COASTAL CONSERVANCY

Staff Recommendation
March 24, 2016

GUALALA RIVER
PRODUCTIVE LANDS AND STREAMS PROGRAM

Project No. 16-002-01
Project Manager: Lisa Ames

RECOMMENDED ACTION: Authorization to disburse up to $100,000 to the Gualala River Watershed Council to develop a natural resource enhancement program, the Productive Lands and Streams Program, for properties in the Gualala River Watershed in Sonoma and Mendocino Counties.

LOCATION: Gualala River Watershed, Sonoma and Mendocino Counties

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: Project Location Map

Exhibit 2: Priority Areas in the Gualala River Watershed Map

Exhibit 3: Project Letters

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31251-31270 of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed one hundred thousand dollars ($100,000) to the Gualala River Watershed Council (GRWC) to develop a natural resource enhancement program for properties within the Gualala River Watershed subject to the condition that prior to the disbursement of funds, GRWC shall submit for the written approval of the Conservancy's Executive Officer a work program, including schedule and budget, and the names of any contractors it intends to retain for 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 authorization is consistent with Chapter 6 of Division 21 of the Public Resources Code, regarding enhancement of coastal resources.

2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
3. The Gualala River Watershed Council is a nonprofit organization existing under section 501(c)(3) of the U.S. Internal Revenue Code, and whose purposes are consistent with Division 21 of the Public Resources Code."

PROJECT SUMMARY:

Staff recommends the Conservancy authorize the disbursement of up to $100,000 to the Gualala River Watershed Council (GRWC) to develop a natural resource enhancement program, the Productive Lands and Streams Program (PLSP), for properties in the Gualala River Watershed. The PLSP will incorporate technical assistance, project development, and planning services for landowners of small to medium sized holdings of 20 to 5,000 acres, enabling those landowners to undertake resource enhancement projects. The PLSP will provide comprehensive resource planning that will aid in sustaining working lands while improving the vitality and biodiversity of natural resources within the watershed.

Located in southwestern Mendocino and northwestern Sonoma counties, the Gualala River is the largest watershed in the Mendocino Coast Hydrological Unit running over 32 mile long north-south, with an average width of 14 miles. As a result of natural geologic conditions and extensive logging with its associated road building practices, there is a legacy of increased sediment loads that severely impact aquatic habitat in the Gualala River and its tributaries. Since 1993, the river has been on the federal Clean Water Act §303(d) list of impaired water bodies due to declines in anadromous salmonids from the excessive sedimentation and elevated water temperatures. The key concern for the watershed is the decline of the once healthy coho salmon and steelhead trout fisheries.

The primary land uses in the Gualala watershed are forest production and grazing. With small to medium sized non-industrial timber and agricultural operations comprising 52% of the watershed, the GRWC has determined that providing these landowners with land and water resource planning assistance will have the most cost-effective and beneficial impact on the watershed's impaired habitats.

Specifically, the proposed project will produce site-specific plans for water management, erosion control, habitat restoration, land management and monitoring. The PLSP will include landowner outreach and develop a property management database to track the entirety of property management efforts long-term (through multiple owners) that is a stand-alone product transferrable for use in any watershed. The comprehensive PLSP will complement the forest management plans (FMPs) funded by California Department of Forestry and Fire's (CalFire) California Forest Improvement Program (FIP), which encourages improved management of California's forest lands and resources. FIP funding is sufficient for a forester to focus on forest health, specifically timber stand management, fuel load reduction, and carbon sequestration analysis; it is insufficient to adequately develop plans or implementation projects that can be used to apply for funding for erosion control, water management, habitat restoration and conservation planning. By completing the resource planning, the PLSP will assist landowners in obtaining future funding for implementation projects by aggregating multiple landowners' projects for grant opportunities.

The GRWC, whose purposes include restoring the natural balance of the Gualala River Watershed, is a local nonprofit organization with a proven history of working with the local community to restore ecosystem processes. GRWC has collaborated extensively with the California Department of Fish and Wildlife (CDFW), the National Oceanic and Atmospheric Association (NOAA), National Marine Fisheries Service (NMFS), local landowners, businesses and NGOs, and has strong community ties and trust. The North Coast Regional Water Quality Control Board (NCRWQCB) awarded the 2013 Executive Officer's Water Quality Stewardship Award to the GRWC. The GRWC implements restoration and monitoring within the watershed at the programmatic scale, developing projects that integrate infrastructure upgrades, restoration, monitoring and public education to increase effectiveness and lower costs. Through this cohesive strategy and landowner support, the GRWC has improved timber and ranch roads, restored creeks, and conducted scientific monitoring of the watershed for the past 16 years.

In order to extend and improve the quality of their watershed-wide planning and restoration efforts, GRWC submitted an application to fund the PLSP under the Conservancy's Proposition 1 (Water Quality, Supply, and Infrastructure Improvement Act of 2014, Water Code § 79700 et seq.) competitive grant process. The proposed project was selected under the Conservancy's *Proposition 1 Grant Program Guidelines* because it ranked highly in meeting the evaluation criteria of a multi-benefit ecosystem and watershed protection and restoration project. If implemented, the PLSP will achieve a number of the purposes outlined in Chapter 6 of Proposition 1 including: assisting in the recovery of an endangered species by improving watershed health, instream flows and fish passage; protecting and increasing the economic benefits arising from a healthy watershed; identifying and recommending the implementation of watershed adaptation projects in order to reduce the impacts of climate change on communities and ecosystems of the watershed; designing the best methods to protect and restore aquatic, wetland and migratory bird ecosystems including fish and wildlife corridors; reducing pollution of the river and restoring natural system functions that contribute to water supply and quality; and assisting in water related agricultural sustainability projects.

Site Description: The Gualala River watershed is located in the south-westerly portion of Mendocino and the north-westerly portion of Sonoma Counties. The Gualala River drains into the Pacific Ocean near the town of Gualala, approximately 114 miles northwest of San Francisco. At 212,563 acres (332 mi^2), the Gualala is the largest watershed in the Mendocino Coast Hydrological Unit running over 32 miles long north-south, with an average width of 14 miles. The watershed consists of five principle tributaries: North Fork, Rockpile Creek, Buckeye Creek, Wheatfield Fork, and the South Fork. The entire basin lies within 20 miles of the Pacific Ocean. Elevations vary from sea level to 2,602 feet at Gube Mountain and terrain is most mountainous in the northern and eastern parts of the basin. (Exhibits 1& 2)

Generally speaking, the headwaters area of the South Fork and Wheatfield Fork subwatersheds are characterized by steep slopes forested by redwood, Douglas fir, madrone, and tan oak. Open grasslands are also interspersed throughout the headwaters of the North Fork, Rockpile Creek, Buckeye Creek, and Wheatfield Fork subwatersheds (CDFG 1968). Streamside vegetation consists primarily of red alder, California laurel, and redwood. Dense stands of redwood and some fir and hardwoods occur to within one quarter mile of the coast. A very narrow coastal prairie strip is present near the mouth and along the coast (CDFG 1968).

The Coast Ranges in general and the Gualala River watershed in particular are areas with naturally high background levels of landslide activity due to high rainfall amounts coupled with the geologic uplift that produced steep slopes, sheared weak rock, and seismic shaking. Stream sedimentation trends fluctuate with the episodic recurrence of natural disturbances. In addition, land management practices throughout the watershed have amplified sediment input resulting in channel aggradation and simplification and reduction in riparian habitat. Studies by the NCRWQCB estimate that 85% of the anthropogenic sediment sources impacting the river today are derived from poorly constructed timber and ranch roads.

Approximately 34% of the Gualala watershed is owned by large timber companies. The non-industrial timber ownership is largely held in multiuse ranches that include timber, grazing and agricultural lands, with a smaller amount of holdings associated with rural residential. Land use changes in the watershed include the potential for increased residential development, especially if sustainable land management is not realized, and conversion of grazing/timber lands to wine grape production. Current vineyard production is less than 1% of the watershed; much of the production is concentrated in the Ft Ross appellation area which includes the South Fork, Buckeye Creek and parts of the Wheatfield Fork Basins. Although the overall percentage of lands in production is not remarkable, the concentration of vineyards on steep slopes in just a few areas of the watershed can have significant localized impacts.

The primary planning areas for the project are as follows:

The North Fork Basin (NFB): The 47.9 sq. mile NFB drains 127 miles of blue line stream, flowing directly into the upper Gualala River estuary. The focus in this watershed is rural residential development and medium ranch lands in the headwaters (32%). The North Fork comprises 16% of the total Gualala drainage and is the only basin in the watershed to have documented juvenile coho sightings over the past decade. It is considered a Core Focus watershed by the NMFS and CDFW for restoration of Central California Coast (CCC) coho population. GRWC has already completed erosion control and instream restoration in a majority of the planning areas in the lower NFB in partnership with the two large landowners, Gualala Redwood Timber LLC (GRT) and The Conservation Fund (TCF).

Buckeye Creek/Annapolis: The 40 sq. mile Buckeye Creek basin drains 90 miles of blue line streams and is considered a Core Focus watershed by NMFS and CDFW for restoration of CCC coho population. Rural residential development and medium ranch lands are concentrated in the Annapolis area. The GRWC is already working in partnership on projects with the two major landowners, GRT and TCF, within the basin and has assisted in funding and project development for a number of landowners for FMPs, rainwater catchment systems, forest management through fuel load reduction and restoration projects.

South Fork: The South Fork basin has the highest concentration of small (20 to 1,000 acres) landowners and rural residential development in the watershed. At 64 sq. miles and draining 134 miles of blue line streams, it is the largest priority area in the PLSP. The basin is considered a Phase I Expansion Core Focus watershed by NMFS and CDFW for restoration of CCC coho population. The GRWC has been working with landowners, rural subdivisions and the Coast

Ridge Community Forest on restoration, water management and Forest Management Planning and implementation.

Project History: Compared to other north coast watersheds, the Gualala Basin has one of the longest records of timber harvest as a primary land use. The watershed has been subject to three eras of active land use: 1) Old growth redwood harvesting throughout the lower alluvial basin from 1868 to 1911; fire was used extensively to reduce slash during logging and to convert redwood forest to grazing land after the logging; 2) Tractor harvesting of remaining old growth conifer stands in the central reaches of the watershed from 1952 to 1968; increased demand for lumber products during the 1950s coincided with the widespread deployment of heavy tractors that were greatly improved by technology advanced during World War II; and 3) Cable/tractor harvesting of second growth coniferous stands from 1990 to present.

As a result of the extensive logging and its associated road building practices contributing to erosion and mass wasting, there is a legacy of increased sediment loads that severely impact aquatic habitat in the Gualala River and its tributaries. In 1993, the US Environmental Protection Agency (USEPA) listed the Gualala River on its federal Clean Water Act §303(d) list of impaired water bodies due to declines in anadromous salmonids from excessive sedimentation. The §303(d) listing was updated in 2003, and water temperatures in the basin are now considered impaired as well.

The Clean Water Act §303(d) listing led to the formation of the Gualala River Watershed Council (GRWC) in 1996, a local coalition of restoration organizations, environmental groups, and stakeholders working in concert toward understanding, protecting and restoring the Gualala River watershed. Cooperating partners include State and Federal Resource Agencies (NCRWQCB, CDFW, NOAA, NMFS), local land conservancies, local non-profits, landowners and local businesses.

In 1996, the Conservancy funded the *Gualala River Watershed Literature Search and Assimilation,* a report that provided agencies and individuals with the first compilation of historical information and scientific data relating to the Gualala river watershed. The report identified data gaps and the need for a comprehensive watershed assessment and restoration plan. In 2001, the Conservancy funded the *Lower Gualala River and Estuary Assessment and Enhancement Plan* to complement ongoing assessment efforts in the upper watershed.

Concurrently with the lower river assessment, the *Gualala River Watershed Assessment Report* was completed in 2003 by the California Department of Fish and Game (formerly CDFG, now CDFW). This report was a component of a regional watershed assessment program, the North Coast Watershed Assessment Program (NCWAP), established by the California Legislature in 2000 and composed of a multi-disciplinary team from the Resources Agency and the departments of Fish and Game, Forestry and Fire Protection (CDF), Conservation/California Geologic Survey (DOC/CGS), and Water Resources (DWR), in conjunction with the NCRWQCB and State Water Resources Control Board.

Much of the work of the GRWC has been geared towards implementation of the recommendations from these assessment reports. The GRWC implements restoration and monitoring within the watershed at the programmatic scale, developing projects that integrate infrastructure upgrades, restoration, monitoring and public education to increase effectiveness and lower costs. Through this cohesive strategy and landowner support, the GRWC has upgraded

263 miles (18% of the watershed) of timber and ranch roads, installed over 800 large wood structures helping to restore 15 creeks, and conducted scientific monitoring of the watershed for the past 16 years.

For the past two years, GRWC has assisted small to medium landowners with the development of Forest Management Plans (FMPs). As noted above, the small amount of monies available to any one landowner under the FMP and its FIP funding is insufficient to adequately develop plans or implementation projects that can be used to apply for funding for erosion control, water management, habitat restoration and conservation planning. The proposed authorization seeks to provide funding to develop and plan such enhancement activities.

PROJECT FINANCING

Coastal Conservancy	$100,000
CalFire	$75,000
Sonoma Land Trust	$15,100
GRWC	$8500
Landowners	$5400
Project Total	**$204,000**

The expected source of Conservancy funds for this project is the fiscal year 2015/16 appropriation to the Conservancy from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1, Water Code § 79700 et seq.). Funds appropriated to the Conservancy derive from Chapter 6 (commencing with § 79730) and may be used "for multi-benefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state" (Section 79731). Section 79732(a) identifies the specific purposes of Chapter 6, which include the protection and restoration of coastal watersheds (subsection (a)(10).

As required by Proposition 1, the proposed project provides multiple benefits and will help protect and restore the Gualala River watershed, which is a coastal watershed. By developing a comprehensive resource management program for small to medium scale landowners that supports sustainable land use practices, the project will protect and increase the economic benefits arising from healthy watersheds, fishery resources and in-stream flow. This project will benefit endangered coho salmon in the Gualala River with the development of site-specific plans to remove barriers to fish passage, reduce sedimentation sources and enhance habitat in the river corridor. This project will also plan for resilient, sustainable water and natural resource systems, resulting in more reliable water supplies and the protection and restoration of important wildlife and habitat.

In accordance with Proposition 1 Section 79707(b), which requires agencies to prioritize "projects that leverage private, federal, or local funding or produce the greatest public benefit", this project leverages local funding as noted above. Additionally, through the development of innovative watershed-wide databases that allow for verifiable, sustainable and readily accessible data management for assessing and restoring the Gualala River Watershed, the project satisfies Proposition 1 Section 79707(e) which grants "special consideration" to "projects that employ

new or innovative technology or practices."

The proposed project was selected through a competitive grant process under the Conservancy's *Proposition 1 Grant Program Guidelines* adopted in June 2015. (See § 79706(a)). The proposed project meets each of the evaluation criteria in the Proposition 1 Guidelines as described in further detail in this "Project Financing" section, the "Project Summary" section and in the "Consistency with Conservancy's Project Selection Criteria & Guidelines" section of this report.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project will be undertaken pursuant to Chapter 6 of the Conservancy's enabling legislation, Division 21 of the Public Resources Code (Sections 31251-31270), regarding enhancement of coastal resources.

Section 31251 authorizes the Conservancy to award grants to nonprofit organizations for the purpose of enhancement of coastal resources that, because of natural or human-induced events or incompatible land uses have suffered loss of natural values. Timber practices, road construction, and natural geological conditions in the Gualala River watershed have increased sediment delivery to the river. The proposed planning project will recommend sediment reduction measures that will restore the landscape and correct poorly designed road features to prevent further erosion. The project will lead to restoration of fish habitat and aid in the recovery of salmon and steelhead populations. Thus, this grant will be used to plan and develop the corrective measures that will enhance the natural character of the area, consistent with Section 31251.

Section 31251.2 authorizes the Conservancy to award grants to nonprofit organizations for the enhancement of watershed resources that lie partially outside the coastal zone, if that enhancement will serve to enhance the natural or scenic character of coastal resources within the coastal zone. The proposed grant to the GRWC, a nonprofit organization, involves a natural resource planning effort in the Gualala River watershed, which is located partially outside the coastal zone, which will provide a direct benefit to anadromous fish, a coastal natural resource. Therefore, funding of the proposed project is consistent with section 31251.2

As required in Section 31252, the area of the proposed project is identified in the Sonoma County Local Coastal Program (LCP) as requiring public action and assistance to resolve existing resource protection problems, as detailed in the "Consistency with Local Coastal Program Policies", below.

Pursuant to Section 31253, the Conservancy may provide up to the total cost of any coastal resource enhancement project. The GRWC and other funders are providing a match of over 90% for this project. In determining the amount of Conservancy funding for this project, the factors identified in §31253 have been considered and applied, as described in detail below, under the heading "Consistency With Conservancy's Project Selection Criteria & Guidelines.**"**

CONSISTENCY WITH CONSERVANCY'S 2013 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S), AS REVISED JUNE 25, 2015:

Consistent with **Goal 5, Objective C** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will develop natural resource management plans to preserve and enhance the coastal Gualala River watershed.

Consistent with **Goal 5, Objective F,** the proposed project will complete plans to improve the water quality of the Gualala River and thereby benefit salmonid populations in the watershed, a coastal and ocean resource.

Consistent with **Goal 6, Objective A**, the proposed project will develop plans to foster the log-term viability of coastal working lands including projects to assist farmers and timber producers to reduce impacts of their operations on wildlife habitat and water quality of the Gualala River.

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 October 2, 2014, 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. **Promotion and implementation of state plans and policies:**

   California @ 50 Million: The Environmental Goals and Policy Report (Governor's Office of Planning and Research, 2013 Draft**):** The project will implement most of the goals that are enunciated under *Preserve and Steward State Lands and Natural Resources*. The PLSP will (1) *streamline land management* by providing a one-stop-shop for small to medium landowners to develop comprehensive land and water management plans that meet property owner, local, regional, and state goals. The PLSP will also assist landowners to (2) *obtain funding for long-term stewardship* of private lands as well as developing Forest Legacy Plans, which will ensure stewardship through changes in ownership. The project will also (3) *build resilience in natural systems* through (4) *innovative land use planning that balances multiple objectives*. Each site-specific land management plan will be developed to meet landowner objectives while conforming to watershed-wide goals of salmonid recovery, habitat restoration, and climate resiliency. Site-specific water management plans will contribute to (5) *local, sustainable water systems* by reducing reliance on instream flows while ensuring adequate water for human needs. By ensuring that landowner objectives are met while contributing towards watershed restoration and salmonid recovery, the PLSP will (6) *reflect the value of natural resources to promote stewardship and the economy*. The PLSP will implement key actions of the goal to *Build Climate Resilience and Preparedness*. It will develop the stand-alone, transferable, Property Management Database, which will be

(3) *an adaptation tool* to monitor and plan for climate resilience and ongoing community and economic sustainability. The PLSP connects the local community with local and state organizations and entities by (4) *partnering with local and regional governments*.

CA Climate Adaptation Strategy/Safeguarding California: Reducing Climate Risk Plan *(CA* Natural Resources Agency, July 2014)**:** The PLSP will implement several actions of the SCRCRP, including *Achieving Multiple Benefits from Efforts to Reduce Climate Risks and Prioritize Green Infrastructure Solutions*. Through development of plans to reduce stream withdrawals and restore riparian and instream habitat, the PLSP will enhance the resiliency of not only natural systems, but the agricultural, forestry, and domestic systems that depend on them. Additionally, the Property Management Database, which will provide an ongoing record of land management goals and activities that are tied to the APN, will provide a *Tool and Guidance* that is transferable to other watersheds and planning efforts. The PLSP will also utilize and add to GRWC's monitoring efforts, which provide a temporal study of watershed conditions that provide *Direct Observations of a Changing Climate*. Additionally, the PLSP is designed to *Build Capacity to Plan for and Implement Actions to Reduce Climate Risk through Collaboration, Education, Outreach, and Funding* by fostering collaboration between local landowners, local agencies, and state agencies in the effort to improve resiliency of both natural and human systems in the Gualala watershed. Through aggregation of multiple site-specific plans, the PLSP will enable GRWC to more successfully *Provide Significant and Sustainable Funding for Investments that Reduce Climate Risks, Human Loss and Disaster Spending*, allowing for implementation of projects that will protect salmonid habitat and provide a sustainable future for agriculture and forestry in the watershed.

California Water Action Plan *(*CA Natural Resources Agency, CA Environmental Protection Agency and CA Department of Food and Agriculture, 2016 Update)**:** The PLSP will implement all 3 objectives of the CA Water Action Plan (CWAP) by helping landowners *plan for resilient, sustainable water and natural resource systems*, resulting in *more reliable water supplies* and *protection and restoration of important wildlife and habitat*. The PLSP will implement 7 of 10 CWAP Actions. It will (1) *Make Conservation a Way of Life by Expanding Water Conservation and Efficiency* through increased water efficiency and off stream storage and forbearance. It increases (2) *Regional Self-Reliance* through creation of a watershed-wide, multi-benefit Program that implements local, regional, and state priorities for water reliability and ecosystem enhancement. The PLSP will also (4) *Protect and Restore Important Ecosystems* through restoration of a coastal watershed and enhancement of flows. Restoration includes comprehensive erosion control plans on forest/agricultural roads and ecosystem restoration planning; enhanced flows will result from implementation of site-specific Water Management Plans (WMPs). The PLSP will (5) *Manage and Prepare for Dry Periods by Revising Operations to Respond to Extreme Conditions* and (6) *Expand Water Storage Capacity* through developing WMPs that implement off stream storage and forbearance. By acting as a watershed-wide one-stop shop for small-medium sized landowners wishing to improve climate resilience and economic stability, the PLSP will (9) *Increase Operational and Regulatory Efficiency*. Instead of needing to work with multiple agencies and programs, GRWC will coordinate programs to assist landowners with permitting, planning, and implementation for their entire property, likely increasing the number of landowners who participate in such programs. Finally, the PLSP will (10) *Identify Sustainable and Integrated Financing Opportunities* by assisting landowners to leverage

multiple sources of funding and increasing economies of scale for funding of implementation actions.

State Wildlife Action Plan(CA Department of Fish and Wildlife, 2015)**:** The PLSP will enable implementation of several of the *Conservation Actions to Restore and Conserve Wildlife* under the Wildlife Action Plan for the North Coast Region. The site-specific Water Management Plans to be created under the proposed project, which will include offstream storage and rainwater harvest where appropriate, will (a*) increase instream flows and replicate natural seasonal flow regimes*. The PLSP will *work to restore fish passage in aquatic systems important for anadromous and wide-ranging fish populations* through restoration, water management and erosion control planning and implementation in relationship to roads (culverts), water diversions and small dams, and disconnected channels due to low flows. The Program will also (d) *continue fisheries restoration and watershed assessment efforts* in cooperation with NOAA NMFS and CDFW. In a complimentary effort to (g) *management of public forest lands to maintain healthy ecosystems and wildlife diversity*, the PLSP will assist with management of private lands to maintain healthy ecosystems and wildlife diversity. The PLSP provides the vehicle through which (j) *state and federal forest and wildlife managers can work cooperatively with private landowners…to develop timber-harvest cumulative impact standards* and (k) *to implement forest management practices that are compatible with wildlife and habitat conservation* in the Gualala River watershed. Additionally, the PLSP involves a local NGO (the GRWC) working collaboratively with state and local agencies to (m) *develop and implement agricultural and rangeland management practices that are compatible with wildlife and habitat conservation* and (o) *protect and restore underprotected and sensitive habitat types such as riparian forests*.

4. **Support of the public:** The project is supported by NOAA, California Department of Forestry and Fire, NCRWQCB, the Coast Ridge Community Forest, Sonoma Land Trust, the Redwood Coast Land Conservancy and others. Project letters are included in Exhibit 3.
5. **Location:** The proposed project will be conducted in the Gualala River watershed in northwestern Sonoma County and southwestern Mendocino County and will benefit anadromous fish spawning in the tributaries of the watershed.
6. **Need:** Without Conservancy funding, this project will be delayed indefinitely and small-medium scale landowners will need to piece together land management practices as best they can as they work their way through an array of agencies, regulations, and reporting requirements. Bundling shovel-ready projects together for grant applications will be difficult to impossible as landowners each complete planning and projects according to their own schedule. If this planning program is not implemented in the near future, the communities and natural resources in the watershed will be more vulnerable to effects of climate change, including increased air and water temperatures, decreased instream flow, and rising sea and storm surge levels.
7. **Greater-than-local interest:** This project is of state-wide interest due to the possibility of improving habitat for the recovery of coho salmon. Additionally, the project will develop an innovative property management database that can be adapted for use in other coastal watersheds.

8. **Sea level rise vulnerability:** The project has an expected lifespan of at least 50 years, and most implementation projects resulting from the site-specific plans will increase resiliency to sea level rise and other effects of climate change. The North Fork Gualala River has a few homes that might be vulnerable to sea level rise and the county campground facilities could be at risk. Highways, county roads, and bridges are expected to bear the brunt of flooding associated with extreme storm events coupled with sea level rise. Access throughout the watershed would be hindered with floods and utility services are likely to be impacted as most lines must cross the river. Site-specific planning in the Lower River and estuary will take projected sea level rise into account; for example, living shorelines are a likely response to protect land and some structural features in the watershed. Restoration, erosion control, and land management projects implemented subsequent to planning are expected to increase community and natural resource resiliency to the effects of sea level rise.

Additional Criteria

9. **Resolution of more than one issue**: The planning project will aid in sustaining working lands while improving the vitality and biodiversity of natural resources within the watershed.
10. **Leverage**: See the "Project Financing" section above.
11. **Conflict resolution**: The project will provide solutions to land and water use conflicts between foresters and ranchers and the fisheries resources of the Gualala River.
12. **Innovation**: The GRWC will utilize the latest information technology to develop watershed-wide databases that allow for verifiable, sustainable and readily accessible data management for assessing and restoring the Gualala River and its tributaries.
13. **Readiness**: The GRWC has been collaborating with stakeholders and assessing the natural resources and land use practices in the Gualala River Watershed for 16 years. For the past two years, the GRWC has been implementing restoration projects when the opportunity arises recommended by these assessments. The organization is clearly ready to complete the overall planning and engage more landowners in sustainable land and water management practices.
14. **Cooperation**: The GRWC was created as a collaboration between land owners and resource managers of the Gualala River watershed. Over 50 small and medium sized landowners are already involved with the group as are all the large landowners, all four Fire Departments within the watershed, service organizations, Sonoma County Parks and other local NGOs including the Coast Ridge Community Forest and the Sonoma County Forest Conservation Group.
15. **Vulnerability from climate change impacts other than sea level rise:** The project will help climate adaptation efforts by providing plans for offstream storage and water efficiency measures, which, when implemented, will leave more water instream during critical summer months. Also, the project will design erosion control and restoration projects, and when implemented, riparian and instream habitat will be more resilient to effects of increased variability in storm events.
16. **Minimization of greenhouse gas emissions:** The project will result in the production of greenhouse gas (GHG) emissions from site visits to develop site-specific erosion control,

water management, land use, and restoration plans. GHG emissions will be minimized through use of local expertise whenever possible and through aggregating site visits when outside expertise is required.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The Sonoma County Local Coastal Program ("LCP"), certified in 1981 and revised and incorporated into the Sonoma County General Plan on December 12, 2001, identifies the need for public action and assistance to resolve sedimentation, loss of riparian vegetation, and stream bank erosion in freshwater fishery resources such as the Gualala River and its tributaries. The LCP contains the following objectives for the effective management and protection of freshwater fishery resources: 1) identifying sources of sediment; and 2) managing riparian corridors along streams to provide protection for fish habitat. Further, the proposed authorization is consistent with the LCP Environmental Resources Management Recommendations for Riparian Areas (10) that "require erosion control measures for projects affecting the riparian corridor".

COMPLIANCE WITH CEQA:

Preparation of the Productive Lands and Streams Program involves only planning and feasibility analyses for possible future actions that have not yet been approved or funded and is thus statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations Section 15262.

Staff will file a Notice of Exception upon approval.