

COASTAL CONSERVANCY

Staff Recommendation
May 27, 2004

MEINS LANDING ACQUISITION

File No.04-028
Project Manager: Mary Small

RECOMMENDED ACTION: Authorization to disburse up to \$300,000 to the California Department of Water Resources for the acquisition of the 668-acre Meins Landing property in the Suisun Marsh, Solano County.

LOCATION: In the Suisun Marsh in unincorporated Solano County, adjacent to the Montezuma Slough and across from the Department of Fish and Game's Grizzly Island Wildlife Management Area (Exhibit 1)

PROGRAM CATEGORY: San Francisco Bay Area Conservancy

EXHIBITS

- Exhibit 1: Site Map
 - Exhibit 2: 2002 Aerial Photograph
 - Exhibit 3: Letters of Support
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RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160-31164 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed three hundred thousand dollars (\$300,000) to the Department of Water Resources (“DWR”) for the acquisition of the 668-acre Meins Landing property in Solano County (Solano County Assessor Parcel Numbers 0090-070-320, 0090-070-330 and 0090-070-040), as described in Exhibit 1 to the accompanying staff recommendation, for habitat enhancement and resource protection, subject to the following conditions:

1. Prior to disbursement of funds, DWR shall submit for the review of the Executive Officer of the Conservancy (“Executive Officer”):
 - a. All relevant acquisition documents, including, without limitation, the appraisal, purchase agreement, hazardous materials assessments, escrow instructions and title reports; and

- b. A sign plan for the property which acknowledges Conservancy funding and has been reviewed and approved by the Executive Officer.
2. Prior to disbursement of funds, there shall be in place a fully executed Memorandum of Understanding between the Conservancy and the Wildlife Conservation Board (WCB) authorizing the acquisition of the property as an approved project under WCB Agreement Number WC-3032BT.
3. DWR shall pay no more than fair market value for the property, as established in an appraisal approved by the California Department of General Services and WCB.
4. The property shall be acquired from a willing seller.
5. DWR shall permanently dedicate the property acquired pursuant to this authorization for the protection of fish and wildlife habitat and for public access through an appropriate instrument approved by the Executive Officer.
6. Subsequent to the acquisition, DWR may transfer its interest in the property to a public entity or nonprofit organization acceptable to the Executive Officer for purposes consistent with fish and wildlife protection and public access and subject to any agreements and other instruments may be required by the Executive Officer.”

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 Public Resources Code Sections 31160-31164, which authorizes the Conservancy to award grants to address resource and recreational goals of the San Francisco Bay Area.
2. The proposed acquisition is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.”

PROJECT SUMMARY:

The California Department of Water Resources (DWR) is proposing to acquire fee title to the 668-acre Meins Landing property in the Suisun Marsh in Solano County (Exhibit 1). The proposed action would authorize the Conservancy to disburse up to three hundred thousand dollars (\$300,000) to help fund this acquisition. The property is currently operated as a duck club and managed wetland. The owners are willing sellers.

The Meins Landing property is located at the eastern edge of the Suisun Marsh, adjacent to Montezuma Slough. The property is nestled in a horseshoe bend of the slough and as a result it is surrounded on three sides by water. It is located directly across the slough from the Department of Fish and Game’s (DFG) Grizzly Island Wildlife Management Area (Exhibit 1). DFG’s Suisun Marsh mapping project identified significant habitat diversity on the site, as well as potential areas for habitat enhancement. The *San Francisco Baylands Ecosystem Habitat Goals Report*, developed with input from more than 100 scientists and agency representatives, specifically recommends restoring tidal action to some of the managed wetlands along the eastern side of Montezuma Slough in the Suisun Marsh. The mapping identified the following vegetation types on

the property: 141-acres of freshwater marsh, 137-acres of seasonally flooded wetlands, 177-acres of annual grasslands, 53-acres of bare ground, 43-acres of flooded managed wetlands, 33-acres of pickle weed and 25-acres of tule marsh (Exhibit 2).

DWR anticipates that it will be required to restore some pickleweed habitat in Suisun Marsh as a result of proposed levee improvements at the nearby Van Sickle Island. The stability of the Van Sickle Island levees are important for controlling salinity levels in the Suisun Marsh which is critical to the state's water supply program. Protecting levee integrity at Van Sickle Island is also important for preserving the existing managed wetlands that lie behind the levees. The existing levees on Van Sickle Island are built on unstable peat soils and are significantly below adequate flood protection levels. DWR is proposing to widen the existing levee footprint, allowing the weight of the levee to be distributed over a larger area, reducing the potential for subsidence. The new wider levee berms will also be designed to have more habitat than the current steep sided levees. However, construction of the wider levee will impact some existing pickleweed marsh on the interior of Van Sickle Island. DWR estimates that it will need to mitigate for impacts to approximately 67-acres of pickleweed marsh that is salt marsh harvest mouse habitat. The proposed 668-acre project will provide a site for that mitigation as well as for significant net habitat enhancement.

DWR has identified Meins Landing as an opportunity for acquisition because of its potential to be restored to tidal marsh. Unlike many sites in the marsh, this property is geographically isolated from other managed wetlands so there is no need to construct and maintain new interior levees in order to restore tidal action. Given the costs of tidal restoration, it makes sense to restore relatively large properties rather than implementing several small projects. Restoring tidal action to this property is expected to enhance the existing pickle weed on the site and to convert some areas dominated by non-native species to tidal marsh, enhancing habitat for the salt marsh harvest mouse. Once restored, the project will create tidal marsh that is connected to transitional uplands which is expected to create additional habitat benefit for other native species such as the black rail, clapper rail and burrowing owl.

DWR has a long history of involvement in Suisun Marsh. It is one of the agencies participating in the CALFED Bay Delta Program Charter process. This process was initiated in 2001 when CALFED directed several of its participating agencies to develop a regional plan that balances implementation of the CALFED Program, Suisun Marsh Preservation Agreement, and other management and restoration programs within Suisun Marsh in a manner responsive to the concerns of stakeholders and based upon voluntary participation by private land owners. This effort, called the Suisun Marsh Charter process, includes the following agencies: National Marine Fisheries Service, U.S. Army Corps of Engineers, U.S. Bureau of Reclamation, U.S. Fish and Wildlife Service, California Department of Fish and Game, California Department of Water Resource, and Suisun Resource Conservation District. The Charter Agencies are charged with developing a regional plan for the Suisun Marsh that is consistent with the various components of the CALFED Program, including the Ecosystem Restoration Program, Levee Program, Drinking Water Quality Program, Multi Species Conservation Strategy, and the Science Program. The Charter Agencies have begun scoping for the EIR/S for adoption of the draft plan. As discussed below, this project is consistent with the goals of the Charter process and the existing regional plans for the Suisun Marsh. It is anticipated that the Charter group will provide matching funds for the acquisition.

The Conservancy has worked with DWR on other acquisition projects in the past, most recently the Dutch Slough Acquisition in eastern Contra Costa County. The agency has a long history of acquiring and managing lands in and around the Delta. Once tidal action is restored to the property, it is expected that DWR will transfer the land to DFG for longterm management. DFG manages the 14,300-acre Grizzly Island Wildlife Management Area. Any future transfer of the property would be subject to the approval of the Executive Officer of the Conservancy.

Site Description: The Meins Landing property is located in Solano County at the eastern edge of the Suisun Marsh, adjacent to Montezuma Slough. The 668-acre property is surrounded on three sides by water and contains some transitional uplands. The property is directly across the slough from the Department of Fish and Game’s Grizzly Island Wildlife Management Area.

Suisun Marsh is the largest contiguous brackish water marsh remaining on the west coast of North America. It encompasses 116,000 acres, including 52,000 acres of managed wetlands, 27,700 acres of upland grasses, 6,300 acres of tidal wetlands, and 30,000 acres of bays and sloughs. The Marsh encompasses more than 10% of California's remaining natural wetlands and serves as the resting and feeding ground for thousands of waterfowl migrating on the Pacific Flyway. The Suisun Marsh also provides essential habitat for more than 221 bird species, 45 animal species, 16 different reptilian and amphibian species, and more than 40 fish species. The Suisun Marsh supports 80% of the state's commercial salmon fishery by providing important tidal rearing areas for juvenile fish allowing them to grow twice as fast as those reared in the upper watershed, thus, greatly enhancing their survival. There are both public waterfowl hunting areas and 158 private duck clubs in the Suisun Marsh.

In addition to the valuable habitat in the Suisun Marsh, the area contains more than two hundred and thirty miles of levees, some of which are critical to protecting the drinking water for 22 million people by preventing saltwater intrusion into the Delta. Van Sickle Island’s levees are among the critical levees. The Marsh's large open space and proximity to vast urban areas makes it ideally suited for wildlife viewing, hiking, canoeing, and other recreation opportunities. As described above, management in the Marsh must balance the important objectives of providing habitat and protecting the state’s drinking water supply.

Project History: This project continues the Conservancy’s previous involvement in habitat enhancement within the Suisun Marsh. In 1988, the Conservancy provided a grant to the Solano Land Trust to help fund the acquisition of the 2,070-acre Rush Ranch in the Suisun Marsh in Solano County. In 1990, the Conservancy provided a grant for the development of the Rush Ranch Management Plan. In 2001, the Conservancy provided a grant to Ducks Unlimited to help fund a program that provided matching funds to private landowners who implemented habitat improvements on their property. That program led to improvements that enhanced more than 20,000-acres of seasonal wetlands in the Suisun Marsh.

PROJECT FINANCING:

Coastal Conservancy	\$300,000
Wildlife Conservation Board grant to Conservancy	
Suisun Charter Agencies	289,000
Department of Water Resources	<u>300,000</u>
Total Project Cost	\$889,000

The Conservancy's contribution to the acquisition is expected to come from funding provided to the Conservancy through a grant from the Wildlife Conservation Board (WCB). Under the grant agreement with WCB, the Conservancy may use these funds for wetland habitat restoration projects within the nine-county San Francisco Bay Area that implement the restoration goals of the San Francisco Bay Joint Venture (SFBJV) and the *San Francisco Baylands Ecosystem Habitat Goals Report* ("Goals Report") and that meet the priorities of the Conservancy as described in Section 31162 of the Public Resources Code. In addition, any proposed project must, under the WCB grant agreement, be a "high priority" project as identified in the grant agreement or otherwise authorized as a priority project by WCB in the "Memorandum of Understanding" between WCB and the Conservancy that is required before any project may move forward.

The WCB grant funding, in turn, is derived from an appropriation from the Water Security, Clean Drinking Water, Coastal Beach Protection Fund of 2002 (Proposition 50). The funds were appropriated under the specific authorization found in Section 79572(c) of the Water Code and may be used for the general purpose of acquisition, protection and restoration of coastal wetlands and adjacent upland areas and specifically for projects in the San Francisco Bay Area that accomplish the objectives of the Conservancy as specified in Section 31162 of the Public Resources Code. Section 79573 of the Water Code also requires that any land be acquired from a willing seller and that the purchase price for any acquisition made under Section 79572 not exceed fair market value as determined by an appraisal that is prepared by a licensed real estate appraiser and approved by the WCB and the Department of General Services.

The project meets the criteria of the WCB grant agreement and the related requirements of Proposition 50 in all respects. As required by the WCB grant agreement and Proposition 50, the proposed project serves to protect and preserve fish and wildlife habitat adjacent to the San Francisco Bay through acquisition of coastal wetlands and adjacent areas. Further, the project is one that implements the goals of the SFBJV and the Goals Report and squarely meets the priorities and objectives of the Conservancy found in Section 31662 of the Public Resources Code, as detailed under the heading "Consistency with Conservancy's Enabling Legislation", below. In addition, WCB has authorized the project as a priority project, which will be acknowledged in the MOU to be executed by WCB and the Conservancy before the property is acquired. Finally, the restrictions on acquisition required by Proposition 50 (willing seller and price not to exceed appraised fair market value) will be imposed as conditions to the grant of funds to DWR.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

This authorization will be undertaken pursuant to Chapter 4.5 of the Conservancy's enabling legislation, Public Resources Code Sections 31160-31164, to address resource goals in the San Francisco Bay Area. Under § 31162, the Conservancy may undertake projects and award grants to achieve specified goals.

Section 31162(b) directs the Conservancy to undertake projects and award grants in the San Francisco Bay Area that help achieve the goal of protecting, restoring and enhancing natural habitats of regional importance. Consistent with § 31162(b), the proposed funding would assist in the preservation of the natural habitats of several species of special concern. The property contains habitat that is expected to benefit threatened and endangered terrestrial and aquatic species, including: Suisun thistle, soft bird's beak, Masons lilaepsis, delta smelt, Sacramento splittail, California black rail, the salt marsh harvest mouse, black rail, burrowing owl, and California clapper rail.

Another specified goal of the Conservancy within the San Francisco Bay region, set forth in subsection (c) of § 31162, is to assist in the implementation of the policies of the Coastal Act, the San Francisco Bay Plan, and other local plans and initiatives. Consistent with § 31162(c), the project will help implement the policies of the Suisun Marsh Protection Plan, the CALFED Bay Delta Programmatic Record of Decision, the SFBJV, and the Goals Report.

Suisun Marsh Protection Plan

The Suisun Marsh Preservation Plan calls for the preservation and enhancement of diverse habitats within the marsh to maintain its unique wildlife resources (Policy #1). This project will preserve and enhance marsh habitat. The Suisun Marsh Preservation Act further required creation of a "local protection program" (LPP) for the marsh. (Public Resources Code § 29400.) In 1982, Solano County, within whose jurisdiction most of the marsh lies, adopted its component of the LPP, consisting of land use policies and regulations. Among other provisions, Agriculture and Open Space Land Use Policy #1 calls for the County to "preserve and enhance wherever possible the diversity of wildlife and aquatic habitats found in the Suisun Marsh."

CALFED Bay Delta Programmatic Record of Decision

In August of 2000, the CALFED Bay Delta Program issued a Record of Decision (ROD) and a Final Programmatic Environmental Impact Statement and Report. The Record of Decision reflects the long term plan for achieving four goals: 1) restoring the ecological health of the Bay Delta system, 2) improving water supply reliability, 3) protecting drinking water quality and 4) protecting the Delta levees system integrity. The ROD calls for the implementation of a comprehensive Ecosystem Restoration Program (ERP). The CALFED Ecosystem Restoration Program Plan (ERPP) goals call for restoration of tidal influence on 5,000-7,000 acres of managed seasonal wetlands in the Suisun Marsh.

San Francisco Baylands Ecosystem Habitat Goals Report

Acquisition and restoration of tidal wetlands is a specific subregional goal for Suisun Marsh identified in the Goals Report. Restoring tidal action to some of the managed wetlands along the eastern side of Montezuma Slough in the Suisun Marsh is a specific habitat goal identified in the report for the Suisun Marsh subregion. The *San Francisco Baylands Ecosystem Habitat Goals Report* was published in 1999, it was developed with input from more than 100 scientists and agency representatives and provides scientific recommendations for wetland habitat restoration in the Bay Area.

San Francisco Bay Joint Venture

The goal of the San Francisco Bay Joint Venture is to protect, restore, increase and enhance all types of wetlands, riparian habitat and associated uplands throughout the San Francisco Bay region to benefit birds, fish and other wildlife. The project will help implement the habitat goals of the Joint Venture by protecting 668-acres of tidal wetlands.

Finally, the proposed project meets all five of the criteria for priority projects set forth in § 31163(c), as follows:

- 1) As discussed above, preservation and enhancement of tidal marsh wetland in the Suisun Marsh consistent with the policies of the Suisun Marsh Protection Plan, the CALFED Bay Delta Programmatic Record of Decision, and the *San Francisco Bay Habitat Goals Report*.
- 2) The project serves a regional constituency by providing habitat for Federal and State listed at-risk species, including the salt marsh harvest mouse, black rail, and clapper rail.

- 3) The project will be implemented in a timely way. If approved, DWR plans to complete the acquisition this summer.
- 4) Conservancy funding is needed to complete the purchase.
- 5) The project includes more than six hundred thousand dollars in matching funds.

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

Consistent with **Goal 10, Objective A**, the proposed project will acquire 668 acres of wetland and adjacent uplands in Solano County. The property contains significant habitat values, is contiguous with other protected wetlands, and is in the Suisun Marsh priority area. The acquisition involves a willing seller.

**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:** The project is supported by the Suisun Resource Conservation District which represents the private landowners in the Marsh. The project also has the support of the Department of Fish and Game and the CALFED Bay Delta Authority. Letters of support are provided in Exhibit 3.
4. **Location:** The proposed project is located in Solano County, within the jurisdiction of the San Francisco Bay Conservancy Program.
5. **Need:** Conservancy funding is needed to complete this acquisition. DWR and the Suisun Charter group cannot fund the entire purchase and, as discussed above, the property offers an important opportunity to protect and enhance habitat in the Marsh.
6. **Greater-than-local interest:** The Suisun Marsh is the largest brackish water marsh in California. The proposed project is expected to benefit a number of federally and state listed rare and endangered species, including the salt marsh harvest mouse, black rail and California clapper rail.

Additional Criteria

7. **Resolution of more than one issue:** As described above, the Suisun Marsh provides important habitat to a number of at risk species and also plays an important role in protecting the state's drinking water resources.
8. **Leverage:** See the "Project Financing" section above.

9. **Readiness:** DWR has negotiated a purchase agreement that will enable them to complete the acquisition this summer.
10. **Realization of prior Conservancy goals** This project builds on the Conservancy's past efforts to implement the Goals Report, which defines goals, objectives, and recommendations for restoration in San Francisco, and the Conservancy's participation in wetland acquisition and restoration projects in San Francisco Bay, including Napa Marsh, Bair Island, and Hamilton/Bel Marin Keys. As discussed above, the Conservancy has also made significant previous investments in the protection and enhancement of resources within the Suisun Marsh.
11. **Cooperation:** As discussed above, the Suisun Marsh Charter process includes a number of state and federal agencies as well as the Suisun Marsh Resource Conservation District, which represents the private landowners in the marsh. All of these entities are working together to implement this project.

CONSISTENCY WITH SAN FRANCISCO BAY PLAN:

The Suisun Marsh Preservation Act of 1977 establishes a comprehensive scheme for regulation of development within Suisun Marsh and provides for the adoption of the Suisun Marsh Protection Plan as a more specific application of the San Francisco Bay Plan adopted by the Bay Conservation and Development Commission. As discussed above, protection and enhancement of wetland habitat is consistent with the policies of the Suisun Marsh Plan adopted by the Bay Conservation and Development Commission and the Department of Fish and Game.

COMPLIANCE WITH CEQA:

The acquisition of the property is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations Section 15313, Acquisition of land for wildlife conservation purposes and § 15325, Transfers of Ownership of Interest in Land to Preserve Existing Natural Conditions. Staff will file a notice of exemption upon approval of the project.