

COASTAL CONSERVANCY

Staff Recommendation
December 4, 2008

ELKHORN SLOUGH NATIONAL ESTUARINE RESEARCH RESERVE

File No. 08-127
Project Manager: Trish Chapman

RECOMMENDED ACTION: Authorization to accept coastal estuaries grant funding from National Oceanic and Atmospheric Administration (NOAA) and disburse these funds to the Elkhorn Slough Foundation to administer funding for the Elkhorn Slough National Estuarine Research Reserve.

LOCATION: Elkhorn Slough, Monterey County

PROGRAM CATEGORY: Integrated Coastal and Marine Resources

EXHIBITS

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

Exhibit 2: [Letter from CDFG requesting Conservancy participation](#)

Exhibit 3: [Project Letters](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31104 and 31220 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes its Executive Officer to accept coastal estuaries grant funds from the National Oceanic and Atmospheric Administration (NOAA) and to disburse these funds to the Elkhorn Slough Foundation (ESF) to fund the programs of the Elkhorn Slough National Estuarine Research Reserve (ESNERR) in coordination with the California Department of Fish and Game. Prior to the disbursement of any funds by the Conservancy, ESF shall submit for review and approval of the Conservancy’s Executive Officer a work program, budget, schedule and any contractors or subcontractors to be employed in the program.”

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 current Project Selection Criteria and Guidelines.

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2. Acceptance of federal grant funds by the Conservancy is consistent with the authority of the Conservancy under Public Resources Code Section 31104, and disbursement of the granted funds for the proposed authorization is consistent with Chapter 5.5 of Division 21 of the California Public Resources Code (Section 31220) regarding Integrated Coastal and Marine Resources Protection.
 3. The proposed authorization is consistent with local watershed management plans and water quality control plans.
 4. The Elkhorn Slough Foundation is a nonprofit organization existing under the provisions of Section 501(c)(3) of the U.S. Internal Revenue Code, and whose purposes are consistent with Division 21 of the Public Resources.”
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PROJECT SUMMARY:

The proposed authorization would enable the Conservancy to accept federal grant funds from NOAA and disburse them to the Elkhorn Slough Foundation (ESF) to administer program funding for the Elkhorn Slough National Estuarine Research Reserve (ESNERR) in coordination with the California Department of Fish and Game (CDFG). It is expected that annual NOAA grants of approximately \$550,000 would be awarded to the Conservancy. The dollar amount of the award will change each year based on annual federal appropriations. The recommended action would delegate authority to the Conservancy’s Executive Officer to accept and disburse NOAA funds for this program in the future.

Elkhorn Slough is one of the most ecologically important and largest estuarine systems in California, and provides critical habitat for federal- and state-listed endangered and threatened species, as well as many migratory birds. Due to its ecological importance, in 1979 Elkhorn Slough was designated as one of 27 National Estuarine Research Reserves established nationwide as field laboratories for scientific research and estuarine education. The ESNERR is administered by NOAA and managed by CDFG with the assistance of ESF.

ESNERR programs include habitat restoration and management, research and monitoring, , and information dissemination, all of which are aimed at protecting, restoring and enhancing the slough’s natural resources. The ESNERR is undertaking habitat enhancement and restoration programs in a variety of habitats. A particularly large restoration effort currently underway is the Tidal Wetland Program (TWP) which is addressing the many hydrologic and biological changes to Elkhorn Slough. As part of the TWP, CDFG is developing a restoration strategy for Parsons Slough, a 415-acre subarea of Elkhorn Slough that has seen a precipitous decline in vegetated salt marsh as a result of human activities. One goal of the ESNERR is to investigate estuarine ecosystems and their associated watersheds. Its research and monitoring program emphasize science that will help to better conserve and restore Elkhorn Slough and other estuaries. This estuarine conservation research includes long-term monitoring to detect changes over time, and short-term projects focused on understanding and diminishing threats to slough habitats and communities.

One goal of the National Estuarine Research Reserve program is to “engage local communities and citizens to improve stewardship of coastal areas.” ESNERR has several programs aimed at disseminating information to land managers, restoration practitioners, decision-makers, educators, students, and the local community. The Coastal Training Program (CTP), which has

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already been supported by the Conservancy for several years (see Project History), is a national effort led by NOAA to further the preservation and enhancement of coastal estuaries through trainings and technical assistance aimed at local decision-makers. The Elkhorn Slough Coastal Training Program focuses on a variety of local and regional issues including habitat management, sustainable agriculture, clean water, eco-tourism, and invasive species. ESNERR also operates an award-winning visitor center and over five miles of hiking trails that introduce people to the slough's species, habitats and processes, the impact of humans, and the importance of preserving and restoring the slough's ecosystem. Through these programs ESNERR advances better practices for protecting and restoring coastal ecosystems and promotes an ethic for habitat stewardship.

Since 1982 ESF has worked with dozens of private and public organizations to protect and enhance the unique coastal resources of the Elkhorn Slough watershed. ESF has been an essential participant in several Conservancy-funded projects in the watershed and owns or manages approximately 2,600 acres of wetlands, uplands, and cropland. ESF is an integral participant in the ESNERR, joining with NOAA and CDFG in a cooperative approach to managing the ESNERR property, implementing its programs, and administering its funds. For these reasons, ESF is a highly qualified and appropriate organization to receive the NOAA grant funding.

Site Description: Elkhorn Slough, the largest estuary of the Monterey Bay National Marine Sanctuary, joins the Pacific Ocean at the very center of Monterey Bay, California. Located in Monterey County, the 2,970 acres of Elkhorn Slough tidal habitats include a main subtidal channel flanked by extensive intertidal salt marshes, mudflats, tidal creeks, and salt pannes. These areas provide critical habitat for over 135 aquatic and migratory bird, 550 marine invertebrate, and 102 fish species. In addition to providing habitat, Elkhorn Slough offers research, educational, and recreational opportunities for kayakers, birdwatchers, hikers, boaters, students, and scientists.

The Elkhorn Slough National Estuarine Research Reserve is owned and managed by the California Department of Fish and Game (CDFG), and operates in a formal partnership with NOAA and the private, non-profit Elkhorn Slough Foundation. Within the ESNERR boundaries are over 1,500 acres of wetland and upland habitat. The slough is surrounded primarily by working farms and undeveloped ridges and hills.

Project History: For several years, NOAA has provided funds for managing the ESNERR and the Coastal Training Program through the Coastal Zone Management Act. A variety of administrative roadblocks made it impossible for CDFG to effectively administer the funds, and so in the past CDFG made an arrangement with ESF to receive the funds. NOAA, CDFG, and ESF have entered agreements which formalize their arrangement for cooperative management of the ESNERR. The arrangement with ESF is enthusiastically supported by NOAA and CDFG; however, there are legal constraints for NOAA to allow any nonprofit organization to be the direct recipient of these federal funds. For this reason, in 2003, CDFG requested that the Conservancy be the recipient of the Coastal Training Program (CTP) portion of the NOAA award and serve as an administrative liaison between NOAA, CDFG and ESF. For the past five years, the Conservancy has accepted NOAA funds for the CTP and granted them to ESF.

Due to the legal constraints on NOAA, CDFG has now requested that beginning in fiscal year 09/10, the Conservancy receive the entire NOAA award for the ESNERR and administer it in the same fashion as is currently being done with the CTP. Specifically, CDFG has requested that the

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Conservancy receive the NOAA funds and grant them to ESF (Exhibit 2). CDFG will remain responsible for the hands-on programmatic oversight and supervision of the work accomplished with these funds.

PROJECT FINANCING:

Coastal Conservancy	\$0
NOAA (estimated)	550,000
Elkhorn Slough Foundation and CDFG (estimated)	<u>236,000</u>
Total Project Cost (Estimated for 2009-2010)	\$786,000

The Conservancy’s grant to the Elkhorn Slough Foundation will be funded entirely with federal grant monies provided by NOAA, under the Coastal Zone Management Act. The grant will be given to the Conservancy for the express purpose of carrying out the proposed project. The federal funds would be matched by materials and in-kind services that would be provided by CDFG and ESF as part of their existing commitment to the management of the slough. The recommended action would delegate authority to the Conservancy’s Executive Officer to accept and disburse NOAA funds for this program under similar circumstances in the future.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed authorization would be undertaken pursuant to the Conservancy’s enabling legislation, Division 21 of the Public Resources Code, in particular Chapter 5.5 (Public Resources Code Sections 31220), regarding integrated coastal and marine resources protection, and Section 31104 regarding acceptance of federal grant funds.

Section 31220(a) of the Public Resources Code authorizes the Conservancy to award grants for coastal watershed projects that meet one or more criteria of Section 31220(b). Consistent with Section 31220(b), the proposed authorization will achieve the following objectives: (b)(1) reduce contamination of waters within the coastal zone or marine waters; (b)(2) protect and restore fish and wildlife habitat within coastal and marine waters and coastal watersheds; (b)(3) reduce threats to coastal and marine fish and wildlife; (b)(5) provide for monitoring and mapping of coastal currents, marine habitats, and marine wildlife, in order to facilitate the protection and enhancement of resources within the coastal zone; and (b)(8) provide for public access compatible with resource protection and restoration objectives. The proposed authorization will achieve the identified objectives by funding the ESNERR programs which include implementation of best management practices to reduce contaminated runoff; habitat restoration projects for fish and wildlife habitat; monitoring, research, and information dissemination to improve management of coastal habitats and reduce threats to those systems; and public access as described in the “Project Summary” section. Consistent with Section 31220(a), Conservancy staff have consulted with the State Water Quality Control Board in developing this project to ensure consistency with Chapter 3 (commencing with Section 30915) of Division 20.4 of the Public Resources Code.

As Section 31220(c) requires, the proposed authorization is consistent with local and state watershed plans. This is discussed in detail below under “Consistency With Local Watershed Management Plan/State Water Quality Control Plan.” Section 31220(c) also requires that

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projects include a monitoring and evaluation component. The NERR conducts extensive monitoring and evaluation of both conditions in Elkhorn Slough and the effectiveness of management and enhancement actions.

Pursuant to Section 31104 of the Public Resources Code, the Conservancy may “. . . apply for and accept federal grants and receive gifts, subventions, rents, royalties and other financial support from public and private sources.” Thus, receipt of NOAA grant funds for this project is consistent with Division 21 of the Public Resources Code.

**CONSISTENCY WITH CONSERVANCY’S 2007
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 5, Objectives A and B** of the Conservancy’s 2007 Strategic Plan, the proposed authorization will facilitate ESNERR efforts to develop and implement restoration and management actions in order to restore and enhance coastal habitats.

**CONSISTENCY WITH CONSERVANCY’S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy’s Project Selection Criteria and Guidelines, last updated on 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 ESNERR enjoys significant public support. Over 100 community members volunteer their time and energy to participate in a variety of activities and further the ESNERR’s mission. The ESNERR has received support from several elected officials including Congressman Sam Farr, Senator Barbara Boxer, State Senator Abel Maldonado, State Assemblyman John Laird, and Monterey County Supervisor Lou Calcagno.
4. **Location:** The proposed project would be located within the coastal zone of Monterey County.
5. **Need:** The Conservancy will serve as the federal grantee and administer the proposed grant to the Elkhorn Slough Foundation at the request of CDFG and NOAA. Without the assistance of the Conservancy, the federal grant funds could not be obtained to support the ESNERR programs.
6. **Greater-than-local interest:** Elkhorn Slough is one of the most ecologically important and largest estuarine systems in California as signified by its designation as a National Estuarine Research Reserve.

Additional Criteria

7. **Leverage:** See the “Project Financing” section above.
8. **Readiness:** CDFG and ESF are ready to continue managing the ESNERR as long as NOAA funding is available.
9. **Realization of prior Conservancy goals:** The Conservancy has worked with ESF and other organizations for almost two decades to preserve and restore the resources of Elkhorn Slough. CDFG and ESF’s management of the ESNERR will further these goals and ensure that the habitat gains resulting from the Conservancy’s prior investments endure.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

Section 2.1 of the North Monterey County Local Coastal Program (LCP) describes Elkhorn Slough as the most significant natural feature in the area, and identifies the need for effective management to protect it and other natural resources in the North County. The project will improve the management of the Slough through trainings and technical assistance provided to landowners and managers, decision makers, and restoration practitioners.

Section 2.3 defines environmentally sensitive habitats as “areas in which plant or animal life or their habitats are rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments.” Section 2.3.1 states that environmentally sensitive habitats of North County “shall be protected, maintained, and, where possible, enhanced and restored.” This project will facilitate the preservation and enhancement of the Elkhorn Slough through better management of the slough’s resources.

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

Projects undertaken pursuant to Chapter 5.5 of Public Resources Code Division 21 (Section 31220(c)) must be consistent with the following, if available and relevant: Integrated Watershed Management Programs (IWMP); local watershed management plans; and with water quality control plans, adopted by the state and regional water boards.

No IWMP has been developed for the Elkhorn Slough watershed. The proposed authorization is consistent with and will help implement the 1999 Elkhorn Slough Watershed Conservation Plan, developed by ESF, the Nature Conservancy, and the Coastal Conservancy. The project is consistent with the following objectives identified in the Plan: raise the visibility of Elkhorn Slough on regional and state-wide levels; continue to build the capacity of local organizations to implement the Plan; restore and enhance natural habitats where suitable, and re-establish ecological linkages; educate and mobilize decision makers and landowners to better understand and manage resource lands.

The Water Quality Control Plan for the Central Coastal Basin adopted by the Regional Water Quality Control Board designates several beneficial use objectives for Elkhorn Slough. ESNERR activities will protect and enhance wetland habitat, thereby furthering the following designated beneficial uses for the slough: warm and cold fresh water habitat, wildlife habitat; rare,

threatened or endangered species; preservation of biological habitats of special significance; estuarine habitat; migration of aquatic organisms; and spawning habitat.

COMPLIANCE WITH CEQA:

The proposed authorization is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to 14 Cal. Code of Regulations Sections 15301, 15306, and 15333. The proposed authorization will provide funds to ESF for ESNERR programs, including ongoing management of the ESNERR property. Expected uses of these funds will be restricted to maintenance of the property, implementation of best management practices, monitoring, research, and possibly small habitat restoration projects. Section 15301 exempts the “operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use”, including maintenance of native growth and wildlife habitat areas. Section 1530 exempts basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. Section 15333 exempts projects up to five acres in size to “assure the maintenance, restoration, enhancement, or protection of habitat for fish, plants, or wildlife” provided there are no significant impacts associated with the project. All activities that are expected to be funded through this authorization fall into one or more of these three categories.

Upon approval, staff will file a Notice of Exemption for this project.