COASTAL CONSERVANCY

Staff Recommendation September 28, 2017

ORICK MILL SITE RESTORATION: LOWER PRAIRIE CREEK RESTORATION AND ENHANCEMENT

Project No. 14-055-02 Project Manager: Su Corbaley

RECOMMENDED ACTION: Authorization to disburse up to \$497,500 to Save-the-Redwoods League to prepare designs and environmental documents for habitat enhancement and restoration for the Orick Mill Site Restoration Project on lower Prairie Creek.

LOCATION: 1.5 miles north of Orick, Humboldt County

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: Project Location

Exhibit 2: <u>Project Photos</u>

Exhibit 3: Project Letters

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31111 and 31251-31270 of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes the disbursement of up to four hundred ninety-seven thousand five hundred dollars (\$497,500) to Save-the-Redwoods League to prepare habitat restoration and enhancement designs and environmental review documents for the Orick Mill Site Restoration Project at the former Orick Mill Site in Humboldt County, subject to the condition that prior to the disbursement of funds, Save-the-Redwoods League shall submit for review and approval by the Executive Officer of the Conservancy a work program including a schedule and budget, and the names and qualifications of all contractors to be retained 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 Section 31111 and Chapter 6 of Division 21 of the Public Resources Code, regarding resource enhancement.
- 2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
- 3. The proposed project is located in an area identified in the Humboldt County Local Coastal Plan as requiring public action to resolve existing or potential resource protection problems.
- 4. Save-the-Redwoods League 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 is recommending the Conservancy authorize disbursement of up to \$497,500 to Save-the-Redwoods League ("SRL") to develop designs and prepare environmental review documents for restoration and enhancement of Prairie Creek on the 125-acre former Orick Mill Site A (the "property" or the "project site"), 1.5 miles north of Orick (Exhibit 1). The mill site is located at the confluence of Redwood Creek and Prairie Creek and is nearly surrounded by Redwood National and State Parks ("RNSP") which encompasses Redwood National Park ("RNP") and Prairie Creek State Park ("PCSP"). SRL purchased the property in 2013 to protect its resources, provide the public with trails, enhance habitat, and establish a visitor center.

With a grant from the Conservancy in 2015, SRL began the restoration planning for the site and prepared conceptual alternatives for habitat restoration. The proposed project would enable SRL to complete the design and permitting for the restoration project, and complete the necessary environmental documents for compliance with the California Environmental Quality Act ("CEQA") and the National Environmental Protection Act ("NEPA"). NEPA review is required because of federal funding for the project from the National Oceanic and Atmospheric Association ("NOAA"), discussed below. With the proposed funding, SLR will produce restoration design plans sufficient to support environmental review and analysis; an opinion of probable construction cost based on the designs; a basis of design report (includes hydraulic, habitat, and model results); and CEQA and NEPA environmental compliance documentation. Stream flow and groundwater monitoring data informing long-term project sustainability will be collected, compiled, and used to monitor the effectiveness of the project over time.

The project site is located within the lowest section of Prairie Creek, a tributary of Redwood Creek. The Redwood Creek watershed was once a highly functional coastal redwood ecosystem, with cool shaded stream channels and unimpaired stream flow to the ocean. Industrial scale timber harvesting, the construction of flood control levees, road and municipal infrastructure, and the conversion of wetlands and bottom lands to agricultural production have profoundly impacted stream conditions and water quality within the Redwood Creek watershed. The widespread reduction of old-growth redwood forests has increased water temperatures. These land use changes, further compounded by the watershed's erosive geology, have led to elevated sediment delivery and storage in stream channels, simplified instream habitat and decreased connectivity with floodplains and tributaries. The resulting condition of the watershed is one of

large-scale reduction in wetland and estuarine habitat, loss of floodplain interaction and an exposed channel, lowered groundwater levels, increased water temperatures, and limited rearing habitat for juvenile salmonids.

Restoration and enhancement of salmonid habitat in lower Prairie Creek is particularly desirable. Despite its setting in the Redwood Creek watershed, and its degraded condition with incised channels and disconnected flood plain, Prairie Creek provides some of the highest quality salmon habitat on the west coast; all three listed anadromous species utilize lower Prairie Creek. Its upstream spawning habitat is protected in RNSP and SRL ownership, and even though the encompassing Redwood Creek basin suffers high water temperatures, data collected at the project site shows that Prairie Creek is a cool water refuge that remains at an adequate yearround temperature for salmonids. According to a California Department of Fish and Wildlife (CDFW) assessment of the Redwood Creek watershed, including the Prairie Creek subwatershed (CDFW 2006), the coho population found in Prairie Creek constitutes the majority of the coho found in the entire Redwood Creek system. The survey also found that Prairie Creek provides forage and habitat for Chinook salmon and steelhead trout. The proposed project, when implemented, will restore designated critical habitat for salmon and steelhead species listed as threatened under the Endangered Species Act, and improve Pacific salmon Essential Fish Habitat as designated under the Magnuson-Stevens Fisheries Conservation and Management Act. Specifically, when implemented, the project will improve 0.8 miles of instream habitat on lower Prairie Creek, restore access to nearly 23 acres of floodplain and backwater habitat, and restore up to 19 acres of emergent wetland and 24 acres of riparian vegetation with the objective to restore ecosystem function at an important location in lower Prairie Creek.

Since 2015, the Conservancy and SRL have funded preliminary, or conceptual, habitat and trail planning activities with the objectives to improve the amount and quality of rearing habitat for juvenile salmonids and enhance and increase non-salmonid wildlife habitat, and develop recreational and visitor experiences that would integrate with the restoration of the site. The trail planning task was completed in early 2017 with the submittal of the *Prairie Creek Trail Plan*, which includes conceptual trail designs, management considerations, and draft interpretive materials. Restoration planning activities have included the collection of site-specific data, development of a local, state, federal, tribal, and community-based technical review committee and project planning committee, and development of three restoration alternatives, which are undergoing robust analysis of hydrology and hydraulics, geomorphology, fish use, and vegetation. The alternatives demonstrate the relative benefits of a small, medium, or large-scale project. SRL will select a preferred alternative and in the Fall of 2017 will submit conceptual design analysis report to complete the initial planning project. Using the proposed funding, SRL will immediately begin refining the designs and conducting environmental planning activities. The restoration elements will be designed to be self-maintaining, to the greatest extent possible.

The design will provide for a project with multiple benefits. It will: restore natural processes and reconnect the channel with its floodplain; provide off-channel habitat for rearing juvenile salmonids; increase wetland size and restore function; remove and control invasive plants through overstory planting; control or remove livestock; provide habitat for migratory and resident avian species; expand and enhance habitat for non-salmonid species of concern (redlegged frog, Marbled murrelet, Pacific fisher, etc.); provide economic benefit through increased tourism for the disadvantaged community of Orick; continue to foster collaboration between

agencies and the communities; and provide resilience against climate change-induced loss of anadromous fish rearing habitat.

Because a new visitor center for RNP on another portion of the mill site is being designed concurrently, there is a significant opportunity to integrate the completed restoration with new and expanded trails, inviting visitors from around the world and locally to view and experience a healthy functional salmonid ecosystem, connect with the larger RNSP, and learn about the area's history. The project has catalyzed a collaborative, landscape-scale forest restoration effort between RNSP and SRL known as "Redwoods Rising", that will address habitat restoration and enhancement needs across the 131,000-acre RNSP complex, benefitting upstream habitat and thereby ensuring sustainability for the proposed project over the long-term.

One of the urgencies for the initial 2015 Conservancy planning grant was upcoming federal funding cycle opportunities. In August 2017, planning work completed with the early Conservancy funds leveraged a significant grant to SRL from the National Oceanic and Atmospheric Association (NOAA) 2017 Community-based Restoration Program Coastal and Marine Habitat Restoration Grants competition. The NOAA funds will match the proposed Conservancy funding, and together keep the project on track for additional installments of NOAA funding for restoration in 2020.

The Conservancy and SRL have collaborated on a number of north coast projects over the last 19 years including acquisition of the 25,000-acre Mill Creek in Del Norte County, and acquisitions at Humboldt Lagoons State Park, Montgomery Woods State Park in the upper Big River watershed, and the Shady Dell property in Mendocino. SRL stepped in to provide interim funding for the Jenner Headlands acquisition in Sonoma County when State funding was frozen. Recently, SRL and the Conservancy completed the development of a segment of the coastal trail on the Shady Dell property. SRL has proven its capabilities as a strong participant in conserving the coast and making it available for public enjoyment. SRL is a 501(c)(3) organization established to preserve and save portions of the redwood forests for scenic, recreational and wildlife preservation purposes.

Site Description: Located at the southern entrance into RNSP, this property is the gateway to the world's tallest trees and a national treasure that draws visitors from around the world. RNSP is designated a World Heritage Site and part of the California Coast Range Biosphere Reserve, designations that reflect worldwide recognition of the park's natural resources as irreplaceable. The flyway for the largest intact population of the federally threatened marbled murrelet occurs over the property and Roosevelt Elk forage on site. Otters, beaver, black bears, great blue herons, deer, and coyotes are known to frequent the site, and coho, Chinook salmon, steelhead trout and cutthroat utilize Prairie Creek.

The 125-acre mill site is situated on the east side of Highway 101 between Bald Hills Road and Berry Glen at the confluence of Redwood Creek and Prairie Creek. Prairie Creek flows through the property, and the property is nearly entirely bounded by RNSP (Exhibit 1). The property has remnant logging roads and approximately 20 acres of an asphalt building pad leftover from the mill operations as well as old-growth redwood and Douglas fir forest, and mature wetland habitat. The mill area has been investigated for toxics and certified as clean by the North Coast Regional Quality Control Board.

As mentioned earlier, Prairie Creek has been altered by human activities. Its channel is incised and disconnected from its floodplain and off-channel features. Furthermore, tributaries on the property have barriers to upstream fish passage. The currently deep and confined channel, with steep streambanks, limits the ability of fish to access the highly productive feeding grounds and refugia of the floodplain and existing wetland habitat, and cold water tributaries. See Exhibit 2 for site photos.

Project History: Timber harvest operations in the Prairie Creek watershed began in the 1850s and much of the large-scale stands of redwoods were gone by 1900. In the 1920s, SRL purchased and protected 14,000 acres in the upper Prairie Creek watershed. However, logging accelerated between World War II and the economic boom of the 1950s in other portions of the Redwood Creek watershed, and continued until 1978 when the RNP, which was formed in 1968, expanded and ceased all timber harvest activities. During that time, more than 55 percent of the Prairie Creek redwoods were harvested.

The Prairie Creek corridor has been a priority for protection since 1968 when SRL began working with willing sellers and the NPS to acquire properties in this area as they become available. Since then, SRL has added over 1,400 acres to RNP's current ownership.

In late 2013, SRL purchased the mill site and immediately began moving toward its vision of site restoration, enhancement and public use. SRL and NPS signed a memorandum of agreement in 2014 to work together in pursuit of this vision. SRL engaged consultants to begin preliminary evaluations for the creek restoration and the trail opportunities. In November 2014, SRL contacted the Conservancy to seek funding to further develop these opportunities into conceptual designs sufficient to select design alternatives.

As discussed earlier, in June 2015, the Conservancy authorized a grant of \$300,000 to SRL to undertake initial planning to develop conceptual designs for restoration and enhancement of Prairie Creek and develop conceptual designs for a trail network on the property. That work included developing conceptual restoration alternatives for selection and preparing the *Prairie Creek Trail Plan*.

PROJECT FINANCING

Project Total	\$888,300
National Oceanic and Atmospheric Association	\$289,000
Save-the-Redwoods League	\$101,800
Coastal Conservancy	\$497,500

The expected source of Conservancy funds for the design and environmental documentation phase of the Orick Mill Site Restoration 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 identifies specific purposes of Chapter 6. The proposed project

will achieve several of those purposes, including the following: (1) protect and increase the economic benefits arising from healthy watersheds, fishery resources and in-stream flow; (4) protect and restore aquatic, wetland and migratory bird ecosystems including fish and wildlife corridors; (10) protect and restore coastal watersheds including but not limited to, bays, marine estuaries, and near shore ecosystems; (11) protect or restore natural system functions that contribute to water quality; and (12) assist in the recovery of endangered, threatened, or migratory species by improving watershed health, in-stream flows, fish passage, coastal or inland wetland restoration, or other means, such as natural community conservation plan and habitat conservation plan implementation.

As required by Proposition 1, the proposed project provides multiple benefits. The design will provide for a project that will: restore natural processes and reconnect the creek channel with its floodplain; provide off-channel habitat for rearing juvenile salmonids; increase wetland size and restore function; remove and control invasive plants through overstory planting; control or remove livestock; provide habitat for migratory and resident avian species; expand and enhance habitat for non-salmonid species of concern (red-legged frog, Marbled murrelet, Pacific fisher, etc.); provide economic benefit through increased tourism for the disadvantaged community of Orick; continue to foster collaboration between agencies and the communities; and provide resilience against climate change-induced loss of anadromous fish rearing habitat. Finally, this project advances previous Conservancy-funded planning efforts to restore anadromous habitats in Prairie Creek.

In accordance with Section 79707(b) that requires agencies to prioritize "projects that leverage private, federal, or local funding or produce the greatest public benefit", this project leverages private and federal funds. SRL will provide significant in-kind contributions of staff time for project management and coordination, as well as a cash match for planning, together valued as approximately \$336,230 (101,800 cash; 234,430 in-kind). NOAA is contributing \$289,500 through its 2017 Community-based Restoration Program Coastal and Marine Habitat Restoration Grants competition.

The project was reviewed and subsequently recommended for funding through a competitive grant process under the Conservancy's *Proposition 1 Grant Program Guidelines* adopted in June 2015 (Prop 1 Guidelines) (See § 79706(a)). The proposed project meets several of the evaluation criteria in the Prop 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 staff recommendation.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project would be undertaken pursuant to Chapter 6 of the Conservancy's enabling legislation, Public Resource Code Sections 31251-31270, as follows:

Pursuant to § 31251, the Conservancy may award grants to nonprofit organizations for the purpose of enhancement of coastal resources, which, because of human-induced events, or incompatible land uses, have suffered loss of natural and scenic values. This project will produce designs, and environmental and permitting documents to restore the function of the Prairie Creek floodplain, which has been altered by past timber activities and operations at the mill site,

thereby improving water quality and enhancing habitat for salmonids and other coastal and marine resources.

As provided in § 31252, the proposed project is located within an area identified in the Humboldt County Local Coastal Plan as requiring public action to resolve existing or potential resource protection problems, as described in the "Consistency with Local Coastal Program Policies" section below.

Pursuant to § 31253, the Conservancy may provide up to the total of the cost of any coastal resource enhancement project taking into consideration the total cost of the project, the fiscal resources of the grantee, the urgency of the project and other factors as determined by the Conservancy. Consistent with this section, the proposed contribution, intended for the conceptual design of a significant coastal habitat enhancement project, represents a small component of the overall project cost to date and contributions by SRL, which has invested not only in the project acquisition, but has initiated – at its expense – critical surveying data collection to expand upon existing Lidar data.

Finally, as provided in § 31111, the Conservancy may award grants to nonprofit organizations to undertake plans and feasibility studies for purposes consistent with Division 21. SRL is a nonprofit organization undertaking planning for habitat restoration and public access, both of which are consistent with the purposes of Division 21.

CONSISTENCY WITH CONSERVANCY'S 2013 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 5, Objective A** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will result in designs for the restoration and enhancement of coastal habitats including wetland and stream corridors.

Consistent with **Goal 5**, **Objective C** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will develop a plan to preserve and enhance coastal watersheds and floodplains.

Consistent with **Goal 5, Objective F** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will develop a plan to improve water quality to benefit coastal and ocean resources.

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:** The proposed project is consistent with several state plans and policies, as follows.
 - California Water Action Plan (California Natural Resources Agency, 2016) The project will promote and implement all three of the broader Plan goals: 1) more reliable water supplies that would result from reconnected flood plain recharging groundwater; 2) the restoration of important species and habitat; and 3) a more resilient, sustainably managed water resource system (water supply, water quality, flood protection, and environment) that can better withstand inevitable and unforeseen pressures in the coming decades.
 - California @ 50 Million: The Environmental Goals and Policy Report (Governor's Office of Planning and Research, 2015) The project furthers the objectives of three of the five key principles identified in the report as necessary to achieving the state's long-term goals: 1) build a resilient, sustainable water system; 2) steward and protect natural and working landscapes; and 3) incorporate climate change adaptation into all planning and investment.
 - CA Climate Adaptation Strategy/Safeguarding California: Reducing Climate Risk Plan (California Natural Resources Agency, 2014) – The project implements or supports the following recommended actions: 1) improve habitat connectivity and protect climate refugia by restoring habitat that maximizes biodiversity and protects species from climate change impacts; 2) create and maintain partnerships that support biodiversity conservation in a changing climate by furthering the efforts of various public and private stakeholders prioritizing conservation within two important North Coast watersheds; 3) continue and enhance coordinated efforts to reduce wildfire risks and promote fire safe communities by improving forest resilience to climate change and conducting fuels reduction activities to reduce the threat of wildfires; 4) assess and implement costeffective forest watershed protection and restoration by improving/restoring the forested Lower Prairie Creek and Redwood Creek watersheds through the partnership's coordinated efforts with Redwood National and State Parks and other stakeholders; and 5) address water-related impacts of climate change on vulnerable and disadvantaged populations and cultural resources by furthering recovery efforts for coho salmon, Chinook salmon, and steelhead, which are culturally and economically important to area Tribes.
 - *CA Wildlife Action Plan* (CDFW, 2015) The project benefits coho salmon, Chinook salmon, and steelhead, which are identified by the plan as "focal species of conservation strategies developed for conservation targets in the North Coast and Klamath Province." In addition, the project will protect habitat that supports numerous special status terrestrial and aquatic species as described above, which the Plan prioritizes.
 - California Essential Habitat Connectivity Strategy for Conserving a Connected California (CDFW, 2010) The project will restore ecosystem function, including anadromous habitat connectivity, and sustain and enhance high integrity forest habitat within the North Coast Ecoregion, which the report identifies as a primary focus for this planning area.
 - Final Recovery Plan for the Southern Oregon/Northern California Coast Evolutionarily Significant Unit of Coho Salmon (Oncorhynchus kisutch) (NMFS, 2014) and Recovery

Strategy for California Coho Salmon (CDFW, 2004) — The project will restore stream function and habitat quality of Prairie Creek to provide connectivity to floodplain habitat, improve riparian habitat, and increase channel complexity, which these plans list as recovery strategies for the Redwood Creek coho salmon population.

- Steelhead Restoration and Management Plan for California (CDFW, 1996). The project is consistent with the themes for habitat restoration identified in the plan, which specifically advises that "(h)abitat improvement projects should be focused on the many areas throughout the State where steelhead habitat is severely degraded and restoration work is sorely needed". Floodplain habitat is one of the most degraded, rare and yet necessary areas to support the growth and survival of juvenile salmonids.
- 4. **Support of the public:** The proposed project is supported State Senator Mike McGuire, Assemblyman Jim Wood, Redwood National Parks, and the Yurok Tribe. (Exhibit 3).
- 5. **Location:** The project is located at the confluence of Redwood Creek and Prairie Creek approximately 3.5 stream miles from the mouth of Redwood Creek at the Pacific Ocean and outside of the coastal zone. Undertaking this project will benefit coastal resources by providing coastal salmon populations with sufficient floodplain habitat to fulfill their life history patterns. Additionally, developing a network of trails that connect with trails of the PCSP will provide a link for pedestrians from this inland resource to the coast.
- 6. **Need:** If Conservancy funding is not authorized, this planning project would likely not be completed in the near-term, resulting in a significant delay in the project.
- 7. **Greater-than-local interest:** The proposed project will lead to the eventual restoration and expansion of critical salmon habitat on Prairie Creek that will benefit the northern California populations of coho, Chinook salmon and steelhead trout.
- 8. **Sea level rise vulnerability:** Vulnerability to sea level rise is minimal on the Orick Mill Site property as it is above the current 100-year sea level rise projections.

Additional Criteria

- 9. **Urgency:** Unless this phase of the project can begin by winter 2017/2018, SRL will miss opportunities to apply for implementation funding, and the project could be delayed as much as two years.
- 10. **Resolution of more than one issue**: The proposed project will increase the amount and quality of critical salmonids rearing habitat, improve quality of water discharging to coastal system, and provide economic benefit to a disadvantaged community.
- 11. **Leverage**: See the "Project Financing" section above.
- 13. **Innovation**: SRL could simply plan to develop the site into a day use visitor center to serve the local community and tourists travelling through the area. However, having a broader vision and recognizing a unique opportunity to undertake a holistic approach to heal the site, SRL will prepare a plan for complete site restoration. This will not only provide the needed stopover visitor center, but will enhance the visitor experience by engaging them in the history of the site and its resources.

- 14. **Readiness**: SRL has completed designs alternatives and by November 2017 will have selected a preferred alternative to develop more fully. SRL and the project team are committed to begin the next planning phase immediately.
- 15. **Realization of prior Conservancy goals**: The proposed project will complete the planning begun in 2015 with Conservancy funds to improve Prairie Creek subwatershed salmonid habitat for the benefit of the larger Redwood Creek populations.
- 17. **Cooperation**: The project is being carried out through cooperative planning efforts involving several local, state and federal agencies, and regional organizations, including the town of Orick, Humboldt County, the Yurok Tribe, California Department of Fish and Wildlife, United State Fish and Wildlife Service, the National Oceanic and Atmospheric Association National Marine Fisheries Service, the National Parks Service, and the National Parks Association.
- 18. Vulnerability from climate change impacts other than sea level rise: On the North Coast, climate change impacts are predicted to include reduced rain precipitation and more frequent storms both of which could increase fire frequency and/or severity. However, the project site is coastal in nature and includes a significant riparian area so the project would likely not be impacted by more frequent fire. Climate change may also impact fog precipitation and therefore affect species habitat and abundance. Final planning and environmental design analysis will consider these potential climate change impacts especially when recommending plant species planting palettes.
- 19. **Minimization of greenhouse gas emissions:** The proposed project involves planning and design work that will not, in and of itself, result in any significant greenhouse gas emissions. The designs completed through this grant will include measures to avoid or minimize greenhouse gas emissions to the extent feasible and consistent with the project objectives. Vehicle miles travelled for project meetings and site visits to carry out this planning project will be minimized through coordination of activities and carpooling. In addition, restoration of the site will enhance the habitat and the potential for carbon sequestration.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The property is located outside the coastal zone, and therefore the Humboldt County General Plan guides land use in this area. Though the property is located outside the coastal zone, the Humboldt County Local Coastal Plan ("LCP") (1982) is relevant to the proposed project in that it identifies the need for restoration of sensitive habitats affecting coastal resources, including Redwood Creek and its habitat.

Chapter 3.41, Sections A.1.d. and A.1.g. of the LCP defines environmentally sensitive habitats as "[R]ivers, creeks, and associated riparian habitats including Redwood Creek,..." and "[O]ther critical habitats for rare and endangered species listed on State or Federal lists", respectively. Chapter 3.41, Section G requires that "the biological productivity and quality of coastal streams...appropriate to maintain optimum populations of marine organisms shall be maintained and restored" and identifies Redwood Creek among these streams. Prairie Creek is a critical tributary to Redwood Creek and supports state and federally listed endangered coho, Chinook and steelhead trout. Moreover, the project site is just at the confluence of Prairie and Redwood

Creeks. Thus, planning for the restoration of Prairie Creek is consistent with the LCP and the LCP identifies the habitat as needing protection and restoration, in order to benefit coastal marine organisms, including salmonids.

COMPLIANCE WITH CEQA:

Staff has reviewed the proposed project and determined that it is statutorily exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Title 14 of the California Code of Regulations, section15262, in that it involves only the preparation of plans for habitat restoration for possible future actions which the Conservancy has not approved, adopted, or funded. As required by section 15262, the proposed authorization will involve review and consideration of environmental factors associated with the restoration project.

The proposed project is also categorically exempt from review pursuant to Guidelines section 15306, since it will include basic data collection and research and resource evaluation activities, which will not result in a serious disturbance to any environmental resource and which will be undertaken as part of a study leading to an action which the Conservancy has not yet approved, adopted, or funded.

Staff will file a Notice of Exemption upon approval.