



## **California Department of Fish and Wildlife Cutting the Green Tape**

Report to the Legislature in Compliance with Item 3600-001-0001,  
Section 2.00, of the Budget Act of 2021  
(SB 129, Budget Committee, Ch. 69, Statutes of 2021)

October 2021



**Cover Photo:** Rock Creek in Shasta County, a formerly dewatered stream reach that was restored and re-watered. The basalt rock piles are "crayfish condos" - new homes for the endangered Shasta crayfish. - Photo by B. Henderson

## Contents

Glossary.....	3
Executive Summary .....	4
Background.....	4
Legislative Mandated Reporting	5
1. A List and Description of the Restoration Projects Initiated	6
2. Average Restoration Permit Processing Times	7
3. The Number of Restoration Permits Issued	8
4. Specific Strategies and Changes Implemented as Part of this Initiative	8
5. Lessons Learned to Improve Ongoing Permitting Processes and Restoration Work	9
6. Counties and Watersheds in Which CDFW has Focused Related Efforts	10
Conclusion.....	10

## Glossary

CD – Consistency Determination (Fish & G. Code, § 2080.1)  
CDFW – California Department of Fish and Wildlife  
CEQA – California Environmental Quality Act  
CESA – California Endangered Species Act (Fish & G. Code, §§ 2050-2089.25)  
CGT – Cutting the Green Tape Initiative  
CLSN – California Landscape Stewardship Network  
CNRA – California Natural Resources Agency  
FRGP – Fisheries Restoration Grant Program  
HREA – Habitat Restoration and Enhancement Act  
LSA – Lake and Streambed Alteration  
MCA – Mitigation Credit Agreements  
NCCP – Natural Community Conservation Plan  
NCSP – North Coast Salmon Project  
NOAA – National Oceanic and Atmospheric Administration  
PACT – Priority Action Coho Team  
PBO – Programmatic Biological Opinion  
PEIR – Programmatic Environmental Impact Report  
PSN – Proposal Solicitation Notice  
RMP – Restoration Management Permit  
RCIS – Regional Conservation Investment Strategies  
RLC – Restoration Leaders Committee  
SHaRP – Salmonid Habitat Restoration Priorities  
SWRCB – State Water Resources Control Board  
WRGB – Watershed Restoration Grants Branch

## Executive Summary

The California Natural Resources Agency has identified “Cutting Green Tape” as a signature initiative to increase the pace and scale of ecological restoration and stewardship. Cutting Green Tape (CGT) is focused on improving regulatory processes and policies so that ecological restoration and stewardship can occur more quickly, simply, and cost-effectively.

The Department of Fish and Wildlife (CDFW) is an active partner in this effort and is advancing several new approaches to support improved and enhanced restoration activities within its programs. Many of these approaches were supported with one-time funding in the Budget Act of 2020, with the direction *“to increase the scale and pace of restoration work, incorporate efficiencies into grant programs, and incorporate the use of programmatic permitting options.”*<sup>1</sup>

This report summarizes the outcomes that CDFW achieved under CGT during the 2020-21 fiscal year (FY 20-21) and responds to the reporting mandates identified in Provision 3 of Senate Bill 129, which amended SEC. 84. Item 3600-001-0001 of Section 2.00 of the Budget Act of 2021. This report also marks the milestone of CDFW’s transition from pilot program in FY 20-21 to the first year of a permanent program in FY 21-22.

As CDFW begins permanent implementation of CGT, we will employ the tools and efficiencies developed across a broader spectrum of the state, with a prioritized initial focus on our existing Fisheries Restoration Grants Program (FRGP), Proposition 1, and Proposition 68 grant programs.

## Background

CDFW received one-time funding in the Budget Act of 2020 to support a pilot CGT initiative through FY 20-21. CDFW redirected 19 staff to carry out its pilot CGT Program, focusing on seven overarching goals to develop and implement efficiencies to its granting and permitting processes including:

- Leveraging the stakeholder driven Restoration Leaders Committee (RLC) to further develop and implement recommendations to improve granting practices, while expanding this group to include a larger, more diverse representation of restoration leaders.
- Developing a CDFW Proposition 1 Grant Program 5-Year Report.
- Coordinating with the North Coast Salmon Project (NCSP) to accelerate restoration in the focus areas of:
  - Counties: Humboldt, Mendocino, Sonoma, and Marin

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<sup>1</sup> 2020-21 May Revision to the Governor’s Budget, Revised Budget Summary

- Watersheds: Lagunitas, Russian, Mendocino (Coast), and the South Fork Eel
- Accelerating the granting and permitting processes for restoration projects within the NCSP focus areas.
- Advancing improvements to environmental permitting, developing streamlined processes for CDFW issued permits, and further supporting the State Water Resources Control Board (SWRCB) in the development of a General Order and Programmatic Environmental Impact Report (PEIR) for Implementation of Large Habitat Restoration Projects Statewide.
- Developing a focused Proposal Solicitation Notice (PSN), funded by additional Proposition 1 funding in FY 21-22, to fund additional projects and pilot CGT developed granting and permitting efficiencies.
- Advancing the development and finalization of Natural Community Conservation Plans (NCCP) and Regional Conservation Investment Strategies (RCIS).

These pilot CGT initiatives and their outcomes informed the path forward under CDFW's permanent CGT Program, with the guiding principle of maintaining the integrity of regulatory oversight while efficiently streamlining processes. CDFW was able to develop and implement improvements in areas with direct benefits to existing projects while demonstrating a proof-of-concept for how a multidisciplinary team of granting and permitting professionals can focus efforts on increasing restoration. With permanent funding and positions in the Budget Act of 2021, CDFW is applying these tools and moving towards a broader application of the program across the state.

### Legislative Mandated Reporting

As part of the approval of the CGT Program in the Budget Act of 2021, Provision 3 of Senate Bill (SB) 129 mandates that:

*By October 1 of each year, beginning in 2021 and ending in 2026, the department [CDFW] shall submit to the fiscal committees of the Legislature and the Legislative Analyst's Office a report summarizing outcomes of its Cutting the Green [Tape] Initiative. The report shall include information related to the results of this initiative, beginning with the baseline year of 2020–21 and for each fiscal year thereafter, including: (1) a list and description of the restoration projects initiated, (2) average restoration permit processing times, (3) the number of restoration permits issued, (4) specific strategies and changes implemented as part of the initiative, (5) lessons learned to improve ongoing permitting processes and restoration work, and (6) counties and watersheds in which the department has focused related efforts.*

Given the timing of its approval on July 12, 2021, some information requested in SB 129 was not yet available during the drafting of this report. CDFW intends to incorporate specific elements of the information requested in SB 129 into continued development of our CGT program, along with the information from year one, to formulate future mandated reports. In response to SB 129 and the specific information requested, CDFW provides the following:

## 1. A List and Description of the Restoration Projects Initiated

In Summer of 2021, CDFW released a Cutting Green Tape Proposal Solicitation to identify which restoration projects will be used to implement, and fully test, the granting efficiencies and permitting tools we have been developing over the last year.

At the same time, CDFW evaluated over 250 existing grant funded restoration projects to determine if they could be candidates to pilot two new permitting tools: the Restoration Management Permit (RMP) and new processes for issuing Consistency Determinations (CDs) on restoration Programmatic Biological Opinions (PBOs). The RMP consolidates one or more of three different “take” authorizations that restoration projects may need to obtain into a single streamlined permit. The RMP is being developed to authorize take of 1) endangered, threatened, and candidate species pursuant to the California Endangered Species Act (CESA), 2) fully protected species, and 3) species of special concern and common species. Previously, these constituted three separate approvals from at least two different regions or branches within CDFW. Issuing CDs on PBOs was piloted in response to strong interest from stakeholders to identify programmatic permitting options. CDFW worked with the National Oceanic and Atmospheric Administration (NOAA) Fisheries to develop a new process for issuing CDs that involves CDFW’s “pre-approval” of PBOs to ensure general consistency with CESA coupled with an expedited review of project-specific applications. Under this process, possible conflicts between CESA and the PBO are resolved at the front end, resulting in an expedited CD process that focuses solely on project-specific review of an application for consistency with the PBO. The grant project evaluation resulted in five different projects to pilot these tools. Permitting is substantially complete for four of these projects:

1. *RMP for the Establishment of Unarmored threespine stickleback and southern mountain yellow-legged frog at Bluff Lake, California:* This project is located at Bluff Lake in the Big Bear area of San Bernardino County and is being developed by the Wildlands Conservancy.
2. *RMP for the Bull Creek Hamilton Reach Instream and Floodplain Habitat Restoration Project:* This Project will take place in the Hamilton sub-reach of Bull Creek, tributary to the South Fork Eel River within the North Coast Salmon Project in Humboldt County.

3. *RMP for the Redwoods Rising Ecosystem Restoration Program: Greater Mill Creek and Greater Prairie Creek Ecosystem Restoration*: [This large project](#), located in two [major watersheds](#) within Redwood national and state parks in Del Norte and Humboldt counties, is being developed by the Save the Redwoods League, California Department of Parks and Recreation, and the National Park Service, and both parks are RMP permittees.
  
4. *Restoration CD for the Paynes Creek Bend Water Users Fish Passage Restoration Project*: This project is located at Paynes Creek in Tehama County and is being developed by Trout Unlimited.

## 2. Average Restoration Permit Processing Times

CDFW has made major strides to help combine and streamline permitting processes, and to educate partners about which is the most effective vehicle for permitting a given restoration project. To support these efforts, in March 2021 CDFW held a restoration permitting [workshop](#) to discuss the many permitting options available to restoration practitioners, including the new RMP. The workshop had more than 280 stakeholders in attendance.

Unlike issuing permits with statutorily required timelines (e.g., Lake and Streambed Alteration (LSA) agreements and Consistency Determinations (CDs)), permitting take of species for complex, large-scale restoration projects can often take between one and three years, even when CEQA review is completed in advance. In contrast to these longer permitting timelines, CDFW is targeting issuing RMPs for projects within less than six months of permit initiation. Table 1 identifies current pilot project timelines working towards these targets.

**Table 1.** CDFW CGT Pilot Project Permit Timelines

Project Title	Permit Initiation Date	Anticipated Timeline
Establishment of Unarmored Threespine Stickleback and Southern Mountain Yellow-Legged Frog at Bluff Lake, California - RMP	April 2021	Spring 2022
Bull Creek Hamilton Reach Instream and Floodplain Habitat Restoration Project - RMP	April 2021	Spring 2022
Redwoods Rising Ecosystem Restoration Program: Greater Mill Creek and Greater Prairie Creek Ecosystem Restoration - RMP	April 2021	September 2021 (Issued)
Paynes Creek Bend Water Users Fish Passage Restoration Project – CD	June 2021	July 2021 (Issued)

### 3. The Number of Restoration Permits Issued

CDFW issued the following permits for restoration projects from July 2020 to June 2021.

**Table 2.** CDFW Permits Issued for Restoration Projects, July 2020-June 2021

Permit Type	LSA	CD	HREA
Number	40	2	17

### 4. Specific Strategies and Changes Implemented as Part of this Initiative

CDFW's CGT initiative involves several strategies and changes to the way we advance restoration granting and permitting. Since the onset of the CGT initiative, the focus of our efforts has been to increase the pace and scale of restoration work through the development and implementation of efficiencies in our granting and permitting programs while supporting the efforts of other agencies. During the pilot initiative, we first redirected 19 staff from multi-disciplined backgrounds within CDFW to form strike teams to implement program objectives. These teams accomplished:

- Structural changes to how CDFW processes grant agreements and amendments. Thus, resulting in an expected process time reduction of approximately 40%.
- Increased grant agreement budget flexibility policies and guidance to accommodate simple budget line-item adjustments inherent in complex watershed restoration projects.
- Revised grant application processes to create a more simplified streamlined application that includes early consultation.
- Re-engagement of the RLC to implement and further develop recommendations to improve granting practices. In addition, the RLC was expanded to include a larger, more diverse representation of restoration leaders.
- Increased coordination with the NCSP to accelerate restoration in the focus areas.
- Development of a new RMP to consolidate take authorizations into a single permit, standardize permitting practices within CDFW, facilitate more efficient permitting, and minimize permit applications and fees.
- Advancement of the development and finalization of NCCPs and RCISs.
- Support for the SWRCB in development of a General Order and PEIR for Clean Water Act Section 401 Water Quality Certification and Waste Discharge Requirements for Implementation of Large Habitat Restoration Projects Statewide.



It is through these initial efforts, and the commitment of permanent funding and resources, that CDFW will continue to develop a focused North Coast Solicitation to implement the CGT developed grant and permit efficiencies.

## 5. Lessons Learned to Improve Ongoing Permitting Processes and Restoration Work

The pilot phase of CDFW's CGT has provided helpful insight to how and where CDFW should continue to focus our CGT efforts. The lessons learned center around several key areas that support continued collaboration internally and with our partners, improved tracking and accountability, increased education and outreach, and continued learning.

*Continue Collaboration* – CDFW focused much of its efforts this past year on engagement with the stakeholder community through use of the RLC; public workshops, conferences, and webinars; surveys; and one-on-one meetings with stakeholders. This open dialogue increased our ability to understand what issues could and should be focused on in the near-and long-term. It also provided a renewed sense of collaboration and commitment to the restoration community to support continued investigations into ways in which CDFW can improve and accelerate restoration efforts. Continuing these efforts across the state will be important for success of the program.

*Improve Tracking and Accountability* – CDFW learned that additional solutions are needed to integrate our restoration and permitting processes with the use of current technology. This includes better tools to track granting and permitting timelines through databases and web-based programs and interfaces. It also includes continuing to build our capacity to report out on the outcomes and successes of the program through public interaction and reporting.

*Increase Education and Outreach* – The main issues surrounding delays in restoration granting and permitting often center around project proponents not clearly understanding which process to follow or what information to submit when applying for a grant or submitting a permit application. In response to this problem, another key component of our CGT pilot year involved increasing our education and outreach. Working with restoration leaders from the state, federal, and private sectors, CDFW led and participated in multiple venues to discuss restoration activities and approaches to permitting. The participation and positive feedback from these events were overwhelming with up to hundreds of participants attending. Continued efforts in this area, coordinated with pre-project consultations and streamlined application processes, will be necessary to increase restoration across the state.

*Continue Learning* – Problem solving requires repeated and varied attempts to reach success. Many of the innovations that have come from CGT stem from CDFW's willingness to try new ways of conducting business and evaluating the outcomes. Learning from the projects that we are implementing in our pilot RMP and restoration CD processes, in addition to the projects that will be funded through our North Coast Solicitation, CDFW expects to continue learning and making additional refinements to improve efficiencies. Implementation of these improved tools will require ongoing refinements to restoration permitting templates, training CDFW staff, preparing external restoration permitting guidance documents, holding additional workshops for the restoration community, and providing restoration permitting expertise for early project consultation statewide. Additionally, CDFW identified the need to explore strategies to improve the LSA agreement process for restoration projects and look for ways to integrate restoration project LSA agreements with our new take permitting tools.

## 6. Counties and Watersheds in Which CDFW has Focused Related Efforts

CDFW's CGT pilot program focused on accelerating restoration in the North Coast Salmon Project focus areas of Humboldt, Mendocino, Sonoma, and Marin counties and the Lagunitas, Russian, Mendocino (Coast), and South Fork Eel watersheds.

The four selected projects for implementing the pilot RMP and restoration CD processes focused on Bluff Lake in San Bernardino County; the Hamilton sub-reach of Bull Creek, tributary to the South Fork Eel River within Humboldt County and in the North Coast Salmon Project; Greater Mill Creek and Greater Prairie Creek in Del Norte and Humboldt counties; and Paynes Creek in Tehama County. Two additional pilot restoration projects located in Tehama and Ventura counties will be permitted via the RMP once project plans have been completed.

Additionally, during FY 20-21, CDFW approved 17 HREA projects in Mendocino (8), Marin (2), Humboldt (2), Del Norte (1), Placer (1), Monterey (1), Inyo (1), and Siskiyou (1) counties.

## Conclusion

Over the past 12 months, CDFW's pilot CGT program demonstrated a greater awareness of and commitment to increasing the pace and scale of habitat restoration to its stakeholders and the restoration community. Demonstrable progress was made in reducing processing times in several areas of granting and permitting, while ensuring continued integrity of administrative and

regulatory oversight. Further, the CGT program now represents and provides a singular CDFW program representing multiple CDFW functions including granting, permitting, and engineering, for effective and consistent engagement with stakeholders and the restoration community.

As CDFW implements the CGT program on a permanent basis, the successes and lessons learned through the FY 20-21 pilot initiative provide a framework for the new program and how to continue to apply the tools and efficiencies across a broader spectrum of the state. To do this strategically and effectively, project prioritization will initially focus within our existing FRGP, Proposition 1, and Proposition 68 grant programs. The Summer 2021 Solicitation will provide measurable outcomes of this iterative approach by which we can measure results of new efficiencies implemented and a continued effort informed by new lessons learned.