

# COASTAL CONSERVANCY

Staff Recommendation  
November 8, 2007

## **RUSH RANCH MARSH AND UPLAND DESIGN AND MANAGEMENT**

File No. 07-071-01  
Project Manager: Melanie Denninger

**RECOMMENDED ACTION:** Authorization to disburse up to \$435,000 to the Solano Land Trust for the following with respect to Rush Ranch in Solano County: update and refine the 1990 and 1993 marsh and upland restoration and management plans, prepare detailed conceptual restoration designs for at least four priority projects areas, and prepare environmental review documents.

**LOCATION:** Suisun Marsh and the Portrero Hills, Solano County

**PROGRAM CATEGORY:** San Francisco Bay Area Conservancy Program

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### **EXHIBITS**

Exhibit 1: [Project Location and Site Maps](#)

Exhibit 2: [Project Photos](#)

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 31000 *et seq.* of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed four hundred thirty-five thousand dollars (\$435,000) to the Solano Land Trust (SLT) for the following with respect to Rush Ranch in Solano County: update and refine the 1990 and 1993 marsh and upland restoration and management plans, prepare detailed conceptual restoration designs for at least four priority projects areas, and prepare environmental review documents. Prior to the commencement of work and the disbursement of funds, SLT shall submit for the review and written approval of the Executive Officer of the Conservancy a detailed work program, schedule and budget and the names and qualifications of any contractors to be employed in carrying out 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 project is consistent with the purposes and objectives of the San Francisco Bay Area Conservancy Program, Chapter 4.5 (Sections 31160-31165) of Division 21 of the Public Resources Code.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines last updated by the Conservancy on September 20, 2007.
3. The Solano Land Trust is a nonprofit organization existing under Section 501(c)(3) of the United States Internal Revenue Code, and whose purposes are consistent with Division 21 of the California Public Resources Code.”

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**PROJECT SUMMARY:**

Under the proposed authorization, the State Coastal Conservancy would disburse \$435,000 to the Solano Land Trust (SLT) for the following with respect to Rush Ranch in Solano County: update and refine the 1990 and 1993 marsh and upland restoration and management plans, prepare conceptual restoration designs for at least four priority projects areas, and prepare environmental review documents.

SLT’s 2,070-acre Rush Ranch lies on the western flanks of the Portrero Hills and in the adjacent Suisun Marsh (Exhibit 1). Most of the 85,000 acres of historic wetlands in Suisun Marsh have been converted from brackish tidal marsh into a patchwork of diked marshes managed for duck hunting. The various regional plans for Suisun Marsh recommend extensive restoration of historic tidal conditions.

Rush Ranch still supports some 1,050 acres of marsh that is tidal, albeit extensively disturbed, as well as an 80-acre diked marsh. The one-mile-long marsh-uplands transition zone provides a rare opportunity to allow for the marsh to migrate landward as sea level rises. In addition, the 940 acres higher elevation ranch land is grazed and has potential to provide improved plant and animal habitat if changes are made in the grazing regime and other management measures. (See “Site Description” below for more about the physical and biological characteristics and current uses of Rush Ranch.)

Since the SLT’s Conservancy-funded, broad-brush marsh and upland restoration and management plans for Rush Ranch were completed in 1990 and 1993, several of the recommended measures have been carried out (see “Project History” for more information about implementation of those plans); a great deal of new field data has been gathered on and around Rush Ranch; the invasive exotic known as perennial pepperweed or whitetop, has appeared and formed extensive dense colonies in the high marsh; belief in accelerating sea level rise has become more widely accepted; and far more experience has been gathered from tidal marsh restoration and grassland management projects and from invasive species removal in aquatic sites. In order to proceed with further ranch management and habitat restoration in a responsible manner, SLT needs to fill gaps in baseline data; use the new information to update the 1990 and 1993 plans and develop adaptive management strategies; prepare detailed conceptual plans and

cost estimates for separable projects; and prepare new environmental review documentation. These are the types of work products that would be produced with the proposed Conservancy funding.

The process for preparing the proposed work products would include ongoing consultation with agencies and individuals conducting planning and research within Suisun Marsh and its vicinity and with other interested parties. Opportunities for peer review would be provided in order to ensure the quality of the products.

SLT is a nonprofit land trust incorporated in 1986. Its mission is to preserve and protect farmlands, wetlands, rangelands, open space, and wildlife habitat. It currently holds fee title or conservation easements to over 19,000 acres of Solano County lands. Key holdings include the King Ranch, Eastern Swett Ranch, Vallejo Swett Ranch, Rush Ranch in Suisun March, Lynch Canyon, and the Jepson Prairie Preserve.

The Conservancy has had many years of experience working with SLT on property acquisitions, construction, and planning for habitat restoration and trails. Over the years, Conservancy staff has also been able to observe SLT's property stewardship and program of docent-led hikes, and management of its staff and funding. In addition to its solid and consistent record in all of these endeavors, in the last few years SLT has expanded its capacity to more actively manage its properties, organize and deploy volunteers, provide leadership on resolving technical issues, and raise funds.

For the proposed project, SLT staff has already done extensive groundwork in assembling and evaluating new field data from an array of public and private sources, consulting with scientists and agency representatives, and formulating an efficient, creditable and very detailed methodology for developing the planning documents necessary for proceeding with further ranch restoration and management. SLT staff would carry out such tasks as contracting with and managing a team of professionals, facilitating participation by stakeholders, and arranging for peer review of work products.

**Site Description:** SLT's 2,070-acre Rush Ranch is located in Solano County, just south of Suisun City, where the Suisun Marsh meets the Portreio Hills (Exhibit 1). In round numbers, the ranch includes some 1,050 acres of brackish tidal marsh; 80 acres of diked marsh; 910 acres of rolling hills with grassland grazed by cattle; and 30 acres of development including the ranch headquarters and nature center, trails and roads.

Rush Ranch is owned in fee by SLT. The property is bordered by approximately 5,000 acres of wildlife areas managed by the Department of Fish and Game (DFG) and the Suisun Resource Conservation District, portions of which are being restored to full tidal action. On the north and west lie the Hill Slough Wildlife Area and the Peytonia Slough Ecological Reserve. On the south and southeast is the Joice Island Wildlife Area (Exhibit 1).

The tidal marsh on Rush Ranch is a remnant of the habitat that was predominant in the 85,000-acre Suisun Marsh before a system of levees and water control structures was installed in the late 1800s and early 1900s to impound water for duck habitat on the many hunting club properties and to drain farmland. Today, there are an estimated 4,000 acres of tidal marsh in Suisun Marsh that approximate the pre-European natural conditions. Rush Ranch supports the largest single tidal marsh in the Suisun Marsh area today. Due to the influence of fresh water flowing out of the nearby Delta, Suisun's brackish tidal marsh communities differ from those in most of the

other tidal marshes around San Francisco Bay. As is discussed further in “Project History” below, the several regional fish and wildlife habitat plans encompassing Suisun Marsh all recommend extensive restoration of open brackish tidal conditions for the benefit of beleaguered Delta and estuarine flora and fauna.

The brackish tidal marsh on Rush Ranch is the largest and most intact marsh system of this type in the entire San Francisco Bay estuary. The marsh and the adjacent slough are exceptionally rich in fish, wildlife and vegetation. Threatened, endangered or rare plants and animals include the salt marsh bird’s beak, Suisun marsh aster, the Suisun thistle, the Delta tule pea, Mason’s *Lilaeopsis*, California clapper rail, California black rail, salt marsh yellowthroat, salt marsh song sparrow, salt marsh harvest mouse, Suisun shrew, and river otters.

However, the Rush Ranch tidal marsh has been significantly disturbed by ditches excavated to drain mosquito habitat, but now hosting mosquito larvae; placement of excavated soil on the marsh plain; construction of ranch roads on the marsh perimeter and across drainages; and foraging by feral pigs. Moreover, the last ten years have seen rapid colonization of high marsh by perennial pepperweed, which forms dense stands amid the native pickleweed. The advancing pepperweed presents the single largest threat to the marsh habitat. A sanitary landfill in the upper reaches of one of the major marsh watersheds is poised to expand and poses the possibility of further disturbing the marsh and upland habitat on the ranch in ways that are not yet fully understood.

The 80-acre diked marsh is sometimes referred to as “managed,” but the water control structures are not in use and the levees are deteriorating. A trail around the perimeter is popular for hiking and nature education.

The uplands on the property consist mainly of some 910 acres of grasslands leased out for cattle grazing. Well-managed scheduling and intensity of cattle grazing on similar grasslands seem to help native grasses and forbs compete with those that have been introduced and blanket most of California’s historic native grasslands. The grassland conditions at Rush Ranch suggest that changes in the grazing regime may yield much improved habitat for native plant species and, thus, improved habitat for native birds and other fauna.

The roughly one-mile long transition zone on Rush Ranch between tidal marsh and uplands presents an opportunity very rare around San Francisco Bay for the marsh to migrate inward as sea level rises. Furthermore, the transition zone is buffered on the inland side by the protected hills on the ranch. Presently, the habitat value of the transition zone is heavily disturbed by the presence and use of old ranch roads.

Other development on the ranch is mostly clustered near the ranch entrance road. This compound includes a nature center with display areas, a meeting room, an office and lab and living quarters; corrals; a barn, an other ranch buildings; solar and wind power equipment and a water tank; a picnic area; and parking. Unpaved trails reach out from the compound, both into the hills and to and around the tidal and diked marshes.

The ranch is open daily for hiking and viewing of interpretive displays and photos. The nature center was just built this year and will be used for meetings, laboratory activities and related purposes as soon as the furnishings are in place. Research scientists often work on the property, which is one of two San Francisco Bay Area sites for the National Estuarine Research Reserve.

The nonprofit Access Adventures program provides carriage rides around the ranch and other activities for people with limited mobility.

Rush Ranch exists within a special regulatory and planning context. The Suisun Marsh Protection Plan (the Protection Plan) which was made a part of the San Francisco Bay Plan by act of the Legislature in 1977, establishes policies for natural resource protection, restoration and development and describes the regulatory responsibilities of BCDC and Solano County. For purposes of the Protection Plan, both the low-lying, wet areas and a perimeter of grasslands on rolling hills are designated part of Suisun Marsh, with the former being called the Primary Management Area and the latter being called the Secondary Management Area. Principal Protection Plan policies affecting the proposed Rush Ranch project are identified in “Consistency with San Francisco Bay Plan” below.

The planning context is also affected by existing and proposed large-scale habitat and water management plans. Useful data and insights may be available from the following planning processes, though they are all being done at a landscape scale:

- A broad-brush Suisun Marsh Management, Preservation and Restoration (MPR Plan) has been prepared by State and federal agencies and the Suisun Resource Conservation District. The MPR Plan recommends restoration of historic tidal marshes. Environmental review is underway, but is not expected to yield significant changes to recommendations pertinent to Rush Ranch.
- A county-wide Habitat Conservation Plan is also underway under the leadership of the Solano Water District.
- Rush Ranch is one of two Bay Area sites in the National Estuarine Research Reserve (NERR). Staff of the NERR are currently preparing a “site profile” of the ranch and are expected to participate in the project proposed for Conservancy funding.
- Certain Delta planning underway identifies areas within Suisun Marsh for habitat enhancement to benefit flora and fauna suffering from Delta modifications.

**Project History:** In 1988 SLT, then known as the Solano Farmlands and Open Space Foundation, purchased Rush Ranch with a grant of \$1,507,500 from the Conservancy. Over the following several years, the Conservancy provided small grants for preparing the Rush Ranch Enhancement and Management Plan (the E&M Plan) and the Rush Ranch Range Monitoring and Upland Nesting Habitat Study (the Range Study), which were completed in 1990 and 1993, respectively. The latter responded in part to comments from the Department of Fish and Game about the potential for nesting by native birds on the uplands. Implementation of the Plan began with a grant of \$444,147 from the Conservancy in 1990.

Much of the early E&M Plan implementation focused on improving rundown ranch facilities--such as the large barn and the grassland fencing--to correct hazardous conditions and improve the potential for leasing the grazing land, which provides a small revenue stream for property management. In the ensuing years, other recommendations in the Plan also have been carried out, including a small tidal marsh restoration project and reintroduction of the endangered plant, salt marsh bird’s beak. In addition, the E&M Plan and the Range Study have also helped guide public use and grazing management.

The Range Study principally consisted of field studies into the impacts cattle grazing regimes on grassland communities and bird nesting on the ranch uplands. Neither this study nor the E&M Plan addressed sea level rise and the role of the uplands in enabling inland migration of the tidal marsh, nor did they include detailed designs for restoration or disturbed areas.

Now that some 17 years have elapsed since the E&M Plan was completed, the restoration and management measures need to be updated in light of ecological changes and new information. Much more useful data is available from Suisun Marsh and Rush Ranch field studies, experience has been gained from nearby wetland and upland restoration and management activities undertaken by DFG, the Suisun RCD, SLT, and others; the invasive pepperweed has appeared and spread rapidly; the portent of rising sea level is more widely accepted; SLT has been consulting with DFG regarding current restoration needs; and evolution has occurred in resource and regulatory agency policies regarding restoration of wetlands to full tidal action in Suisun Marsh.

The SLT has also substantially increased its staff capacity and has shown that it is capable of and committed to taking a leadership role in revamping the plan and then carrying out its recommendations. Over the last year SLT staff has laid the groundwork for the activities that would be carried out with the proposed Conservancy funding by doing the following: assembling and analyzing the adequacy of baseline information recently collected by other agencies and individuals for Rush Ranch and its environs, such as topography, vegetation communities, and special-status flora and fauna; developing working relationships and exploring project issues with stakeholders; drafting a detailed work program that would yield both short-term restoration measures and long-term management strategies; and designing a project information management system. Most recently SLT collaborated with Conservancy staff and consultants on further evaluation of data and identification of data gaps, extraction useful information from the E&M Plan; and developing a cost estimate for the proposed project.

Another dimension of the history of Conservancy involvement at Rush Ranch is its assistance with construction of the recently built Nature Center (Exhibit 2, Photo 3). In 2006, the Conservancy contributed \$500,000 toward construction of the \$1.5 million Nature Center, which will house interpretive displays and provide facilities for scientific research, ranch management and meetings.

**PROJECT FINANCING:**

Coastal Conservancy	\$435,000
San Francisco Foundation	<u>40,000</u>
<b>Total Project Cost</b>	<b>\$475,000</b>

That anticipated source of Conservancy funds is the “Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002” (Proposition 50), which allocates funding to the Conservancy for “grants for the purpose of protecting coastal watersheds....” Proposition 50 further allocates a portion of Conservancy funds “for the San Francisco Bay Conservancy Program for coastal watershed protection pursuant to Chapter 4.5 (commencing Section 31160) of Division 21 of the Public Resources Code.” The consistency of the proposed project with

PRC Chapter 4.5 is discussed below in “Consistency with the Conservancy’s Enabling Legislation.”

“Watershed protection activities” using Proposition 50 funds must be “consistent with the applicable adopted local watershed management plan and the applicable regional water quality control plan adopted by the regional water quality control board” (Water Code Section 79507.) Consistency of the proposed project with the Suisun Marsh Protection Plan, a component of the San Francisco Bay Plan, is discussed below in “Consistency with the San Francisco Bay Plan.” Consistency with the Basin Plan of the San Francisco Regional Water Quality Control Board is discussed in “Consistency with the Water Quality Control Plan for the San Francisco Bay Basin.”

The San Francisco Foundation (the Foundation) recently awarded a \$40,000 grant to SLT to prepare a restoration plan for the 80-acre diked wetland. The work to be funded with the Foundation’s grant will be nested within the work program for the larger project that is the subject of this staff recommendation.

**CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:**

The proposed project would be undertaken pursuant to Chapter 4.5 of the Conservancy’s enabling legislation, Public Resources Code (PRC) Sections 31160-31165, to address resource goals in the San Francisco Bay Area. Pursuant to PRC Section 31162, the Conservancy may award grants in the nine-county San Francisco Bay Area that will help achieve goals of the San Francisco Bay Area Conservancy Program. Consistent with this section, the proposed project is in Solano County within the nine-county Bay Area and will help achieve goals of the Bay Area Conservancy Program, as explained below in “Consistency with the Conservancy’s Strategic Plan Goals and Objectives.”

Pursuant to PRC Section 31162(b), the Conservancy may award grants to enhance natural habitats of regional importance. Consistent with this section, the proposed project is intended provide detailed plans and environmental review necessary to enhance natural brackish tidal marsh and grasslands that are of regional importance because they support threatened, endangered or rare plants and animals including the Suisun marsh aster, the Suisun thistle, the Delta tule pea, Mason’s lilaepsis, California clapper rail, California black rail, salt marsh yellowthroat, salt marsh song sparrow, salt marsh harvest mouse, Suisun shrew, and river otters. Brackish tidal marshes are regionally scarce due to extensive conversion to impoundments managed for duck hunting and to farmland. The habitat and opportunity to allow inland marsh migration that are presented by the approximately one-mile-long undeveloped transition zone from marsh to uplands are also regionally scarce due to development of marshlands and even more extensive development of adjacent uplands.

Pursuant to PRC Section 31162(c), the Conservancy may award grants to assist in implementation of the policies and programs of the San Francisco Bay Plan and the adopted plans of local governments and special districts. Consistent with this section, the proposed project would assist in implementing the tidal marsh and upland restoration and enhancement policies in the Suisun Marsh Protection Plan (a component of the San Francisco Bay Plan), which has also been adopted by Solano County; and the Suisun Marsh Habitat Restoration and Enhancement Plan, being completed by the Suisun Resource Conservation District, the National

Marine Fisheries Service, U.S. Fish and Wildlife Service, California Department of Fish and Game, and California Department of Water Resources.

This project is appropriate for prioritization under the selection criteria set forth in Section 31163(c) in that (1) it is supported by adopted local or regional plans, as described above; (2) it will include multi-jurisdictional participation by interested local, State and federal resource and regulatory agencies, including staff of the National Oceanic and Atmospheric Administration's National Estuarine Research Reserve, within which Rush Ranch is one of two Bay Area study sites; (3) staff of SLT, the proposed grantee, is ready to commence work immediately upon award of Conservancy funding; and (4) financing for the proposed project includes a \$40,000 grant recently awarded to SLT by the San Francisco Foundation.

In addition, pursuant to PRC Section 31111, the Conservancy may fund and undertake plans and may award grants to nonprofit organizations for these purposes. Consistent with this section, staff is recommending that the Conservancy authorize a grant to SLT, a nonprofit organization, for the purpose of refining and updating plans for marsh and upland restoration and management, including preparation of environmental review documents.

#### **CONSISTENCY WITH CONSERVANCY'S STRATEGIC PLAN GOAL(S) AND OBJECTIVE(S)**

Consistent with **Objective 10B** of the Conservancy's 2007 Strategic Plan, the proposed project would result in an updated and refined restoration plan for approximately 1,130 acres of wetland habitat.

Consistent with **Objective 10E** of the Conservancy's 2007 Strategic Plan, the proposed project would result in an updated and refined restoration plan for approximately 940 acres of grassland habitat on uplands.

Consistent with **Objective 10J** of the Conservancy's 2007 Strategic Plan, the proposed project would result in a plan for controlling, eradicating and preventing the spread of perennial pepperweed and any additional invasive exotic species that are found on the site.

#### **CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Project Selection Criteria and Guidelines last updated by the Conservancy on September 20, 2007, 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 project has widespread support. Letters of support have been received from legislators, public agencies and special districts.
4. **Location:** The proposed project is located within the nine-county Bay Area.

6. **Greater-than-local interest:** State funding is appropriate for this project because it would help implement the several Suisun Marsh protection and restoration plans that have been developed and adopted by State and federal resource and regulatory agencies.

**Additional Criteria**

7. **Urgency:** The proposed project is urgent due to the need for restoring habitat for the several threatened, rare and endangered plant and animal species on found on the property and the scarcity of alternative habitat.
9. **Leverage:** See the “Project Financing” section above.
12. **Readiness:** The grantee has laid the groundwork for the proposed project and has dedicated staff ready to start work under the proposed grant.
13. **Realization of prior Conservancy goals:** .In addition to the prior Conservancy goals discussed in “Project History” above, this project helps to meet the Bay Program’s goal of providing as much support as possible for high priority projects in Solano County because of the importance of its biological resources and the threat of development in high priority areas.
15. **Cooperation:** SLT, the grantee and property owner, has entered into a Memorandum of Understanding with the California Department of Parks and Recreation, San Francisco State University, and the San Francisco Bay Conservation and Development Commission as an expression of intent for cooperative management of the Rush Ranch National Estuarine Research Reserve (NERR). Staff of the NERR and several other State and federal agencies, as well as scientists affiliated with the University of California, Davis, have assisted in providing data on and advice for formulating the proposed project.

**CONSISTENCY WITH SAN FRANCISCO BAY PLAN:**

In the Suisun Marsh Protection Plan (SMPP), the policies of the San Francisco Bay Conservation and Development Commissions’ (BCDC’s) San Francisco Bay Plan are refined and expanded to reflect the special conditions in the Suisun Marsh. The Suisun Marsh Preservation Act (Public Resources Code Sections 29000-29612) was enacted in 1977 to incorporate the findings and policies contained in the SMPP into State law and to empower BCDC to implement them through its regulatory authority. In its policies, the SMPP distinguishes between a primary management area, comprising managed wetlands, tidal marshes, lowland grasslands and seasonal marshes, and a secondary management area comprising upland grasslands and cultivated areas. Rush Ranch lies in both management areas.

The proposed project is consistent with the SMPP “Part II Findings and Policies: Land Use and Marsh Management” policies for both management areas, in the following respects:

Policy #1 states in part, “...Within the primary management area existing uses should continue and both land and water areas should be protected and managed to enhance the quality and diversity of the habitats.” Consistent with this policy, the proposed project would refine and update measures for protecting and enhancing the quality of the existing tidal marsh and for controlling the invasive perennial pepperweed, which is degrading the quality of the high marsh habitat.

Policy #3 states in part, “The tidal marshes in the primary management area should be preserved.” Consistent with this policy, the purposes of the proposed project include controlling the perennial pepperweed, which is degrading the higher areas of the tidal marsh and removing impediments to inland migration of the tidal marsh as the lower margins are inundated by rising sea level.

Policy #10 states, “Agricultural uses consistent with protection of the Marsh, such as grazing and grain production, should be maintained in the secondary management area. In the event such uses become infeasible, other uses compatible with protection of the Marsh should be permitted. The value of the upland grassland and cultivated lands as habitats for Marsh-related wildlife should be maintained and enhanced where possible by planting or encouraging valuable wildlife food or cover plant species.” Consistent with this policy, the proposed project would plan for cattle grazing to be continues on the upland grasslands, with management measures identified to protect the marsh below and to promote growth plants that provide valuable wildlife food cover.

Policy #12 states in part, “Any wetland restoration or enhancement project should...include a long-range management program that assures proper stewardship of the wetland.” Consistent with this policy, the proposed project would include refined and updated guidance for long-term maintenance and management of the marsh and the uplands.

Policy #13 states, “Where feasible historic marshes should be returned to wetland status, either as tidal marshes or managed wetlands. If, in the future, some of the managed wetlands are no longer needed for waterfowl hunting, they should also be restored as tidal marshes. Sound practices consistent with Marsh preservation recommended by the Solano County Mosquito Abatement District to control mosquitoes should be followed during and after marsh restoration.” Consistent with this policy, the proposed project would include investigation of the benefits and impacts of removing fill in the marsh and consultation with the Solano County Mosquito Abatement District regarding mosquito control during and after marsh restoration.

**COMPLIANCE WITH CEQA:**

The proposed project is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) because it involves only feasibility or planning studies for possible future actions, as indicated in 14 Cal. Code of Regulations Section 15262. Upon approval, staff will file a Notice of Exemption.