

An Initial Review of the Regional Forest and Fire Capacity Program



Executive Summary

State Established Regional Forest and Fire Capacity (RFFC) Program to Support Greater Regional Coordination

Regional Coordination Is Important. Wildfires in California have become increasingly large and destructive over the past couple of decades. Implementing effective strategies to increase protection and resilience against these wildfires is complex, in part due to the wide range of entities responsible for managing lands across the state, including local, state, and federal agencies; tribes; small private landowners; and timber harvest companies. Successfully implementing forest health and wildfire mitigation projects often requires public and private entities to work together, particularly in order to complete larger, more complex and cross-jurisdictional projects than if they work independently.

RFFC Grants Support Planning and Coordination. The state created RFFC in 2018 to support regional collaboration for forest health and wildfire resilience by providing block grants to various entities, each covering a different part of the state. (The program also provides some grants to entities that provide technical support throughout the state.) Regional grant recipients are engaged in a wide array of activities, including developing regional priority plans; permitting and developing projects; implementing demonstration projects; and conducting outreach, education, and training. In total, the program has received \$130 million in one-time appropriations, including \$60 million in the 2021-22 budget. To date, RFFC has awarded two rounds of funding totaling \$70 million. The program is administered by the Department of Conservation (DOC).

While Promising, RFFC Faces Some Challenges to Success

RFFC Is a Promising State Effort to Support Regional Coordination. Based on our review of the activities undertaken to date, as well as our conversations with grantees, we find that the initial activities funded by RFFC have been consistent with the intended goals of the program—supporting regional collaboration for forest health and wildfire prevention activities. The program has supported valuable activities that would not have happened otherwise, including outreach to and collaboration efforts with regional partners. In addition, RFFC has provided technical assistance and support that have been important in facilitating learning, sharing best practices, and improving technical expertise among local entities.

Lack of State Requirements on Regional Priority Plans Has Led to a Disjointed Approach. Although RFFC guidelines provide criteria that grant recipients must consider when prioritizing projects, the guidelines do not specify how these criteria should be weighed against one another, nor do they give direction on how projects should be assessed on these factors. Without a consistent set of criteria or requirements to guide the plans, it is difficult to assess whether the final plans developed will be aligned with state priorities in improving the pace and scale of forest management activities at the regional level, or will be the most effective at achieving state goals for forest health and wildfire prevention.

Limited Data Collection and Reporting Make it Difficult to Evaluate Program. Currently, DOC is not required to nor does it plan to evaluate the effectiveness of the program. The absence of program evaluation makes it difficult for the Legislature to (1) hold DOC accountable

for achieving programmatic goals that reflect legislative priorities and (2) make future funding and policy decisions for the program. In addition, the absence of data collection and regular reporting could affect how well DOC is able to administer the program, including how the department uses technical assistance, data, and information on best practices in the future to support the grantees.

Unclear Whether Definition of Regions Is Optimal and Comprehensive. Regional grantees cover areas that vary in size by tens of millions of acres and it is unclear whether the resulting geographic regions are the most strategic in size—neither too large nor too small—to effectively meet program goals. In addition, not all areas in the high severity fire zones are currently covered by RFFC grants.

Uncertain How Priority Plans Will Be Implemented. Once projects have been identified and prioritized by these regional collaboratives, it is unclear how these projects will acquire the necessary funding for implementation. At both the local and state levels, the available funding will likely not be sufficient to meet all project needs in the future. In addition, regional grantees reported two specific staffing challenges—a limited forestry workforce and insufficient staffing capacity dedicated to implementing regional coordination activities—that could further hinder the implementation of regional priority plans.

Recommendations to Improve Program Outcomes and Oversight

Short-Term Recommendations. We recommend a few more immediate actions for the Legislature to take to improve RFFC program outcomes and oversight.

- ***Create State Requirements for Regional Priority Plans.*** To support greater alignment of regional priority plans with state priorities across regions, we recommend the Legislature adopt statutory language to (1) define which types of projects should be prioritized and (2) require DOC to set state standards for regional priority plans consistent with those priorities.
- ***Adopt Evaluation and Reporting Requirements.*** To assess how well RFFC is meeting its objectives, we recommend the Legislature direct DOC to develop an evaluation of RFFC, culminating in a regularly published report assessing how well the program is meeting state priorities. More specifically, this evaluation should regularly assess RFFC in three aspects—processes, deliverables, and outcomes.

Long-Term Recommendations. We recommend several actions that could be implemented in a few years after the program is more established and the Legislature knows more about the program's outcomes.

- ***Align Forest Health and Wildfire Prevention Funding With Regional Priority Plans.*** If grantees complete regional priority plans that consistently align with state priorities, the Legislature might want to consider either (1) requiring that state departments prioritize high-ranking projects from the plans when awarding grants in existing forest health and wildfire prevention programs or (2) creating a new program specifically to fund the implementation of high-priority projects identified in the regional plans.
- ***Consider Ongoing Funding for RFFC.*** In the long term, the Legislature might want to consider ongoing funding for RFFC activities based on the value of the regional priority plans and the outcomes of future program evaluations. Ongoing funding could support regular updates to the plans, as well as coordination staffing, outreach, education, training, demonstration projects, project planning, and workforce development.

INTRODUCTION

In recent years, as wildfires have increased in severity and damage, the Legislature has shown growing interest in state support of wildfire prevention efforts, including regional planning for forest health activities. The Regional Forest and Fire Capacity program (RFFC)—created in 2018—provides non-competitive block grants to state conservancies, resource conservation districts, and other entities to facilitate regional coordination for forest health and wildfire resilience. These grants are intended to support regional planning, project development, demonstration projects, and community outreach. To implement these activities,

grant recipients coordinate with and distribute funds to partnering entities within their regions.

We prepared this report to provide an early review of RFFC's implementation. We begin by providing background on the purpose and intent of RFFC, as well as how RFFC is funded. Next, we discuss both the promise and key limitations of the program. We conclude by recommending short- and long-term steps the Legislature could take to improve RFFC outcomes and oversight to better ensure that the program successfully achieves state objectives.

BACKGROUND ON RFFC

Regional Coordination Is Important for Forest Health and Wildfire Resilience

Wildfires Are Increasingly Destructive.

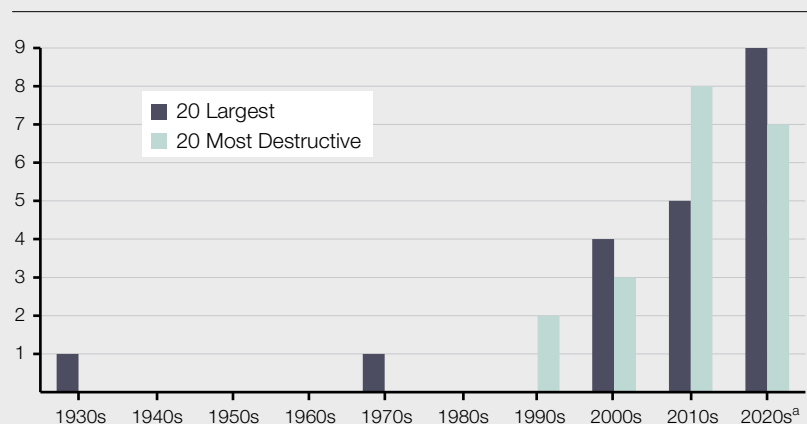
California consists of a wide range of landscapes, from conifer forests to chaparral, that are increasingly wildfire prone due to a variety of factors. Some of these factors include increasing heat and drought patterns influenced by climate change, greater development in wildlands, and past wildfire suppression practices that have led to excess vegetation. Such conditions have contributed to more destructive wildfires in recent years. As shown in **Figure 1**, the largest and most destructive wildfires in California's recorded history have occurred in recent decades, and 13 of the 20 most destructive wildfires (as measured by the numbers of structures lost) have occurred in the last four years. These 13 fires destroyed

nearly 40,000 structures, took 148 lives, and charred millions of acres.

Forest Health and Wildfire Resilience Is a Regional Issue. Management of these wildfire-prone landscapes generally involves activities, such as timber harvesting (specifically for forests), vegetation thinning (clearing out

Figure 1

Largest and Most Destructive Wildfires Have Occurred in Recent Decades



^a Includes wildfires that occurred in 2020 and 2021 (through November).

LAO

small trees and brush), and reforestation (planting new trees). Management responsibility is often aligned with land ownership. As shown in **Figure 2**, a mix of entities own and manage these lands throughout the state, including federal, state, and local governments, as well as private landowners, such as industrial timber harvesters, individuals, conservation and natural resource organizations, and tribes.

Due to the wide range of entities responsible for managing lands across the state, regional collaboration is often necessary for effective protection and resilience against wildfire damages. For example, unhealthy forest conditions, with fewer larger and older trees and more small trees and brush, result in increased risk of severe forest fires in not only the parcel of land with the poor forest health conditions, but also the surrounding areas. Therefore, improvements on one parcel of land will not significantly reduce the broader fire risk if the surrounding parcels continue to have overly dense and unhealthy conditions. In addition, collaboration has the potential of increasing the pace and scale of forest health projects. By working together, public and private entities can have greater capacity to work on larger, more complex projects than if they work independently.

Few Formalized State Governance Structures for Regional Coordination. There are a few examples of collaborations between various entities on forest health projects. For example, the state can fund and implement forest health projects on federally owned land under the “Good Neighbor Authority,” a policy that allows the U.S. Forest Service to enter into agreements with state forestry agencies. However, there is no formalized state governance structure to support regional collaboration on forest health and wildfire resilience that include all the relevant actors, including but not limited to city and county governments, resource conservation districts, conservancies, fire safe councils, private landowners, as well as state and federal agencies. Instead, the existing efforts generally are either project-specific or limited to certain regions in the state.

Historically, there has not been an entity responsible at the state level to facilitate such regional coordination, and the state has lacked a

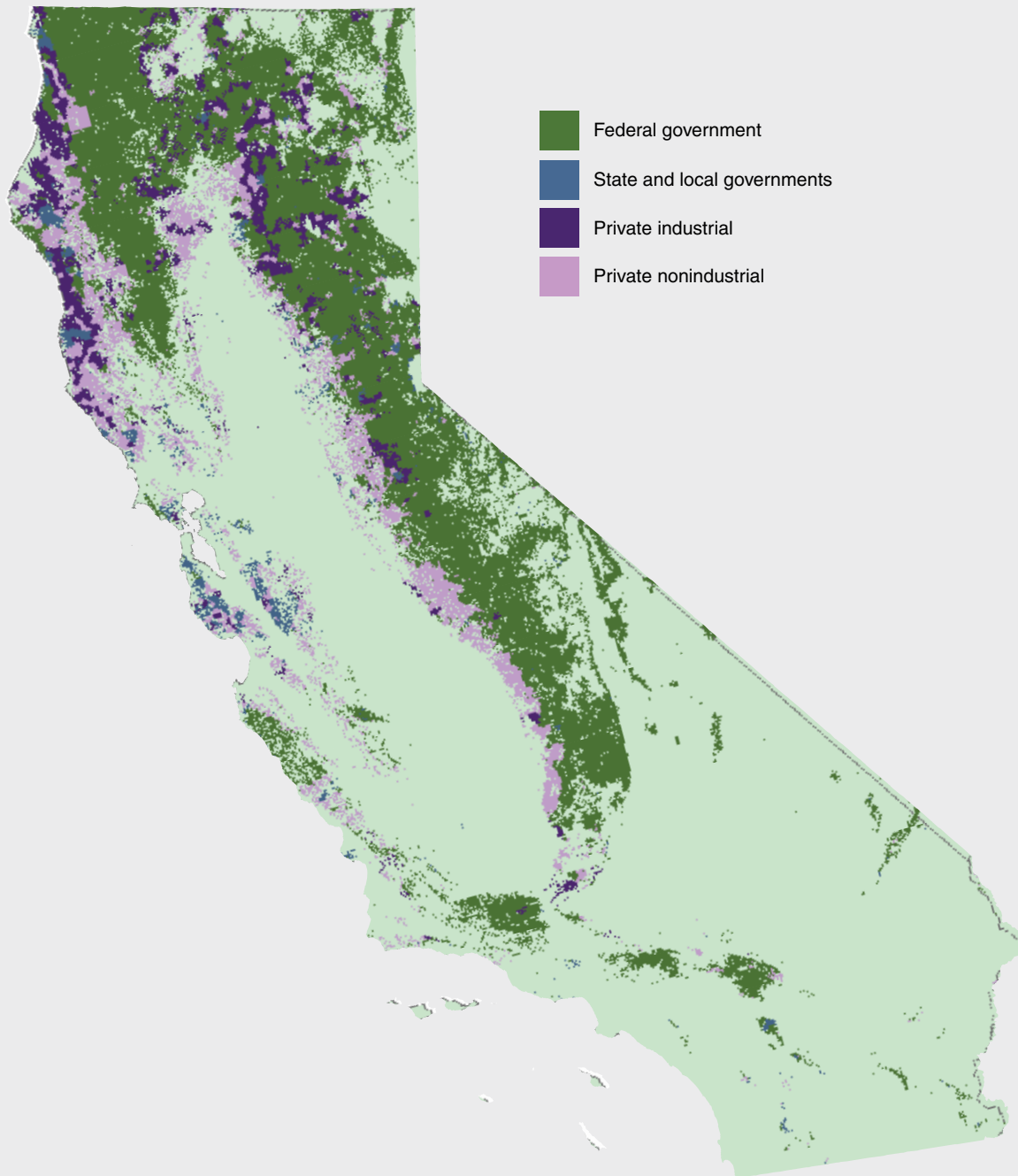
centralized, coordinated approach to working on forest management and wildfire resilience across jurisdictions. Because a centralized state structure has not existed, regional collaboration has occurred on an ad hoc basis, and is further developed in some parts of the state than others. For example, the Sierra Nevada Conservancy’s (SNC) Watershed Improvement Program brought together seven partnering organizations and eight forest collaboratives to found the Tahoe-Central Sierra Initiative (TCSI) to scale up forest management projects in the region. To date, TCSI has secured \$32 million for forest health projects in order to thin 20,000 acres, remove 164,000 tons of biomass, and implement 8,000 acres of prescribed fire across ownerships and jurisdictions.

However, not all parts of the state have these regional collaboratives due to a variety of factors. Based on our conversations, some key barriers to regional coordination include the existence of few natural resource organizations focused on forestry and wildfire issues in some parts of the state, limited funding dedicated to forest health and wildfire resilience project development, and under-resourced planning and project development staff dedicated to forestry projects. In particular, regional coordination for forest health and wildfire resilience historically has been less developed in parts of Southern California compared to the North Coast and the Sierra Nevada region.

State Has an Interest in Effective Regional Coordination. Local entities share a common goal in regional coordination for forest management and wildfire resilience—healthier, more resilient landscapes that can reduce the severity of future wildfires and their damage to communities and watersheds in their jurisdictions. The state also has an interest in the success of collaboration in these local communities, as effective implementation of regional scale forest health projects increases public safety and lessens the demand for state services. The California Department of Forestry and Fire Protection (CalFire) holds primary responsibility for wildfire response for about 13 million acres across the state. As wildfires have increasingly become more destructive in recent years, the state has concurrently incurred higher costs to respond to wildfires. For example, as shown in

Figure 2

Patchwork of Owners Across California Forestlands



Hewes, Jaketon H.; Butler, Brett J.; Liknes, Greg C. 2017. Forest ownership in the conterminous United States circa 2014: distribution of seven ownership types - geospatial dataset. Fort Collins, CO: Forest Service Research Data Archive. <https://doi.org/10.2737/RDS-2017-0007>.

LAOA

Figure 3, CalFire’s cost of providing fire protection is estimated to be roughly \$2.9 billion in 2020-21, a significant increase from \$750 million in 2005-06. In addition, the state has paid billions of dollars in recent years to assist in the cleanup and recovery from devastating wildfires. To the extent that local and regional efforts can effectively reduce wildfire risks, the state is likely to spend less in the long run for wildfire response and recovery.

RFFC Established in 2018-19 Budget

Established to Support Regional Planning and Coordination for Forest Health. RFFC was created in 2018 with the primary goal to restore health and resilience to forests at the regional scale. As described above, the emphasis on regional activity is in recognition that wildfires and forest health are by nature, a regional issue that crosses jurisdictional boundaries. Because there is no formalized approach to regional coordination across the state, this program is intended to support and expand regional collaboratives in the few places where they already exist, as well as to develop new regional collaboration in areas where it is missing. To do so, the program provides block grants to a few local entities to coordinate and facilitate collaboration within their region. Under the program guidelines, each grant recipient is expected to develop—in collaboration with regional partners—regional priority plans for forestry, fire protection, and forested watershed improvements. These regional priority plans will be public documents intended to identify and prioritize projects at the landscape or watershed-level to address forest health and wildfire risks within their region. In addition, grantees are expected to complete permitting for projects that address regional forest and fire protection priorities; implement demonstration projects; and conduct outreach, education, and training necessary to facilitate regional coordination and planning.

Program Funded by One-Time Appropriations. In the 2018-19 budget, the Legislature established

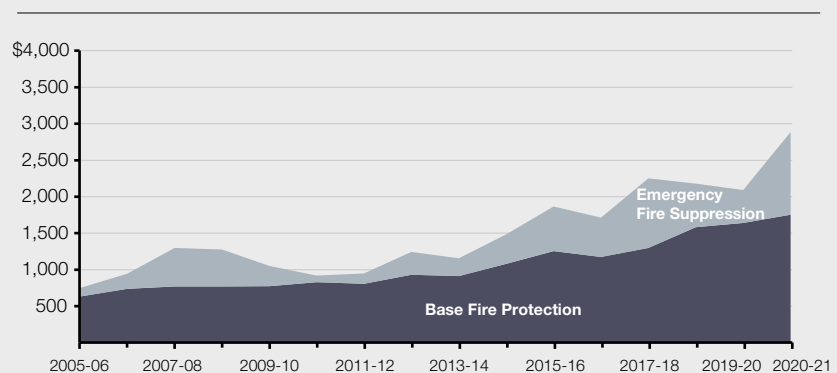
and initially funded RFFC with a one-time appropriation to the California Natural Resources Agency of \$20 million from the Greenhouse Gas Reduction Fund. The agency then directed the Department of Conservation (DOC) to administer the program. As discussed in more detail below, DOC allocated this funding to grantees in six regions, as well as to two other grantees providing technical assistance statewide. More recently, the program received General Fund augmentations of \$50 million in 2020-21 (as a mid-year augmentation) and \$60 million in 2021-22. The additional funding in 2020-21 was intended to expand the program to areas that did not receive grants in the first round, as well as continue activities in regions that received funding in the first round. The administration has not yet specified how the funding provided in the 2021-22 budget will be utilized, but it expects to allocate the funds over the next several years.

RFFC Recently Set in Statute. Chapter 225 of 2021 (AB 9, Wood) establishes RFFC in statute, primarily maintaining the existing program. (While the program was funded in the budget prior to the enactment of this legislation, it was not previously established in statute.) The new law reiterates the purpose of the program to increase regional leadership and capacity to identify, prioritize, and implement projects to increase wildfire resilience and improve forest health. It also expands some of the program’s objectives, guidelines, and

Figure 3

Spending on Wildfire Response

(In Millions)



requirements. For example, a recently added objective of the program is to create fire adaptive communities by prioritizing projects that maximize risk reductions to people and property, especially in the most vulnerable communities. In addition, DOC is now directed to provide RFFC block grants to regional entities to cover every part of the state that contains or is adjacent to a very high or high fire hazard severity zone. Chapter 225 also includes some new program reporting requirements, including for DOC to report on its website the list of grant recipients, outcomes of the grants, and a description of progress towards ensuring all very high or high fire hazard severity zone areas are covered by the program.

Initial Grants Support Statewide and Regional Activities

Initial Funding Allocated in Two Rounds. To date, RFFC has awarded two rounds of grants. In the first round of funding, DOC provided a total of \$20 million, including \$14.3 million to six regional grantees—each covering a different part of the state—with the remainder supporting two statewide grant recipients, DOC administration costs, and forest and watershed restoration projects targeted at the drainages that supply the Oroville, Shasta, and Trinity Reservoirs consistent with Chapter 638 of 2018 (AB 2551, Wood). More recently, DOC announced that of the \$50 million provided in 2020-21, \$26.3 million will augment the funding provided to the six previous regional grant recipients, and \$9.3 million will support four new regional grant recipients. The remaining \$14.5 million is going towards statewide initiatives as well as program administration.

Statewide Initiatives. In the first round of funding, DOC provided \$3.6 million for grants to two statewide entities—the California Fire Safe Council and the Watershed Research and Training Center—as well as for DOC administrative costs. The California Fire Safe Council provides technical assistance to local fire safe councils, supporting the development of fire safe councils where they are absent and facilitating learning between fire safe councils across the state. The Watershed Research and Training Center supports the regional grantees and subgrantees with technical assistance, including assistance applying for state and

federal grants, legal support for Prescribed Burn Associations (PBAs), and facilitation of regional learning and collaboration.

In the second round of funding, DOC plans to utilize \$2 million to augment the amount provided to the Watershed Research and Training Center for statewide technical assistance and a total of \$5 million for three new statewide efforts. This includes funding for (1) training for PBAs and developing the prescribed burn workforce across the state; (2) supporting the Intertribal Indigenous Stewardship Project, a tribal-led organization to support tribal capacity building and demonstration fire resilience projects; and (3) providing direct grants to smaller, financially disadvantaged communities. In addition, DOC has set aside \$5 million for “opportunity funding” that it will allocate at a later date, depending on identified needs, as well as \$2.5 million for program administration. **Figure 4** on the next page provides more information on all of the statewide initiatives.

Regional Grant Recipients. As shown in **Figure 5** on the next page, DOC has awarded a total of \$49.8 million in grants to ten regional entities. Six of the grantees received funding in both rounds of RFFC grants, while the other four have received only second round grants.

Regions Differ in Size, Ecology, and Existing Capacity. **Figure 6** on page 9 shows the geographic boundaries of the ten regional grant recipients. As shown in the figure, these grantees are responsible for implementing RFFC activities in regions of varying size across the state with some regions being much larger than others. For example, the region that SNC covers includes about 25 million acres, whereas the Lake Tahoe Conservancy covers about 320,000 acres. Besides size, regions also differ in the types of ecological landscapes they encompass. Across the state, landscapes vary from chaparral and woodlands, consisting of smaller shrubs and scrub oak trees, to mixed conifer forests, which include a variety of taller pine, cedar, and fir trees with shrubs in the understory. Grant recipients in the northern parts of the state tend to have a larger concentration of conifer forests and other types of forestlands, whereas grant recipients in Southern California cover regions with more chaparral and woodlands landscapes.

Figure 4

Statewide RFFC Initiatives

(In Millions)

Purpose	Description	First Round Grant	Second Round Grant	Total
Fire Safe Council Support	California Fire Safe Council provides technical assistance to local fire safe councils, as well as support development of fire safe councils and facilitate learning between fire safe councils across the state.	\$1.6	—	\$1.6
Statewide Technical Assistance	Watershed Research and Training Center supports regional grantees and subgrantees with technical assistance, including grant writing assistance, legal support for prescribed burn associations, and facilitation of regional learning and collaboration.	1.3	\$2.0	3.3
DOC Administration	Program administration.	0.7	2.5	3.2
Opportunity Funding	Funds available to allocate at a later date, depending on identified needs.	—	5.0	5.0
Prescribed Burn Association Support	Watershed Research and Training Center provides training, technical support, and funding opportunities for Prescribed Burn Association development across the state.	—	3.0	3.0
Intertribal Indigenous Stewardship Project	Supports tribal-led organization for tribal capacity building and fire resilience demonstration projects.	—	1.0	1.0
Disadvantaged Communities Direct Grants	Direct grants to smaller, disadvantaged communities.	—	1.0	1.0
Totals		\$3.6	\$14.5	\$18.1

RFFC = Regional Forest and Fire Capacity program and DOC = Department of Conservation.

Figure 5

Regional RFFC Grantees

(Dollars in Millions)

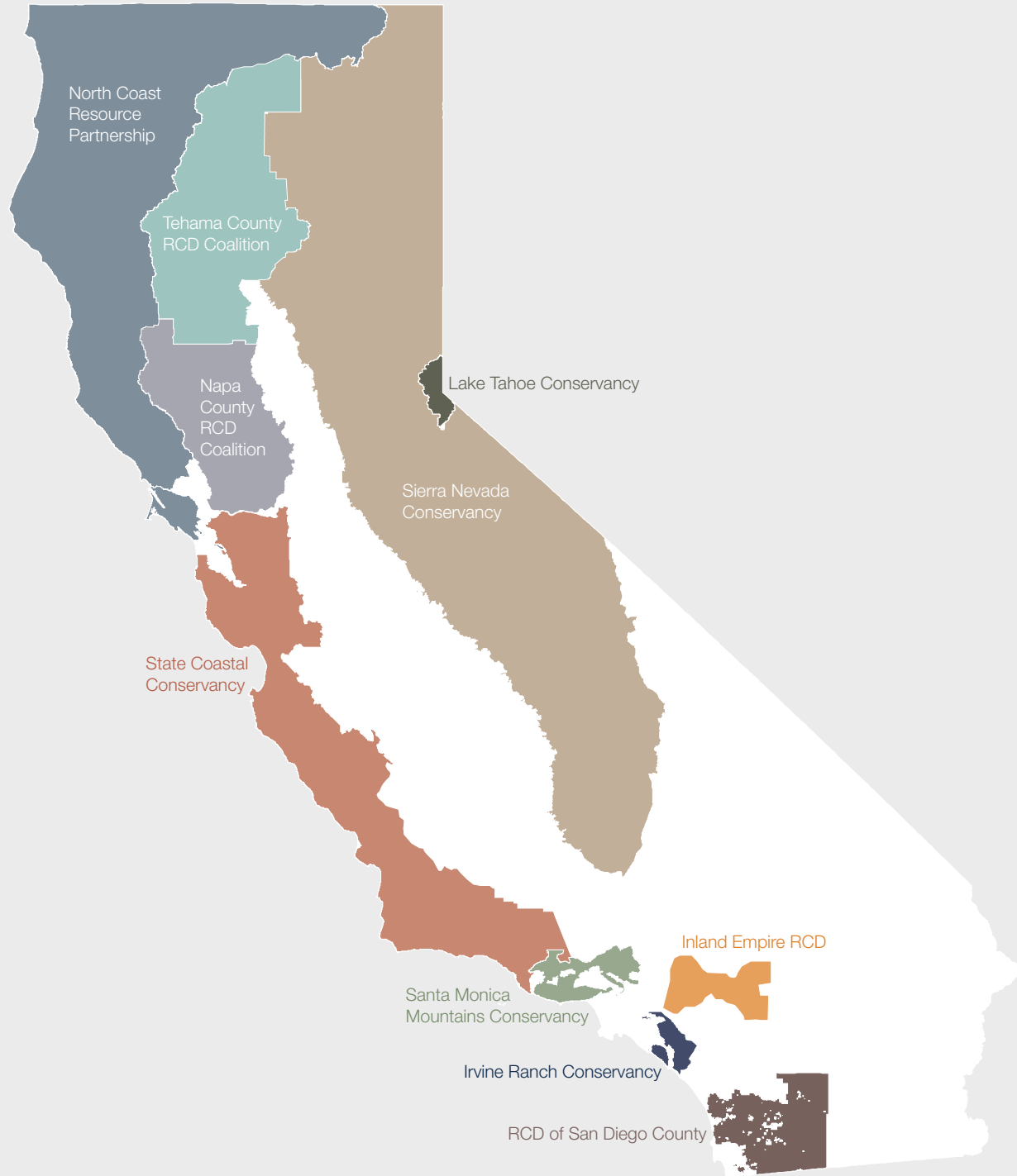
Organization	Size of Region (Acres)	First Round Grant ^a	Second Round Grant	Total
State Coastal Conservancy	11,726,089	\$4.0	\$8.9	\$12.9
Sierra Nevada Conservancy	25,000,000	1.9	7.8	9.7
North Coast Resource Partnership	12,160,000	4.0	3.0	7.0
Santa Monica Mountains Conservancy	887,124	1.4	2.2	3.6
Inland Empire Resource Conservation District	823,390	1.4	2.2	3.6
Resource Conservation District of San Diego County	1,847,300	1.4	2.2	3.6
Napa County Resource Conservation District Coalition	850,672	—	3.0	3.0
Tehama County Resource Conservation District Coalition	4,166,000	—	3.0	3.0
Irvine Ranch Conservancy	470,000	—	2.2	2.2
Lake Tahoe Conservancy	320,640	—	1.1	1.1
Totals	58,251,215	\$14.3	\$35.5	\$49.8

^a In addition to these amounts, \$2.1 million is dedicated for forest and watershed restoration investments for the drainages that supply the Oroville, Shasta, and Trinity reservoirs in accordance with Chapter 638 of 2018 (AB 2551, Wood).

RFFC = Regional Forest and Fire Capacity Program.

Figure 6

Map of RFFC Grantees



RFFC = Regional Forest and Fire Capacity program and RCD = Resource Conservation District.

LAOA

Regions additionally differ in existing capacity for regional coordination around forest health and wildfire resilience. For example, some grantees—most notably, SNC and North Coast Resource Partnership (NCRP)—had existing regional collaboration programs prior to RFFC. Therefore, these grantees already have more experienced staff, further developed coordination governance structures, and greater expertise implementing regional forest management and wildfire prevention projects. Other regions are in the beginning stages of coordination and collaboration related to regional wildfire resilience. For example, the Inland Empire Resource Conservation District (IERCD) has done significant collaborative work in other aspects of natural resources, such as land conservation, but their work in facilitating regional collaboration on fire prevention is still nascent. Grantees that have not historically coordinated regionally for fire prevention and preparedness work typically have less staff with expertise in forestry and wildfire issues, fewer resources for planning and implementing forest health projects, and less developed existing governance structures for broader regional coordination.

Grantees Undertaking Varied Activities With Initial RFFC Funds

Program Provides Flexible Funding to Address Regional Needs. Recognizing the different needs of grantees, DOC has intentionally made the RFFC block grants flexible in how they can be used. There are some minimum requirements that all grant recipients must fulfill, such as developing a regional priority plan. Otherwise, there are few restrictions on how the funding can be used. As a result, grant recipients have been able to use the funding to target the highest priority staffing, planning, education, workforce, or other needs of their regions.

Each Region Has Taken Different Approach to Regional Planning and Coordination. As shown in **Figure 7**, grant recipients are spending RFFC funding for a wide array of activities. Funding is generally being used for the following categories of activities: developing regional priority plans; permitting and developing projects; implementing demonstration projects; and conducting outreach, education, and training. Even within the same category of activities, regions are taking different approaches. For example, grant recipients need different types of resources and support in developing their regional priority plans. Santa Monica Mountains Conservancy is spending some of its block grant towards hiring an external consultant to help develop its regional priority plan, collecting projects from existing plans, and compiling best management practices for the region. Alternatively, IERCD is acquiring geospatial data and aerial imagery of its region to help assess and plan fuel reduction projects more efficiently.

As another example, project development and permitting activities varies across grantees, ranging from developing a template for permitting fuel management projects to providing technical assistance for environmental impact analyses for forest health projects. Grantees further diverge on the number and types of demonstration projects implemented, depending on the need for and capacity to implement demonstration projects. All grantees are implementing some demonstration projects—mainly for vegetation management, forest restoration, and prescribed burns—to test newer techniques and methods that could potentially be scaled up. In total, RFFC block grants have funded 32 demonstration projects across the first six funded regions. Additionally, grantees are using their funding to implement different outreach, education, and training activities, such as training programs for cultural burning and community outreach events related to home hardening and wildfire safety.

Figure 7

Types of Activities Funded by RFFC

(In Millions^a)



^a These amounts do not include program administration and overhead costs.
RFFC = Regional Forest and Fire Capacity and RCD = Resource Conservation District.



FINDINGS

In this section, we discuss the findings from our review of RFFC. Notably, we find that the initial activities funded by RFFC have been consistent with the intended goals of the program—supporting regional collaboration for forest health and wildfire prevention activities. However, we find that regional priority planning—one of the primary RFFC activities—varies significantly across grantees due to a lack of specific state standards,

making it difficult to assess whether the resulting plans will be aligned with state goals and priorities. In addition, we find that RFFC has limited data collection and reporting, making it difficult to evaluate the program. Finally, there is uncertainty about whether the boundaries of the regions are optimal and how projects prioritized through the regional collaboration efforts funded by RFFC will be implemented.

RFFC Is a Promising State Effort to Support Regional Coordination

As mentioned earlier, regional collaboration and planning is important for effective forest management. Coordination across jurisdictions helps ensure forest management activities are occurring region-wide, and collaboration has the potential to increase the pace and scale of implementing forest health and wildfire prevention projects in the state. By working together, local entities can increase their capacity to implement larger, more complex projects than would be possible working alone. Based on our conversations with grant recipients, the program is helping to facilitate regional coordination in forest management and wildfire prevention. For example, in interviews, every organization that received block grants in the first round of funding reported that RFFC funding has supported valuable activities that would not have happened otherwise, including outreach to and collaboration efforts with regional partners, as well as the planning for and development of new regional forest health projects. In addition, several grant recipients reported in interviews that the technical assistance and support provided by the statewide grant recipients have been important in facilitating learning, sharing best practices, and improving technical expertise.

In particular, RFFC's work in supporting regional coordination in areas where it historically has not occurred is valuable, in that it helps develop a structure for regional coordination in more fire-prone areas of the state, not just in the areas with existing regional collaboratives. For example, the latest funding allocation from RFFC has accelerated regional coordination in Napa, Tehama, and Orange Counties, supporting local Resource Conservation Districts with funding and technical assistance to start partnerships with other local entities.

Lack of State Requirements on Regional Priority Plans Has Led to a Disjointed Approach

DOC Provides Prioritization Criteria, but Limited Direction. As noted above, all RFFC grant recipients are expected to develop regional priority plans intended to identify high-priority forest health and wildfire prevention projects within the region. As shown in **Figure 8**, RFFC guidelines provide ten key criteria that grant recipients must consider when prioritizing projects, such as high wildfire risk to neighboring communities. While these criteria provide some guidance to grantees, the guidelines do not specify how these criteria should be weighed against one another, nor do they give direction on how projects should be assessed on these factors. For example, the criteria prioritize work both in areas with high habitat values at risk and to address reforestation needs after high mortality events, but the guidance does not specify how projects targeted towards these different criteria should be compared. Moreover, the guidance does not define what constitutes vulnerable habitats. According to the administration, this flexibility is intentional, given that grant recipients are all operating with different expertise, capacity, and experience, as well as varying local and regional needs. For example, the guidelines state that each grant recipient should incorporate the criteria "into their plans as appropriate for their region."

Figure 8

Current Regional Priority Plan Considerations

- Areas that contribute to high wildfire risk faced by adjacent or nearby communities.
- Forests projected to be at risk due to climatically driven stressors.
- Forests at greatest risk to high-severity mortality events (for example, fire or insect outbreak).
- Forests at high risk of type conversion (for example, forest to shrub or grass vegetation).
- Areas with high habitat values at risk, such as spotted owl activity centers.
- Headwater areas that provide significant water supply.
- Areas that need to be reforested after high mortality events.
- Forests at risk of conversion to other uses, including development and agriculture.
- Opportunities for follow-up "maintenance" treatments via prescribed fire or other fuels reduction techniques.
- Availability of adequate workforce and infrastructure to complete projects.

DOC is currently working on creating a more specific framework for the regional priority plans, called the Resilience Pillars. This is based on a framework developed by the TCSI, which assesses, prioritizes, and evaluates forest health projects in the Tahoe-Sierra region. According to DOC, the Resilience Pillars is expected to set desired outcomes in various ecological areas, such as forest health, fire adaptation of communities, wetland integrity, among other categories. There would be a central state framework, with slight regional adaptations. However, the work is still early in development, and many details are not yet available, including when it will be completed, what additional guidance will be provided, and how stringent the guidance will be.

With Limited State Direction, Regions Are Taking Different Approaches. Most grantees that received funding in the first round have reported they are well underway in developing regional priority plans. However, our review finds that they all differ in a few important ways regarding their approach to developing the plans and prioritizing projects. First, grantees differ in how they are identifying priority projects to include in their plans. In interviews, some grantees reported that their regional priority plans are simply compilations of project lists provided by their partner agencies within the region, which include state and federal agencies, special districts, tribes, and private landowners. Other grantees are using a more centralized prioritization process. In these cases, grantees assess and prioritize projects submitted by partner agencies for inclusion in the regional priority plans.

Second, grantees range in the complexity of their prioritization approaches. In cases where prioritization is decentralized, the partner agencies identified and prioritized projects independently before submitting them for inclusion in the regional plans, using different factors to determine which projects should be a priority. For example, grantees reported some partner agencies prioritize projects based on their readiness for implementation, whereas others prioritize based on risk to communities. Other

approaches can be more complex. For instance, NCRP is first developing a comprehensive list of forest health and fuel reduction projects in their entire region, from existing plans, interviews with partnering agencies, and request for proposals. Then, NCRP is evaluating projects using a data-driven tool incorporating geospatial data analysis and modeling.

Third, grantees differ in their use of priority ranking. Some partner agencies within regions ranked all of their identified priority projects numerically or in tiers. In other cases, neither the RFFC grantee nor their partner agencies identified any prioritization of the projects in their regional priority plan. This is in part due to the challenges of coordinating with many entities with different priorities. Without specific authority or state direction on how to prioritize projects, some grant recipients reported that it is difficult to come into agreement with all involved partner agencies on how to rank or prioritize some projects over others in their regional priority plans.

Fourth, grantees vary in when they expect to complete their regional priority plans—those receiving grants in the first round reported their expected completion dates range from the end of 2021 to 2024. RFFC does not have a required deadline for completed regional priority plans.

Different Approaches Could Result in Plans Inconsistent With State Priorities. As a result of the different approaches being used by RFFC regional grantees, priority plans could vary in usefulness from the state's perspective. Without a consistent set of criteria or requirements to guide the plans, it is difficult to assess whether the final plans will be aligned with state priorities in improving the pace and scale of forest management activities at the regional level, or will be the most effective at achieving state goals for forest health and wildfire prevention. In particular, the absence of clearer direction on how to prioritize projects and differing regional approaches create the possibility that some of these plans will mainly consist of projects with smaller scale benefits, instead of larger, cross-jurisdictional projects that are more likely to yield the greatest regional benefits.

Limited Data Collection and Reporting Make it Difficult to Evaluate Program

Regional Coordination Is Difficult to Assess.

The intended goals of RFFC—as administered by DOC and articulated in Chapter 225—are to support regional coordination for the development, prioritization, and implementation of strategies to improve ecosystem health, community wildfire preparedness, and fire resilience. It is difficult to assess whether the activities currently funded by the program are meeting such goals for a couple of reasons. First, RFFC is still in early stages of implementation making it premature to determine whether the program is effective. Only two rounds of grants have been awarded to date, with the latest round allocated in the summer of 2021. Also, coronavirus disease 2019 has disrupted some collaboration activities, such as education and outreach events, and delayed implementation of demonstration projects. Consequently, regions are not as far along as they might otherwise be in implementing the program. Second, it is difficult to evaluate whether the program has been effective in meeting its goals because regional coordination is inherently difficult to quantify and measure. Performance measures typically used in state level forestry and wildfire resilience programs, such as acres treated, are not as relevant to RFFC, because the program is primarily supporting planning and coordination activities, not implementation of projects. Instead, alternative performance measures, data collection, and reporting would be necessary to assess the effectiveness of RFFC.

No Evaluation Plan or Reporting Requirement for RFFC.

Currently, DOC is not required to nor does it plan to evaluate the effectiveness of the program. DOC has published summary reports on funded activities through one of its statewide grantees, the Watershed Research and Training Center. Although these reports provide descriptive summaries of activities, they do not assess the degree to which activities are tied to program objectives or whether the program is effective in meeting its goals. For example, these reports do not include objective and measurable data showing how the program is improving regional capacity to prioritize, develop, and implement forest health projects. Instead, the reports are more narrative

in nature. More recently, Chapter 225 added a requirement that DOC report a list of the program's grantees, a summary of funding outcomes, and progress towards covering all high or very high severity fire zones in the state. While this will be helpful and add information useful for legislative oversight, it does not require the inclusion of specific data to show program effectiveness.

Lack of Robust Program Oversight Presents Multiple Problems. The absence of program evaluation makes it difficult for the Legislature to hold DOC accountable for achieving programmatic goals that reflect legislative priorities. In particular, without adequate reporting, the Legislature has insufficient information to determine how well the funded activities are meeting—or not meeting—the program's objectives to promote and support regional collaboration and planning.

In addition, having only limited information on program outcomes makes it more difficult to make future funding and policy decisions for the program. For example, additional information on program efficacy would be helpful in determining any additional or ongoing funding for the program, as the Legislature weighs the merits and costs of the program compared to other potential policies to support forest health and wildfire resilience in the state. If the program is shown to be successful in facilitating regional coordination, it strengthens the rationale to continue or expand funding for RFFC. Alternatively, if the program is not meeting its goals, the Legislature might consider altering components of RFFC to improve outcomes.

In addition, the absence of regular reporting could affect how well DOC is able to administer the program, including how the department uses technical assistance, data, and information on best practices to support the grantees to reach the program objectives. For example, if grantees are struggling with achieving meaningful participation from a wide range of stakeholders—such as smaller, more financially disadvantaged communities—in their collaborative planning process, DOC could provide best practices for governance structures that are inclusive in their decision-making processes or technical assistance to help facilitate more proactive engagement of targeted communities. In this way, this reporting

would help inform and improve DOC's program administration, as well as ensure the funded activities are aligned with the program's objectives.

Unclear Whether Definition of Regions Is Optimal and Comprehensive

Uncertain Whether RFFC Regions Are Most Strategic. As previously discussed, the grantees cover regions that vary in size by tens of millions of acres. This is in part due to the nature of the RFFC block grant allocation process. DOC selected grantees based on prior experience in regional coordination and organizational capacity to administer the block grant. Although relying on grantees with a history of coordinating regional efforts might be helpful in getting new regional collaboratives up and running, it is unclear whether the resulting geographic regions are the most strategic in size. On the one hand, it is possible that large regions might be able to take advantage of economies of scale by consolidating staffing and resources from a larger number of local jurisdictions and partners. In so doing, these regions might have greater capacity to plan, develop, and implement projects. On the other hand, it is possible that if regions are too large, they might find it more difficult to include the needs of the many small, more disadvantaged communities within their regions. Moreover, without a program evaluation, it might be difficult for DOC or policymakers in the future to determine the extent to which variations in region size affect how well coordination and collaboration occurs.

Some Wildfire Prone Areas Remain Uncovered by Program. Although the most recent round of grants expanded RFFC to additional wildfire-prone areas, not all areas in the high severity fire zones are covered by RFFC grants. More specifically, as shown in **Figure 9** on the next page, some areas of high risk that are not covered by the first two rounds of regional grants include much of Riverside County, South Eastern Sonoma County, Upper Salinas Las Tablas, San Gabriel River Watershed, San Bernardino County, and Inyo County. This is in part due to DOC's approach in selecting the grant recipients. According to DOC, these uncovered regions generally do not have the type of natural resources entity with

the organizational and administrative capacity to administer the block grant and to facilitate regional collaboration in their areas. As mentioned in the previous section, Chapter 225 has directed DOC to prioritize expanding the program to every area that contains or is adjacent to high or very high severity fire zones. The department is required to report progress on expanding to such areas in the future.

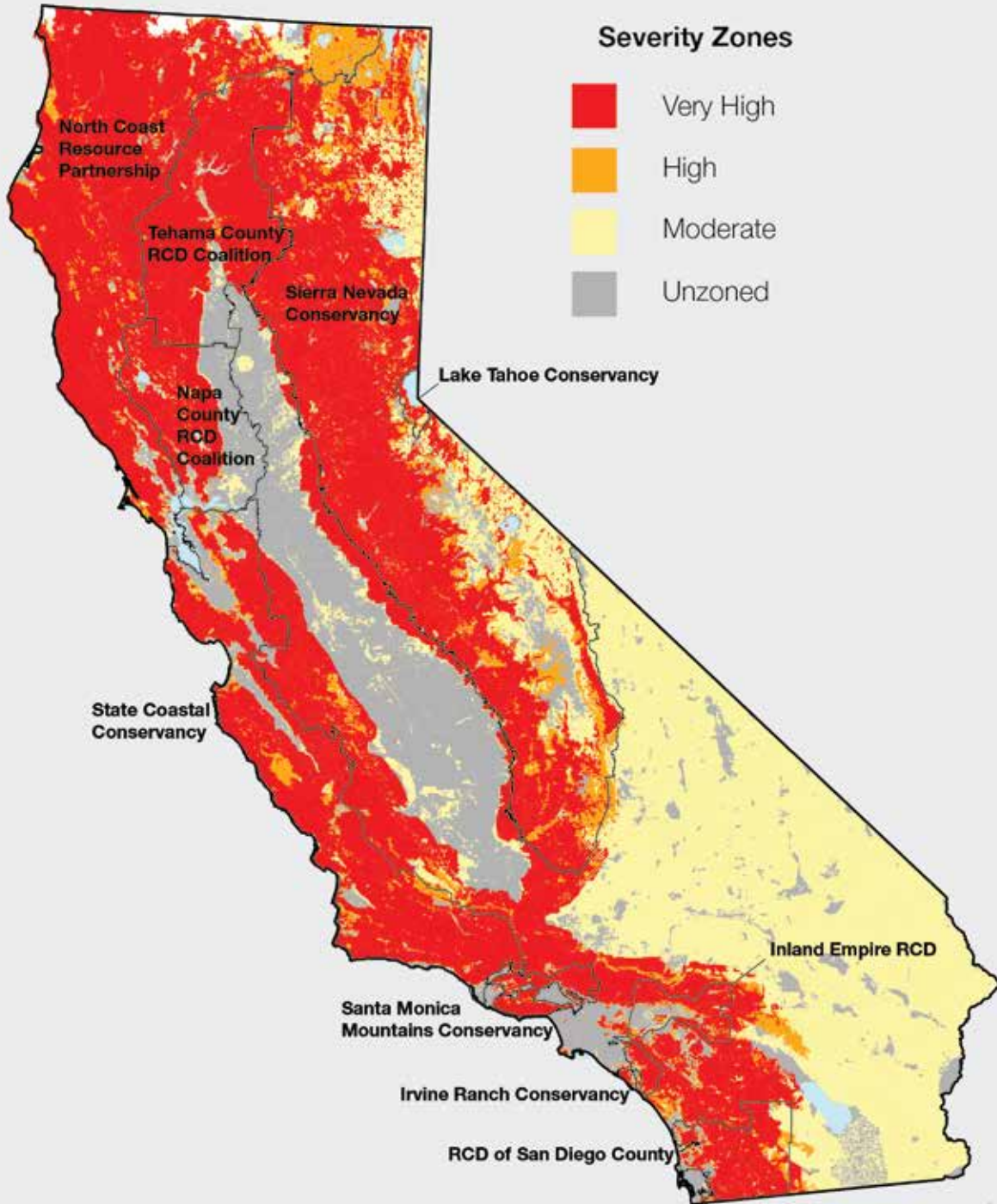
Uncertain How Priority Plans Will Be Implemented

Limited Funding Available to Implement Projects. Once projects have been identified and prioritized by these regional collaboratives, it is unclear how these projects will acquire the necessary funding for implementation. At the local level, there is limited funding dedicated to implementing forest health projects. Although local governments invest in some preventative forest health activities, such as developing forest fuel reduction priorities in Community Wildfire Protection Plans, local spending on forest management programs can be significantly limited in many rural areas with wildfire prone landscapes due to small tax bases and in many cases, economically disadvantaged residents.

At the state level, CalFire has several grant programs to support local or regional forest health and wildfire prevention projects. Most notably, the Fire Prevention Program—which funds fuel reduction projects and fire prevention education—and Forest Health Program—which funds restoration and reforestation projects—have received a total of about \$200 million annually in recent years. The 2020-21 and 2021-22 budgets provided significant one-time augmentations for these and other programs as part of forest health and wildfire resilience budget packages. Specifically, the Legislature approved a mid-year augmentation of \$536 million for various forest health and wildfire resilience programs, and the 2021-22 budget includes an additional \$988 million for these activities. These budget augmentations included several programs that provide forest restoration grants to local entities, including the Forest Health Program and the Forest Improvement Program, which received a combined total of \$464 million over the two years. In addition,

Figure 9

Map of RFFC Grantees' Regional Boundaries and Fire Hazard Severity Zones



CalFire's Fire Prevention Program received a total of \$243 million in augmentations in the budget packages. The budget augmentations also funded a new Tribal Program with a total of \$20 million to provide grants for forest health projects specifically for tribes.

While recent budgets have provided substantially more funding to implement projects, available state funding will not be sufficient to meet all project needs in the future. While no comprehensive assessment of the costs of forest health projects has been completed, the Forest Carbon plan estimated 20 million acres of forestlands are at high risk of wildfire damage and could benefit from forest treatments. The cost to treat these areas can range significantly, but can exceed \$1,000 per acre. Therefore, the total costs to improve forest health across the state would be substantial for private and public entities involved in forest management. Moreover, because the state's grant programs are competitive, not all eligible projects submitted by jurisdictions for inclusion in regional priority plans will receive funding. With local and state funding for projects limited, it is not clear how high-priority projects will be implemented in the future after the regional priority plans are completed. Consequently, it is unclear how useful these plans will be in the long run if there is not a clearer strategy for implementation of identified projects.

Ongoing Staffing Challenges Could Hamper Implementation. In interviews, we heard about two specific staffing challenges faced by regional grantees. First, some grantees reported that a limited forestry workforce can hinder project implementation. Across many regions, grantees reported a need for increased workforce development efforts, especially for professionals experienced and trained in vegetation management practices, including cultural burning practices and oversight of prescribed burns. As a result, grantees have dedicated some of their block grant dollars for workforce development programs in this area, but it is unclear if such initiatives are sufficient to meet the workforce needs of regions.

Second, many grantees reported limited staffing capacity dedicated to implement regional coordination activities, such as facilitating meetings between partner agencies, developing the regional priority plan, and overseeing grant administration. Some organizations have been able to add staff with RFFC funding, but without ongoing and dedicated funding source, they might find it difficult to continue the same level of regional coordination efforts in the future. Consequently, there is uncertainty about how regional priority plans will be updated or revised in the future, as forest conditions change and regional priorities evolve.

RECOMMENDATIONS TO IMPROVE PROGRAM OUTCOMES AND OVERSIGHT

In order to address the challenges described above, we recommend several steps the Legislature could take to improve RFFC program outcomes and oversight. Our recommendations are in two parts. First, we recommend a few more immediate actions for the Legislature to take, such as creating state requirements for regional priority plans and adopting evaluation and reporting requirements. Second, we recommend several actions that could be implemented in a few years after the program is more established and the Legislature knows more about the program's outcomes. These potential longer-term actions include aligning state grants with regional priority plans and considering ongoing funding for RFFC.

SHORT-TERM RECOMMENDATIONS

Create State Requirements for Regional Priority Plans

State Standards Could Help Align Plans With State Priorities. The main purpose of regional planning is to identify and target efforts towards projects that are broad, interconnected, and cross-jurisdictional—ones that are beyond the scope and capacity of a single entity. As described above, however, it appears that some of the regional priority plans currently under development are compilations of small, unrelated projects, rather than larger-scale projects with cross-jurisdictional

importance and multiple regional benefits, such as forest health, public safety, water supply, and biodiversity. In part, this is because DOC has not established specific standards for the development of regional priority plans. Setting standards across all of the regional priority plans would help to identify and prioritize projects with the largest potential to make a significant difference in forest health and wildfire prevention, among other state goals.

In addition, setting clearer standards for priority plans could help grant recipients and their partner agencies come into agreement on how projects should be prioritized in their regional priority plans. It can be challenging to coordinate across several local entities with varying and competing priorities. As a result, without specific state direction, regional priority plans may not rank or prioritize projects at all. Therefore, it might be even more important that the state sets some prioritization principles to ensure projects included in the regional priority plans are all supporting the same goals statewide.

Statute Should Define State's Primary Priorities for Plans. To support greater alignment of regional priority plans with state priorities across regions, we recommend the Legislature adopt statutory language to (1) define which types of projects should be prioritized and (2) require DOC to set state standards for regional priority plans consistent with those priorities. At minimum, we find that the following types of projects are ones that should be prioritized in statute to yield maximum regional benefits:

- **Risk Reduction to People and Property.** Consistent with the intent of Chapter 225 to use RFFC to create fire adapted communities, regional priority projects should be ones that maximize public safety by targeting areas of highest wildfire risk to people and property.
- **Cross-Jurisdictional.** Projects that span multiple entities' boundaries and go beyond the scope and capacity of a single entity could provide significant regional benefits and be difficult to plan and implement without some regional collaboration and coordination.
- **Multiple Regional Benefits.** Projects that provide not only wildfire risk reduction but also address interrelated issues, such as protection of key watersheds and restoration of wildlife habitat for a focal species could provide greater public benefits in forests and watersheds.
- **Benefits Disadvantaged Communities.** Not all areas are equally equipped to do forest management projects due to limited financial resources, local workforce, or organizational capacity. Prioritizing projects in the most financially disadvantaged communities is important because they are the ones least able to implement high-priority projects on their own, and it is of regional interest that all areas make progress in improving forest health. This focus would be similar to many other state programs that provide priority to projects that benefit disadvantaged communities.

DOC Should Develop Standards Based on Legislative Priorities. Based on these legislatively established priorities, DOC would develop standards for the regional priority plans that include more specific directions to grantees on how these statewide priorities are defined, measured, and assessed for projects included in the plans. For example, the DOC standards would determine how risk to people and property is defined, what metrics are used to quantify such risk, and how individual projects are assessed using those metrics.

Importantly, each project included in the regional priority plans should be required to be assessed against each of the priorities consistent with the DOC standards, similar to the centralized assessment process that NCRP uses for their regional priority planning. Projects could then be ranked more systematically based on the outcomes of these assessments. More systematic assessment of projects would provide more transparency to local stakeholders and state policy makers about how projects are being prioritized. As we discuss below, it could also provide additional information that would be useful in selecting projects for state grant funding.

Adopt Evaluation and Reporting Requirements

Direct DOC to Conduct an Evaluation. To assess how well RFFC is meeting its objectives, we recommend the Legislature direct DOC to develop an evaluation of RFFC, culminating in a regularly published report assessing how well the program is meeting state priorities. This would build on the requirements in Chapter 225 to provide regular information on the outcomes and benefits that RFFC grants provide in wildfire risk mitigation ecosystem, public health and safety, climate resilience, and biodiversity. Costs to provide such reporting are likely minimal. To the extent there are additional reporting costs, DOC should have sufficient funds in the recent appropriations to develop and implement an evaluation over the next few years. For each aspect of the evaluation, DOC should determine the desired outcomes, as well as objective and measurable criteria to assess whether the program is resulting in such outcomes. More specifically, this evaluation should regularly assess RFFC in three aspects—processes, deliverables, and outcomes.

- **Processes.** Successful regional coordination requires the engagement and participation of a wide range of stakeholders, including state and federal agencies, tribes, local governments, conservancies, nonprofits, as well as private landowners. Within this aspect of the evaluation, DOC should aim to evaluate how inclusive and comprehensive the grantees' planning processes are. As an example, the department could evaluate how inclusive the regional collaboration process is by assessing how many organizations contributed to the plans, what types of entities (such as tribes, local governments, nonprofits, and private landowners) participated in outreach, education, and coordination events, as well as the level of participation by financially disadvantaged communities (for example, their participation in events and leadership in regional coordination).
- **Deliverables.** Each grantee is expected to develop a regional priority plan, complete permitting for projects, implement

demonstration projects, and conduct outreach, education, and training. In this case, the department could evaluate whether the regional priority plans meet the state's expectations, and whether they align with state standards developed by DOC. The department could also set a goal for the number of demonstration projects, outreach events, collaboration meetings, and project development that each grantee should achieve.

- **Outcomes.** A main impetus of RFFC is to increase the pace and scale of forest health projects across the state. Therefore, the department could assess the extent to which RFFC helped to increase the number or scale of landscape-level forest health projects compared to before the program existed.

Require Initial Report to Address Whether Regions Are Strategic. To address our finding on the uncertainty regarding whether the existing definition of regions is optimal, we recommend the Legislature require that DOC assess the current geographic definitions of regions as part of the first evaluation report. For example, DOC could report on whether RFFC should expand to new regions with areas of high risk of wildfire or in areas where that risk is growing because of other factors, such as climate change. As another example, DOC can consider whether certain regions are too large or too small to coordinate most effectively to achieve the benefits of landscape planning.

LONG-TERM RECOMMENDATIONS

Align Forest Health and Wildfire Prevention Funding With Regional Priority Plans

If grantees complete regional priority plans that align with state priorities, the state could have an interest in financially supporting many of the identified projects in partnership with local and regional entities. The priority projects included in these plans should be those that are expected to yield the greatest regional and statewide benefits.

State departments that administer grant programs for forest health and wildfire prevention

projects—such as the Forest Health Program, Forest Improvement Program, Fire Prevention Program, and Tribal Program—potentially could use the information provided in regional priority plans in a couple of ways. First, high-ranking projects in regional priority plans could receive higher prioritization for funding in existing state programs. Second, the Legislature could create a new program specifically to fund the implementation of high-priority projects in the regional plans, particularly if the Legislature finds that the level of funding provided or purpose of existing state grant programs are insufficient to support the projects identified in the regional plans. Under such a program, the Legislature could, for example, budget a certain level of funding to ensure that the highest-priority projects in every region are implemented each year. It is too early to determine how much funding the state should budget for such a program. Instead, the Legislature will want to wait until regional priority plans are completed and recently appropriated funding is committed to projects to determine what gaps remain.

Consider Ongoing Funding for RFFC

In the longer run, the Legislature may want to consider ongoing funding for RFFC activities based on the value of the regional priority plans and future program evaluations. If, for example, the Legislature finds that the priority plans are valuable

in implementing the state's forest health and wildfire resilience strategy and targeting financial resources, it could consider ongoing funding to regularly review, revise, and update the plans on an ongoing basis in the future. Absent future state funding, local entities might not have sufficient resources to do this regional coordination and planning themselves, similar to what was occurring in most parts of the state prior to RFFC.

Ongoing funding for RFFC could also be used to address the other types of activities funded by the program, such as supporting coordination staffing, outreach, education, training, demonstration projects, project planning, and workforce development. For example, the Legislature could consider targeting funding or implementing other changes to address specific workforce development challenges that are identified by regions as part of the RFFC process.

It is too early to know what level of ongoing RFFC funding would be appropriate. However, given the current expenditure levels, ongoing annual funding for regional coordination might reasonably be expected to be in the range of the low tens of millions of dollars. Ultimately, the amount of future funding to provide for RFFC will depend on what activities the Legislature wants to prioritize—which could be informed by future reporting from DOC—and the number and size of RFFC regions in the future.

CONCLUSION

As wildfires have become larger and more destructive in recent years, there is a need to increase the pace and scale of wildfire prevention work, such as vegetation management, forest restoration, and fuel breaks. Regional collaboration is often needed to plan, develop, and implement larger, more complex projects that cross jurisdictional boundaries. RFFC is an important mechanism through which the state can support such regional coordination. Although the program is still in early phases of implementation, RFFC has already supported and initiated regional collaboratives, helping facilitate collaboration, outreach, and education, as well as increased local capacity through workforce development, training,

and technical assistance. Though promising, RFFC is currently limited by a lack of consistent standards for regional priority planning, insufficient evaluation and reporting requirements, and the absence of an ongoing planning and implementation strategy. As RFFC continues to develop, we recommend the Legislature take steps to modify the program in order to better align the program with legislative priorities, increase oversight, and improve outcomes. In particular, we recommend creating state requirements for the regional priority plans, adopting evaluation and reporting requirements, and considering long-term alignment of state funding.

LAO PUBLICATIONS

This report was prepared by Eunice Roh, and reviewed by Brian Brown and Anthony Simbol. The Legislative Analyst's Office (LAO) is a nonpartisan office that provides fiscal and policy information and advice to the Legislature.

To request publications call (916) 445-4656. This report and others, as well as an e-mail subscription service, are available on the LAO's website at www.lao.ca.gov. The LAO is located at 925 L Street, Suite 1000, Sacramento, California 95814.