

COASTAL CONSERVANCY

Staff Recommendation
October 21, 2010

ARCATA FOREST ADDITION ACQUISITION

Project No. 10-022-01
Project Manager: Joel Gerwein

RECOMMENDED ACTION: Authorization to disburse up to \$100,000 to the City of Arcata for acquisition of an approximately 16.3 acre forest property and adjacent access easement in the City of Arcata, Humboldt County.

LOCATION: Janes Creek watershed, Arcata, Humboldt County

PROGRAM CATEGORY: Public Access

EXHIBITS

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

Exhibit 2: [Arcata Ridge Trail Map](#)

Exhibit 3: [Site Photographs](#)

Exhibit 4: [Project Letters](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31400, et seq. of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of up to one hundred thousand dollars (\$100,000) to the City of Arcata (“the City”) for acquisition of approximately 16.3 acres of forested land (APN 507-081-032 and 507-081-034) for the purposes of providing public access, preventing fragmentation of forestlands; preserving open space; and protecting water quality and salmonid habitat and a 60'-wide right-of-way easement over the neighboring parcel (APN 057-041-001) for non-motorized public access. This authorization is subject to the following conditions:

1. Prior to the disbursement of Conservancy funds for acquisition, the City shall submit for the review and approval of the Executive Officer of the Conservancy (“the Executive Officer”):
 - a. All relevant acquisition documents, including but not limited to an appraisal, environmental assessments, agreement of purchase and sale, easements, escrow instructions, and documents related to title.
 - b. Evidence that the City has obtained all funds necessary to complete the acquisition.

2. The City shall pay no more than fair market value for the properties as established in an appraisal approved by the Executive Officer.
3. The City shall permanently dedicate the properties in a manner acceptable to the Executive Officer for the purposes of providing public access; preserving open space; and protecting and enhancing water quality and salmonid habitat, as appropriate.
4. The City shall acknowledge Conservancy funding by erecting and maintaining on the property a sign that has been reviewed and approved by the Executive Officer.
5. The City shall amend the public access component of its existing forest management and non-industrial timber management plans to include the property, and submit these amended plans for approval by the Executive Officer within a reasonable time after acquiring the property, but no later than December 31, 2011. The plans shall be updated periodically, and the updates submitted for approval 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 project is consistent with the purposes and objectives of Chapter 9 of Division 21 of the Public Resources Code, regarding a system of public accessways.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.”
3. The proposed project serves greater than local needs.”

PROJECT SUMMARY:

The proposed authorization would help the City of Arcata acquire from Green Diamond Resource Company approximately 16.3 acres and an adjacent right-of-way easement in the Janes Creek watershed within the city limits (see Exhibits 1-3), for the purposes of providing public access, preventing fragmentation of forestlands, preserving open space, and protecting, restoring and enhancing water quality and salmonid habitat. The property would be managed as a part of the Arcata Community Forest (ACF), which is considered a national model for community forestry management, providing open space, recreation, habitat, and sustainably harvested timber products. The ACF provides over 11 miles of trails for walking and bicycling, which are heavily used by residents of the Humboldt Bay region and visitors from across California. While the ACF is managed in part for sustainable timber harvest, portions of the ACF are not logged for reasons such as proximity to residential areas, sensitive habitats, and steep slopes. No logging would occur on the subject property after acquisition by the City.

The acquisition would provide a key access point close to several residential neighborhoods and a planned business park for the ACF trail system. The property includes an access road that is relatively level, offering an excellent opportunity for an ADA accessible trail. The City will amend the public access component of its existing forest management and non-industrial timber management plans to include the property (see board resolution above). Amending these plans

will provide the Conservancy with further assurances that the property will be managed for public access, in keeping with this authorization.

The property is zoned Residential Very Low density, with an allowable density of up to two primary dwellings per acre. If not protected through this acquisition, the relatively level northeastern portion of the property could be developed for residential use with several houses, which would potentially degrade water quality in South Fork Janes Creek. The property includes approximately 0.5 linear miles of South Fork Janes Creek. South Fork Janes Creek supports a population of coastal cutthroat trout, and the Janes Creek watershed also supports populations of federally listed coho salmon and steelhead trout. Numerous restoration projects to enhance fish habitat have been implemented in the Janes Creek watershed, including the Conservancy funded McDaniel Slough Restoration project. The protection of this property will protect these significant investments in fish habitat in the Janes Creek watershed.

The proposed trail on the property is located close to trailheads for two other proposed trails, the Annie and Mary Rail Trail and the Arcata to Bracut portion of the California Coastal Trail. The western end of the proposed trail on the property is located approximately 0.5 miles from the proposed western end of the Annie and Mary rail trail, with potential connections either along the rail line corridor or along West End Road (Exhibit 2). The western end of the proposed trail on the property is also less than a mile from the northern end of the proposed Arcata to Bracut section of the California Coastal Trail, with potential connections along the rail line or surface streets (Exhibit 2). The proposed trail on the property therefore provides linkages between regional trail systems and between inland trail systems and the California Coastal Trail.

In addition to preventing fragmentation of forestlands and providing public access, acquisition and management of the property as a community forest by the City will be consistent with existing planning efforts, discussed later in this report:

- The California Department of Fish and Game's (DFG's) Recovery Strategy for California Coho Salmon (February 2004).
- The Conservation Fund's Conservation Prospects for the North Coast: A Review and Analysis of Existing Conservation Plans, Land Use Trends and Strategies for Conservation on the North Coast of California (August 2005).

The City has experience managing the nearby 1,984-acre Arcata Community Forest, 1,151-acre Jacoby Creek Forest, and 175-acre Sunnybrae Forest (see Exhibit 2), which was acquired with partial funding from the Conservancy. These forest properties are managed by the City according to the following mission statement provisions:

- Maintain biological and physical elements of the forests, specifically wildlife, aquatic and plant species, plant and animal communities, and watershed processes;
- Apply forest stewardship, which includes timber harvest, that maintains forest integrity while generating public benefits and that is fully supported by the community;
- Promote community and visitor enjoyment of the forest and recreation in a respectful manner;
- Extend public land ownership to include watersheds, headwater areas, and corridors to neighboring communities;
- Foster research and other academic studies, allowing the forests to serve as outdoor laboratories for schools and universities;

- Create a model, nationally and internationally, of managed redwood forests while striving for resource protection, revenue generation and opportunities for public enjoyment.

The Conservancy has worked successfully with the City on previous conservation projects, most notably the acquisition and enhancement of much of the adjacent baylands including the areas around Jacoby Creek, Gannon Slough, McDaniel Slough, and the internationally-known Arcata Marsh.

Site Description: The property to be acquired in fee simple consists of approximately 7.7 acres of riparian forest and freshwater wetlands, and approximately 8.6 acres of coniferous forest. The riparian forest is dominated by red alder, with elderberry, salmonberry, thimbleberry, wax myrtle, and California blackberry in the understory. The coniferous forest is dominated by coast redwood, Douglas-fir, grand fir and Sitka spruce, with blueblossom Ceanothus, coyote brush, sword fern, evergreen and red huckleberry, and salal in the understory.

The majority of the property has gentle topography, ranging from level to about 40% in a few isolated areas. Runoff from the property ultimately drains to Humboldt Bay via Janes Creek and McDaniel Slough. As noted above, South Fork Janes Creek supports a population of coastal cutthroat trout, and coho salmon and steelhead trout are present in lower Janes Creek and McDaniel Slough. The property is adjacent to a former log pond/freshwater marsh that provides habitat for waterfowl and other wildlife. The freshwater marsh is connected to South Fork Janes Creek by a weir structure that could be managed to enhance wetland and riparian habitat and hydrological processes, as well as to control flooding.

The proposed right of way easement would be 60 feet wide along an estimated 793 feet of existing seasonal road. The right of way would connect the property to the ACF. The ACF was dedicated in 1955, and was the first municipally owned forest in the United States. In 1998, the Arcata Community/Jacoby Creek Forests became the first municipally owned forests in the United States to be certified as sustainable by the Forest Stewardship Council. In 2008, the Forest Guild, a national organization of professional foresters declared the Arcata Community/Jacoby Creek Forests to be one of 20 “Model Forests” in the country. “Model Forest” is the Forest Guild's top designation for excellent forestry in the United States.

Project History: The Conservancy has already invested substantial funds in the conservation of the Arcata Baylands lower in the watershed and in adjacent watersheds, providing funds toward acquisition, restoration and enhancement. The Baylands are diked former tidelands along Humboldt Bay. In 1999, the Conservancy granted the City \$100,000 to develop a restoration plan for 274 acres of McDaniel Slough. In 2006, the Conservancy granted \$920,000 derived from a USFWS Coastal Wetlands Conservation Grant to the City to acquire 68 acres of Baylands and restore or enhance 82 acres of Baylands, including land in the McDaniel Slough/Janes Fork watershed. The Conservancy has also invested in the City’s community forest, providing \$375,500 towards the purchase of the 175 acre Sunnybrae Forest property in 2006. City staff has been discussing potential additions to the Community Forest since 2007, and contacted the Conservancy in July 2010 regarding this project.

PROJECT FINANCING

Coastal Conservancy	\$100,000
National Fish and Wildlife Foundation Janes Creek Damages Fund	\$112,000
City of Arcata	\$48,000

Total Project Costs \$260,000

The expected source of Conservancy funds for this project is the FY 08/09 appropriation to the Conservancy from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84). Proposition 84 authorizes the use of funds for projects that will carry out the Conservancy's statutory mission (Pub. Res. Code Section: 75060(b)). Consistency of the project with the Conservancy's statutory mission is discussed below in "Consistency with Conservancy's Enabling Legislation." Proposition 84 also requires that for acquisition projects that protect natural resources, the Conservancy assess whether the project meets criteria specified in Pub. Res. Code Section 75071. The proposed acquisition satisfies four of the five specified criteria:

- 1) The property links to existing protected areas with other large blocks of protected habitat. The linkage serves to connect existing protected areas, facilitate wildlife movement and botanical transfer, and results in sustainable combined acreage.
- 2) The project will contribute to the long-term protection of and improvement to the water and biological quality of Janes Creek.
- 3) The property supports relatively large areas of riparian scrub which can be considered "under-protected" major habitat types because of their rare occurrence and vulnerability to threats from development.
- 4) There are significant non-state funds expected to contribute toward the acquisition and stewardship of this property. Matching funds for the acquisition consist of \$112,000 from the National Fish and Wildlife Foundation (NFWF). The source of the NFWF funds is a water pollution settlement from the Louisiana Pacific Corporation for discharging sawdust and other materials into Janes Creek. The settlement dictated that these funds were to be used in part by the City of Arcata to restore and protect Janes Creek and its tributaries. Award of the NFWF funds is subject to approval by the California Department of Fish and Game, which has agreed to the merits of this acquisition. The City will provide an additional \$48,000 for the acquisition from the Arcata Forest Fund or other source to be determined. In addition, the City has funded the appraisal of the property and preparation of a title report.

The City is also in the process of acquiring several additional properties that will complete the Arcata Ridge Trail (Exhibit 2), with funding anticipated from the Wildlife Conservation Board, Trust for Public Land, and the Land and Water Conservation Fund. Therefore, the Conservancy's funding of this project leverages a large amount of additional capital funding to complete the Arcata Ridge Trail and expand the Arcata Community Forest.

As required by Section 75701, Conservancy staff has submitted to the Resources Agency and posted on the Conservancy's website an explanation as to how the proposed acquisition meets the criteria of Section 75071.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project is undertaken pursuant to Sections 31400 and 31409 of the Public Resources Code. Section 31400.1 of the Public Resources Code authorizes the Conservancy to award grants to local public agencies to develop and manage lands for public access along the coast, so long as the accessway will serve more than local public needs. The proposed project is consistent with this section as the Arcata Forest trail system attracts visitors from throughout the region and northern California. Similarly 31400.3, authorizes the Conservancy "to provide such assistance as is required to aid public agencies in establishing a system of public coastal accessways, and related functions necessary to meet the objectives of this division."

Pursuant to Section 31400.2, the Conservancy may provide up to the total cost of acquisition of interests in land and the initial development of public accessways by any public agency as provided in Section 31400.1. The proposed project is consistent with this section as project funding will derive from the Conservancy and other public agencies as discussed above. Staff has evaluated the project in light of the total amount of funding available for coastal access projects, the fiscal resources of the grantee, the urgency of the project and other factors described in recommending this project.

Public Resources Code Section 31409 allows the Conservancy to award grants to public agencies to establish and expand inland trail systems that may be linked to the California Coastal Trail. The proposed project will facilitate the development of a multiple-use trail that will expand and provide access to the Arcata Ridge Trail, a coastal watershed trail system, and will provide connections between the Arcata Ridge Trail and the Arcata to Bracut portion of the coastal trail. The proposed funding authorization is thus consistent with Public Resources Code Sections 31400 and 31409.

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

Consistent with **Goal 1, Objective G** of the Conservancy's 2007 Strategic Plan, the proposed project would assist in securing real property and property interests to facilitate the development of an inland connecting trail to the Coastal trail.

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 June 4, 2009, 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 enjoys broad community support, including State Senator Patricia Wiggins, County Supervisor Mark Lovelace, the Eureka Sisters of Perpetual Indulgence, and Queer Humboldt.
4. **Location:** Lands constituting the proposed acquisition drain through the Janes Creek/McDaniel Slough coastal watershed complex to Humboldt Bay. The Eureka Plain, which contains the Janes Creek watershed, has been identified by DFG as a refugia watershed for coho salmon, a coastal resource.
5. **Need:** Conservancy support is crucial to the completion of this project. No other funding source can provide the needed funding within the short time frame required to close on the property. If funding is not provided in the near future, the landowner has indicated that they will explore a sale of the property to private developers.
6. **Greater-than-local interest:** The Arcata Forest trail system is heavily used by visitors from across the region and the state. In addition, conversion of commercial timberland to other uses is an increasing issue throughout the north coast region. The proposed acquisition will ensure that an additional 16 acres in a coastal watershed susceptible to fragmentation for other uses will be kept as part of a community forest that has been recognized as a national model for forest management.
7. **Sea level rise vulnerability:** The lowest elevation on the property is approximately 30 feet above sea level. The property is therefore not vulnerable to project sea level rise impacts over the next 100 years.

Additional Criteria

8. **Urgency:** If the property is not protected, it could be developed for residential use with several homes. The property owner has indicated a strong desire to sell the property in the near future.
9. **Resolution of more than one issue:** The project enhances public access opportunities in a coastal watershed, protects water quality and fish habitat, and prevents forest fragmentation.
10. **Leverage:** See the “Project Financing” section above.
11. **Readiness:** The acquisition is expected to be completed by January 2011.
12. **Realization of prior Conservancy goals:** “See “Project History” above.”
13. **Return to Conservancy:** See the “Project Financing” section above.
14. **Cooperation:** The public is contributing significant funds for Arcata Community Forest acquisitions through community fundraisers. While these funds may not be directed to this project specifically, they will enhance the overall recreational and sustainable forestry opportunities and habitat benefits provided by the City’s forestlands as a whole.

15. **Vulnerability from climate change impacts other than sea level rise:** The property may experience increased flooding due to an increased severity and frequency of storms. The City plans to control flooding to the extent necessary and enhance plant and wildlife habitat by managing water levels through the use of the weir connecting South Fork Janes Creek to the adjacent freshwater marsh. The property may experience increased probability of wildfire due to temperature increases. The City will manage the property to reduce the risk to public safety from wildfire in accordance with its Forest Management Plan.
16. **Minimization of greenhouse gas emissions:** Acquisition of the property will not result in any greenhouse gas emissions. Development of the site as an access point for the Arcata Ridge Trail will reduce car trips of area residents to access the trail and is consistent with the City of Arcata's Greenhouse Gas Reduction Plan which recommends promoting walking, and other non-auto forms of transportation.¹

CONSISTENCY WITH OTHER PLANNING EFFORTS:

- The California Department of Fish and Game's (DFG's) *Recovery Strategy for California Coho Salmon (February 2004)* identifies the Eureka Plain Hydrological Unit, which contains Janes Creek, as a "refugia" watershed for coho because it has consistent coho presence (greater than 50%), as a watershed in which risk of coho extinction is "high," as a watershed with "high" restoration potential, and as watershed that is a top priority for restoration. The plan recommends in its range-wide land use recommendations, Section 7.15, encouraging continued economically sustainable management of forest lands in the range of coho salmon to reduce the potential for conversion to residential or commercial development (recommendation RW-XXV-B-04) and acquiring land in fee title from willing landowners to protect coho salmon (recommendation RW-XXV-C-01). The plan recommends in its watershed recommendations, Section 8.1.10, maintaining open space lands, such as forestlands, for water retention and limiting the addition of impervious surfaces (recommendation EP-HU-06w). The proposed acquisition is consistent with these recommendations.
- The Conservation Fund's *Conservation Prospects for the North Coast: A Review and Analysis of Existing Conservation Plans, Land Use Trends and Strategies for Conservation on the North Coast of California (August 2005)* synthesizes existing major north coast conservation plans, and is thus a relevant reference. This plan identifies as a site-specific action recommendation for the Eureka Plain Hydrologic Unit to ensure that wetland and wildlife values are protected as development occurs. The proposed project will protect wetland and wildlife values by preventing potential development. The proposed project is thus consistent with this plan.

COMPLIANCE WITH CEQA:

The acquisition of the property is categorically exempt from review under the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations Section 15325, which exempts transfer of ownership of interests in land in order to preserve open space and

¹ The City's Greenhouse Gas Reduction Plan is available at <http://www.cityofarcata.org/departments/environmental-services/energy/energy-projects/energy-policy>.

lands for park purposes;. Upon Conservancy approval of the proposed authorization, staff will file a Notice of Exemption.