

COASTAL CONSERVANCY

Staff Recommendation
May 19, 2011

SENESTRARO PROPERTY ACQUISITION

Project No. 01-156-02
Project Manager: Joel Gerwein

RECOMMENDED ACTION: Authorization to disburse up to \$315,000 to the Northcoast Regional Land Trust to acquire an approximately 36 acre parcel at the confluence of Martin Slough and Swain Slough in the Elk River watershed in Humboldt County to facilitate the future restoration and enhancement of wetlands, water quality, and fish and wildlife habitat on a portion of the property, and the preservation and enhancement of coastal agriculture on the remaining area.

LOCATION: Elk River Watershed adjacent to City of Eureka, Humboldt County

PROGRAM CATEGORY: Preservation of Agricultural Land and Resource Enhancement

EXHIBITS

- Exhibit 1: [Project Location and Site Map](#)
- Exhibit 2: [Martin Slough Restoration Design](#)
- 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 31150-31156 and 31251-31270 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of up to three hundred fifteen thousand dollars (\$315,000) to the Northcoast Regional Land Trust (“NRLT”) for the acquisition of approximately 36 acres of pasture ((Humboldt County Assessor’s Parcel Numbers 301-211-06, 301-211-07, 301-221-01, and 302-161-03) for the dual purposes of the eventual restoration and enhancement of wetlands, water quality, and fish and wildlife habitat on a portion of the property, and the preservation and enhancement of coastal agriculture on the remaining area. This authorization is subject to the following conditions:

1. Prior to the disbursement of Conservancy funds for acquisition, NRLT shall submit for the review and approval of the Executive Officer of the Conservancy (“the Executive Officer”):

SENESTRARO PROPERTY ACQUISITION

- 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 NRLT has obtained all funds necessary to complete the acquisition.
2. NRLT shall pay no more than fair market value for the property as established in an appraisal approved by the Executive Officer.
 3. NRLT shall permanently dedicate the properties in a manner acceptable to the Executive Officer for the purposes of protecting coastal agriculture; and protecting and enhancing water quality and salmonid habitat, as appropriate, in accordance with Section 31116(b) of the Public Resources Code.
 4. NRLT shall acknowledge Conservancy funding by erecting and maintaining on the property a sign that has been reviewed and approved 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 current Project Selection Criteria and Guidelines.
2. The proposed authorization is consistent with the purposes and objectives of Chapter 4 of Division 21(Sections 31150-31156) of the Public Resources Code, regarding the preservation of agricultural land, and Chapter 6 of Division 21(Sections 31251-31270) of the Public Resources Code regarding the enhancement of coastal resources.
3. The proposed project area is identified in the Humboldt County Local Coastal Plan as requiring public action to resolve existing or potential resource problems (Humboldt LCP, 3-48).
4. The Northcoast Regional Land Trust is a nonprofit organization existing under section 501(c)(3) of the Internal Revenue Service Code, and whose purposes are consistent with Division 21 of the Public Resources Code.”

PROJECT SUMMARY:

The proposed authorization would help the Northcoast Regional Land Trust (NRLT) acquire the approximately 36-acre Senestraro property in the Elk River watershed (see Exhibits 1-3), for the purposes of protecting, restoring and enhancing wetlands, water quality and fish and wildlife habitat, and protecting and enhancing coastal agriculture.

Purchase of the Senestraro property is important to the future restoration of Martin Slough, which drains into Humboldt Bay. The Senestraro property, which is currently used for grazing, is located at the confluence of Martin Slough and Swain Slough. The Conservancy has worked for a number of years with Redwood Community Action Agency (RCAA, a nonprofit organization), the City of Eureka and others to identify restoration alternatives for Martin Slough. The preferred restoration alternative involves multiple actions on the Senestraro property, including restoring wetlands, widening the channel of Martin Slough, and restoring

SENESTRARO PROPERTY ACQUISITION

riparian vegetation on the slough banks (see Exhibit 2: Enhancement Plan). Ownership of this key parcel would provide flexibility in the final restoration design for the City of Eureka and RCAA.

Martin Slough was historically an important tributary to the Elk River, which drains to Humboldt Bay, and jointly provided substantial anadromous fish habitat and other aquatic/riparian values. The tidal and freshwater wetlands historically surrounding Martin Slough once provided abundant habitat for waterfowl, geese, and other avian and terrestrial species. However, Martin Slough has been extensively modified over the past century by channel straightening and installation of tide gates at its confluence with Swain Slough. Tide gates have restricted fish passage and sediment routing. Channel realignment has altered the natural channel dimensions and sinuosity. In addition, removal of riparian vegetation has allowed plants such as canary grass to become established within the active channel by removing the shade canopy, and reducing conveyance capacity, thereby causing sedimentation of the stream bed. However, significant habitat value remains in Martin Slough and its floodplain as evidenced by documentation of very large coho salmon individuals utilizing ponds in the City of Eureka's golf course, located upstream of the Senestraro property.

Pasturelands adjacent to the lower end of the slough are subject to frequent flooding, reducing their productivity for grazing. An opportunity exists to improve both the grazing value as well as wetland habitat by re-grading agricultural lands to improve wetland hydrological functions adjacent to the lower reach of the slough, while reducing flooding on the remainder of the property. Acquisition of the Senestraro property would allow the restoration project to move forward, providing an opportunity to restore wetlands and riparian vegetation, enhance salmonid habitat, and improve the productivity of the approximately 75% of the property that will remain in grazing.

NRLT is highly qualified to carry out the acquisition of this property. Since the organization's founding in 2000, it has successfully protected over 6,000 acres in the region through conservation easements. NRLT has completed several transactions with the support of the Conservancy and is a reliable organization to assist the Conservancy with its parallel goals of protecting agriculture and restoring natural communities in the coastal zone. NRLT has demonstrated its ability to balance agriculture with restoration opportunities at Freshwater Farms near Eureka, whose acquisition was funded by the Conservancy.

Site Description: The Senestraro property is located on Pine Hill Road adjacent to the City of Eureka at the confluence of Martin and Swain Sloughs. The property is bordered by residential development to the north, agricultural land to the south, salt marsh to the west, and the Eureka municipal golf course to the east. The property consists of grasslands dominated by species such as annual bluegrass (*Poa annua*) and perennial ryegrass (*Lolium perenne*). Much of the property's grasslands are seasonal wetlands, characterized by species such as meadow foxtail (*Alopecurus genticulatus*) and creeping buttercup (*Ranunculus repens*), with a smaller area of upland grassland, characterized by species such as hairy cat's ear (*Hypochaeris radicata*) and sweet vernal grass (*Anthoxanthum odoratum*). Lyngbye's sedge (*Carex lyngbyei*), listed by the California Native Plant Society as a rare plant (List 2), is found along the banks of Martin Slough within the property. The property is currently used for grazing, and includes a barn located at the east end of Pine Hill Road.

SENESTRARO PROPERTY ACQUISITION

Project History: The project will facilitate restoration of Martin Slough. Frequent and prolonged flooding of roads, agricultural land, and the Eureka municipal golf course along Martin Slough has occurred for a significant number of years, reducing the economic and recreational values of the area. Further, degradation of fish and waterfowl habitat has diminished the ecological value of the area. Both factors clearly establish a need for this project. The Conservancy granted \$100,000 to RCAA in 2002 to prepare the Martin Slough Enhancement Plan, which was completed in 2005. The project participants agreed on a preferred alternative in 2006, and the City of Eureka is currently preparing an environmental impact report for the restoration project, and RCAA is in the process of raising funds for the restoration. RCAA approached the Conservancy about the acquisition of the Senestraro property in June 2008, and approached NRLT about acquiring the property in September 2008. Conservancy staff has been working with NRLT and RCAA on the Senestraro acquisition since that time.

PROJECT FINANCING

Coastal Conservancy	\$315,000
Total Project Costs	\$315,000

The anticipated source of funding for this project is the fiscal year 2009 appropriation of 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 these funds for the purpose of protecting natural habitat values and coastal lands of the state (Section 75060 of the Public Resources Code). Section 75060(b) of the Public Resources Code specifically allocates funding to the Conservancy for expenditure pursuant to the Conservancy’s enabling legislation, Division 21 of the Public Resources Code. The proposed project serves to preserve coastal agricultural land and enhance coastal resource management, as discussed in the section found immediately below, the project is consistent with Chapters 4 and 6 of Division 21 of the Public Resources Code. The proposed acquisition project for the protection of natural resources is appropriate for prioritization under Section 75071 because the project will provide long term watershed protection to the Elk River and Humboldt Bay through the fee acquisition of the Senestraro Property, which will then facilitate restoration of Martin Slough.

Although not part of the Conservancy funded project, the State Water Quality Control Board has provided \$705,000 for restoration planning and implementation on the property. Additionally, the Redwood Community Action Agency has submitted applications for additional funding to the California Department of Fish and Game, National Oceanic and Atmospheric Administration, and the California Department of Water Resources.

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 Chapter 4, Sections 31150-31156 (regarding coastal agriculture) of Division 21 of the Public Resources Code and Chapter 6, Sections 31251-31270 (regarding resource enhancement). Pursuant to Section 31156, the Conservancy “may award grants to public agencies and nonprofit organizations for the purpose of acquiring fee title,

SENESTRARO PROPERTY ACQUISITION

easements, or other interests in land located in the coastal zone in order to prevent loss of agricultural land to other uses and to assemble agricultural lands into parcels of adequate size permitting continued agricultural production.” Consistent with this section, the proposed project provides funds to the NRLT to acquire fee title to the Senestraro Property, which is located in the coastal zone. The project will enhance the agricultural productivity of a portion of the property and prevent potential loss of agricultural potential from continued and worsening flooding.

Pursuant to Section 31251, the Conservancy may award grants to nonprofit organizations for the purpose of enhancement of coastal resources that, because of human-induced events, or incompatible land uses, have suffered loss of natural and scenic values. Consistent with this section, the NRLT will acquire the Senestraro property to facilitate the restoration of Martin Slough, which suffers from channelization, loss of riparian vegetation, and restriction of fish passage by tide gates. The property will be permanently dedicated for the protection and enhancement of existing wildlife resources, and for the maintenance of agricultural practices on the property compatible with the protection and enhancement of wildlife.

Pursuant to Section 31252, all areas proposed for resource enhancement are to be identified in a Local Coastal Plan/Program (LCP) as requiring public action to resolve existing or potential resource problems. Consistent with this section, the proposed project will facilitate the protection restoration of Martin Slough and associated wetlands, and is therefore consistent with the County of Humboldt’s LCP, as described in the “Consistency with Local Coastal Plan” section, below.

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

Consistent with **Goal 4, Objective A** of the Conservancy’s 2007 Strategic Plan, the proposed project will facilitate the protection of 36 acres of significant coastal and watershed resource property that provides an opportunity for wetland and riparian restoration in a once-productive salmon stream.

Consistent with **Goal 7, Objective A**, the project will protect a strategic property comprising 36 acres of grazing land in a key coastal watershed, facilitating a project which will restore habitat and enhance agricultural productivity.

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.

SENESTRARO PROPERTY ACQUISITION

3. **Support of the public:** Supporters of the project include the Redwood Community Action Agency, the City of Eureka, State Senator Pat Wiggins, and Assemblyman Wes Chesbro. Support letters are in Exhibit 3.
4. **Location:** The proposed project would be located within the coastal zone of Humboldt County.
5. **Need:** NRLT is a small, local land trust and will not be able to complete the acquisition without Conservancy support. Flooding of roads, agricultural land, and the golf course has reduced the economic and recreational values of the Martin Slough area where the Senestraro property is located. Further, degradation of fish and waterfowl habitat have diminished the ecological value of the area. Both factors clearly establish a need for the restoration of Martin Slough, and the acquisition of the Senestraro property is critical to the restoration.
6. **Greater-than-local interest:** The public trust value of California's salmon, steelhead, and coastal waterfowl populations warrant the enhancement of historically rich but degraded habitat areas, such as Martin Slough adjacent to the Senestraro property.
7. **Sea level rise vulnerability:** Flooding of the property will increase as a result of sea level rise. Increased flooding and other effects of sea level rise are being taken into consideration in the restoration planning for Martin Slough that is currently underway. Details of this analysis are not currently available but will be evaluated as part of the EIR currently being prepared for the restoration.

Additional Criteria

8. **Urgency:** Initial restoration actions for Martin Slough are planned for this summer. In addition, NRLT's acquisition of the Senestraro Property will facilitate securing additional funds for restoration actions on the property from the Natural Resources Conservation Service. For these reasons, it is important that the acquisition occur in the near future.
9. **Resolution of more than one issue:** The acquisition of the Senestraro property will allow both the restoration of wetlands and riparian habitat and will reduce the frequency and duration of flooding in the vicinity, thereby enhancing agricultural productivity, increasing recreational opportunities at the Eureka's municipal golf course and reducing damage to the neighboring residential area.
10. **Innovation:** The Martin Slough restoration project is an alternative, environmentally sensitive approach to providing flood control through wetland and riparian restoration, representing an exciting new trend in the restoration of coastal estuaries and the recovery of coastal salmon resources.
11. **Readiness:** The grantee has secured an appraisal and undertaken negotiations with the landowner, and will be able to complete the acquisition expeditiously.
12. **Realization of prior Conservancy goals:** "See "Project History" above."
13. **Cooperation:** RCAA and the City will work with NRLT and the Conservancy to complete the Martin Slough Restoration project facilitated by the acquisition.
14. **Vulnerability from climate change impacts other than sea level rise:** Agricultural use of the property is expected to be sustainable despite climate change impacts other than sea level rise, due to the moderating effects of coastal fog. Restoration planning for the Senestraro

SENESTRARO PROPERTY ACQUISITION

Property will address increased flooding and invasive species, two anticipated effects of climate change.

15. **Minimization of greenhouse gas emissions:** Acquisition of the property in and of itself will not result in significant greenhouse gas emissions. The later restoration and management planning for the Senestraro Property will consider how the property can be most efficiently managed for agricultural use and how restoration activities can be conducted most efficiently, minimizing greenhouse gas emissions from those activities.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

Rivers, creeks, sloughs, gulches, wetlands, estuaries, and associated riparian habitats, as well as grazed or farmed wetlands, are identified in the County of Humboldt Local Coastal Program (Humboldt LCP) as environmentally sensitive habitat areas (ESHA) within the County of Humboldt's coastal zone. [Humboldt LCP (3-42)]. The LCP states that dredging in grazed or farmed wetlands shall be allowed for wetland restoration (Humboldt LCP 3-43).

The Humboldt LCP cites Section 30231 of the Coastal Act, as follows: "The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored..." (Humboldt LCP, 3-48). Consistent with Section 30231, this project will protect the Senestraro property to facilitate the future restoration and enhancement of coastal wetlands and riparian habitat in and adjacent to Martin Slough.

COMPLIANCE WITH CEQA:

Acquisition of the Senestraro property is categorically exempt from the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations section 15313 because it involves an acquisition of lands for preservation of fish and wildlife. Additionally, the acquisition is exempt under Section 15325 because the project funds a transfer of an interest in land to preserve open space and habitat.

Staff will file a notice of exemption upon Board approval.