

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: January 29-30, 2026

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.24, Action

Prepared By: Naveen Habib
Associate Deputy Director

Published Date: January 16, 2026

Subject: Approval of the California Natural Resources Agency's Partial 2025, 2026, 2027, and 2028 Environmental Enhancement and Mitigation Programs, Resolution G-26-27

Recommendation:

Staff recommends that the California Transportation Commission (Commission) approve partial programming for the 2025 Environmental Enhancement and Mitigation Program, as well as advance partial programming for the 2026, 2027, and 2028 Environmental Enhancement and Mitigation Programs, to fund Phase 2 of the Wallis Annenberg Wildlife Crossing project totaling \$18,835,000 as listed below and provided in Attachment B.

Specifically, the programming actions would be the following:

- Wallis Annenberg Wildlife Crossing - Stage 2A, programmed for \$5,000,000 in available 2025 funds.
- Wallis Annenberg Wildlife Crossing - Stage 2B, programmed for \$5,000,000 in advanced 2026 funds.
- Wallis Annenberg Wildlife Crossing - Stage 2C, programmed for \$5,000,000 in advanced 2027 funds.
- Wallis Annenberg Wildlife Crossing - Stage 2D, programmed for \$3,835,000 in advanced 2028 funds.

Additionally, the Commission's programming action will include the following stipulations that have been applied in past programming cycles:

- The Commission expects that the funds allocated will be expended timely.
- The Commission recommends the California Natural Resources Agency provide appropriate on-site inspection and auditing consistent with program requirements.

Issue:

The Wallis Annenberg Wildlife Crossing is a critical linkage between the Santa Monica Mountains and the Sierra Madre Range. Preserving and enhancing this linkage is essential to sustaining regional wildlife populations. The project will provide a safe passage for wildlife

over U.S. 101, reducing wildlife-vehicle collisions and mortality while enabling movement and genetic exchange necessary for long-term species viability. When complete, the crossing will be the first of its kind in California and a nationally, and internationally, significant example of wildlife connectivity in a highly urbanized corridor.

The \$92 million wildlife crossing project is a public-private partnership supported by the California Department of Transportation (Caltrans), the National Wildlife Federation, and numerous partner organizations. The project components reflect California's broader efforts to align transportation infrastructure with climate resilience and ecological restoration goals. Construction is expected to be completed by fall 2026. Work includes substantial earthmoving, restoration of natural hydrology, protection of heritage oak trees, and coordination with multiple agencies to relocate utilities within the U.S. 101 corridor.

Given the project scale and criticality, the California Natural Resources Agency proposes to program Environmental Enhancement and Mitigation Program funding across the 2025, 2026, 2027, and 2028 grant cycles to ensure this project is delivered on schedule. This project received \$500,000 during the 2021 Environmental Enhancement and Mitigation Program, awarded to the National Wildlife Federation to fund a portion of Stage 1. Therefore, this project is eligible as a mitigation project beyond the scope of the California Environmental Quality Act (CEQA) lead agency, addressing long-term habitat connectivity and species viability impacts associated with the modification of an existing state highway facility.

As the CEQA Lead Agency, Caltrans completed a Mitigated Negative Declaration and filed a Notice of Determination in compliance with CEQA.

The grant cycle funds are available to the California Natural Resources Agency from the following sources: \$5,000,000 from the Budget Act of 2025, \$5,000,000 from the Budget Act of 2026, \$5,000,000 from the Budget Act of 2027, and \$3,835,000 from the Budget Act of 2028. Funds available in a future fiscal year will be contingent upon the passage of that year's Budget Act.

Following adoption of this item, Commission staff will work with California Natural Resources Agency staff to identify additional funding and projects available for programming the remainder of the 2025 Environmental Enhancement and Mitigation Program, as well as future program cycles, resulting in an additional programming action at a future Commission Meeting. Furthermore, the Commission will work with the California Natural Resources Agency annually to identify project savings from prior years to ensure that each subsequent programming cycle captures the extent of available funding.

Background:

The Environmental Enhancement and Mitigation Program was established by the state Legislature in 1989 to fund environmental enhancement and mitigation projects directly or indirectly related to the environmental impact of modifying new or existing transportation facilities. Pursuant to Streets and Highways Code Section 164.56, seven million dollars (\$7,000,000) is appropriated annually to the program from the State Highway Account. The Commission awards annual grants to fund projects as recommended by the California Natural Resources Agency.

The California Natural Resources Agency develops and adopts procedures to determine eligibility, evaluate project proposals, recommend projects for funding to the Commission, and manage the grants post award. Any local, state, or federal agency, or nonprofit entity may apply for and receive funding to undertake environmental enhancement and mitigation projects. Eligible projects must fit at least one of the following three categories:

1. **Urban Forestry** - projects designed to offset vehicular emissions of carbon dioxide.
2. **Resource Lands** - projects for acquisition or enhancement of resource lands to mitigate the loss of, or the detriment to, resource lands lying within the right-of-way acquired for proposed transportation improvements.
3. **Mitigation Projects Beyond the Scope of the Lead Agency** - projects to mitigate the impact of proposed transportation facilities or to enhance the environment, where the ability to effectuate the mitigation or enhancement measures is beyond the scope of the lead agency responsible for assessing the environmental impact of the proposed transportation improvement.

Pursuant to Streets and Highways Code Section 164.56, single grants shall not exceed \$5,000,000. This action recommends approval of programming four separate grants over four separate fiscal years to not exceed this limit.

In line with geographic ratios for other similar funding programs (see Streets and Highways Code Sections 187 and 188), the California Natural Resources Agency tries to award 40 percent of the total funding to projects in northern counties and 60 percent of the total funding to projects in southern counties. The percentages vary slightly each year depending on the applicant pool.

Attachments:

- Attachment A: Resolution G-26-27
- Attachment B: California Natural Resources Agency's Proposed 2025, 2026, 2027, and 2028 Environmental Enhancement and Mitigation Programs Recommendation

**CALIFORNIA TRANSPORTATION COMMISSION
APPROVAL OF THE PARTIAL 2025 and PARTIAL ADVANCED 2026, 2027, AND 2028
ENVIRONMENTAL ENHANCEMENT AND MITIGATION PROGRAMS**

RESOLUTION G-26-27

- 1.1 **WHEREAS**, Streets and Highways Code Section 164.56 establishes the Environmental Enhancement and Mitigation Program to fund environmental enhancement and mitigation projects directly or indirectly related to the environmental impact of modifying new or existing transportation facilities; and
- 1.2 **WHEREAS**, the California Natural Resources Agency evaluates proposals submitted for this program and provides a list of proposals recommended for funding to the California Transportation Commission (Commission); and
- 1.3 **WHEREAS**, the Commission awards grants to fund proposals as recommended by the California Natural Resources Agency; and
- 1.4 **WHEREAS**, the California Natural Resources Agency recommends funding Stage 2 of the Wallis Annenberg Wildlife Crossing in the 2025 and advanced 2026, 2027, and 2028 Environmental Enhancement and Mitigation Programs (Attachment B) totaling \$18,835,000; and
- 1.5 **WHEREAS**, the following funding is available to the California Natural Resources Agency: \$5,000,000 from the Budget Act of 2025, \$5,000,000 contingent upon the passage of the Budget Act of 2026, \$5,000,000 contingent upon the passage of the Budget Act of 2027, and \$3,835,000 contingent upon the passage of the Budget Act of 2028; and
- 1.6 **WHEREAS**, as the California Environmental Quality Act (CEQA) Lead Agency, the California Department of Transportation completed a Mitigated Negative Declaration and filed a Notice of Determination in compliance with CEQA;
- 2.1 **NOW, THEREFORE, BE IT RESOLVED**, that the Commission approves the partial 2025 and partial advanced 2026, 2027, and 2028 Environmental Enhancement and Mitigation Programs, as indicated in Attachment B; and
- 2.2 **BE IT FURTHER RESOLVED**, , the Commission recommends the California Natural Resources Agency provide appropriate on-site inspection and auditing consistent with program requirements.
- 2.3 **BE IT FUTHER RESOLVED**, that following adoption of this item, Commission staff will work with California Natural Resources Agency staff to identify additional funding and projects available for programming the remainder of the 2025 Environmental Enhancement and Mitigation Program, as well as future program cycles, to be brought back to a future Commission Meeting.



GAVIN NEWSOM, Governor
WADE CROWFOOT, Secretary for Natural Resources

January 14, 2026

Tanisha Taylor
Executive Director
California Transportation Commission
1120 N Street, MS 52
Sacramento, CA 95814

Dear Ms. Taylor:

Many thanks for your continued partnership and support for implementing the Environmental Enhancement and Mitigation (EEM) Grant Program. As provided in Section 164.56 of the Streets and Highways Code, the California Natural Resources Agency (CNRA) provides the attached funding recommendation for the Wallis Annenberg Wildlife Crossing Project (Project). The Project meets EEM statutory requirements and contributes to the mitigation of the environmental effects of transportation facilities.

CNRA recommends four phases of EEM funding for the Project be authorized: \$5 million from FY 2025 and advance allocations of \$5 million from FY 2026, \$5 million from FY 2027, and \$3.835 million from FY 2028. Advance allocations would be contingent upon appropriation in the Budget Acts of 2026, 2027, and 2028.

If you have any questions about this recommendation for funding the Project, please contact Jen Metes, Program Manager, at (916) 524-3555 or by email at jennifer.metes@resources.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Wade Crowfoot".

Wade Crowfoot
Secretary for Natural Resources

Enclosures

715 P Street, 20th Floor, Sacramento, CA 95814 Ph. 916.653.5656 www.resources.ca.gov



**Partial 2025, 2026, 2027, and 2028 Environmental Enhancement and Mitigation
Grant Program Funding Recommendation**

Applicant	Project Name	County	FY Funding	Recommended	Cumulative	Project Description	30 x 30
Caltrans	Wallis Annenberg Wildlife Crossing - Stage 2A	Los Angeles	2025 (available)	\$ 5,000,000.00	\$ 5,000,000	Project to fund Stage 2 construction of the Wallis Annenberg Wildlife Crossing, a safe and sustainable passage for wildlife across US-101 at Liberty Canyon Rd. in Agoura Hills to facilitate regional wildlife movement and genetic exchange of the area's cougar population. The crossing will be the first of its kind in California. *	No
Caltrans	Wallis Annenberg Wildlife Crossing - Stage 2B	Los Angeles	2026 (contingent upon approval of the Budget Act of 2026)	\$ 5,000,000.00	\$ 10,000,000		
Caltrans	Wallis Annenberg Wildlife Crossing - Stage 2C	Los Angeles	2027 (contingent upon approval of the Budget Act of 2027)	\$ 5,000,000.00	\$ 15,000,000		
Caltrans	Wallis Annenberg Wildlife Crossing - Stage 2D	Los Angeles	2028 (contingent upon approval of the Budget Act of 2028)	\$ 3,835,000.00	\$ 18,835,000		
SOUTHERN PROJECTS (100% OF TOTAL FUNDING)				\$ 18,835,000.00			

* A \$500,000 EEM grant (E13927-0) was awarded in the 2021 grant cycle to National Wildlife Federation to fund a portion of Stage 1, the construction of the crossing over Highway 101. These awards will fund Stage 2, which continues the crossing over a section of Agoura Road adjacent to the highway.