COASTAL CONSERVANCY

Staff Recommendation June 15, 2017

LOWER CARMEL RIVER FLOODPLAIN RESTORATION – DESIGN AND ENVIRONMENTAL COMPLIANCE

Project No. 08-036-01 Project Manager: Tom Gandesbery

RECOMMENDED ACTION: Augmentation of the Conservancy's August 5, 2010 authorization to disburse an additional amount of up to \$245,000 to the Big Sur Land Trust from a grant from the U.S. Fish and Wildlife Service for the Lower Carmel River Floodplain Restoration Project in Monterey County.

LOCATION: Lower Carmel River, Monterey County (Exhibit 1)

PROGRAM CATEGORY: Integrated Coastal and Marine Resources

EXHIBITS

Exhibit 1: Project Location Map

Exhibit 2: August 5, 2010 Staff Recommendation

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31111 & 31220 of the Public Resources Code:

"The State Coastal Conservancy hereby augments its August 5, 2010 authorization to disburse an additional amount of up to two hundred and forty five thousand dollars (\$245,000) of federal grant funds to the Big Sur Land Trust (BSLT) to prepare project design, conduct additional environmental review, and prepare permit applications for the Lower Carmel River Floodplain Restoration Project in Monterey County. This authorization remains subject to the August 5, 2010 resolution conditions."

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 project remains consistent with the Conservancy's June 5, 2008 and August 5, 2010 authorizations regarding the purposes and objectives of Chapters 3 and 5.5 of Division

21 of the Public Resources Code, respectively funding feasibility studies and Integrated Coastal and Marine Resources Protection; the Project Selection Criteria and Guidelines; local watershed management plans and water quality control plans; the nonprofit qualifications of the BSLT; and compliance with the California Environmental Quality Act."

PROJECT SUMMARY:

Staff recommends that the Conservancy amend its August 5, 2010 authorization to disburse an additional \$245,000 to the Big Sur Land Trust (BSLT) for the Lower Carmel River Floodplain Restoration Project in Monterey County. The additional funding will be used to work with the County of Monterey to prepare a Draft and Final Environmental Impact Report and Statement (EIR/EIS), consistent with the California Environmental Policy Act and National Environmental Policy Act (CEQA/NEPA, respectively).

Funding for the proposed augmentation will be from a U.S. Fish and Wildlife Service (USFWS) National Coastal Wetland Conservation \$925,000 grant awarded to the Conservancy in 2010 specifically for planning and implementation of the Lower Carmel River Floodplain Restoration project. This grant originally stipulated that \$180,000 could be used for project planning and the remaining \$745,000 was reserved for project implementation. In August 2010, the Conservancy authorized the use of \$180,000 of these funds for planning, environmental review, and permitting. However, the project partners recently decided that the project required a more comprehensive environmental document, including preparation of an EIS pursuant to NEPA. As a result, BSLT requested an additional \$245,000 in funding to cover the planning phase of the project, leaving \$500,000 for future implementation of the project. At this writing, while the USFWS staff support this approach, it is currently evaluating a budget revision to the grant to allocate \$425,000 for planning and \$500,000 for implementation and to extend the grant term. Conservancy staff expects that the USFWS will formally approve this grant amendment prior to the Conservancy's June 15, 2017 meeting.

Since 2010, the BSLT has been working closely with the County of Monterey, the Carmel Area Wastewater District (CAWD), California State Department of Parks and Recreation (State Parks) and other stakeholders to complete restoration designs and environmental clearances. The County agreed to oversee construction of the project, and as a result has taken over the lead partnership role working in continued collaboration with BSLT. The project involves large amounts of grading to reestablish floodplain and construction of a causeway along Highway 1. For additional project information, see Exhibit 2.

Staff plans to recommend additional funding for implementation of the project after the environmental document is complete.

Site Description: See Exhibit 2, "Site Description" section.

Project History: See Exhibit 2, "Project History" section.

PROJECT FINANCING

Current authorization

| U.S. Fish and Wildlife Service | \$245,000 |
|-----------------------------------|-----------|
| Subtotal of Current Authorization | \$245,000 |

Previous authorization

| Subtotal of Previous Authorization | \$770,000 |
|-------------------------------------------|-----------|
| Big Sur Land Trust | \$65,000 |
| County of Monterey (requested) | \$75,000 |
| U.S. Environmental Protection Agency | \$200,000 |
| Coastal Conservancy | \$250,000 |
| U.S. Fish and Wildlife Service | \$180,000 |
| | |

Total Project Costs \$1,015,000

The funding for this augmentation is provided from the USFWS National Coastal Wetlands Conservation Grant awarded to the Conservancy specifically for the Lower Carmel River Restoration Project. The National Coastal Wetlands Conservation Grant Program provides matching grants to States for acquisition, restoration, management or enhancement of coastal wetlands. The Big Sur Land Trust has provided a land donation, in-kind services, and additional funding to serve as the non-federal match necessary to receive these funds. USFWS is expected to approve a budget revision to the grant to allocate \$360,000 for planning and \$500,000 for implementation.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The project remains consistent with the Conservancy's enabling legislation as described in the August 5, 2010 staff recommendation (See Exhibit 2).

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

The project is consistent with the Conservancy's Strategic Plan goals and objectives as described in the August 5, 2010 staff recommendation (See Exhibit 2).

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The project remains consistent with the Conservancy's Project Selection Criteria and Guidelines as described in the August 5, 2010 staff recommendation (Exhibit 2). However, since the August 2010 authorization, the Project Selection Criteria & Guidelines were amended to include an additional required criterion, which is that a project must promote and implement state plans and policies.

Promotion and implementation of state plans and policies: This proposed project is consistent with the following plans and policies:

- The project implements the *California Water Action Plan* (California Natural Resources Agency, California Environmental Protection Agency, and California Department of Food and Agriculture, 2014), which includes goal number 4: protect and restore important ecosystems by improving rearing habitat for SCCC steelhead. This project will address this goal.
- The project is consistent with the California Department of Fish and Wildlife's 2005 *California Wildlife Action Plan*, which sets forth goals for the Central Coast region that include protecting sensitive species and important wildlife habitat and restoring anadromous fish populations. This project will address both of these goals.
- The project implements a recovery objective identified for the Carmel River biogeographic group in the *South-Central California Coast Steelhead Recovery Plan* (National Marine Fisheries Service, 2013) specifically, to "restore suitable habitat conditions and characteristics to support all life history stages of viable [steelhead] populations..." DPS Recovery Objective 6.2 (Page 6-2).

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The project remains consistent with the Local Coastal Program as described in the August 5, 2010 staff recommendation (See Exhibit 2).

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

The project remains consistent with local watershed management plans and the State Water Quality Control Plan as described in the August 5, 2010 staff recommendation (See Exhibit 2).

COMPLIANCE WITH CEQA:

In its August of 2010 authorization, the Conservancy determined that the project was statutorily exempt from the California Environmental Quality Act (CEQA), pursuant to 14 Cal. Code of Regulations Section 15262 because the project only involves preparation of planning studies and environmental documents for possible future actions which the Conservancy has not approved, adopted, or funded and the studies will consider environmental factors. (See Exhibit 2).

The proposed augmentation only increases funding for the preparation of the same planning studies and environmental documents that constitute the project. The addition of funding for this statutorily-exempt project does not have the potential for a significant effect on the environment. (See 14 Cal. Code of Regs Section 15382). Therefore, no new analysis or further compliance is required under CEQA for the approval of additional funding for this project