

Delta Conveyance Project Community Benefits Program

Discussion Draft Implementation Plan and Guidelines

For Public Review and Comment
October, 2024





The Delta Conveyance Project includes a Community Benefits Program that would be implemented separate from, and in addition to, the mitigation required under the California Environmental Quality Act (CEQA) and other environmental statutes and regulations.

Introduction

Large infrastructure projects, such as the Department of Water Resources’ (DWR) Delta Conveyance Project, inevitably create effects on the communities and the local environment in which they are built.

Out of recognition that the water supply benefits of the Delta Conveyance Project extend across much of the state, but the impacts of construction and operation are concentrated locally in the Delta, the Delta Conveyance Project includes a commitment to a comprehensive Community Benefits Program.

The goal of the program is to develop ways to identify, fund, and implement local projects that can provide tangible, lasting, and valuable economic and social benefits to the residents, businesses, and organizations affected by the Delta Conveyance Project.

In addition, a Community Benefits Program would provide opportunities for Delta communities to engage and articulate ways the Delta Conveyance Project can alleviate potential conflicts with local Delta land uses related to the unique cultural, recreational, natural resource, and agricultural values of the Delta as an evolving place. The community development opportunities are substantial and will benefit from local insight in the coordinated development and implementation of the program.

Background

The program is one of three distinct but complementary processes intended to address effects within local Delta communities. The other two processes are the more traditional concept of mitigation used to address environmental impacts for compliance with specific regulatory requirements (e.g. CEQA), and an Ombudsman Program that provides a primary point of contact to streamline information sharing, facilitate responses to information requests, and support applicable construction impact-related claims and ensure appropriate compensation associated with direct construction-related impacts.



Three Distinct but Complementary Processes

Regulatory Mitigation	Community Benefits Program	Ombudsman Program
Purpose: Address project impacts related to specific regulatory requirements (e.g. CEQA/NEPA)	Purpose: Provide resources to direct benefits toward communities most impacted by implementation, based on community collaboration	Purpose: Clearinghouse single point of contact to streamline information, support and claims. Includes facilitating the process for obtaining just compensation for direct construction impacts

Overview

The program comprises the following four elements and described in more detail in the subsequent sections:

1. Delta Community Fund

- Grant funding for a broad array of community-prioritized projects in the Delta.
- Early input from community members identified examples of project categories, including recreation, water and air quality, public safety and emergency response, habitat conservation, culture and history, economy, infrastructure, education and workforce development, and levee maintenance and improvement.
- Qualified projects will be funded on a first-come, first-served basis with technical assistance provided to applicants.

2. Economic Development

- These are targeted benefits that would be realized through construction of the project facilities, including targeted hiring, job training and business participation programs.
- The Community Benefits Program budget for the economic development element would include expenses (i.e. staffing) that would be required to administer the program and monitor progress toward the identified targets.

3. Integrated Benefits

- These benefits would be commitments to modify and convert temporary infrastructure or other construction-related features as a “leave behind” for continued public use and benefit.
- Quantification of the integrated benefit would only include the incremental expenses that would be required to make the infrastructure suitable to leave behind for continued community use. The incremental cost would be determined by subtracting the estimated cost to design, construct, and potentially staff/operate a component of infrastructure (i.e. emergency response facilities) as originally designed from the cost to design, construct, and potentially staff/operate the same component as designed for the integrated benefit.

4. Community Benefits Agreements (CBAs)

- Agreements with specific communities identifying benefits unique to that community that could be achieved through any combination of the three program elements defined above or similar components.

Funding

The overall available funding for the Delta Conveyance Project’s Community Benefits Program is \$200 Million. A designated amount will be set aside for the Delta Community Fund. The remaining funds will be available for Economic Development, Integrated Benefits, and CBAs. While the implementation of the Economic Development Component will be on-going throughout construction, the Department of Water Resources will be able to utilize real-time

expenditures within the first few years of construction to make any necessary planning adjustments to the budget for the remainder of its implementation. Any Community Benefits Program funds not committed (i.e. budgeted for) in these three categories in advance of 100% design for all project features (currently anticipated to be 2030) will be moved into the Delta Community Fund.

Proposed Approximate Community Benefits Program Budget

	Description of Budget	Total
Community Benefits Program	Total budget for all Program Elements	\$200 Million
1. Delta Community Fund	a) Grant funds available	TBD
	b) Staffing for outreach, monitoring, technical support, and overall implementation	TBD
2. Economic Development*	Program administration	TBD
3. Integrated Benefits**	Incremental cost to make the infrastructure suitable to leave behind for continued community use	TBD
4. Community Benefits Agreements	May be comprised of multiple program elements	TBD

*All other implementation costs for the economic development element would be included in the Project Construction budget.

**Costs associated with technical assistance or development of Community Advisory groups would be included in the Project Construction budget because the primary purpose of convening these groups would be to allow us to share the evolving design information and collect community feedback on design concepts, aesthetics, plantings, and logistics.



Timing

After soliciting, receiving and incorporating changes based on community feedback, final draft of this Implementation Plan and Guidelines document will be published by mid 2025 and the final will be published by late 2025. The budget for the Economic Benefits element would be finalized and Integrated Benefits and any benefits resulting from CBAs will be identified and finalized in advance of 100% design for all project features and implemented during construction. Grant funding applications will be accepted after the initiation of construction and will continue every 4 years on a first-come first-served basis until available funding runs out for that solicitation period. The first solicitation period would make 50% of the grant funds available, if funds are still available after the close of any solicitation period, they would roll over into the next solicitation period. The next two solicitation periods would make 25% of the total grant funds available, respectively, and would potentially include additional funds not committed to the Economic Development, Integrated Benefits, or CBAs prior to 100% design of all project features.

Delta Community Fund

Eligibility and Prioritization

The following are draft screening criteria to determine general eligibility. Scoring criteria will be established to support a determination to fund a specific proposal. For more information on the scoring criteria please see page 7. Community input will be sought on the scoring criteria so that the criteria and the weighing of the criteria reflect community priorities.

- Eligible proposals are those in the legal Delta or the Byron Hills/Mountain House areas.
- Eligible applicants include local public agencies, federally and non-federally recognized Tribal Governments, and non-profit organizations. Private entities will be considered if they are in partnership with an eligible applicant.
- Eligible proposals should address recreation and tourism, historic and cultural preservation, environmental education, agricultural support, or community improvements to sustain the Delta's heritage and enhance the unique values of the Delta.
- Eligible proposals must demonstrate ability to comply with applicable, local, State, and federal laws and regulations, including CEQA, the Delta Plan, and other environmental permitting requirements.
- Eligible proposal must not conflict with the Delta Conveyance Project.

The Sacramento- San Joaquin Delta (Delta) is a unique natural resource of local, State and national significance. The Delta is a 1,300-square mile estuary, the largest on the west coast of North and South America. It is home to more than 500,000 people, is a recreational destination and an agricultural region of great value.

The Delta's uniqueness, however, does not exempt it from change. Some changes are driven by the Delta's location at the center of California's water system and are required to meet statewide goals of restoring the Delta's ecosystem and improving water supply reliability. Protecting the Delta as an evolving place means accepting that change will not stop, but that the fundamental characteristic and values that contribute to the Delta's special qualities and that distinguish it from other places can be preserved and enhanced while accommodating these changes (23 Cal. Code Regs., § 5001(h)(3); Delta Plan, Chapter 5, p. 167; Delta Vision Blue Ribbon Task Force 2008).

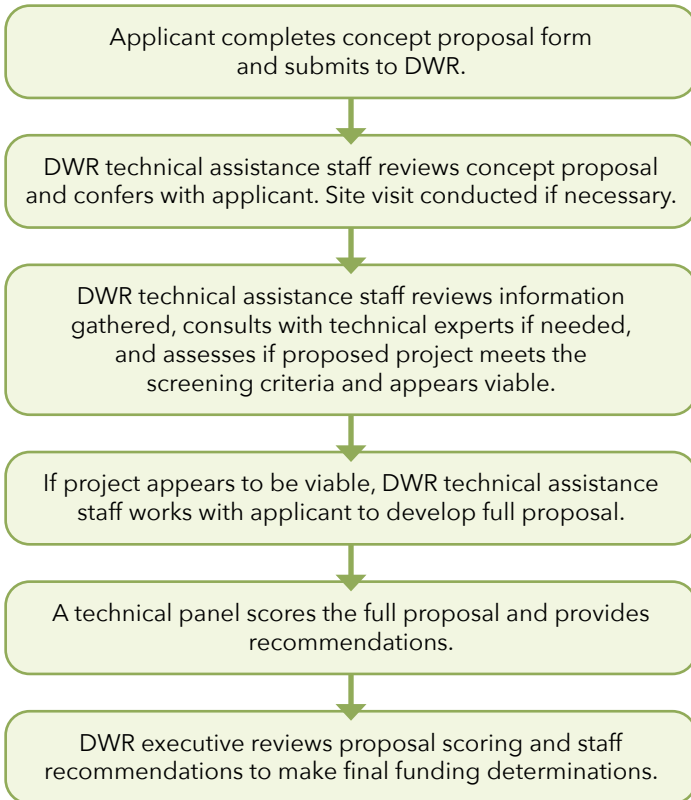
The Delta Conveyance Project Community Benefits Program provides a mechanism for the Delta community to communicate needs and provide funds for eligible projects that protect and enhance the Delta as an evolving place as described in the Delta Reform Act and Delta Plan.





Distribution of Funds

DWR's existing grant program infrastructure, or another public entity with similar capacity, will manage distribution of funds through the following process:



Publicity

DWR will provide advertising and outreach regarding the availability of funds and guidance about the application process. This will be done with support from the Delta Conveyance Project Ombudsman and will utilize best practices developed to reach all communities throughout the Delta.

Oversight

DWR will implement an audit program including developing and publishing an Annual Report to demonstrate how the funds are being managed and distributed including details on how each project receiving funding has met the requirements in the fund guidelines.

All proposals funded by the Delta Community Fund require performance monitoring and reporting by the implementing entity. The funding agreement would include a template performance monitoring report, reporting notification requirements, and allow DWR to audit a project, if necessary. This monitoring report would include how funds are being utilized and how effective the project is at supporting the stated community benefits from the grant application.

Economic Development

The economic development components of the program will include targeted hiring and business participation requirements set within construction management contracts. These programs would be implemented through the latter stages of design and throughout the construction period. To determine the target goals, the Delta Conveyance Design and Construction Authority (DCA) will seek input from county economic development departments, workforce development agencies, labor unions, trade associations, Tribes, chambers of commerce, and community and environmental justice leaders and organizations.

To ensure a robust and effective program, the DCA will provide dedicated staff to oversee the effort, track metrics, conduct audits and produce audit reports, coordinate with county economic development offices, and serve as a source of public information. These staff will be closely coordinated with the Project Ombudsman. Funding for staff positions associated with implementation of this element will be provided as a part of the Community Benefits Program.



Integrated Benefits

An “integrated benefit” recognizes the potential for conversion or modification of a construction feature for later public benefit. Potential examples include:

- Converting a temporary haul road utilized during construction to permanent use as a bike path or new public roadway.
- Leaving behind the proposed project’s temporary “Park and Ride” facility for community use.
- Installation of communication infrastructure for use by the community, including facilities and equipment for broadband service, while simultaneously constructing project communication infrastructure.
- Integrating roadway features like barriers, signage or stoplights into project designs.
- To identify community interest in these potential integrated benefits or “leave behinds,” the DCA will:
 - Inquire and coordinate with county representatives and community groups.
 - Ask for input from Community Advisory Groups (CAG) convened in a separate (non-CBP) process to provide advice and input on aesthetic and discretionary aspects of project designs (e.g. landscaping and architectural choices). These CAGs may be a source of input or indication of community interest in potential leave behinds.

If there is community interest in potential leave behinds, DWR will provide technical assistance to develop an estimated cost for the possible project modification. Consideration of the integrated benefit will include benefit to the community, cost of the modification, and construction schedule implications.

Any modifications to support integrated benefits would be approved prior to 100% design for that respective project feature and be implemented during the project construction. Community Benefits Program funding for integrated benefits would be quantified as the incremental expenses that would be required to make the infrastructure suitable to leave behind for continued community use.

Creating a Community Benefits Program is an acknowledgment that:

- Project benefits related to State Water Project water supply reliability do not directly benefit the communities of the Delta;
- The project could have potential adverse effects that Delta communities experience through the term of construction; and
- The limitations of traditional CEQA and other required environmental mitigation typically do not address all adverse effects on local communities.

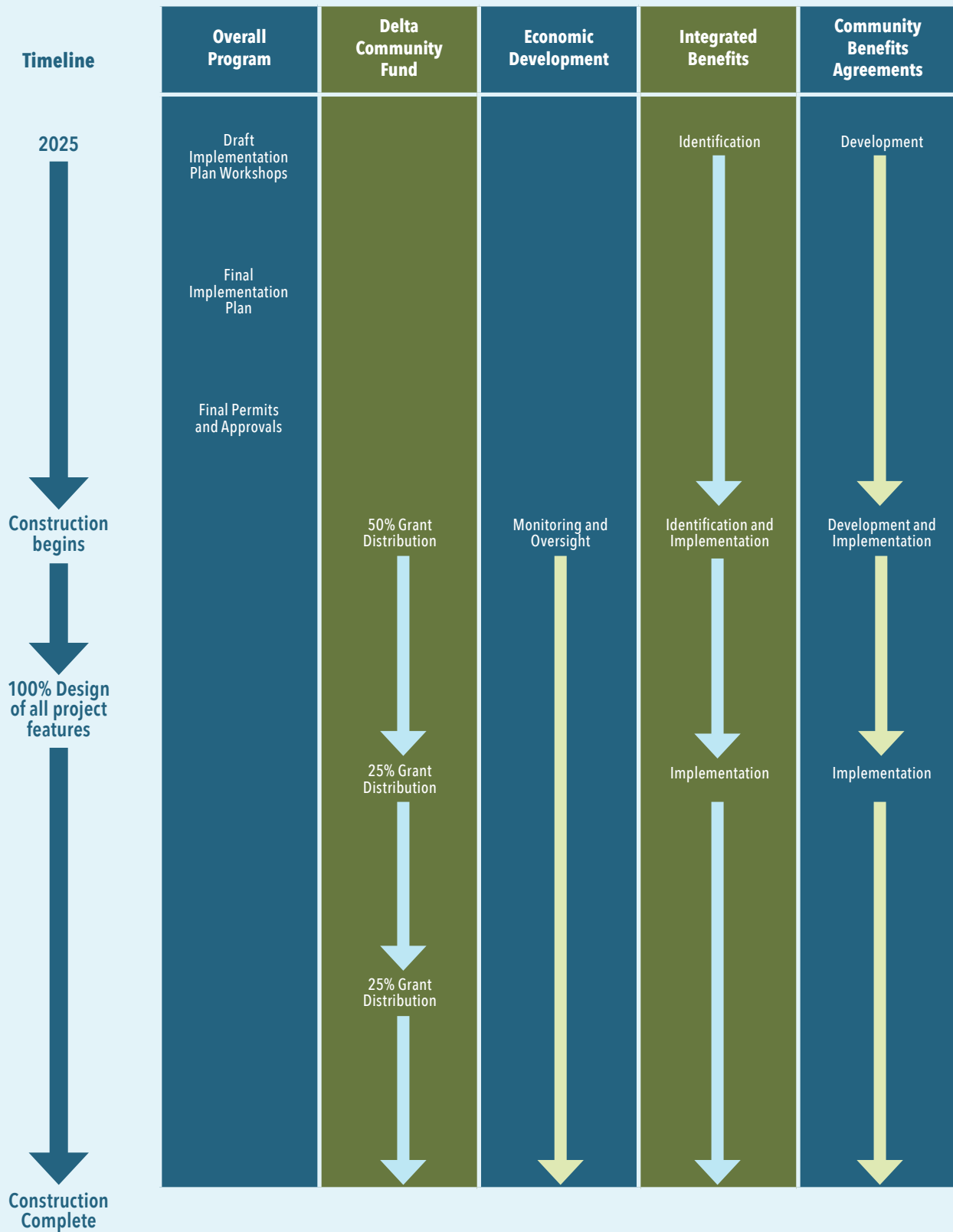
Community Benefits Agreements

Community Benefits Agreements (CBAs) are a way to supplement the grant program, economic development, and integrated benefits elements by providing an opportunity for more targeted collaboration with communities. These CBAs may be developed with a single entity representing a single geographic location or town, or with an entity representing a larger region, or in combination. CBAs must be finalized in advance of 100% design for all project features after which time communities can continue to pursue grant funding.

CBAs will typically include the following:

1. Development of entity specific engagement guidelines
2. Identification of proposed commitments
3. Full definition of proposed commitments
 - a. Contracting/agreement mechanisms
 - b. Identification of all necessary parties and defined roles
 - c. Potential development of conceptual engineering
 - d. Estimation of cost and mechanism for payment
4. Draft agreement
5. Entity-led community engagement on draft agreement
6. Revised agreement (if necessary)
7. Executed final agreement (upon acquisition of all permits and approvals for the Delta Conveyance Project)

Timeline for Development and Implementation of the Community Benefits Program



Screening & Scoring Criteria Example Tables

The following tables outline potential screening and scoring criteria that will guide DWR in distributing grant funding through the Delta Conveyance Project’s Community Benefits Program. Eligible projects are those that meet all the screening criteria listed below.

Community Benefits Program grant funding will go to those eligible projects that have the highest scoring criteria total. Scoring criteria may be expanded and/or prioritized by input from the Delta community.

Screening Criteria	Yes/No
Is this project in the legal Delta or the Byron Hills/Mountain House areas?	
Is this a local public agency, federally or non-federally recognized Tribal Government, or non-profit organization? (Private entities will be considered if they are in partnership with an eligible applicant).	
Does this proposal address recreation and tourism, historic and cultural preservation, environmental education, agricultural support, or community improvements to sustain the Delta’s heritage and enhance the unique values of the Delta?	
Does this proposal demonstrate ability to comply with applicable, local, State, and federal laws and regulations, including CEQA, the Delta Plan, and other environmental permitting requirements?	
Does this proposal conflict with the Delta Conveyance Project?	

Scoring Criteria	Yes/No	Score
Is this project identified in the Delta Protection Commission’s Sacramento- San Joaquin Delta National Heritage Area Program Management Plan, Economic Sustainability Plan for the Sacramento-San Joaquin Delta, or in planning documents from a local public agency?		
Does this project support Disadvantaged Communities or Tribal Communities?		
Does this project support levee improvements or flood improvement programs?		
Is this project within 2 miles of a major project facility (e.g., intakes, launch shafts, Bethany complex/Southern complex)?		
How well does the proposal provide a clear description of the project, the need for the project, and project goals and objectives?		
How well does the proposal provide a clear description of the project’s tasks and deliverables (deliverables should be recorded on the Schedule and List of Deliverables attachment)?		
How clear, reasonable, and justified is the project’s budget, including all budget tables?		
To what extent does the proposal describe appropriate organizational capacity, and demonstrate the appropriate qualifications of affiliated staff to implement the proposal?		
How well does the proposal demonstrate that the project has local support?		
How well does the proposal demonstrate an approach to informing and consulting potentially affected parties, and to avoiding, reducing, or mitigating conflicts with existing and adjacent land uses?		
How well does the proposal address potential vulnerabilities of the project site to climate change effects, and how the project will account for and provide adaptation and/or resiliency to potential climate change effects?		



Delta Conveyance Project

water.ca.gov/deltaconveyance