

COASTAL CONSERVANCY

Staff Recommendation

March 22, 2018

Goodwin Pond Coastal Wetland Protection Preacquisition Studies

Project No. 16-037-02

Project Manager: Peter Jarausch

RECOMMENDED ACTION: Authorization to disburse up to \$61,075 to the Smith River Alliance to prepare pre-acquisition studies to protect coastal wetlands and fish and wildlife habitat on the Goodwin Pond Property, Smith River estuary, Del Norte County.

LOCATION: Smith River Estuary, Del Norte County

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: [Project Location](#)

Exhibit 2: [Project Letters](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31111 and 31220 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed sixty-one-thousand seventy-five dollars (\$61,075) to the Smith River Alliance (SRA) to prepare pre-acquisition studies necessary to protect coastal wetlands and fish and wildlife habitat on the Goodwin Pond Property (Del Norte County Parcel Numbers 103-020-0310 and 103-020-030), subject to the following conditions:

1. Prior to commencement of the project, SRA shall submit for the review and approval of the Conservancy’s Executive Officer a work plan, schedule, budget, and the names of any contractors to be retained for the project.
2. SRA shall assist the Conservancy in complying with the federal grant terms.”

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 Chapter 5.5 of Division 21 of the Public Resources Code, regarding Coastal Resource Enhancement.

2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
 3. The Smith River Alliance is a nonprofit organization existing under section 501(c)(3) of the U.S. Internal Revenue Code, and whose purposes are consistent with Division 21 of the Public Resources Code.”
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PROJECT SUMMARY:

Staff recommends the disbursement of up to \$61,075 to the Smith River Alliance (SRA) to prepare the pre-acquisition studies that will enable SMA to acquire a conservation easement to protect coastal wetlands and fish and wildlife habitat on the Goodwin Pond Property within the Smith River estuary, in Del Norte County (see Exhibit 1). Disbursement of these funds will satisfy the Conservancy’s obligation to provide matching funds for a \$318,000 grant awarded to the Conservancy by the United States Fish and Wildlife Service (USFWS) National Coastal Wetland Conservation Program for the acquisition of a conservation easement over the approximately 73-acre property. The pre-acquisition studies include a property appraisal and appraisal review, a preliminary title report, a Phase I environmental assessment, and a baseline conditions report. The authorization also includes funding for the SRA to negotiate the conservation easement terms for review and approval by the Conservancy and the USFWS. Later this year, staff anticipates returning to the Conservancy for consideration to authorize the disbursement of the USFWS funds for easement acquisition.

Acquisition of a conservation easement over the Goodwin Ponds property will protect Smith River coastal wetlands and other unique natural habitats. The project area encompasses a 22.2 acre managed seasonal wetland which is used extensively by migratory waterfowl. It also includes sections of Morrison Creek and its tributaries, with documented salmonid and riparian bird use. This habitat is critical to listed salmonid populations in the Smith River basin, one of California’s most valuable rivers for the long term survival of salmonids. While much of the upper Smith River Basin is relatively unimpaired, most of the land adjacent to the estuary is under private ownership and is a working landscape. The historic extent of the estuary has shrunk, as extensive levees, tidegates, and rip-rap were constructed to improve agricultural lands. This has resulted in a large reduction in the available habitat in the estuary with remaining habitats also severely degraded. The Goodwin Pond property is one of the few remaining parcels adjacent to the estuary which is not in agricultural use and still has relatively healthy riparian corridors and wetlands which can be easily improved for salmonids.

Conservation of this property would also facilitate several other projects taking place on or near the property. With funding provided through a Conservancy Prop 1 grant, Smith River Alliance has nearly completed a planning and assessment effort in the lower Smith River focused on habitat improvements. As part of that effort, habitat enhancements on the Goodwin Pond Property and on two neighboring properties were identified as high priority projects. Those proposed enhancements include fish passage improvement by removing a partial barrier on the west end of the property, mitigating a barrier within the property, and connecting Goodwin Pond to Morrison Creek so that it can provide off-channel habitat for salmonids, while continuing to provide habitat for migratory waterfowl and shorebirds. SRA is using the existing grant from the

Conservancy as well as newly awarded funding from the Fisheries Restoration Grant Program to do the design work for these fish passage and habitat improvement projects.

The landowners are highly motivated to protect the property. They have maintained the existing pond for the benefit of migratory birds for many years and it is a favorite birding spot for members the Redwood Regional Audubon Society. Annual bird counts have demonstrated active use of the property by birds of Conservation Concern including raptors (Northern Harrier, White-tailed kite, Osprey, Bald Eagle, Peregrine Falcon) shorebirds (Greater Yellowlegs), Waterfowl (Greater Scaup, Lesser Scaup, Wood Duck, Green-winged Teal, Mallard, Aleutian Cackling Geese, Northern Shoveler) and Oscine passerines (Hutton's Vireo, Marsh Wren, Black-capped Chickadee, Common Yellowthroat, and Yellow-breasted chat). All of these species benefit from the protection of the riparian habitat, the proximity of the wetlands to the coniferous habitat, and the protection of their foraging areas.

SRA's mission it is to provide for the long-term protection, restoration and stewardship of natural resources in the Smith River watershed. To accomplish these goals SRA has an extensive record of securing permanent protection of property as well as developing and managing large habitat restoration projects. In Mill Creek, likely the most productive tributary to the Smith River for salmonids, they have managed several large fisheries restoration grants from the Conservancy and the Wildlife Conservation Board. They have also leveraged federal funding to help protect over 5289 acres in the Smith River watershed. Supported by a current grant from the Conservancy they are working in partnership with the Del Norte Resource Conservation District to develop a Smith River Estuary Restoration Plan.

Site Description:

The Smith River is one of the most important salmon streams in the entire state of California. The river supports federally threatened species of coho salmon, as well as chinook salmon, steelhead trout, and coastal cutthroat trout. The Smith River coastal plain plays an important role in the life cycle of these anadromous species, and low-gradient tributary streams are especially important in the rearing of juvenile salmonids. Intact habitat of this type is highly limited in the Smith River Basin, but Morrison Creek and its tributaries provide this habitat as it flows through the Goodwin Pond Property. These tributaries are fed by cold-water springs that emerge from the adjacent uplands on the property.

The property currently functions as an important rearing ground and refugia for coho salmon, bolstering the recovery and health of coho populations throughout the entire Smith River Basin, particularly from the highly productive Mill Creek subbasin. CDFW has PIT-tagged coho in Mill Creek, and found the same individuals rearing during the winter in Morrison Creek and other streams of the Smith River Plain. Coho use the property's benign backchannel habitats as a respite from floodwaters in the wintertime, and remain there during the spring, utilizing the spring fed streams that offer an escape from high water temperatures and declining flows in other coastal plain streams that are used for irrigation.

In addition to the two residential structures on the property and Morrison Creek, the property has 22 acres of Palustrine Emergent Wetland, and 7.2 acres of Palustrine Scrub Wetland. The remainder of the parcel is second growth redwood. The majority of wetlands historically present in the Smith River Coastal Plain have been lost or degraded due to agriculture and development. This project would protect the existing wetlands on the property, as well as the adjacent upland

forest habitat that is important to a variety of wildlife species and that contributes to water quality in the wetlands downhill.

Project History:

The project is an outcome of the Smith River Estuary Restoration Project funded by the Conservancy in 2016 and undertaken by the SRA. To develop the restoration plan SRA evaluated the possibilities for restoration in the estuary taking into account the available scientific studies and the level of landowner support. Through this analysis and landowner outreach, the Goodwin Ponds property was identified as a priority project with a willing landowner.

Funding for purchase of the conservation easement will be provided by a USFWS National Coastal Wetlands Conservation Program (NCWC) grant. USFWS originally awarded these funds to the Conservancy for the protection of the Bessette Ranch property in the Klamath Estuary. After careful work, it became apparent that the Bessette Ranch project could not move forward and Conservancy staff proposed reallocating the grant to the Goodwin Pond project, as the project meets many of the same conservation goals. UFWS staff evaluated the Goodwin Pond Property and approved the transfer of the grant to the Goodwin Pond project. The Conservancy’s funding is needed to undertake the necessary preacquisition work, and will provide the required matching funds for the NCWC grant.

In addition to the Smith River Estuary Restoration Project, the Conservancy has a history of supporting protection and restoration in the Smith River watershed. In 2002 the Conservancy contributed \$5,000,000 towards Save-the-Redwoods League’s \$60,000,000 acquisition of the 25,000-acre Mill Creek Property, protecting one of the Smith River’s most productive watersheds for salmonids which is just upstream from the estuary, and authorized \$100,000 for development of the Mill Creek Property Interim Management Recommendations. The property was subsequently transferred to the California Department of Parks and Recreation, and is managed as the Mill Creek Unit of Redwood National and State Parks. In 2006 the Conservancy granted \$1,000,000 to SRA for restoration work in the Mill Creek Unit. Those funds were used to install large wood in streams for improved fish habitat, improve stream crossings to allow for fish passage, replace damaged culverts with ones sufficiently sized to withstand 100-year storm events, and to support a rainy season Storm Patrol which prevented drainage ditches and culverts from being blocked by debris and failing. In 2015, the Conservancy awarded a \$326,000 grant to SRA so that they could work with CDPR and remove a fish passage barrier on Hamilton Creek. In the first winter after that barrier was removed, fish were already using the previously inaccessible area for spawning.

PROJECT FINANCING

Coastal Conservancy	\$61,075
Project Total	\$61,075

The expected source of Conservancy funds for this project is the Conservancy’s FY 2014/2015 appropriation from the Habitat Conservation Fund (“HCF”) (under the “California Wildlife Protection Act of 1990,” Fish and Game Code section 2785 et seq). The Conservancy may use HCF funds for the acquisition, restoration, or enhancement of wetlands, and for acquisition,

restoration or enhancement of aquatic habitat for spawning and rearing of anadromous salmonids and trout resources. (Fish & Game Code 2786(d) and (e)). For purposes of the HCF, the term “acquisition” includes the acquisition of an easement. (Fish & Game Code section 2785(a)). Accordingly, the proposed project, which consists of the preparation of the studies necessary to facilitate the acquisition of a conservation easement to protect wetlands and fish habitat, is an appropriate use of HCF funds.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed project will be undertaken pursuant to Public Resources Code Sections 31111 and 31220 (Chapter 5.5) of the Conservancy’s enabling legislation.

Consistent with Section 31111, the proposed project is a grant to SRA, a nonprofit organization, to undertake pre-acquisition studies to protect coastal wetlands and fish and wildlife habitat at the Goodwin Ponds property on the Smith River Estuary.

Consistent with Section 31220(b)(6), the proposed project will facilitate the acquisition of a conservation easement to protect coastal wetlands, riparian areas, sensitive watershed lands, and fish and wildlife habitat within a coastal watershed in order to improve and protect coastal water quality and habitats. As required by Section 31220(a), Conservancy staff has consulted with the State Water Resources Control Board (SWRCB) regarding the grant’s consistency with Chapter 3 of Division 20.4 of the Public Resources Code, regarding water quality of coastal waters and beaches. The SWRCB has determined that the project is consistent with Chapter 3 of Division 20.4.

Consistent with Section 31220(b)(2), the proposed project will facilitate the protection of fish and wildlife habitat within a coastal watershed. The Goodwin Ponds property lies within the Smith River watershed, and the future acquisition of a conservation easement for habitat protection will reduce threats to fish and wildlife, and protect riparian wetlands, floodplains and other sensitive watershed lands.

Consistent with Section 31220(c), the proposed project will include preparation of a baseline conditions report and easement terms that include monitoring, both of which will facilitate future monitoring to ensure the property is protected in accordance with the conservation easement terms. The project is also consistent with the Water Quality Control Plan for the North Coast Basin, in which the project area is located. See “Consistency with Local Watershed Management Plan/State Water Quality Control Plan” section, below.

CONSISTENCY WITH CONSERVANCY’S 2018-2022 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 5, Objective A** of the Conservancy’s 2018 Strategic Plan, the proposed project will help protect a 73 acre significant coastal resource property.

**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 October 2, 2014, 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. **Promotion and implementation of state plans and policies:**

Steelhead Restoration and Management Plan for California (California Department of Fish and Wildlife, 1996). The plan advises that "(h)abitat improvement projects should be focused on the many areas throughout the State where steelhead habitat is severely degraded and restoration work is sorely needed" (p. 74). Morrison Creek provides rearing habitat for the species.

*2014 Final Recovery Plan for the Southern Oregon/Northern California Coast Evolutionarily Significant Unit of Coho Salmon (*Oncorhynchus kisutch*)*, U.S. National Marine Fisheries Service. The project is an opportunity to address one of the highest ranked recovery actions for the Smith River, the construction of off-channel habitats.

Recovery Strategy for California Coho Salmon (California Department of Fish and Wildlife, 2004). The proposed project will address two priorities under this Recovery Strategy: SR-HU-02 (assess, prioritize and treat barriers to fish passage and other impediments); and SR-HU-03 (develop and implement a plan to restore the effectiveness and use of off-channel areas, sloughs, and wetlands for Coho Salmon).

California Water Action Plan, a collaborative effort of the California Natural Resources Agency, the California Environmental Protection Agency, and the California Department of Food and Agriculture, issued in 2014. This plan was developed to meet three broad objectives: more reliable water supplies, the restoration of species and habitat, and a more resilient, sustainably manager water resources system. It lays out the state's challenges, goals and actions needed to put California's water resources on a safer, more sustainable path. The plan identifies ten overarching strategies to protect our resources, including one which this project will implement: "4) Protect and restore important ecosystems (restore coastal watersheds and strategic coastal estuaries to restore ecological health and natural system connectivity to benefit local water systems and help defend against sea level rise, eliminate barriers to fish migration)".

4. **Support of the public:** see letters written for the Conservancy's NCWC application- Exhibit 2: Project Letters
5. **Location:** The proposed project is located within the coastal zone of Del Norte County.

6. **Need:** Without this grant funding, Smith River Alliance could not proceed with the acquisition project. The Conservancy's funding provides the necessary match for the USFWS NCWC grant.
7. **Greater-than-local interest:** The project helps fulfill the objectives of state and federal species recovery plans, and is therefore of greater-than-local interest.
8. **Sea level rise vulnerability:** The project is located at an elevation which will not be subject to sea level rise by 2100.

Additional Criteria

9. **Leverage:** See the "Project Financing" section above.
10. **Readiness:** Smith River Alliance has a long record of completing projects in a timely manner.
11. **Vulnerability from climate change impacts other than sea level rise:** This project is important in part because of the potential for impacts from climate change other than sea level rise. Located in the northwestern-most portion of California, the Smith River has not been affected to the same extent as the rest of the state by the current drought and therefore has the potential to be a stronghold for salmon even as other portions of California are projected to receive less rainfall.
12. **Minimization of greenhouse gas emissions:** The pre-acquisition work will cause few greenhouse gas emissions.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The authorization is consistent with the relevant portions of the Del Norte County Local Coastal Program (LCP), which was certified by the Coastal Commission on October 12, 1983. It is due to the diversity in life history patterns of anadromous fish species that the Del Norte LCP acknowledges the importance of coastal streams and riparian vegetation systems as Sensitive Coastal Habitat, necessary to both the aquatic life and the quality of water courses. Under the LCP, Chapter VI of Marine and Water Resources, the following provisions are made:

The County shall maintain all existing species of fish, wildlife, and vegetation for their economic, intrinsic and ecological values as well as providing adequate protection of rare and endangered species." (p. 55)

The County should establish riparian corridors along local streams, creeks, and sloughs to maintain their aesthetic appeal, wildlife habitat, control of erosion. . . . (p. 56)

The County encourages programs (e.g., fish hatcheries, habitat rehabilitation) designed to improve the quality of coastal fisheries and other marine resources. (p. 57)

All surface and subsurface waters shall be maintained at the highest level of quality to insure the safety of public health and the biological productivity of coastal waters. (p. 58)

In addition, the LCP identifies the tidal portions of the Smith River as an important biologically sensitive habitat, to which these policies specifically apply (p. 49).

The proposed project's goal of improving anadromous fish habitat in the Smith River estuary by protecting existing wildlife habitat would enhance the aquatic resources of the county, and, thus, is fully consistent with the LCP.

**CONSISTENCY WITH LOCAL WATERSHED MANAGEMENT PLAN/
STATE WATER QUALITY CONTROL PLAN:**

The proposed project is consistent with the *Water Quality Control Plan for the North Coast Region* (2011) ("Plan"), prepared by the North Coast Water Quality Control Board. The Plan specifies beneficial uses and water quality objectives for water bodies throughout the North Coast, including the Smith River Plain Hydrologic Subarea, which includes the project area. The proposed project supports the following beneficial uses including: Cold Freshwater Habitat, Rare, Threatened or Endangered Species, and Wildlife Habitat (page 2-5.00).

COMPLIANCE WITH CEQA:

The proposed project involves only data gathering, resource evaluation, planning, and feasibility analyses for possible future actions that have not yet been approved or funded. Thus, the proposed project is both statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15262 and categorically exempt pursuant to 14 California Code of Regulations § 15306. Section 15262 provides that feasibility and planning studies for future actions that have not yet been approved or funded are statutorily exempt from the requirement to prepare an EIR or negative declaration, although environmental factors must be considered.

Section 15306 provides that basic data collection, research, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource are categorically exempt from the provisions of CEQA.

Staff will file a notice of exemption upon project approval.