

COASTAL CONSERVANCY

Staff Recommendation
December 15, 2003

HUMBOLDT PERMIT COORDINATION PROGRAM

File No. 03-144
Project Manager: Michael Bowen

RECOMMENDED ACTION: Authorization to disburse up to \$50,000 to Sustainable Conservation to develop and implement a permit coordination program, which includes Best Management Practices, in order to reduce the duration, cost, and complexity of the regulatory review process for proposed habitat restoration projects, and thus encourage the implementation of voluntary water quality and habitat improvement projects on private lands in Humboldt County.

LOCATION: County of Humboldt (Exhibit 1)

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: Location Map

Exhibit 2: Letters of Support [*Additional letters to come*]

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 the disbursement of up to fifty thousand dollars (\$50,000) to Sustainable Conservation to develop and implement a permit coordination program, which includes proposed Best Management Practices, in order to reduce the duration, cost and complexity of the regulatory review process for proposed habitat restoration projects, and thus encourage the implementation of voluntary water quality and habitat improvement projects on private lands in Humboldt County. Prior to the disbursement of any funds, Sustainable Conservation shall submit for the review and approval of the Executive Officer of the Conservancy a work program, schedule, budget for the project, and shall demonstrate that adequate funds are available from other sources to complete the project.”

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 criteria set forth in Chapters 5.5 and 6 of Division 21 of the Public Resources Code (Sections 31251 *et seq.*) regarding watershed restoration projects and enhancement of coastal resources, respectively.
 2. The proposed authorization is consistent with the Project Selection Criteria and guidelines adopted by the Conservancy on January 24, 2001.
 3. Sustainable Conservation is a nonprofit organization existing under Section 501(c)(3) of the U.S. Internal Revenue Service Code, and whose purposes are consistent with Division 21 of the Public Resources Code.”
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PROJECT SUMMARY:

This authorization would enable Sustainable Conservation to develop and implement a permit coordination program for salmon habitat restoration projects in Humboldt County. The purpose of this program is to reduce the duration, cost, and complexity of the regulatory review process for habitat restoration projects, and thus encourage the implementation of voluntary water quality and habitat improvement projects on private lands throughout the County. A key provision of this program is the development and circulation to regulatory agency staff of proposed Best Management Practices (BMPs) for the restoration project permit application process. The BMPs will facilitate review of proposed restoration projects by providing regulators with consistent and robust performance criteria to ensure that the implementation of restoration projects avoids or mitigates undesirable environmental effects potentially occurring as a result of the restoration projects. Additional funding for the program is being provided by the State Water Resources Control Board (SWRCB) and private foundations. SWRCB has provided a Section 319(h) grant of \$129,950 to Sustainable Conservation for this purpose. Conservancy funding would supplement this grant, allowing Sustainable Conservation to reach out to additional project proponents with whom the Conservancy engages in restoration projects throughout the County.

Restoration of California’s anadromous fisheries is a State and federal priority. Declines in anadromous fish population from historic levels have occurred due to a number of factors, including habitat degradation, barriers to fish passage to historic habitat and spawning grounds, and commercial fishing.

Reversal of these declines through habitat restoration projects has been impeded by a complex permit process that often discourages the development and implementation of many small to mid-size habitat restoration projects. Securing permits for restoration work can be a complex and daunting prospect for private landowners; Sustainable Conservation’s proposed permit coordination program will improve best management practices at habitat restoration project sites, consolidate permit applications for the benefit of reviewing regulatory agencies, provide greater assurance to regulatory agencies that habitat restoration work will adhere to appropriate field protocols, and enable landowners to obtain permits more easily, thereby removing impediments to restoration work on private lands.

Existing obstacles to habitat restoration projects were recently identified by the Resources Agency through its Task Force on Removing Barriers to Restoration, and streamlining the permitting process was a recommended action in the Task Force’s report. Sustainable Conservation, a nonprofit organization that seeks to support ecologically sensitive business strategies and land use, has developed a permit coordination process intended to assist private landowners by mak-

ing the permit process for restoration projects easier and more efficient. This process has been successful in the Elkhorn Slough, and the Navarro River and Morro Bay watersheds, and Sustainable Conservation will work with the a number of agencies and interest groups within Humboldt County to tailor this program to the needs of project proponents and regulatory agencies in the County of Humboldt.

The proposed program would facilitate the recovery of fishery resources by coordinating and consolidating the planning, development, permitting, and implementation of proposed habitat restoration projects.

Specific tasks identified by Sustainable Conservation include 1) Program setup; 2) inter-agency workshops; 3) watershed tours for regulatory agencies; 4) inter-agency follow-up meetings; 5) community group meetings; and, 6) permit application consolidation, drafting, and filing; and 7) training for local groups in how to use the program's permit approvals. Permit applications will likely cover multiple projects and possibly even multiple project proponents. The final work product to be delivered by Sustainable Conservation will be completed and reviewed programmatic permits and permitting agreements ready for final approval and implementation.

Project History: Sustainable Conservation has worked with the Conservancy in several regions to increase the efficiency of the permit application process for habitat restoration projects. Similar programs at Elkhorn Slough, in Morro Bay and on the Navarro River have proven highly effective, and have resulted in many more project proposals, and projects completed more expeditiously than would have been the case had permit applications been drafted and filed on a case by case basis.

PROJECT FINANCING:

Coastal Conservancy	\$ 50,000
Department of Water Resources 319(h) grant	129,950
Private Foundations	<u>42,429</u>
Total Project Cost	\$222,379

The source of funding for the Conservancy’s contribution to this effort is expected to be salmon habitat funds from Proposition 12, the “Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000,” allocated to the Conservancy specifically for projects that restore, acquire, and enhance habitat for salmon.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project is consistent with Chapter 5.5 of the Conservancy’s enabling legislation, Division 21 of the Public Resources Code, in the following respects:

Pursuant to §31220(b)(3), the Conservancy may, in consultation with the Regional Water Quality Control Board (RWQCB), undertake watershed restoration projects, including those that reduce erosion and sedimentation of coastal watersheds, including, but not limited to, permit coordination projects for watershed restoration. Consistent with this section, the proposed permit coordination program will include consultation with RWQCB staff, and will facilitate watershed restoration projects, particularly those that reduce erosion and sedimentation of coastal watersheds.

The proposed project is also consistent with Chapter 6 of the Conservancy's enabling legislation, Division 21 of the Public Resources Code, in the following respects:

Pursuant to §31251, the Conservancy may award grants to nonprofit organizations for the purpose of enhancement of coastal resources that, because of natural or human-induced events, have suffered loss of natural and scenic values. Consistent with this section, the proposed program will facilitate corrective measures to enhance the natural and scenic character of coastal resources that have suffered loss of values due to habitat degradation.

Pursuant to §31251.2, the Conservancy is authorized to participate in projects to enhance watershed resources that are located partly outside of the coastal zone, where such action protects or enhances coastal resources within the coastal zone. The proposed program will address permitting for project sites inside and outside the coastal zone, all of which will be designed to protect and improve spawning habitat for anadromous fish, which rely on both fresh water and marine systems during their life cycles.

The proposed project is consistent with the Humboldt County Local Coastal Program, as described in the "Consistency with Local Coastal Program Policies" section below.

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

The proposed project is consistent with **Goal 6A** of the Conservancy's 2003 Strategic Plan in that it will implement a program to facilitate the enhancement of watersheds for the benefit of anadromous fish.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, 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:** Letters of support are included in Exhibit 2.
4. **Location:** The proposed program will focus on Humboldt County watersheds.
5. **Need:** Salmonid recovery is a State and federal priority, as described above. Permit coordination and assistance is a State priority as well. Obstacles to habitat restoration projects were recently identified by the Resources Agency through its Task Force on Removing Barriers to Restoration. Streamlining the permitting process was a recommended action in the Task Force's report.
6. **Greater-than-local interest:** Restoration of anadromous fisheries is widely recognized as a local, state, and federal goal. The proposed program will facilitate and expedite numerous

habitat restoration projects throughout Humboldt County, projects that will improve habitat condition and populations of salmonids throughout the State. Furthermore, California's Plan for Nonpoint Source Pollution Control, a joint effort of the State Water Resources Control Board and the California Coastal Commission, have identified replicating permit coordination programs as a priority action under Management Measure IV(a).

Additional Criteria

7. **Urgency:** Many existing funding sources are in danger of lapsing or "sunsetting" prior to project implementation. Delays causing these potential losses of funds are often the result of uncoordinated permitting application processes by grantees, as well as diminished review staff resources at regulatory agencies. In addition, landowners are frequently discouraged from seeking funding available now, due to the difficulties inherent in permitting and implementing projects. Without foregoing essential permit design and review, the proposed program will facilitate that process and ensure more expeditious completion of habitat restoration projects.
9. **Leverage:** See the "Project Financing" section above.
12. **Readiness:** Sustainable Conservation has completed similar programs in the Elkhorn Slough area and in the Morro Bay, Salinas, and Navarro River watersheds, and can begin the Humboldt County Permit Coordination Program immediately.
13. **Realization of prior Conservancy goals:** From its Strategic Plan to the recently released Inventory of Barriers to Fish Passage in Coastal Watersheds, the Conservancy has identified many opportunities for habitat recovery projects that will promote salmon recovery. Realization of the Conservancy's goal of fishery recovery will only take place with an efficient and properly regulated implementation of habitat restoration projects, which in turn will require the organizational skill and permit coordination that Sustainable Conservation proposes to launch in Humboldt County. Therefore, the proposed program will assist the Conservancy in implementing its strategic plan goal of enhancing anadromous fisheries.
15. **Cooperation:** This project is an example of inter-agency and multi-stakeholder cooperation among local, state, and federal regulatory officials, local NGOs, private landowners, and grantees to expeditiously enhance the anadromous fisheries of Humboldt County through permit coordination.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The proposed program will identify and facilitate habitat restoration project sites within and outside of the coastal zone. However, the aquatic resources and habitat quality of stream channels within and outside of the coastal zone boundaries are inextricably linked. Sediment sources, barriers to fish passage and other problems affect coastal resources regardless of their location within the watershed. The anadromous fish populations that spend part of their life history within the coastal zone reside for extended periods outside of the coastal zone, and therefore depend upon free passage and high quality habitat within a watershed throughout their life history. Thus, the authorization is consistent with the relevant portions of the Humboldt Bay Local Coastal Program (LCP), which was certified by the Coastal Commission on October 14, 1982, and which states:

“The biological productivity and the quality of coastal waters, (and) streams . . . appropriate to maintain optimum populations of marine organisms . . . shall be maintained, and, where feasible, restored through . . . minimizing alteration of natural streams.”) (LCP, 3-55)

“New development within stream channels shall be permitted when there is no less environmentally damaging feasible alternative, where the best feasible mitigation measures have been provided to minimize environmental effects, and shall be limited to . . . wetlands, fishery, and wildlife enhancement and restoration projects. . . .” (LCP, 3-56)

Because the proposed authorization will prepare for projects designed to re-create riparian habitat where it has been lost; restore the natural meander and in stream habitat of the project area; improve sediment flushing by restoring natural geomorphologic processes; and open up previously unavailable habitat; therefore the proposed authorization is entirely consistent with the Local Coastal Program Policy stated above.

COMPLIANCE WITH CEQA:

Preparation of the Humboldt Permit Coordination Program involves only data gathering, planning, and feasibility analyses for possible future actions and is thus statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations Section 15262. Staff will file a Notice of Exemption upon approval.

Moreover, the proposed Humboldt Permit Coordination Program does not constitute a “project” subject to the requirements of CEQA under §15378(b), which expressly excludes governmental funding mechanisms or other fiscal activities which do not involve commitment to any specific project that may result in a potentially significant adverse physical impact on the environment. Although the purpose of funding these activities is to improve processes for implementing environmentally beneficial watershed restoration projects in Humboldt County, there is no commitment to any specific project involved; funding for any specific project resulting in a physical change in the environment would be subject to review under CEQA.