Minor Changes and Amendments to a Plan

- 5.3.1. Minor Changes to a Plan
- 5.3.2. Amendments to a Plan

Chapter 5, Slide 1 of 27

## Coastal Impact Assistance Program

### 5.1. Plan Submittals

#### Final Plans:

- Due - July 1, 2008
- Encourage - July 1, 2007
- Accept - Oct 2, 2006

#### Draft & Final Plans:

- 1 Hard Copy (unbound) and
- 1 Digital Copy on CD (in MS Word)

#### Send to:

- National CIAP Coordinator and
- Regional CIAP Representative

#### Good Faith Effort Letter

Chapter 5, Slide 2 of 27

## Coastal Impact Assistance Program

### 5.1. Plan Submittals - Comments

#### Texas

- Please clarify whether a final plan must include any substantive elements not required in a draft plan and whether a final plan could be submitted without the prior submission of the draft plan.
- For clarification, the term “draft” could be replaced with the word “proposed” in reference to the first plan submission. The proposed plan would thus be released for public comment and MMS review and the final plan would be the version incorporating the state’s response to comments.

Chapter 5, Slide 3 of 27

## Coastal Impact Assistance Program

### 5.1. Plan Submittals - Comments (continued)

#### Texas (continued)

- Additional information on the timeframe for an MMS response to the submission of a state plan is needed.
- Additional information on the length of time a state will have to submit a final plan following MMS review and response is also needed.

Chapter 5, Slide 4 of 27

## Coastal Impact Assistance Program

### 5.2. Plan Required Components

#### Recommended Format:

- Table of Contents (Appendix C)
- Project Lists (Appendix D)
- Project Descriptions (Appendix E)

#### Standardized Plans:

- Easier and Faster to Review

Chapter 5, Slide 5 of 27

## Coastal Impact Assistance Program

### 5.2. Plan Required Components - Comments

#### Mississippi

- It appears that a project will be submitted in three different formats (Appendix E. Proposed Project Description – 6 pgs; Appendix F. Additional Information Required in the Grant Application – 20 pgs; and the final grant application that will be used for final approval by MMS for the individual CIAP projects). Can this entire process be condensed with use of one application process?

Chapter 5, Slide 6 of 27

## Coastal Impact Assistance Program

### 5.2.1. Designated State Agency

### 5.2.2. Designated Contact for Coastal Political Subdivisions

- Authority to Represent and Act for
- Contact Information:
  - Title
  - Address
  - Telephone Number
  - Fax Number
  - E-Mail Address

Chapter 5, Slide 7 of 27

## Coastal Impact Assistance Program

### 5.2.1. Designated State Agency - Comments

### 5.2.2. Designated Contact for Coastal Political Subdivisions - Comments

No Comments.

Chapter 5, Slide 8 of 27

## Coastal Impact Assistance Program

### 5.2.3. Governor's Certification of Public Participation

#### Certification:

- Provided Sufficient Opportunity for Public Participation
- Letter or Other Similar Document
- Signed by Governor

#### Minimum:

- Adequate Notice of Plan Availability for Review
- 30 Day Comment Period

e.g.: Advisory Board; Commission Meetings; Public Hearings

Recommend: Involve Relevant Agencies in Review

Chapter 5, Slide 9 of 27

## Coastal Impact Assistance Program

### 5.2.3. Governor's Certification of Public Participation - Comments

#### Mississippi

- What level of public participation is acceptable?
- Are we going to get more guidance on this issue?

Chapter 5, Slide 10 of 27

## Coastal Impact Assistance Program

### 5.2.4. Coordination with Other Federal Resources and Programs

- Measures to Determine Availability of Funds from other Federal Sources
- Use CIAP Funds if other Funds Not Available

Chapter 5, Slide 11 of 27

## Coastal Impact Assistance Program

### 5.2.4. Coordination with Other Federal Resources and Programs - Comments

#### Mississippi

- Does this mean in the review process we would have to determine if there are other suitable means of funding for a project?
- If so, would we be responsible to see that the applicant take the necessary steps to obtain these funds?
- Or could we simply take the applicants statement that all other applicable resources have been reviewed and applied?

Chapter 5, Slide 12 of 27

## Coastal Impact Assistance Program

### 5.2.5. Implementation Program

Each State and CPS must provide:

- Goals and Objectives of Program
- Manage, Implement, and Monitor Program
- Public Participation Process
- Decisionmaking Process for Selecting Projects
- Ensure Compliance with all Relevant Laws
- Major CIAP Categories to be Funded
- Estimated Funds Spent Annually on each Authorized Use

Chapter 5, Slide 13 of 27

## Coastal Impact Assistance Program

### 5.2.5. Implementation Program - Comments

No Comments.

Chapter 5, Slide 14 of 27

## Coastal Impact Assistance Program

### 5.2.6. Proposed Project Lists

#### Appendix D - Recommended Format

- Table 1
- Table 2

#### Project Lists (State and CPS's):

- FY07 Projects (minimum)
- Estimated Costs - Total and by Year
- Demonstrate 23% Limitation
- Prioritize Projects
  - ❖ Tier 1 – 100% for grant
  - ❖ Tier 2 – fall back projects

Chapter 5, Slide 15 of 27

## Coastal Impact Assistance Program

### 5.2.6. Proposed Project Lists - Comments

#### Louisiana

- PACE requested clarification regarding the difference between Tier 1 and Tier 2 projects. The current text indicates that Tier 1 projects are anticipated to use 100 percent of the CIAP allocation.
- We agree that greater clarity is needed, as the State and parishes will share in the costs of some proposed projects. Thus, it is likely that some parishes will include all of their funds, and some funds from the State, other parishes, and possibly other entities, in their list of Tier 1 projects.

Chapter 5, Slide 16 of 27



## Coastal Impact Assistance Program

### 5.2.6. Proposed Project Lists - Comments (continued)

#### Louisiana (continued)

- PACE has also asked whether is it desirable or mandatory to include all such shared costs in the State's and parishes' Tier 1 list.
- Please confirm that a state's or parish's Tier 2 list is basically a "fallback" list for use if one or more of the Tier 1 projects for the state or that particular parish cannot proceed.

Chapter 5, Slide 17 of 27

## Coastal Impact Assistance Program

### 5.2.6. Proposed Project Lists - Comments (continued)

#### Mississippi

- Appendix D: Table 1: Funding Request (\$) by Year – does this mean the CIAP allocation year or the year(s) in which funds are drawn down?

Chapter 5, Slide 18 of 27

## Coastal Impact Assistance Program

### 5.2.7. Proposed Project Descriptions

#### Appendix E - Recommended Format

#### Project Descriptions (State and CPS's):

- Brief Summary (1-2 pages)
- Goals and Objects
- Include: Location, Duration, Total Estimated Costs, and Funding Request by Year
- Authorized Use Justification
- Cost Share Letter Acknowledgement

#### Appendix F – if information available

Chapter 5, Slide 19 of 27

## Coastal Impact Assistance Program

### 5.2.7. Proposed Project Descriptions - Comments

#### California

- We note that the recommended format for proposed project descriptions is very similar to the format that California used in its first Coastal Impact Assistance Plan. State agencies and the counties found this formula straightforward to use. In addition, feedback from the general public indicated that the project descriptions were easily understood and conveyed the majority of the pertinent project details. Consequently, we support this format.

Chapter 5, Slide 20 of 27

## Coastal Impact Assistance Program

### 5.2.7. Proposed Project Descriptions - Comments

#### Louisiana

- PACE asked if the State would prepare the necessary documentation (Appendices E and F) required by MMS for each coastal political subdivision's initial project submittal. They noted that the form that the State requested from the parishes for project proposals is different from what MMS is requesting.
- The State hereby confirms that DNR's technical staff will continue to work closely with the coastal parishes to help ensure that the information contained in Louisiana's CIAP Plan will meet MMS's requirements.

Chapter 5, Slide 21 of 27

## Coastal Impact Assistance Program

### 5.3. Minor Changes and Amendments to a Plan

#### 5.3.1. Minor Changes to a Plan

- Does not affect overall scope or objective of Plan
- Notify MMS in writing
- MMS: acknowledge in writing within 30 days

#### 5.3.2. Amendments to a Plan

- Alters overall scope or objective of Plan
- Submit to MMS for approval
- Once calendar quarter
- MMS: approve/disapprove within 90 days

Chapter 5, Slide 22 of 27

## Coastal Impact Assistance Program

### 5.3. Minor Changes and Amendments to a Plan - Comments

#### Texas

- Please clarify the process that will be followed in cases where a state submits a minor change that MMS determines is a plan amendment or otherwise objects to the submission.

Chapter 5, Slide 23 of 27

## Coastal Impact Assistance Program

### 5.3.1. Minor Changes to a Plan - Comments

#### Texas

- Please clarify how MMS will inform the designated state agency of approval of a minor change submission.
- Please clarify that the submission of a Tier 2 project listed on a state project list will, in all instances, be a minor change.
- Please verify that elevation of a Tier 2 project to a Tier 1 constitutes a minor change and will not require an amendment to the State's approved CIAP Plan.

Chapter 5, Slide 24 of 27

## Coastal Impact Assistance Program

### 5.3.1. Minor Changes to a Plan - Comments (continued)

#### Texas (continued)

- Please clarify whether a budget amendment of up to 10% of an individual grant will be considered a minor change to a plan, or whether there will be separate guidelines for individual grant administration.
- Please provide additional information on the extent to which changes to individual grants will be considered minor changes or amendments to a plan.

Chapter 5, Slide 25 of 27

## Coastal Impact Assistance Program

### 5.3.2. Amendments to a Plan - Comments

#### California

- Sub-item two under this section appears to conflict with the third paragraph of Section 5.2.6, wherein the latter allows cancellation or removal of a project from the list and replacement with another project from Tier 2 without having to amend the plan. The former characterizes removal of a project as an amendment. Please reconcile.

#### Texas

- Please clarify that the addition or removal of any project, including a previously unlisted Tier 2 project, to the project list is a plan amendment.

Chapter 5, Slide 26 of 27

## Coastal Impact Assistance Program

---

**Questions?**

## Coastal Impact Assistance Program

### Chapter 6. CIAP Plan and Amendment Review and Approval Process

- State submits plan or amendment
- MMS has up to 20 days to review for completeness
- If complete, MMS has up to 90 days to approve or disapprove

Chapter 6, Slide 1 of 3

## Coastal Impact Assistance Program

### Chapter 6. CIAP Plan and Amendment Review and Approval Process

#### Louisiana

**Clarify how a project could be approved by MMS as part of a State plan and not be approved during the grant application/approval process.**

- **Will different criteria be used?**
- **Can steps be taken to mimic NOAA CIAP process?**

Chapter 6, Slide 2 of 3

## Coastal Impact Assistance Program

---

### Chapter 6. CIAP Plan and Amendment Review and Approval Process

#### Mississippi

**Suggests revising second paragraph to read as follows: “However, for those plans that do include Appendix F, Plan approval does constitute final funding approval.”**



## Coastal Impact Assistance Program

---

# Grants Issues and The Grants Process

By: Kathy Craig

Chapter 7, Slide 1 of 23

## Coastal Impact Assistance Program

---

Alaska, California & Louisiana:

### Perception

That the Grants Application And  
Disbursement Process for CIAP Has Not  
Been Fully Developed

Chapter 7, Slide 2 of 23

# Coastal Impact Assistance Program

## The Grants Award Process

The Statutory Authority to Award Grants (43 U.S.C. 1356a Section 31 The Outer Continental Shelf Lands Act)

The Catalog of Federal Domestic Assistance Number (15.426) Posted at [www.cfda.gov](http://www.cfda.gov) in FY 2007

Program Announcement Posted at Grants.gov/FIND & APPLY

Recipients Submit Applications at Grants.gov/APPLY

Applications Received, Reviewed and Approved by Program Office

Contracting Officers Review Applications and Award Grants

Grant Account Established in Treasury's ASAP

Chapter 7, Slide 3 of 23

# Coastal Impact Assistance Program

## Hand Outs

- 43 CFR Part 12 Subpart C Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
- 2 CFR 225 Costs Principles for State, Local and Indian Tribal Governments

Chapter 7, Slide 4 of 23

## Coastal Impact Assistance Program

---

Mississippi & Louisiana:

### Guidance on Reasonable and Acceptable Administrative Costs

2 CFR 225  
Cost Principles for State, Local and  
Indian Tribal Governments

Chapter 7, Slide 5 of 23

## Coastal Impact Assistance Program

---

Alabama & Texas:

### Preaward Costs

Allocations from CIAP Funds  
to Conduct Preplanning  
Work for Potential State Projects

No Preaward Costs Approved Before  
Project is Approved and Only on a Case-  
by-Case Basis

Chapter 7, Slide 6 of 23

## Coastal Impact Assistance Program

Texas:

The Amount of Funding a Recipient  
Can Draw Down in Advance of a Project?

NO Funds Can Be Withdrawn  
Until the Grant Award Document  
Is Signed by the Contracting Officer and  
Funds are Set Up in  
the ASAP Payment System

Chapter 7, Slide 7 of 23

## Coastal Impact Assistance Program

Texas: Clarification on Interest Earned

The Comptroller General has consistently held that except as otherwise provided by law, interest earned by a grantee on funds advanced by the United States under an assistance agreement pending their application to grant purposes, belongs to the United States rather than to the grantee. All such interest is required to be accounted for as funds of the United States, and must be deposited in the Treasury.

--Federal Appropriations Law Chapter 10

Chapter 7, Slide 8 of 23

## Coastal Impact Assistance Program

---

Alaska:

Can Grant Monies from  
Multiple Fiscal Years  
be Combined for a Single Project?

Funds Remain in the U.S. Treasury Until  
the Grant is Awarded

Chapter 7, Slide 9 of 23

## Coastal Impact Assistance Program

---

Typically

A Multi-Year Project is Funded for One Year  
Additional Funds are Added to the Project  
Each Year  
To Fund the Work for the Next Year

Chapter 7, Slide 10 of 23

## Coastal Impact Assistance Program

---

Mississippi:

Can the State Put a Time Limit on the Grant for CPS's That's Different From the State?

- The State and CPS are Separate Entities with a Separate Apportionment
- Grants Will be Separate Awards
- Separate Time Periods Can be Established for Each Separate Grant

Chapter 7, Slide 11 of 23

## Coastal Impact Assistance Program

---

Texas:

Is a Budget Amendment of up to 10% of an Individual Grant Considered a Minor Change to a Grant?

This is Addressed in 43 CFR 12.70  
Revision of Budget  
And Program Plans

Chapter 7, Slide 12 of 23

## Coastal Impact Assistance Program

---

Mississippi:

Request that Guideline Language be  
Changed so Plan Approval Of Appendix F  
Constitutes Final Funding Approval

NO, All Grant Budgets Will be Closely  
Examined IAW OMB Cost Principles At 2  
CFR 225

All Costs Must be Reasonable Allowable  
and Allocable

Chapter 7, Slide 13 of 23

## Coastal Impact Assistance Program

---

Alabama, Mississippi & Texas:

Request Performance  
and Financial Reporting Requirements  
Established on an Annual Basis

Reporting Requirements  
IAW 43 CFR 12.80 and 12.81

Chapter 7, Slide 14 of 23

## Coastal Impact Assistance Program

Louisiana:

Can a Separate Grant be Issued for Engineering, Design, and Permitting Costs? Then a Separate Grant for the Actual Construction?

Yes, You Can Have 2 Separate Grants

Permitting Costs are Not Cited as Unallowable in the Cost Principles at 2 CFR 225 Cost Principles for State, Local and Indian Tribal Governments

Chapter 7, Slide 15 of 23

## Coastal Impact Assistance Program

Louisiana:

Must Grant Applications be Submitted Through Grants.gov?

Applications Will be Submitted Electronically Through Grants.gov/APPLY

Chapter 7, Slide 16 of 23



## Coastal Impact Assistance Program

---

Texas:

Will MMS Use Grants.gov for  
Reporting Activities?

No, Grants.gov Does Not Have The  
Capability to Receive Performance  
or Financial Status Reports  
at This Time

Chapter 7, Slide 17 of 23

## Coastal Impact Assistance Program

---

Alaska:

### Cost Sharing

Some Projects Require a Non-Federal Cost Share or  
Match--Can CIAP Funds be Used to Meet that Requirement  
on Other Grants?

SEE 43 CFR 12.64(b): Approval to use Federal Funds from  
the CIAP Program To Meet Non-Federal Cost Share/Match  
Requirements Comes from the Statute of the Grantor  
Organization

Inform CIAP of Your Intent in Your Plan

Chapter 7, Slide 18 of 23

## Coastal Impact Assistance Program

---

### Site Visits and Audits

- Site Visits Schedule Not Determined at This Time
- Single Audit Requirement Most Likely Won't Cover CIAP Grants
- CIAP Intends to Conduct Audits
- Audit Schedule and Details not Determined at This Time

Chapter 7, Slide 19 of 23

## Coastal Impact Assistance Program

---

Louisiana & Alabama:

**Bundling Several Projects  
Into 1 Grant Award**

**Request Further Rationale  
And Input from Recipients**

Chapter 7, Slide 20 of 23

## Coastal Impact Assistance Program

---

### MEDIATION/ADR

No Process in Place at This Time

Issue Under Consideration

Please Provide Your Comments

Chapter 7, Slide 21 of 23

## Coastal Impact Assistance Program

---

### Training

What are Your Training Needs?

Please Complete the Questionnaire

We Need Your Input

Chapter 7, Slide 22 of 23

## Coastal Impact Assistance Program

---

THE END

## Coastal Impact Assistance Program (CIAP)

---

Chapter 8. CIAP Compliance with Federal, State, and Local Authorities

Programmatic Environmental Assessment

- Purpose
- Status
- Content
- Schedule



**MMS**

Chapter 8, Slide 1 of 4

## Coastal Impact Assistance Program (CIAP)

---

### Environmental Compliance

National Environmental Policy Act

- Categorical Exclusions
- EA/EIS
- Streamlining

Coastal Zone Management Act

Other Environmental Laws



**MMS**

Chapter 8, Slide 2 of 4

## Coastal Impact Assistance Program

### Chapter 8.1 Environmental Review

#### Mississippi

“MMS will consult with States to determine the types of projects by states and CPS’s. At what point in the process will this take place?”

#### Texas

“Please provide additional information listing the categories or types of projects that will be assigned to the three NEPA categories; categorical exclusion, finding of no significant impact, or further environmental review”

Chapter 8, Slide 3 of 4

## Coastal Impact Assistance Program

### Chapter 8.2 Consistency for Federal Assistance

#### Texas

“Provide clarification on whether MMS approval of a state’s final plan is a federal agency activity requiring a federal consistency determination that a state coastal management agency must concur with or object too.”

Chapter 8, Slide 4 of 4