

Chapter 340, Statutes of 2016 added Section 79717 to the California Water Code. This section requires the Secretary for Natural Resources to submit a report on Proposition 1 to the Legislature and the Legislative Analyst's Office that contains the following information:

- (1) Funding appropriations and encumbrances.
- (2) Summary of new projects funded.
- (3) Summary of projects completed.
- (4) Discussion of progress towards meeting the metrics of success established pursuant to Section 79716.
- (5) Discussion of common challenges experienced by state agencies and recipients of funding in executing projects.
- (6) Discussion of major accomplishments and successes experienced by state agencies and recipients of funding in executing projects.

For 2016, we are submitting this abbreviated report on the activities of Proposition 1. In future years, because Proposition 1 is one of the main funding sources to implement the California Water Action Plan (CWAP), we will fold in the required information for this report into the update of the CWAP. The current 2016 CWAP implementation report can be found at http://resources.ca.gov/docs/california_water_action_plan/CA_WAP_Impl_Rpt_2016.pdf, which provides a more complete picture of California's efforts to meet the goals and actions of the CWAP.

(1) Funding appropriations and encumbrances. The Natural Resources Agency provides appropriation information on all of the bond measures that it manages and posts it to the Internet. For Proposition 1, this information is found at <http://bondaccountability.resources.ca.gov/p1.aspx>. This balance report shows the past appropriations and those that are proposed in the 2017/18 budget. The report is updated every six months to reflect either the Governor's proposed budget or the current enacted budget.

(2) Summary of new projects funded.

Detailed project information can also be found online at <http://bondaccountability.resources.ca.gov/ProjectSearch.aspx?Prop=48>. Searches can be made by the following: assembly district, senate district, congressional district, city, county, zip

Department	Projects	
SWRCB	170	<p>code and address. In addition, projects can be brought up by the following metrics which also have many subcategories: acquisition easement, acquisition fee title, infrastructure improvement, restoration, technical assistance and water management. All searches can then be exported for further analysis if needed. Each individual project page contains the following information: description, reference number, implemented by, objective, project type, total cost, project status, estimated completion date, actual completion date, located in a disadvantaged community, Proposition 1 contribution towards the project costs, which action from the California Water Action Plan the project is helping to achieve and project location on a map.</p> <p>To date, 453 projects have been awarded funding from Proposition 1. The following table shows the number of projects that have been awarded by department. Project awards range in size from \$250 million for removal of 4 dams along the Klamath River to \$20,000 for cleanup and restoration work in the San Diego Bay</p>
DWR	93	
SNC	32	
SCC	25	
WCB	24	
CDFW	24	
RMC	13	
SMMC	13	
CVMC	13	
SDRC	13	
SSJDC	10	
CTC	9	
OPC	6	
BHC	4	
SJRC	3	
CNRA	1	
Total	453	<p>National Wildlife Refuge. The total amount awarded from Proposition 1 for these projects is \$960 million. The total project costs are \$1.9 billion, which means that Proposition 1 funds were approximately matched one to one by other sources. New projects are being awarded on a regular basis by departments and this information is updated online. An updated calendar of program solicitations can be found at</p>

National Wildlife Refuge. The total amount awarded from Proposition 1 for these projects is \$960 million. The total project costs are \$1.9 billion, which means that Proposition 1 funds were approximately matched one to one by other sources. New projects are being awarded on a regular basis by departments and this information is updated online. An updated calendar of program solicitations can be found at

http://bondaccountability.resources.ca.gov/PDF/Prop1/draft_schedulev2.pdf.

(3) Summary of projects completed.

To date, 5 acquisition projects have been completed that preserve 7,505 acres to help with flood control, water quality and to prevent development on these natural sites that would use additional water resources and have a negative effect on adjacent water resources. The remaining 448 projects are in various stages of development with a third of the projects expected to be completed in 2017 and another third in 2018. With continued solicitations in most programs during 2017, we expect the number of projects to grow and look forward to

seeing how the additional completed projects will help California achieve the goals and actions of the CWAP.

(4) Discussion of progress towards meeting the metrics of success established pursuant to Section 79716. All projects funded by Proposition 1 are geared to help achieve one of the goals or actions in the California Water Action Plan (CWAP). The Natural Resources Agency, the California Environmental Protection Agency and the California Department of Food and Agriculture produced a report on the accomplishments from 2016 on implementing the CWAP, which can be found online here:

http://resources.ca.gov/docs/california_water_action_plan/CA_WAP_Impl_Rpt_2016.pdf.

As stated earlier, because Proposition 1 is one of the main funding sources for the CWAP, the information required in this report will be folded into the CWAP report starting in 2017.

(5) Discussion of common challenges experienced by state agencies and recipients of funding in executing projects.

The following challenges were experienced during 2016 by our programs and recipients of funding:

- Demand for programs is higher than amount available to grant. Because of the drought and the focus on water since the passage of Proposition 1, most programs are seeing higher demand for funding than what is currently available.
- Lack of expertise in some communities to prepare applications for funding. Programs are addressing this concern by doing more outreach.
- Some proposed projects were not ready enough to be competitive. Since most programs will have multiple funding cycles, applicants will have the time to finish preparing and designing projects so that they are more competitive in a future round. In addition, programs are reaching out to project proponents to provide technical assistance where needed and permitted.
- Large regional projects were being proposed by applicants but not enough coordination between the various partners had taken place. As mentioned above, since most programs will have multiple funding cycles, applicants can take advantage of the additional time to lock in partnerships and secure roles for all of the entities involved in the project.

- New programs and existing programs had to develop guidelines based on the Proposition 1 statute. However, because of the requirements for transparency and outreach in the bond, this provided programs with an opportunity to reach out to new partners and to receive feedback from a wide range of stakeholders.
- Project proponents have found it challenging to effectively align timelines of their projects to the timelines of the solicitations. This can be especially challenging when the proponent applies to multiple programs. Agencies are addressing this issue through outreach and increased coordination between programs, including using experts from other departments on evaluation teams.

(6) Discussion of major accomplishments and successes experienced by state agencies and recipients of funding in executing projects.

As mentioned earlier, a full report of how Proposition 1 projects are helping achieve the goals and actions of the CWAP can be found in the latest CWAP implementation report. That report contains accomplishments and successes but provides the context of how they are helping implement the CWAP. In addition to the items mentioned there, the following should also be highlighted:

- Most programs started solicitations soon after appropriations were made. This allowed for a large number of projects to receive funding in 2016. Benefits from these projects will be seen sooner because programs forged ahead as soon as the bond was passed and started program development.
- Due to the increased outreach, programs are seeing new applicants and are reaching a wide variety of communities. Projects have been awarded in almost every county of the state.
- Proposition 1 funds have been matched approximately one to one with other funding sources.