



**DATE:** November 19, 2021

**TO:** BARC Governing Board

**FROM:** Rachael Hartofelis, MTC/ABAG Staff, Nicolas Sander, BCDC Staff

**RE:** *Sea Level Rise Adaptation Funding and Investment Framework*

---

**Subject:**

Presentation highlighting the regional context and development of a collaborative Sea Level Rise Adaptation Funding and Investment Framework in the context of the BARC Shared Work Plan.

**Background:**

In September 2021, BARC agencies approved the BARC Joint Resolution to Address Climate Change, which included the creation of the Shared Work Plan. The Shared Work Plan will advance strategic, coordinated implementation of high priority actions identified in regional agency plans and platforms over the next one to five years. Three major regional planning efforts have recently identified a high priority action to pursue a regional funding plan:

- Bay Adapt released a draft Joint Platform in spring 2021 which aligned regional priorities for sea level rise. Bay Adapt includes regional funding tasks under Action 6: Figure out how to fund adaptation.
- The Plan Bay Area 2050 Implementation Plan, released in October 2021, includes a number of tasks to support the implementation of the strategy EN1: "Adapt to Sea Level Rise," including a task to develop a sea level rise funding plan in the next 1-5 years.
- The Estuary Blueprint 2021 update is currently in development, but will include an action to develop a sea level rise funding and investment strategy in the next 1-5 years.

MTC/ABAG shared the concept of a Sea Level Rise Adaptation Funding and Investment Framework with the Joint MTC Planning and ABAG Administrative Committee in July 2021. MTC/ABAG will be responsible for funding this work effort in for the next fiscal year.

**Discussion:**

MTC/ABAG and BCDC will begin a joint effort to develop a Sea Level Rise Adaptation Funding and Investment Framework (Framework). The Framework will collect and analyze the best available data to improve the regional accounting of sea level rise adaptation costs and potential future revenue sources, resulting in a series of recommendations for addressing regional funding.

This joint effort will build off recent funding analysis by MTC/ABAG and BCDC. As a part of Plan Bay Area 2050, MTC/ABAG created a Needs and Revenue Assessment for regional sea level rise adaptation measures which estimated a \$19 billion need to address two feet of sea level rise adaptation, and \$3 billion in anticipated revenue from local, state, and federal sources. As part of the Plan Bay Area 2050 Implementation Plan, stakeholders identified the \$16 billion gap as a key challenge to address to move the Adapt to Sea Level Rise strategy forward.

In October 2021, BCDC released a Funding and Financing White Paper. The White Paper looks at regional adaptation costs and existing funds to summarize sea level rise damage estimates and the regional funding gap for sea level rise adaptation. Together these two efforts serve as a starting point for the Framework.

The Framework aims to:

- Update and improve regional accounting of anticipated sea level rise adaptation projects by revisiting Plan Bay Area 2050 and BCDC analysis. Regional staff will engage with local governments and partners to update prior regional analysis with local projects and strategies from recent planning efforts. MTC/ABAG and BCDC will also inventory new state and federal funding programs. In addition to informing the Framework directly, the information is intended to be used in future updates of Plan Bay Area, as tools for local government planning, and for regional advocacy.
- Study how revenues for sea level rise adaptation needs can be raised most equitably by analyzing a range of potential revenue measures at different scales, as well as different levels of sea level rise, to close the sea level rise funding gap. MTC/ABAG and BCDC staff will work with stakeholders to visualize equity outcomes for different revenue approaches, developing findings to share with Equity Priority Communities, local staff, regional agency committees and boards, and others.
- Explore how existing and future funding mechanisms can support adaptation planning and implementation. Starting with the review of existing local and regional funding mechanisms

for sea level rise projects, the Framework will identify the gaps and opportunities of each mechanism and will develop regional recommendations which may be used for future advocacy on new revenues.

The Framework analysis will occur over the next year at which point staff will engage with communities and decision makers share research findings and collect input on possible paths forward to raise new funds to fill the unmet adaptation needs gap.

**Next Steps:**

MTC/ABAG and BCDC staff will form a technical working group with partners, including other BARC members, to inform early research and data analysis. The Framework analysis will begin by establishing sea level rise and data assumptions, as well as working with local partners to update the regional understanding of local adaptation projects.

Staff will continue to work with BARC to align the project with the full Shared Work Plan as it develops, as well as other relevant Bay Adapt Joint Platform actions. Updates on the Sea Level Rise Adaptation Funding and Investment Framework will be brought to the Joint MTC Planning and ABAG Administrative Committee, the BCDC Financing the Future Committee, and the BARC Governing Board throughout 2022.