

COASTAL CONSERVANCY

Staff Recommendation

November 20, 2025

WATSONVILLE SLOUGH FARMS – MINI RANCH ACQUISITION

Project No. 25-008-01

Project Manager: Lexi Morrison

RECOMMENDED ACTION: Authorization to disburse up to \$980,000 of grant funds from the U.S. Fish and Wildlife Service to the Land Trust of Santa Cruz County to acquire the 62 acre Watsonville Slough Mini Ranch property located within the Middle Watsonville Slough wetlands complex in Santa Cruz County to protect and restore natural resources and wildlife habitat, including wetlands; protect and enhance water quality; conserve sensitive species and wildlife corridors; and provide compatible agricultural use and California Native American tribal access and public access.

LOCATION: Lower Pajaro Valley, Santa Cruz County

EXHIBITS

Exhibit 1: [Project Location Map](#)

Exhibit 2: [Project Site Photos](#)

Exhibit 3: [Project Letters](#)

RESOLUTION AND FINDINGS

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes a grant of an amount not to exceed nine hundred eighty thousand dollars (\$980,000) of grant funds from the U.S. Fish and Wildlife Service, to the Land Trust of Santa Cruz County (the “grantee”) to acquire the 62-acre Watsonville Slough Mini Ranch property (APNs: 052-221-08, -09, -23, and -24) to protect and restore natural resources and wildlife habitat, including wetlands; protect and enhance water quality; conserve sensitive species and wildlife corridors; and provide compatible agricultural use and California Native American tribal access and public access, subject to the following conditions:

WATSONVILLE SLOUGH FARMS – MINI RANCH ACQUISITION

1. Prior to the disbursement of funds for the acquisition, the grantee shall submit for the review and approval of the Executive Officer of the Conservancy (Executive Officer):
 - a. All relevant acquisition documents for the acquisition including, without limitation, the appraisal, purchase and sale agreement, deed, escrow instructions, environmental or hazardous materials assessment, and title report;
 - b. A baseline conditions report; and
 - c. Evidence that sufficient funds are available to complete the acquisition.
2. The grantee shall pay no more than fair market value for the property, as established in an appraisal approved by the Executive Officer.
3. The property acquired under this authorization shall be managed and operated to protect and restore natural resources and wildlife habitat, including wetlands; protect and enhance water quality; conserve sensitive species and wildlife corridors; and provide compatible agricultural use and California Native American tribal access and public access. The property shall be permanently dedicated to these purposes through an appropriate instrument approved by the Executive Officer.
4. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property or in a nearby publicly-viewable area, the design and location of which are to be approved by the Executive Officer.

Findings:

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

1. The proposed authorization is consistent with Chapter 3 of Division 21 of the Public Resources Code, regarding the Climate Ready program.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria.
3. The Land Trust of Santa Cruz County is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code.

STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends the State Coastal Conservancy (the “Conservancy”) authorize a grant of up to \$980,000 of U.S. Fish and Wildlife Service grant funds to the Land Trust of Santa Cruz County (LTSCC) to acquire the 62-acre Watsonville Slough Mini Ranch property (commonly referred to as the Mini Ranch property or Mini Ranch) located within the Middle Watsonville Slough wetlands complex in Santa Cruz County to protect and restore natural resources and wildlife habitat, including wetlands; protect and enhance water quality; conserve sensitive species and wildlife corridors; and provide compatible agricultural use and California Native American tribal access and public access (the “project”). The acquisition will permanently protect approximately 40 acres of freshwater wetlands and flood-prone farmland, preventing

WATSONVILLE SLOUGH FARMS – MINI RANCH ACQUISITION

conversion to more intensive agricultural use and enabling future coastal wetland restoration. Approximately 22 acres of the property will remain in agricultural use managed with organic and climate-resilient practices compatible with long-term conservation goals. This project supports regional goals for habitat conservation, water quality protection, climate adaptation, and equitable public access to open space. The Conservancy successfully secured a National Coastal Wetlands Conservation Grant from the U.S. Fish and Wildlife Service to support this acquisition. The \$980,000 in federal funds will cover half of the estimated \$2 million acquisition cost. No additional Conservancy funds beyond this grant will be used for the acquisition.

The Mini Ranch property lies directly along the Watsonville Slough and is bordered by Struve Slough to the north. The property includes approximately 20 acres of intact wetland habitat, 15 acres of fallow agricultural land that is already transitioning back to wetland due to frequent flooding, and 27 acres of active but marginal farmland. Nearly half of the property is no longer farmed due to prolonged inundation and poor drainage. These conditions make Mini Ranch a prime candidate for coastal wetland restoration to reconnect historic wetland areas, reduce downstream sediment and nutrient loading, and provide critical habitat for species such as the California red-legged frog and tidewater goby.

The Watsonville Slough system has lost the majority of its historic wetland footprint to agriculture and development, and what remains is highly fragmented. Mini Ranch represents one of the last unprotected tracts of its kind in the Middle Watsonville Slough and presents a time-sensitive opportunity to expand and reconnect protected wetlands. Acquisition will increase the conserved footprint of the slough corridor by 13% and prevent the likely re-intensification of farming practices that would threaten wetland functions, degrade water quality, and eliminate opportunities for restoration.

The project is part of a broader landscape-scale vision for wetland conservation and sustainable agriculture in the Pajaro Valley, where LTSCC is working to restore coastal wetlands on flood-prone lands while maintaining the viability of the most productive agricultural lands. This approach allows the landscape to adapt naturally as sea levels rise, enabling wetlands to migrate upslope over time and gradually reducing agricultural use in areas increasingly affected by saltwater intrusion. This adaptive management supports long-term ecological resilience, expands floodplain capacity to absorb and slow floodwaters, and provides added protection for downstream communities and infrastructure. The project will restore approximately 40 acres of declining coastal wetlands while retaining 22 acres of agriculture managed with organic and climate-resilient practices. The site's marginal agricultural value and high ecological potential make it especially suitable for conservation and future restoration.

The project will also provide immediate flood abatement benefits by permanently retiring agricultural operations on approximately 40 acres, thereby eliminating runoff and increasing stormwater infiltration. This expanded floodplain capacity will help reduce flood risk to adjacent agricultural, commercial, industrial, and public infrastructure, including roadways, rail lines, and water facilities.

The acquisition will be integrated into LTSCC's broader management of the adjacent 490-acre Watsonville Slough Farm. LTSCC's local and regional partners include Watsonville Wetlands Watch, the Resource Conservation District of Santa Cruz County, The Nature Conservancy, and

the Amah Mutsun Tribal Band. Following acquisition, LTSCC will collaborate with these and other partners to implement best management practices for wetland and farm stewardship and support tribal cultural resource use and restoration.

Mini Ranch also presents a public access opportunity in a community identified as “in need of additional parks” by the California State Parks Access Tool. While the site’s hydrology limits its suitability for direct trail construction, the property will likely be integrated into the public access program at the adjacent Watsonville Slough Farm, which is planned to open to the public in 2025. By December 2027, Mini Ranch may be incorporated into interpretive programming at the Farm, including viewshed interpretation and public events focused on wetland values, climate adaptation, and cultural stewardship. To protect the sensitive habitat, any potential public access will be thoughtfully planned, designed and managed by on-site staff to minimize ecological impacts while providing community engagement and educational experiences.

Site Description: The 62-acre Mini Ranch property is located along the Watsonville Slough, approximately one-quarter mile southwest of the City of Watsonville in Santa Cruz County (Exhibit 1). The property comprises four parcels (APNs: 052-221-08, -09, -23, and -24) situated between Highway 1 and San Andreas Road. It is immediately adjacent to LTSCC’s 490-acre Watsonville Slough Farm.

The property is largely undeveloped and consists of approximately 34 acres of emergent wetlands, 6 acres of scrub/shrub wetlands, and 22 acres of agricultural fields impacted by seasonal flooding. A third of a mile of Watsonville Slough traverses the property, which is also bordered by Hanson and Struve Sloughs. The property is also close to the confluence of Harkins Slough and Watsonville Slough. There are no permanent structures or public utilities on the site, and infrastructure is limited to seasonal agricultural roads and drainage ditches from prior farming use.

The site is ecologically significant within the Watsonville Slough complex, one of the largest remaining freshwater wetland systems in California’s coastal zone. The area supports habitat for threatened and sensitive species including California red-legged frog, South-Central California Coast steelhead, and tidewater goby, as well as foraging bald eagles. The site also offers groundwater recharge capacity and natural floodplain functions in a region increasingly affected by climate-related flooding.

Surrounding land uses include row-crop agriculture and conservation lands. Commercial farms dominate the landscape to the north and east, while protected slough habitat surrounds the southern boundary. The site’s adjacency to Watsonville Slough Farm presents an opportunity to expand the footprint of contiguous conservation lands in this climate-vulnerable region.

Grant Applicant Qualifications: LTSCC is a well-established, accredited nonprofit organization with a strong track record in land conservation, habitat restoration, and long-term stewardship in the Pajaro Valley region. Since its founding in 1978, LTSCC has protected more than 15,000 acres of critical habitat, farmland, and open space across Santa Cruz County and adjacent areas. LTSCC currently owns and manages the 490-acre Watsonville Slough Farm, which is immediately adjacent to the Mini Ranch property. This existing conservation ownership, paired with LTSCC’s experience managing wetlands, agricultural lands, and public access programming,

makes the organization uniquely qualified to assume fee title ownership and stewardship responsibilities for the Mini Ranch property. LTSCC has successfully managed federal, state, and private grants, including prior Conservancy awards. LTSCC also partners with local experts, including Watsonville Wetlands Watch and the Resource Conservation District of Santa Cruz County, to support monitoring, stewardship, and restoration activities.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA:

The proposed project is consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, in the following respects:

Selection Criteria

1. Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.

See the "Consistency with Conservancy's Strategic Plan" section below.

2. Project is a good investment of state resources.

The project supports the state's 30x30 initiative by protecting 62 acres of habitat-rich coastal wetland and floodplain, a critically imperiled ecosystem type. The project aligns with California's Natural and Working Lands Climate Smart Strategy by protecting and restoring wetlands that provide carbon sequestration, groundwater recharge, and flood resilience. It also supports multiple goals in regional conservation and water management plans, including the Integrated Regional Water Management Plan for Santa Cruz County and the Watsonville Sloughs Watershed Conservation and Enhancement Plan.

The project's budget is reasonable and leverages significant non-state investment, including federal funding, private fundraising, in-kind support, and partnerships with local agencies and NGOs. As the property is threatened by conversion to intensive agriculture, the Conservancy's investment will secure the site for long-term protection and management.

3. Project includes a serious effort to engage tribes. Examples of tribal engagement include good faith, documented efforts to work with tribes traditionally and culturally affiliated to the project area.

LTSCC has established an ongoing partnership with the Amah Mutsun Tribal Band. LTSCC has regularly hosted tribal members for cultural use and stewardship events on nearby conserved lands, including the adjacent Bryant-Habert property. The Tribe tends culturally important plants such as white-root sedge and has identified the Mini Ranch property as a future location for cultural resource surveys, restoration, and ceremonial use. The project ensures continued tribal access to the property for these purposes.

4. Project benefits will be sustainable or resilient over the project lifespan.

The proposed acquisition will result in the permanent protection of wetlands vulnerable to climate impacts such as sea level rise and flooding. Wetlands on the site will be managed to store floodwaters, recharge groundwater, and buffer downstream communities. Recognizing that the property is not sustainable in its current form over the long term, LTSCC will allow the

landscape to transition naturally as sea levels rise, enabling wetlands to migrate upslope and gradually reducing agricultural use in areas increasingly affected by saltwater intrusion. This adaptive approach supports long-term ecological resilience. The land will be stewarded in perpetuity by LTSCC, an accredited land trust with the capacity and funding to manage conservation lands. In the near term, agricultural practices on the upland portion of the site will be transitioned to organic and climate-resilient methods.

5. Project delivers multiple benefits and significant positive impact.

The proposed acquisition of Mini Ranch will deliver multiple significant benefits, including protecting approximately 62 acres of coastal wetland and marginal farmland that is increasingly vulnerable to flooding and saltwater intrusion. Importantly, the project sets the stage for future restoration by preserving existing wetlands and enabling the gradual transformation of degraded agricultural lands back into functional, resilient habitat. This restoration potential will enhance biodiversity, improve water quality, increase carbon sequestration, and bolster flood resilience. The project also supports sustainable land use practices aligned with the regional agricultural economy, reduces pressures to armor vulnerable shorelines, and provides opportunities for collaboration with tribal partners to protect culturally significant resources. Together, these outcomes will strengthen long-term climate adaptation, ecological health, and community resilience within the Conservancy’s jurisdiction.

6. Project planned with meaningful community engagement and broad community support.

LTSCC, in partnership with local organizations such as Watsonville Wetlands Watch and the Resource Conservation District of Santa Cruz County, has engaged the Pajaro Valley community for many years on issues of sustainable agriculture, flood resilience, and wetland restoration. Through ongoing outreach, including public tours, community meetings, and collaboration with local farmers, LTCC has built strong support for balancing agricultural productivity with habitat restoration on marginal lands like Mini Ranch. This approach, which prioritizes retiring frequently flooded farmland for wetland restoration while maintaining prime agricultural lands, reflects community values around environmental stewardship, economic sustainability, and climate resilience.

PROJECT FINANCING

Coastal Conservancy (via a federal grant to the Conservancy)	\$980,000
Land Trust of Santa Cruz County	\$329,140
Project Total	\$1,309,140

The Conservancy was awarded \$1,000,000 by the U.S. Fish and Wildlife Service through a National Coastal Wetlands Conservation Grant for the acquisition of the Mini Ranch property in the Pajaro Valley. Of this amount, \$980,000 will directly support the fee title acquisition of the Mini Ranch property, enabling protection and future restoration of freshwater wetland habitat within the Watsonville Slough system. The remaining \$20,000 will support Conservancy staff costs associated with project management, due diligence, and oversight of the acquisition.

Unless specifically identified as “Required Match,” the other sources of funding and in-kind contributions described above are estimates. The Conservancy does not typically require matching funds or in-kind services, nor does it require documentation of expenditures from other funders or of in-kind services. Typical grant conditions require grantees to provide any funds needed to complete a project.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed authorization is pursuant to Section 31113 of Chapter 3 of Division 21 of the Public Resources Code, which authorizes the Conservancy to address the impacts and potential impacts of climate change on resources within the Conservancy’s jurisdiction (Section 31113(a)). Sections 31113(b) and (c) authorize the Conservancy to award grants to nonprofit organizations and public agencies to undertake projects that reduce greenhouse gas emissions and address extreme weather events, sea level rise, flooding, and other coastal hazards that threaten coastal communities, infrastructure, and natural resources. The Conservancy must, to the extent allowed, prioritize projects that maximize public benefits and accomplish one or more purposes, including preserving and enhancing coastal wetlands and natural lands.

Consistent with these requirements, acquisition of Mini Ranch will enable a nature-based approach to climate adaptation in the Pajaro Valley by restoring marginal farmland rendered unproductive by frequent flooding and saltwater intrusion to functional coastal wetland habitat. The property lies within the Conservancy’s jurisdiction and supports regional efforts to improve flood resilience and biodiversity in the Pajaro River Estuary watershed. Consistent with Section 31113(d), the project will promote the use of natural infrastructure to support climate adaptation for coastal agricultural lands and will provide multiple public benefits as described in the “Consistency with Conservancy’s Project Selection Criteria” section above.

CONSISTENCY WITH CONSERVANCY’S [2023-2027 STRATEGIC PLAN](#):

Consistent with **Goal 1.1 Commit Funding to Benefit Systemically Excluded Communities**, the project site is located within a disadvantaged community and within a quarter mile of a severely disadvantaged community. The project will provide flood abatement and groundwater recharge benefits that directly support climate resilience for these vulnerable communities.

Consistent with **Goal 3.1 Conserve Land**, the project will permanently protect 40 acres of nationally-declining emergent and scrub/shrub wetland habitat in the Watsonville Slough complex, contributing to the conservation of critical coastal freshwater wetlands.

Consistent with **Goal 4.1 Sea Level Rise Adaptation Projects**, the project will expand the floodplain and enhance wetland buffers to store and slow floodwaters, thereby increasing resilience to climate-driven flooding and extreme weather events.

CEQA COMPLIANCE:

The proposed acquisition of the Mini Ranch property is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations (CCR) Section 15325, which addresses acquisitions of lands to preserve open space and habitat. Section 15325 includes exemptions for acquisitions aimed at preserving existing natural conditions, supporting continued agricultural use, and enabling restoration of natural habitats. Consistent with these provisions, this project will permanently protect wetland habitat, support ongoing agricultural practices with improved management to benefit habitat quality, and facilitate future restoration and enhancement of historic wetland conditions.

Upon approval of the project, Conservancy staff will file a Notice of Exemption.