

Funding Guidance for State/Territory Expenditure of Coastal Nonpoint Pollution Control Program Implementation Funds

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Introduction and Background

This document provides guidance from the Office of Ocean and Coastal Resource Management (OCRM) to State and Territory Coastal Management Programs on the use of grant funds for the implementation of state Coastal Nonpoint Programs (CNPs) developed pursuant to Section 6217 of the Coastal Zone Act Reauthorization Amendments of 1990 (CZARA). This document supersedes all previous nonpoint funding guidance and is effective immediately for all FY06 grants and any amendments or new grants using prior year appropriations submitted to OCRM. Case-by-case exceptions may be made for the continuation of grants (i.e., amendments and extensions) in process if the funded tasks are clearly consistent with state coastal nonpoint source priorities and if the tasks completed thus far have been successful.

This guidance draws upon the experiences of the program to date and historical CZMA policy. OCRM's goal is to provide flexibility and discretion to the states in establishing their coastal nonpoint program priorities and proposing projects for funding consistent with guidance that results in objective and trackable national results. In some cases, projects that have been funded in the past will no longer be allowed. This guidance is intended to be adaptive and will be amended as necessary to accommodate changing state priorities, funding levels, and new policy directions. To the extent that ongoing or planned projects are no longer eligible for funding, we will work with you to find other more suitable sources of funding, either through the CZMA grants or other programs entirely.

General Guidelines

State and territory programs should ensure that all CNP requests for funding submitted to OCRM meet the following guidelines. OCRM's Coastal Management Specialists will use these criteria in reviewing and approving projects.

1. The grant task clearly and directly ties the project to the implementation of approved CNP management measures or other approved program elements such as education and outreach, and intergovernmental coordination. Each grant task should clearly state which management measure or group of measures are being implemented by the project. Projects that are generally related to coastal water quality, but not specifically related to a State's CNP may be eligible for other CZMA funding. Projects designed to implement specific activities not subject to CZARA review, such as those in categories or geographic areas with exclusions approved by NOAA and EPA and those covered by Clean Water Act National Pollutant Discharge Elimination System permits, are not eligible for funding. However, projects that serve multiple areas or jurisdictions and may accomplish the goals of permitting programs, such as regional conferences and educational efforts, remain eligible for funding.

2. Site-specific projects should include a geographic identifier in the task description (i.e., township; county; watershed hydrologic unit code (HUC) identifier; or lat/long) as well as identification of the body (bodies) of water that is (are) affected. At a minimum, the stream name and drainage basin description should be provided (e.g., pervious paver installation at Maryland state park on the Severn River, which empties into the Chesapeake Bay south of Annapolis, Maryland).
3. The grant task provides reasonable justification for the project that clearly identifies the project outcomes and explains how the project will implement the management measures and contribute to protection or restoration of coastal water quality. If possible, the task should provide objective, quantifiable measures of success. Such measures could include an estimate of stakeholders educated, forecast of expected policy changes, estimate of pollutant load reductions, or the number of acres protected or managed as a result of the project. These measures should be reported in a manner consistent with goals and objectives found in the state's 5/15 year plans or related CNP materials. Linking projects to performance indicators in the coastal water quality and coastal dependent uses/community development theme areas of the Coastal Zone Management Act Performance Measurement System (CZMAPMS) is also recommended. OCRM does not expect water quality sampling or project specific effectiveness monitoring.
4. The project is consistent with the state's long range strategies and implementation plans, which in most cases are the 5/15 year plans called for in the CNP "Administrative Changes". If the State does not yet have such documents, a long range strategy and implementation plans should be developed or identified (e.g., statewide 319 plan) as soon as possible. The project should thus support identified *coastal* nonpoint source management priorities (e.g., priority source of nonpoint pollution, regional agreements, critical coastal areas).
5. Matching funds from non-federal sources must be used for projects/activities consistent with these guidelines. Therefore, CNP implementation grants cannot be used for the planning phase of a project with non-federal match used for earth-moving activities that would be ineligible for NOAA funding. Also, the same level of detail (in the scope of work or task description) is required when describing uses of matching funds as is used to describe uses of federal funds.

Recommended Areas for Funding

1. Staffing

OCRM continues to encourage each and every state to maintain a full time staff coordinator for the CNP program and to use CNP implementation funds as necessary to provide salary and benefits to the coordinator. Support of other staff or consulting positions to carry out programmatic actions are also encouraged and might include the following:

- ✓ Consultants, engineers, or local planners working with municipalities or industry to site, design, and implement stormwater management BMPs.
- ✓ Septic system inspectors.
- ✓ University staff working on policy recommendations or guidance documents.

2. Tracking and Evaluating Implementation

OCRM urges states to consider using a portion of funds for enhancements to CNP planning (5/15 year plans), tracking and evaluation tools. These tools could include:

- ✓ Forging new partnerships with other state agencies or building on existing partnerships.
- ✓ Developing or improving long range strategies and implementation plans for the CNP.
- ✓ Developing new or revised CNP reports.
- ✓ Development or enhancement of systems, compliance audits, and tracking tools.

3. Priority Management Measures

OCRM will continue to solicit state input and monitor state expenditures to develop one or more management measure focus areas that represent national priorities for the expenditure of nonpoint implementation funding. These areas will most often help fill niches which remain largely unfunded by other federal programs. All programs will be encouraged to develop and support projects and staff that implement management practices in the focus area(s). In the past, the focus areas have been onsite disposal systems (OSDS), clean marina programs, and local-capacity building. In FY2006, OCRM will continue to promote work in these areas. To the extent that a state proposes no projects or expenditures in the recommended focus areas, the state will need to demonstrate that its proposed projects are implementing priority actions identified in its program documents and long range plans. OCRM prefers that states not use significant portions of their CNP implementation funds in categories, such as agriculture, where other federal agency funding sources clearly exist.

Specific Guidelines for Implementation

1. On-the-Ground Projects

OCRM recognizes that there has been continuing demand from some states for on-the-ground projects including the physical installation of best management practices identified in the CZARA section 6217(g) guidance, and the purchase of nonpoint pollution abatement equipment. To address this demand, we are providing criteria for a limited number of activities described below. Applicants for such projects will need to fill out and submit a “NOAA Environmental Check List for Proposed Actions,” which is available on the web at: http://www.seco.noaa.gov/ENV/NEPA/nepaChecklist_printable.html.

OCRM will revisit the criteria for on-the-ground projects at such time as Congress provides new authorities or additional statutory requirements. There are many reasons why on-the-ground projects are problematic from a national perspective, including, but not limited to:

- ✓ CNP implementation funds do not generally provide states with enough money to demonstrate outcome oriented results.
- ✓ Coordination across agencies is a cornerstone of the CNP, and it may suffer if states focus CNP implementation funds on specific practices in a limited number of management measure areas.
- ✓ Monitoring, tracking and evaluating implementation of the CNP nationally needs improvement.

On-the-Ground projects must:

- ✓ Implement one or more management measures associated with an identified focus area or a state priority as defined in state planning documents.
- ✓ Occur on public lands or on private lands with an easement or where an agreement to maintain the project for an estimated life of at least 20 years is in place.
- ✓ Represent an exceptional (i.e., new, different, innovative) practice for the state and/or nation. For example, projects implementing a newly developed “additional management measure” will be given strong consideration, while implementation of a baseline 6217(g) measures may not be acceptable unless the state has not undertaken projects in the area previously.
- ✓ Be sponsored by the State coastal program or approved public entity.
- ✓ Contain an outreach component with a clear public benefit, defined audience, and evaluation plan.
- ✓ Provide for public access to view the project or provide an organized program to display the project and educate other potential users of the practice.
- ✓ Be limited to no more than two funding years.

Tasks that are designed to implement or support “additional management measures” being considered for adoption by the program might receive consideration for funding even if they do not meet all the criteria above.

Examples of eligible demonstration projects would include:

- ✓ Cost sharing of marina BMPs (e.g., bilge socks, spill clean up supplies) at a state-run facility to promote the State’s clean marina program.
- ✓ Installation of N-reducing OSDS at public site with education kiosk explaining the treatment technology.
- ✓ Installation of stormwater management practices such as a pervious surface parking lot or trail at a public park, with educational signage.

Examples of ineligible projects include:

- ✓ Installation of commonly used agricultural BMPs on private land with no public outreach component.
- ✓ Four stroke outboard engines installed on state or local government-owned boats

Projects deemed ineligible for CNP funding may be eligible for funding under CZMA Section 306.

2. Private Lands Guidelines

Expenditures (of CNP implementation funds) to implement coastal nonpoint measures through low-cost construction or other earth-moving activities on private property will only be made in very limited circumstances. These projects should be viewed as exceptional in nature.

Ineligible projects/expenditures include:

- ✓ Installing agricultural best management practices on private farms where no acceptable landowner agreement to maintain the practices for 20 years is in place.
- ✓ Cost-sharing the purchase of equipment to support best management practices in a management measure category not included in the OCRM focus areas or in State CNP priority areas.
- ✓ Implementation of management measure practices that directly benefit private landowners, such as the replacement or upgrade of a residential septic system.

On-the-ground projects on private lands are not a CNP priority given current funding levels, however, funding of projects for enhanced coordination, policy, education, planning, and design of management measures and new programs that will ultimately enhance NPS management on private lands and for private entities are encouraged. These projects should have widespread applicability in the State's CNP management area and deliver a visible public benefit. Eligible projects might include:

- ✓ Coordination meetings to roll out new agriculture BMPs consistent with CZARA section 6217(g) measures (e.g., nutrient management plans).
- ✓ Watershed planning or community growth and development assistance that directly address practices called for in approved portions of state/territory CNPs.
- ✓ Policy and program development that will assist private landowners in implementing CNP management measures, such as educational brochures for homeowners or guidance documents for municipal officials.