

COASTAL CONSERVANCY

Staff Recommendation
October 18, 2012

**TOMALES BAY WATERSHED HABITAT ENHANCEMENT PROGRAM:
BLOOM AND LAWSON RANCHES**

Project No. 04-033-02
Project Manager: Joel Gerwein

RECOMMENDED ACTION: Authorization to disburse up to \$263,000 to the Marin Resource Conservation District to implement habitat enhancement projects on the Bloom and Lawson ranches located in the Tomales Bay Watershed, Marin County.

LOCATION: Tomales Bay watershed, western Marin County

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

- Exhibit 1: [Project Location and Site Map](#)
Exhibit 2: [Project Photographs](#)
Exhibit 3: [Mitigated Negative Declaration for Marin Coastal Watersheds Permit Coordination Program including monitoring and reporting program for Bloom and Lawson Ranch Projects](#)
Exhibit 4: [Project Letters](#)
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RESOLUTION AND FINDINGS:

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

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed two hundred sixty three thousand dollars (\$263,000) to the Marin Resource Conservation District (MRCD) to conduct erosion-control and riparian enhancement projects on the Bloom and Lawson ranches in the Tomales Bay watershed , subject to the following conditions:

1. Prior to the disbursement of any Conservancy funds for each project, the MRCD shall submit for review and approval of the Executive Officer of the Conservancy (Executive Officer) a work program, schedule and budget, and the names and qualifications of any contractors to be used on the project.

2. Prior to implementing each project, the MRCD shall ensure each project receives permits under the Marin Coastal Watersheds Permit Coordination Program, as well as any other permits required to implement the projects.
3. Prior to implementing each project, the MRCD shall secure and submit to the Executive Officer for review and written approval an agreement with the owner of the property on which each project is to occur that authorizes the proposed enhancement work, that serves to protect the public interest in the project and that ensures that the project will be maintained in a manner consistent with the purposes of the grant.
4. Conservancy funding shall be acknowledged by erecting and maintaining on the property on which each project is undertaken a sign or signs, the design and placement of which has been reviewed and approved by the Executive Officer, or by some other alternative form of acknowledgement, appropriate to the project and approved by the Executive Officer.
5. The MRCD shall monitor and ensure compliance with the provisions of the mitigation and monitoring plan incorporated into the Mitigated Negative Declaration, attached to the accompanying staff recommendation as Exhibit 3.”

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 authorization is consistent with the purposes and objectives of Chapter 6 of Division 21 of the Public Resources Code, regarding enhancement of coastal resources.
2. The proposed projects are consistent with the current Project Selection Criteria and Guidelines.
3. As a responsible agency, the Conservancy has independently reviewed and evaluated the Mitigated Negative Declaration, each project checklist and public comment attached to the accompanying staff recommendation as Exhibit 3, and finds that the projects, as mitigated, avoid, reduce or mitigate the possible significant environmental effects to a level of insignificance, and that there is no substantial evidence that the projects will have a significant effect on the environment.”

PROJECT SUMMARY:

The proposed authorization would provide \$263,000 to the Marin Resource Conservation District (MRCD) to implement erosion control and riparian enhancement projects on the Bloom and Lawson ranches in the Tomales Bay watershed. (See Exhibits 1 and 2). The projects are part of a multiagency-community partnership whose goal is to support agriculture and the environment by implementing voluntary environmental improvements on agricultural lands in the Tomales Bay watershed. The partnership is accomplishing this goal by assisting ranchers in the planning, design, permitting and implementation of projects, and providing an incentive to landowners in the Tomales Bay watersheds interested in restoring or enhancing the natural resources of their property. Landowners will provide an in-kind match for Conservancy and other public funds and will commit to maintaining the enhancement projects. This partnership

approach is an effective strategy to simultaneously enhance and protect wildlife habitat as well as coastal agriculture in a sensitive watershed where ranchers are stewards of much of the landscape and a valued part of the community's cultural fabric.

The proposed authorization would fund work at the Lawson and Bloom ranches (Exhibit 1). Work on both ranches will result in improved riparian habitat values and improved water quality due to decreases in erosion and sedimentation. At the Lawson Ranch, two eroding gullies will be lightly graded to stable slopes, fenced, and planted with native willows and grasses; the smaller gully project site will also address a small headcut¹. The Natural Resources Conservation Service (NRCS) is expected to fund a spring development² with a solar pump at this location to provide for alternative livestock watering. Two areas will be addressed on the Bloom Ranch. At the first area--an intermittent tributary to Chileno Creek--two cattle crossings will be repaired, two headcuts stabilized, critical areas planted with willow stakes, and exclusionary fencing installed. At the second area, a major bank failure along mainstem Chileno Creek will be stabilized with biotechnical erosion control measures (willow wattle, brush mattress, willow sprigging) and a rock drainage ditch; spoils will be spread on site with wattles around the perimeter and seeded, composted, and mulched (Exhibit 2). Chileno Creek is a tributary to Walker Creek, which drains into Tomales Bay. Steelhead (*Oncorhynchus mykiss*) have been documented in Chileno Creek, and the creek supports habitat for coho salmon, which are present in Walker Creek.

The projects will provide food and cover to support rangeland and upland riparian habitat for a variety of amphibians, mammals, fish and birds, including threatened steelhead trout, endangered coho salmon, and threatened California red legged frog (*Rana draytonii*), bobcat (*Lynx rufus*), American badger (*Taxidea taxus*), mountain lion (*Puma concolor*), black-tailed deer (*Odocoileus hemionus columbianus*), coyote (*Canis latrans*), gray fox (*Urocyon cinereoargenteus*), red fox (*Vulpes vulpes*), black-tailed jackrabbit (*Lepus californicus*), California vole (*Microtus californicus*), and great egret (*Ardea alba*). Enhancing habitat in the project areas will facilitate wildlife movement in important wildlife corridors. The project areas are located adjacent to preliminary critical linkage boundaries identified by the *Critical Linkages: Bay Area and Beyond Project*.³ *Critical Linkages* documents the habitat and movement needs of over 60 species in the Bay Area. Protecting and enhancing wildlife movement corridors is especially important in light of shifts in species ranges anticipated due to climate change.

The projects have been prioritized by the MRCD through the Conserving Our Watershed (COW) program. Since 2008, the MRCD has received 37 proposals from ranchers requesting assistance from the COW program. A Technical Advisory Committee evaluates these proposals, conducts site visits, and ranks the projects based on their potential benefits for wildlife habitat, water quality, feasibility, catalyzing future conservation projects, and cost effectiveness. To date, over 50 conservation practices have been completed under the program through the MRCD and local partners including: USDA NRCS, Marin Agricultural Land Trust (MALT), University of

¹ "Headcut" refers to the ongoing deepening and erosion of a gully or stream, progressing in an upstream direction.

² "Spring development" improves on-site springs and seeps by fencing out livestock, excavating, cleaning, capping, or providing collection and storage facilities of natural springs on the project site. This practice is used to improve the distribution of water or to increase the quantity of water for livestock and wildlife. Water-bearing soil and rocks are developed, and piping is installed to a trough or tank away from the spring. See Exhibit 3, at 14.

³ See the Conservation Network, at <http://www.bayarealands.org/next-steps/linkages.php>.

California Cooperative Extension Service, Point Reyes Bird Observatory Conservation Science, and Students and Teachers Restoring a Watershed.

The recommended authorization will provide support to private landowners to enhance water quality and habitat on their land for the public good. Because agriculture is the area's predominant land use, on-farm conservation activities can lead to significant water quality and habitat improvements. Landowners in the Tomales Bay watershed are interested in restoring or enhancing the natural resources of their property. However, regulatory review processes that are intended to protect natural values often act as disincentives to voluntary efforts to reduce nonpoint source pollution and enhance habitat, and ranchers often have inadequate funds to complete enhancement projects. Permitting for the enhancement projects to be funded by this grant would be provided through the Marin Coastal Watersheds Permit Coordination Program (PCP). The PCP streamlines permitting by nine federal, state, and local agencies for projects that follow the 17 approved conservation practices described in the PCP's environmental document (Exhibit 3). The conservation practices include riparian fencing, bank stabilization, and fish passage improvement. The Conservancy provided funding for development of the initial PCP in 2001, which has since been updated. By providing streamlined permitting, along with the MRCD's assistance with project design and raising funds, the PCP has helped promote successful voluntary actions that have improved water quality and wildlife habitat values. As landowners see the success of their neighbors' projects, willingness to cooperate in voluntary conservation work has increased. MRCD, NRCS, and Point Reyes National Seashore (PRNS) staff has established relationships with individual landowners and the community that are necessary to the success of these voluntary projects. They also have the expertise to carry out these restoration practices and, perhaps more importantly, state and federal mandates to protect our natural resources by working with private landowners.

By 2014, Conservancy funding in partnership with the State Water Resources Control Board, USFWS, MALT and NRCS will bring the MRCD's total completed conservation practices in the COW program to 80, representing 56,852 feet of exclusionary fencing, 8 lined waterways, 22 grade stabilizations, 4 road repairs, numerous troughs, tanks, solar pumps, and 15 acres of revegetated critical habitat areas.

Site Description: The Tomales Bay watershed is remarkable for its beauty, wildlife, and diverse human history. The watershed extends from Mount Tamalpais and Bolinas Ridge, east to the headwaters of Walker Creek and Nicasio and Lagunitas Creeks, and west to the Inverness Ridge, and includes a rich abundance of plant and animal life, and supports a strong agricultural community, mariculture industry, and commercial and recreational fisheries. Tomales Bay is recognized by the Ramsar Convention as a Wetland of International Importance, and supports one of the largest populations of central California coast ESU coho salmon (*Oncorhynchus kisutch*). It is home to nearly forty species of land mammals including bobcat, mountain lions, and coyote; marine mammals; river otters; and more than 450 bird species in the watershed and on the adjacent lands of the Point Reyes National Seashore. Nearly half the bird species of North America have been spotted in this region. It also provides sanctuary to 26 federally protected species, notably evolutionarily significant populations of coho salmon and steelhead trout.

As in many other coastal watersheds, the combination of overland runoff, streambank erosion, runoff from roads, and the effects of years of land-use disturbance has caused serious impacts on water quality, on fish and wildlife habitat, and on native flora. The links among agricultural

runoff, streambank erosion, water quality, water quantity, and fish and wildlife habitat in the Tomales Bay watershed are a concern for agricultural, conservation, and regulatory interests. Increased focus on nonpoint source pollution by federal, state, and local regulatory agencies presents ranch and dairy operators with serious management challenges. The Bloom and Lawson ranch owners each seek to address these water quality and wildlife issues within their ranch boundaries.

The Bloom Ranch lies within the Walker Creek watershed, and consists of steep to gently sloping non-native annual grassland and riparian areas. It is actively grazed by beef cattle. The Walker Creek sub-watershed drains into the northern end of Tomales Bay and lies almost completely in northwestern Marin County. It contains some of western Marin County's wildest, most undisturbed landscape, along with some of the most degraded.

The Lawson Ranch lies east of Dillon Beach. A portion of the ranch drains directly to Tomales Bay, and the remainder drains to the Walker Creek watershed. The Lawson Ranch consists of grassland, riparian habitat, and a portion of the Tomales Dunes Complex. The grassland is actively grazed by lamb, sheep and cattle, and is dominated by non-native annual grasses with scattered Monterey cypress and blue gum eucalyptus. A few rushes and sedges occur along the unnamed creek. The dunes and riparian areas on the ranch are protected by a conservation easement purchased by the NRCS.

Project History: The Conservancy has a long history of interest and involvement in protecting, restoring, and enhancing the agricultural and natural resource values of western Marin County, and the Walker Creek watershed specifically. In 1984, the Conservancy produced "A Program for Restoring the Environment of Tomales Bay", and, based on this plan, authorized a one million-dollar grant to the MRCD to undertake erosion control projects in the Walker Creek watershed. Work on the seventeen large-scale erosion projects funded by this grant kept thousands of tons of soil from reaching mainstem Walker Creek and Tomales Bay and pioneered many biotechnical erosion control methods that are now included in the Department of Fish and Game's (DFG) restoration manual. Subsequently, DFG conducted an erosion control inventory that identified \$6,000,000 worth of needed projects in the Tomales Bay watershed, *not* including design, permits, and coordination costs. Over the years, the MRCD has continued to seek funding for these projects.

The Conservancy has contributed funding to the MRCD's enhancement efforts that have resulted in over seven miles of stream restoration along Chileno, Salmon, and mainstem-Walker Creeks. In 2001, the Conservancy funded the Marin Coastal Watersheds Permit Coordination Program, which has since been updated and expanded and continues to provide one-stop permitting for projects within the Tomales Bay watershed and additional adjacent areas. The Conservancy partially funded the Tomales Bay Watershed Council's 2003 Watershed Stewardship Plan. In 2004, the Conservancy granted \$650,000 to the MRCD for projects to enhance habitat and water quality in the Tomales Bay Watershed. The MRCD utilized the funding to successfully implement 17 enhancement projects by 2009.

Furthermore, since the mid-1980's, the Conservancy has enjoyed an effective partnership with the Marin Agricultural Land Trust (MALT). Most recently, the Conservancy awarded \$1 million to MALT to acquire a conservation easements over 1,100 acres of agricultural land on the Barboni Ranch in the Tomales Bay watershed. The MRCD requested Conservancy assistance

for these projects in early 2012, and Conservancy staff has worked with the MRCD to develop the projects since that time.

Due to its natural resource values, Tomales Bay and some of its tributaries have also been the focus of extensive efforts from other public agencies. Tomales Bay was identified under federal Clean Water Act §303(d) as impaired due to pathogens (i.e., *coliform* bacteria), which required the San Francisco Bay Regional Water Quality Control Board (SFRWQCB) to establish the Tomales Bay Watershed Pathogens Total Maximum Daily Load (TMDL) to ensure protection of water contact recreational uses and Tomales Bay shellfish harvesting and to minimize human exposure to disease causing pathogens. In 2007, the Basin Plan for the San Francisco Bay region was amended to incorporate a TMDL for pathogens in Tomales Bay, and an implementation plan to reduce pathogens and achieve the TMDL was developed. The SFRWQCB has also declared the Tomales Bay watershed impaired due to excessive sediments, nutrients, and mercury. Two of the three enhancement projects to be implemented with the proposed Conservancy funding are located in the Walker Creek sub-watershed of Tomales Bay. The SFRWQCB declared the Walker Creek watershed impaired for nutrients, sediment, and mercury in 2003. The National Marine Fisheries Service stated in the 2010 Central California Coast Coho Salmon Recovery Plan that riparian vegetation enhancement projects are among the highest priorities to restore coho salmon and steelhead populations in Walker Creek.

In 2008, the San Francisco Bay RWQCB adopted a Conditional Waiver of Waste Discharge Requirements for grazing lands in the Tomales Bay watershed. The waiver required that landowners or operators of grazing lands encompassing 50 acres or more submit a Notice of Intent to comply with the requirements of the waiver by January 31, 2009, and complete a Ranch Water Quality Plan by November 15, 2009. The Ranch Water Quality Plan Template (SFRWQCB 2009) was developed through a collaborative effort of multiple agencies (California Cattlemen's Association, Marin Farm Bureau, Western United Dairymen, Marin RCD, NRCS, MALT, regional water quality control board, Point Reyes National Seashore, and Marin Organic) to assist landowners and operators in complying with the waiver regulations. Ranch Water Quality Plans must include management practices to reduce nonpoint source pollution due to grazing and a timeline for their implementation, with initial implementation to take place before July 8, 2013. The projects funded by this authorization are not required by the waiver program. The Blooms and the Lawsons have already implemented management practices on their ranches to reduce nonpoint source pollution. The Bloom Ranch has implemented multiple riparian restoration projects, including riparian fencing to exclude livestock from the creek, biotechnical repairs of failing streambanks, and eight headcut repairs with willow checkdams. The Lawsons are working with NRCS to install new fencing to enable better grazing management in keeping with a new rotational grazing plan, planting native vegetation to benefit California red-legged frogs, and removing a road and parking lot which will be restored to its natural state.

PROJECT FINANCING:

Coastal Conservancy	\$263,000
U.S. Fish and Wildlife Service	\$25,000
Natural Resources Conservation Service	<u>\$173,307</u>
Total Project Costs	\$461,307

The expected source of Conservancy funds for this project is the FY 10/11 appropriation to the Conservancy from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84). Proposition 84 authorizes the use of funds for projects that are consistent with the Conservancy’s statutory authority. (Public Resources Code § 75060(b)). Consistency of the projects with the Conservancy’s statutory authority is discussed below in “Consistency with Conservancy’s Enabling Legislation.” As discussed below, the projects are consistent with Chapter 6 of Division 21.

Another requirement of Proposition 84 involving projects that restore natural resources is that the Conservancy give priority to projects that meet one or more of the criteria specified in § 75071 of the Code. The proposed restoration project satisfies the following specified criteria: (a) Landscape/Habitat Linkages—the project will facilitate wildlife movement, botanical transfer, and sustain large acreage of habitat over time in the Walker Creek watershed. The project creates wildlife movement corridors various habitats for bird and fish species as discussed above. The project will also satisfy criteria (b) Watershed Protection—the project will contribute to long-term protection of, and improvement to the water and biological quality of Tomales Bay. Finally the project satisfies criteria (e) Non-state matching contribution – federal agencies will provide \$198,000 toward the proposed project. Accordingly, the proposed authorization is an appropriate use of Proposition 84 funds

Consistent with Proposition 84 requirements, the mitigation and monitoring plan will provide the monitoring and reporting necessary to ensure successful implementation of the project objectives. (See Public Resources Code § 75005(n)).

The MRCD will provide an in-kind match for the grant consisting of staff time to monitor and document project compliance with the mitigation and monitoring plan, during construction. The value of this in-kind contribution is estimated at \$7,360.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed projects would be undertaken pursuant to Chapter 6 of the Conservancy’s enabling legislation, Public Resource Code Sections 31251-31270, authorizing coastal resource enhancement activities.

Under Section 31251, the Conservancy may award grants for the purpose of enhancement of coastal resources that, because of natural or human-induced events, have suffered loss of natural and scenic values. The proposed projects are intended to improve streamside habitat and water quality in the Tomales Bay watershed, a coastal watershed that has been degraded by historical agriculture and urban land uses.

Section 31251.2(a) allows the Conservancy to award grants to enhance a watershed resource that is partly outside of the coastal zone in order to enhance coastal resources within the coastal zone. The proposed authorization would fund some enhancement projects outside the coastal zone and some within the coastal zone. However, all the projects are critical to water quality and habitat in Tomales Bay, a critically important estuary for countless species located within the coastal zone.

The proposed projects are consistent with Section 31252 which requires resource enhancement activities be consistent with the County of Marin's Local Coastal Program, as detailed in the "Consistency with Local Coastal Program Policies" section, below.

Finally, as required by Section 31253, staff has considered the urgency of the projects, the availability of funding for other enhancement projects and the inability of the Marin RCD to fully fund the projects through other sources in determining the amount of proposed Conservancy funding for these projects. In recommending the projects for Conservancy approval, staff has also applied the Conservancy's project selection criteria to the projects, as described in detail in the "Consistency with Conservancy Project Selection Criteria and Guidelines" section, below.

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

Consistent with **Goal 6, Objective B** of the Conservancy's 2007 Strategic Plan, the proposed authorization will implement three projects that help to restore the Walker Creek and Tomales Bay watersheds Bay.

The proposed authorization is also consistent with **Goal 7, Objective C**, as it will construct 3 projects that assist farmers with reducing erosion and encroachments into streams.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed projects are consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on November 10, 2011, 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 proposed projects have widespread support from landowners, resource agencies, environmental organizations, legislators, and community groups, including the Marin Agricultural Land Trust, and the Regional Water Quality Control Board, Congressional Member Lynn Woolsey, State Senator Mark Leno, and Assembly Member Jared Huffman. Letters of support are attached as Exhibit 4.

4. **Location:** The proposed projects are located within the Tomales Bay watershed. They will enhance water quality in Walker creek and Tomales Bay, and will enhance habitat for steelhead and coho salmon, and other special status species.
5. **Need:** Conservancy funding is critical to the implementation of these enhancement projects. The projects have been highly ranked by the NRCS and are expected to receive federal funding, but a local/state match is required. Without Conservancy assistance, the projects will not proceed.
6. **Greater-than-local interest:** By completing projects designed to improve salmonid and other wildlife habitat and to reduce sedimentation, the project will serve to enhance the Tomales Bay watershed, as well as contribute to state and federal goals of restoring listed species. Tomales Bay is recognized by the Ramsar Convention as a Wetland of International Importance, and supports one of the largest populations of the threatened Central California Coast Evolutionarily Significant Unit of coho salmon.
7. **Sea level rise vulnerability:** Project sites are located at elevations over 10 m. above sea level, and will not be vulnerable to sea level rise impacts expected by 2100.

Additional Criteria

8. **Urgency:** In addition to improving water quality, the projects will enhance habitat for threatened species, including steelhead and California red-legged frog. Habitat enhancement for these species is urgently needed to help them recover. In addition, the projects are urgently needed to enhance degraded water quality in Tomales Bay.
9. **Resolution of more than one issue:** Not only will the proposed projects result in improved habitat and water quality in the Tomales Bay watershed, but they will demonstrate the efficacy of the streamlined permitting program and public-private partnership facilitated by the Marin RCD. Many private landowners are hesitant to undertake habitat enhancement projects because of the costly and time-consuming permitting burden and the difficulties of working with public agencies, and these projects will increase the willingness of other landowners to undertake such projects.
10. **Leverage:** See the “Project Financing” section above.
11. **Readiness:** Landowners are eager to begin work, and the technical advisory committee, including representatives from several agencies, has reviewed these projects and indicated their interest in seeing them implemented.
12. **Realization of prior Conservancy goals:** See “Project History” above.
13. **Return to Conservancy:** See the “Project Financing” section above.
14. **Cooperation:** Federal matching funds will be provided by the NRCS and USFWS.
15. **Vulnerability from climate change impacts other than sea level rise:** These projects will enhance the ability of Chileno Creek and other tributaries to Tomales Bay to provide riparian habitat while carrying the higher flows anticipated due to increased frequency and severity of storms. In addition, the project will utilize plant pallets designed to enhance the resiliency of the riparian community to climatic uncertainty. These designs will aim to maximize the number of months that resources (cover, food) would be available for wildlife, and will

increase the capacity of the restoration to rebound from fire and longer and/or more frequent periods of drought.

16. **Minimization of greenhouse gas emissions:** The projects will utilize locally-collected plant material to the extent feasible, and will minimize emissions associated with equipment mobilization and demobilization by utilizing equipment provided by the landowners and already present on site where feasible. The projects will include planting riparian vegetation. Carbon sequestered yearly by new tree canopy and willow plantings through the Permit Coordination Program will likely be about 0.9 Tonnes CO₂E per year. As emissions for each year's projects will only occur in a single year, but sequestration will continue for more than 100 years, approximately 90 Tonnes CO₂E will be sequestered for every 60 Tonnes CO₂E produced. These estimates are very approximate and do not take into account the particular kinds of trees that will be planted or the exact project specifications. However, the estimate has been made very conservatively – overestimating the amount of greenhouse gases produced and underestimating the amount sequestered.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The project areas are either within the Coastal Zone of Marin County (Lawson Ranch), or within the Tomales Bay watershed, draining to the coastal zone (Bloom Ranch). The Marin County Local Coastal Program Unit 2 Land Use Plan identifies Marin's numerous coastal zone streams and creeks as sensitive habitats for many species of birds and fish. Lagunitas Creek's runs of coho and steelhead are specifically highlighted (*The Marin County Local Coastal Program Unit 2 Land Use Plan*, p. 65). Freshwater inflows, sedimentation, water pollution, and protection of riparian habitats are identified as the key concerns for protecting the aquatic resources of the Tomales Bay ecosystem (*ibid*, pp. 66-67). The project enhances habitat values and water quality of coastal waters, and is thus consistent with the following policy contained in the Marin Local Coastal Program Amendment (2012):

C-WR-1. Water Quality Protection and Biological Productivity. Monitor, protect, and enhance the quality of coastal waters for the benefit of natural communities, human health, recreational users, and the local economy. Maintain and, where feasible, restore the biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health through means such as minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface waterflow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

Because the proposed project will re-create riparian habitat where it has been lost, restore instream habitat, and improve sediment flushing by restoring natural geomorphologic processes, the proposed project is entirely consistent with the Local Coastal Program Policies.

Section 2 of the Marin LCP also articulates a general agricultural policy to "protect the existing and future viability of agricultural lands in its coastal zone. These policies are also intended to...protect coastal wildlife, habitat and scenic resources in accordance with Section 30240 of the Coastal Act." (pg. 98). By working with private landowners, the Tomales Bay Watershed Enhancement Program will improve the viability of agricultural lands and enhance the natural resources within the watershed.

COMPLIANCE WITH CEQA:

On November 22, 2010, as the lead agency under CEQA, the MRCD adopted a Mitigated Negative Declaration (MND) for its revised Marin Coastal Watersheds Permit Coordination Program and approved the Program (Exhibit 3, MND). In adopting the MND, the MRCD determined that projects under the Permit Coordination Program, consisting of the 17 pre-approved and defined enhancement practices, would not have a significant effect on the environment with the identified mitigation measures incorporated into the project. The MND identified mitigation measures associated with potential impacts to biological resources, geology and soils, hazards and hazardous materials, and hydrology and water quality. These mitigation measures were incorporated into the project design as a condition of approval. In addition, the MRCD incorporated a Mitigation Monitoring Plan (MMP) with respect to these mitigation measures (Exhibit 3) and requires each individual project to complete an initial checklist to ensure there are no previously unidentified impacts which require further environmental analysis.

The Bloom and Lawson Ranch restoration projects involve individual enhancement projects that fall under the Permit Coordination Program and consist of enhancement activities which have been approved under the Permit Coordination Program and which are the subject of the MND. (See Exhibit 3, Site Checklist). The restoration actions are designed to control erosion, increase riparian habitat, and stabilize eroding channels. With the Marin Coastal Watershed Permit Coordination Program in place and acting as a guide, the MRCD will implement the projects at an appropriate size, scale, and scope to qualify for coverage. No additional CEQA analysis or documentation is required to implement these projects.

Staff has reviewed the Mitigated Negative Declaration prepared by MRCD, and the associated public comment, the incorporated MMP, and the individualized initial checklists for the projects funded under this authorization. The MND discusses potential environmental impacts of the project activities. Key areas considered include impacts to biological resources, geology/soils and hydrology/water quality. In all circumstances, potential impacts identified were minor and temporary, and mitigation measures were designed to ensure that potential disturbances will result in less than significant impacts and will provide for improved aquatic, riparian and/or upland habitat and decreased sedimentation in water bodies that benefit wildlife.

With respect to biological resources, potential impacts caused either directly or through habitat modification were identified. However, the project will not have a substantial adverse effect because project implementation avoids short-term adverse impacts through mitigation measures such as constraining the permissible work window to avoid nesting or breeding seasons of birds and terrestrial animals, minimizing site access points, and taking other precautionary measures to avoid the spreading of invasive species, trash, or hazardous materials such as equipment lubricants, etc. Long-term, the project activities are designed to improve and restore stream habitat, to provide a long-term benefit to both anadromous salmonids and other fish and wildlife. MRCD will get approval from the DFG and USFWS prior to project implementation to assure that, as envisioned, project impacts have been eliminated or minimized. When deemed necessary by DFG and/or USFWS, a qualified biologist will be onsite during construction.

Concerning soil erosion, Best Management Practices (BMPs) will be utilized during construction to prevent soil loss and polluted runoff. Biotechnical repairs will be the first option for

implementation. Related to hydrology/water quality, BMPs will also be used, as well as mitigation measures incorporated as conditions of the Fish and Game Code §1600, *et seq.*, Streambed Alteration MOA which are part of the MND. Waste Discharge Requirements from the North Coast and San Francisco Bay Regional Water Quality Control Boards are also incorporated into the project designs.

Two comments were received on the proposed MND during the public comment review period, one from the California Department of Fish and Game (DFG) and one from Caltrans. These letters are included in Exhibit 3. These comment letters advised the MRCD that projects implemented under the PCP could require permits from DFG and Caltrans. DFG further stated that the work would have to be conducted in a manner that would allow MRCD to be the permit holder, and that the MND did not necessarily provide adequate information to meet permit requirements under the California Endangered Species Act. The MRCD satisfied the concerns of DFG and Caltrans by clarifying information in the MND. The MRCD determined that it did not need to revise the MND in response to these comments. The MRCD works with DFG and Caltrans to permit each individual project as necessary and provides whatever information is required.

Staff has independently evaluated the MND and concurs with the MRCD's findings that with the incorporated MMP and the individualized checklists, the proposed project's potentially significant effects have been reduced to a less than significant level and that the project activities will not have a significant adverse effect on the environment. Staff therefore recommends that the Conservancy, as a responsible agency, find that its proposed projects, as mitigated, avoid, reduce or mitigate the possible significant environmental effects to a level of insignificance, and that there is no substantial evidence that its projects will have a significant effect on the environment as that term is defined by 14 Cal, Code Regs §15382.⁴ Upon approval, staff will file a Notice of Determination for the project.

⁴ Significant effect on the environment" is defined as a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project, including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. 14 CCR § 15382.