

COASTAL CONSERVANCY

Staff Recommendation
September 25, 2008

AUSTIN CREEK WATERSHED RESTORATION PROGRAM

File No. 08-091-01
Project Manager: Liza Riddle

RECOMMENDED ACTION: Authorization to disburse up to \$262,190 to the Sotoyome Resource Conservation District for a watershed restoration program, including in-stream habitat improvements for migrating and rearing steelhead and Coho salmon, in the Austin Creek Watershed, a tributary of the Russian River in western Sonoma County.

LOCATION: Austin Creek, a tributary to the Russian River, and its rugged watershed lands, approximately 5 miles from the Pacific Ocean within an unincorporated area of Sonoma County (see Exhibit 1, "Location Map" and Exhibit 2, "Austin Creek Watershed.")

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: Project Location Map

Exhibit 2: Austin Creek Watershed

Exhibit 3: Photographs

Exhibit 4: Project Letters

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31111 and 31251-31270 of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed two hundred sixty two thousand one hundred and ninety dollars (\$262,190) to the Sotoyome Resource Conservation District ("SRCD") for a watershed restoration program, including construction of in-stream improvements in Lower Austin Creek and preparation of engineering designs and environmental documentation for road improvement projects in the Austin Creek Watershed, a tributary to the Russian River, for the purpose of reducing erosion and enhancing critical anadromous fish habitat.

1. Prior to the disbursement of funds for the project, the SRCD shall submit for the review and written approval of the Executive Officer of the Conservancy:
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- a. A work program, including schedule, budget and detailed site plans for the project and a plan for post-implementation monitoring to evaluate the success of the project.
 - b. The names and qualifications of any contractors to be employed on the project.
 - c. A signing plan for the project acknowledging the Conservancy's participation in this project.
2. Prior to the disbursement of funds for the *Lower Austin Creek Migration Improvement* component of the project, the grantee shall provide evidence that all permits and approvals necessary to undertake the project have been obtained."

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with the Project Selection Criteria and Guidelines last updated by the Conservancy on September 20, 2007.
2. The proposed project is consistent with the purposes and criteria set forth in Chapter 6 of Division 21 of the Public Resources Code, regarding enhancement of coastal resources.
3. The project area is identified by the Sonoma County Local Coastal Program as requiring public action to resolve existing resource protection problems."

PROJECT SUMMARY:

The proposed authorization would enable the Sotoyome Resource Conservation District ("SRCD") to complete the *Austin Creek Watershed Restoration Program* for restoration of the 69-square mile Austin Creek watershed, one of the largest and most important watersheds draining into the Russian River. The proposed authorization would also enable the SRCD to implement the next phase of the *Lower Austin Creek Migration Improvement Project*, a collaborative effort previously approved by the Department of Fish and Game ("DFG"), designed to improve migration and rearing habitat conditions for endangered coho salmon, as well as threatened Chinook salmon and steelhead populations.

The *Austin Creek Watershed Restoration Program* focuses specifically on controlling sediment sources in the upper Austin Creek Watershed and includes preparing final plans and engineering designs, and obtaining permission for proposed work on privately-held lands. In previous studies funded by the Regional Water Quality Control Board ("RWQCB"), the SRCD identified 55 miles of unpaved road segments on private lands in the watershed that need corrective action to reduce sedimentation and promote the recovery of healthy populations of Coho salmon and steelhead. In this phase of the restoration program, the SRCD will assess and recommend corrective actions for specific sediment sources on these private road segments; prepare plans, engineering designs and environmental documentation for the highest priority projects; and obtain any permission necessary to complete projects on privately held lands.

As a first step, the SRCD will form a technical advisory committee (“TAC”) with agency personnel and landowner representatives to help guide planning and assessment of the watershed. Although most of the private landowners in the watershed have signed interest agreements and support the proposed project, the TAC will elicit the support of new landowners and the SRCD will finalize agreements with those landowners whose participation will be critical for successful implementation of the program. The SRCD will identify priority restoration projects on private road segments based on estimates of total yards of sediment that would be prevented from entering the stream, overall cost effectiveness, and landowner cooperation, including pledges of monetary or in-kind contributions. The SRCD will prepare design and engineering plans and complete all necessary environmental documentation for the highest priority projects. Finally, the SRCD will prepare applications for implementation funding from appropriate sources, including the DFG’s Fisheries Restoration Grant Program and the Coastal Conservancy.

In addition, to provide immediate benefits to Austin Creek salmonid populations, the SRCD will implement several instream projects identified in the *Lower Austin Creek Migration Improvement Project*, a highly successful five-year partnership among DFG, National Marine Fisheries Service (“NMFS”), gravel mining interests, Trout Unlimited, SRCD, and local residents, with most funding provided by DFG. In past years, project proponents created a low flow channel in the lower 4,000 feet of the Creek, and improved pools and alcoves within the streambed. This area now remains wet throughout the year and provides access to returning coho salmon in the fall and year-round rearing habitat for juvenile salmonids.

The DFG and NMFS analyzed the results from the first phases of the *Lower Austin Creek Migration Improvement Project*, and identified several additional instream restoration projects necessary to fully realize the project’s goals. These agencies are encouraging SRCD to install log, root wad and boulder structures in Lower Austin Creek, and carefully excavate gravel to generate new pools and resting areas for salmon. The SRCD will also remove the invasive Giant Reed (*Arundo donax*) which has infested the lower reaches of the creek. Giant Reed uses prodigious amounts of water to sustain its incredible rate of growth (estimated at more than 5 cm a day). Removal of these plants will provide numerous downstream benefits for native species habitat, wildfire protection, and water quantity and quality. The SRCD will replant the stream bank with approximately 1,800 native willow pole cuttings. DFG and NMFS will provide project oversight, project engineering will be funded by Trout Unlimited, and Bohan Canelis, a local gravel mining company, will contribute materials and equipment valued at \$50,000.

The SRCD has a fifty-year history of conservation achievements in Sonoma County, with its efforts focused in particular on the 1,500 square mile Russian River watershed. The SRCD has completed numerous projects in the Austin Creek Watershed, including two previous assessments (funded by the RWQCB) that provide critical background data for the proposed project: the *Russian River Coastal Tributary Improvement Program*, which collected data on water quality over a six-year period in a collaborative effort with private landowners, community groups and public agencies; and the *Austin Creek Watershed Assessment*, which utilized detailed Geographic Information System information to analyze erosion problems and areas of major vegetation changes. The SRCD has completed similar sediment control projects on over 130

miles of rural roads in the Gualala and Russian River watersheds, using funding provided by the DFG and RWCQB. The SRCD is also highly regarded for its technical assistance and local outreach and education programs. Using Conservancy funding provided in 2003, it published *The Grazing Handbook*, used extensively by public agency personnel and private landowners throughout coastal northern California.

Site Description: Austin Creek is located in western Sonoma County and flows into the western side of the Russian River near Duncans Mills, several miles upstream from the river mouth. The Austin Creek watershed, encompassing an area of 69 square miles, is dominated by steep mountains that rise from sea level to the ridgeline at 2100 feet, and includes 24 named tributaries. The watershed has the highest annual rainfall of any area within the region, ranging from 55 inches at the drier ridgelines to 75 inches near the confluence with the Russian River.

Major land uses in the Austin Creek basin include timber harvesting, gravel mining and rural residential development. Two areas – Armstrong Woods State Park and Austin Creek State Recreation Area (together encompassing 9 square miles) – are under Department of Parks and Recreation ownership. However, the majority of the watershed is in private ownership (which complicates restoration efforts) and is crisscrossed by a dense network of unpaved and poorly graded roads. These roads were constructed on highly erodible soils, and have been identified as the major source of the fine sediments that wash down the hillsides and creek, polluting Austin Creek, the Russian River and its estuary, and downstream coastal waters.

Despite its degraded condition, Austin Creek still provides areas of excellent spawning and rearing habitat for Coho salmon, and is considered to be one of the largest contributors to the Russian River’s overall Coho salmon population. The NMFS considers this watershed as key to the recovery of Russian River Basin coho and Chinook salmon and steelhead trout.

Project History: Austin Creek is recognized as a cornerstone in local, state and federal efforts to increase Coho salmon and steelhead populations in the Russian River and its tributaries and, as such, has been the subject of numerous studies and restoration programs. DFG considers the Russian River and the “Austin Creek Hydrologic Sub-area” critical for salmonid conservation and recovery. DFG’s *Recovery Strategy for California Coho Salmon* (2004) lists Austin Creek as an important steelhead and Coho salmon stream, and recommends that excess sediment be assessed, prioritized and treated (as is proposed in this authorization). In an unprecedented effort to restore coho salmon populations, the DFG, the NMFS, and the US Army Corps of Engineers initiated the *Russian River Coho Salmon Captive Broodstock Program* in 2001, with the goal of re-establishing self-sustaining runs of coho salmon in tributary streams within the Russian River basin. Offspring of these captive-reared broodstock are stocked as juveniles within their historic range, including two tributaries to Austin Creek (Ward and Gray Creeks).

Since 2002, the NMFS and Trout Unlimited, working closely with Bohan and Canelis (a local gravel mining company) and the DFG, have constructed in-stream habitat improvements in the lower reach of Austin Creek (the *Lower Austin Creek Migration Improvement Project*) to encourage Coho salmon and steelhead populations. The currently proposed project will implement a further phase of the *Lower Austin Creek Migration Improvement Project* and will enable SRCD to address sources of sedimentation in the upper reaches of Austin Creek.

PROJECT FINANCING:

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|---------------------------------------|------------------|
| Coastal Conservancy | \$262,189 |
| Matching Funds: | |
| Sonoma County Water Agency | 28,000 |
| Bohan Canelis | 50,000 |
| Department of Fish and Game (pending) | 65,823 |
| Trout Unlimited | 20,000 |
| Sotoyome RCD | 10,050 |
| Total Project Cost | \$436,062 |

Conservancy funds for this project are expected to derive from the 06/07 appropriation to the Conservancy from the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50). Proposition 50 funds are appropriated to the Conservancy to restore and protect coastal watersheds through projects undertaken pursuant to the Conservancy's enabling legislation (Division 21 of the Public Resources Code) and may be used as proposed here for planning and permitting associated with restoration (Water Code Section 79570). The project will complete the planning process for the improvement of habitat and ecological functioning of the Austin Creek watershed for the benefit of salmonids in this Russian River tributary. The project will also construct fish migration improvements that will help restore watershed resources. The project is consistent with the Conservancy's enabling legislation as described below. Finally, as required by Proposition 50, the proposed project is consistent with local and regional watershed plans, as discussed below (Water Code Section 79507).

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project will be undertaken pursuant to Chapter 6 of the Conservancy's enabling legislation, Division 21 of the Public Resources Code (Sections 31251-31270), regarding enhancement of coastal resources.

Section 31251 authorizes the Conservancy to award grants to public agencies for the purpose of enhancement of coastal resources that, because of natural or human-induced events or incompatible land uses have suffered loss of natural values. Timber practices, road construction, mining and residential development in the Austin Creek watershed have increased sediment delivery to the creek and to the Russian River, downstream. The proposed watershed program will identify the highest priority problem areas and recommend solutions to restore the landscape and prevent further erosion. The *Lower Austin Creek Migration Improvement Project* will restore fish habitat and aid in the recovery of salmon and steelhead populations. Thus, this grant will be used for corrective measures that will enhance the natural character of the area, consistent with Section 31251.

Section 31251.2 authorizes the Conservancy to award grants to public agencies for the enhancement of watershed resources that lie partially outside the coastal zone. The proposed grant to the Sotoyome SRCD, a public agency, involves identifying and constructing projects in the Austin Creek watershed, which is located outside the coastal zone, to benefit the Russian River and its resources, particularly anadromous fish. The Russian River watershed lies both within and outside the coastal zone.

As required in Section 31252, the proposed project is consistent with the Sonoma County Local Coastal Program as described in the “Consistency with Local Coastal Program Policies,” as described below.

Pursuant to Section 31253, the Conservancy may provide up to the total cost of any coastal resource enhancement project. The SRCD and its partners are providing a match of over 40% for this project. In determining the amount of Conservancy funding for this project, the factors identified in §31253 have been considered and applied, as described in detail below, under the heading “Consistency With Conservancy's Project Selection Criteria & Guidelines.”

CONSISTENCY WITH CONSERVANCY’S 2007 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 5, Objective A** of the Conservancy’s 2007 Strategic Plan, the proposed project will develop a program for the restoration and enhancement of biological diversity in a coastal draining watershed and will include recommendations for projects to address erosion and sediment threats to salmonid habitat while working with local partners and promoting public outreach.

Consistent with **Goal 6, Objective A** of the Conservancy’s 2007 Strategic Plan, the proposed program will develop a watershed plan to preserve and restore water quality, habitat and other coastal resources working with watershed partners and promoting public outreach in a coastal draining watershed.

Consistent with **Goal 6, Objective C** of the Conservancy’s 2007 Strategic Plan, the proposed program will collect data on limiting factors for anadromous salmonids, including fish barriers, to plan for fisheries restoration in a coastal draining watershed working with existing partners and involvement of additional private property owners.

CONSISTENCY WITH CONSERVANCY’S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy’s Project Selection Criteria and Guidelines, last updated on September 20, 2007 in the following respects:

Required Criteria

1. **Promotion of the Conservancy’s statutory programs and purposes:** See the “Consistency with Conservancy’s Enabling Legislation” section above.

2. **Consistency with purposes of the funding source:** See the “Project Financing” section above.
3. **Support of the public:** The project has received support from the community and elected officials. Letters of support are included in Exhibit 4.
4. **Location:** The proposed project will be conducted in Austin Creek watershed in western Sonoma County and will benefit anadromous fish spawning in the greater Russian River watershed.
5. **Need:** Partner agency funding would not be sufficient to prepare the *Austin Creek Watershed Restoration Program* or construct instream fish migration improvements without Conservancy participation.
6. **Greater-than-local interest:** The *Austin Creek Watershed Restoration Program* is of state-wide interest due to the possibility of improving habitat for the recovery of Coho salmon.

Additional Criteria

7. **Urgency:** Continued sediment flow from unpaved roads and erodible hillsides into Austin Creek and subsequently into the Russian River, pose extreme risk to the quality and productivity of salmonid spawning and rearing habitat.
8. **Resolution of more than one issue:** The SRCD will work with private property owners to identify road sedimentation risks and potential enhancement opportunities, and will simultaneously construct improvements for the immediate benefit of salmonid populations.
9. **Leverage:** Funding for this project from the Conservancy will leverage other state, local and private funding, with almost 40% of project costs covered by other sources. See “Project Finance” above.
10. **Innovation:** The project will utilize data collected by multiple agencies to create an *Austin Creek Watershed Restoration Program*, while also building support for its implementation with local land owners.
11. **Readiness:** The SRCD is ready to prepare the *Austin Creek Watershed Restoration Program*, and construct instream fish migration improvements immediately.
12. **Realization of prior Conservancy goals:** See the “Project Summary” section above.
13. **Cooperation:** The County of Sonoma, federal, state and local jurisdictions, and, most importantly, private landowners have agreed to cooperate in the preparation of the *Austin Creek Watershed Restoration Program*. Construction of the instream fish migration improvements will include participation and funding from a variety of public and private sources.

CONSISTENCY WITH LOCAL/REGIONAL WATERSHED PLANS

Under Proposition 50, any watershed protection activities must be “consistent with the applicable adopted local watershed management plan and the applicable regional water quality control plan adopted by the regional water quality board” (Water Code Section 79507). As discussed under the “Project Description” section, the proposed watershed program will reduce sedimentation in Austin Creek, the Russian River, and downstream estuarine resources and will specifically address watershed issues identified in the Regional Water Quality Control Board’s *Water Quality Control Plan for the North Coast Region*, adopted January 2007 and the Department of Fish and Game’s *Russian River Basin Fisheries Restoration Plan* (draft, July, 2002), which recommends that sediment sources in Austin Creek be surveyed and then appropriately treated.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The Sonoma County Local Coastal Program, certified in 1981 and revised and incorporated into the Sonoma County General Plan on December 12, 2001, identifies the need for public action and assistance to resolve sedimentation, loss of riparian vegetation, and stream bank erosion in freshwater fishery resources such as the Russian River and its tributaries. The LCP contains the following objectives for the effective management and protection of freshwater fishery resources: 1) identifying sources of sediment; and 2) managing riparian corridors along streams to provide protection for fish habitat. Further, the proposed authorization is consistent with the LCP Environmental Resources Management Recommendations for Riparian Areas (10) that “require erosion control measures for projects affecting the riparian corridor”.

COMPLIANCE WITH CEQA:

Completion of the planning portions of the *Austin Creek Watershed Restoration Program* is statutorily exempt from review under the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations Section 15262, in that it involves the funding of planning studies for possible future actions which the Conservancy has not approved, adopted, or funded. It is also categorically exempt under §15306, in that it consists of data collection, research, and resource evaluation that will not result in disturbance to an environmental resource.

Implementation of the *Lower Austin Creek Migration Improvement Project* component of the *Program* is categorically exempt from review under CEQA, pursuant to 14 California Code of Regulations Section 15333 as the project will not exceed five acres in size and will assure the maintenance, restoration, enhancement or protection of habitat for fish, plants or wildlife. Further, the project is consistent with Sections 15333(a) as there would be no significant adverse impact on endangered, rare or threatened species or their habitat pursuant to Section 15065; Section 15333(b) as there are no hazardous materials at or around the project site that may be disturbed or removed; and Section 15333(c) as the project will not result in impacts that are significant when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.

Upon Conservancy approval, staff will file a Notice of Determination for the *Austin Creek Watershed Restoration Program*.