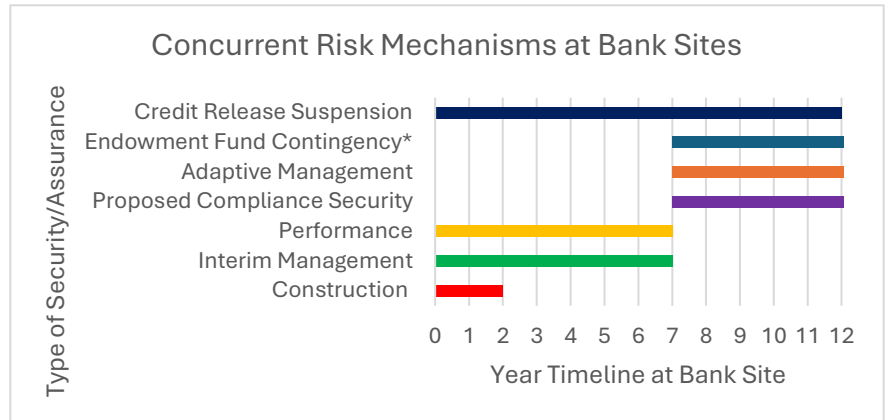


CALERBA'S TOP 10 RECOMMENDATIONS TO CDFW ON BANKING



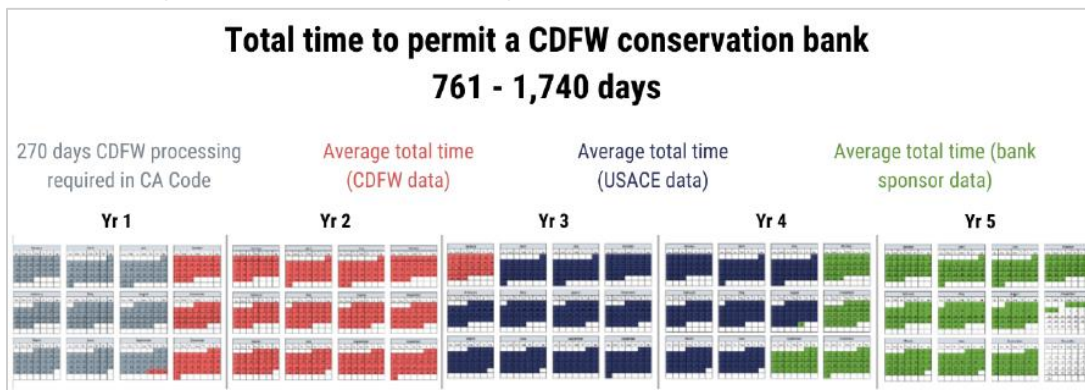
1. TRAIN STAFF TO IMPLEMENT A “YES” SOLUTIONS-ORIENTED MINDSET TOWARDS BANK REVIEWS.

- **CDFW staff should approach bank reviews not as gatekeepers but as conservation collaborators.**
- Agency staff need bank credits because they are the environmentally preferable landscape-scale offset that reduces permitting timelines by 50%.
- The pursuit of perfection is the enemy of progress—and California meeting its 30x30 goals—so staff should rely on a bank’s inherent risk reduction mechanisms if course-correction is needed.



2. ESTABLISH INTERNAL PERFORMANCE METRICS AND TRACKING PROTOCOLS.

- **Establish performance metrics and tracking for staff compliance with legislatively mandated timelines.**
- Fish and Game Code established a 270-day timeline for CDFW review of conservation banking proposals. CDFW’s reporting indicates that they are failing to meet that timeline almost 70% of the time, and CalERBA members report that CDFW consistently fails to meet timelines.



- Metrics will help staff implement project management tools to improve responsiveness, and highlight areas for improvement, needs for additional funding, and/or support.

3. PRIORITIZE STAFFING AND TRAINING RESOURCES FOR THE BANKING PROGRAM.

- **CalERBA strongly urges mandatory CDFW banking staff training alongside their agency and industry peers at bank training courses like those hosted at the National Conservation Training Center.**
- CalERBA applauds the recent investments by CDFW in support staff for the banking program. Still, as new staff come into the program, they are not effective unless they receive training on the unique aspects and objectives of the bank review stages.
- CDFW should also use all available incentives, including potential compensation and title promotions, to improve retention of trained bank coordinators.

4. LEVERAGE CONSISTENCY DETERMINATIONS TO LIMIT CDFW REVIEW SCOPE.

- **CDFW should focus their limited staff resources on bank elements specific to their programs and technical expertise, and rely on Consistency Determinations (CD) to leverage peer-agency peer review.**
- CDFW regularly relies on the decisions of their peer resource agencies through CDs to avoid duplicating work. Similarly, in the bank approval process, CDFW should narrow their scope of review to aspects of projects that are uniquely within their jurisdiction and trust their peer agencies’ review on other aspects of the bank.

- Along the same lines of avoiding redundancy, CDFW should implement internal comment tracking protocols to avoid iterative rounds of comments on the prospectus or instrument versus a single, one-time review.

5. INSTRUCT STAFF TO EVALUATE THE PROSPECTUS AS A CONCEPT DOCUMENT.

- ***CDFW staff should use the Prospectus checklist as a guide, but keep in mind the conceptual purpose of the Prospectus stage is to determine if there is a “fatal flaw.”***
- The Prospectus review stage is intended to provide the Sponsor with a decision on whether the proposed bank has ecological merit and should proceed to the more detailed draft instrument stage.
- Scope-creep at the prospectus stage has led to an overly detailed and arduous documentation process

6. PROVIDE SPONSORS WITH EARLY FEEDBACK ON PROPERTY VIABILITY.

- ***CDFW Staff should quickly respond to mitigation sponsors that reach out for early, pre-Prospectus consultations on the ecological viability of a property.***
- Sponsors need to act fast to secure potential conservation sites in California’s highly competitive private land market, and a framework for quick feed-back can be very helpful.

7. IMPLEMENT MANAGEMENT PRACTICES AND TOOLS TO CLEAR THE QUEUE BACKLOG.

- ***CDFW should implement a consistent approach across Regions to clear the backlog of submitted bank applications.***
- Bank reviews are backlogged across the state due to inefficient reviews and limited staffing for the program. Sponsors often submit documents for review without acknowledgement or any communication on the project’s review status.
- CDFW should leverage available technology to provide automated reminders, updates, and transparent dashboard tracking on the status of applications.

8. CLARIFY THE HABITAT MANAGEMENT LANDS PACKAGE REVIEW PROCESS.

- ***CDFW and CalERBA should collaborate to provide internal and stakeholder training on guidance and issue explanatory documents to support efficient, consistent review statewide.***
- Bank sponsors are experiencing prolonged delays in land surveyor reviews and inconsistency in how lands packages are handled Region to Region. Training would assist sponsors in getting CDFW the info it needs.
- CDFW surveyors have different understandings re: which issues are under their jurisdiction, have asked for unnecessary details, or have proposed changes that are immaterial to the substance of their review.

9. STOP “UNDERGROUND” REGULATIONS.

- ***CDFW should follow a public notice and comment process for any banking guidance changes.***
- Bank and lands review changes should be noticed just as proposed changes to the BEI template are noticed.
- Banks submitted prior to changes should be grandfathered in under prior guidance and processes.

10. ENGAGE THE INDUSTRY EARLY ON IN ANY UPDATES TO PROGRAM POLICIES AND RESOURCES.

- ***CalERBA recommends at least quarterly meetings between CDFW leadership, Regions, Office of General Counsel, and the industry.***
- Opportunities to discuss/solicit feedback on pending updates, shared challenges, and trends from the field.
- Regular communications will increase transparency and avoid protracted discussions over new policies, or changes in reviews that act as a de facto new policy.