

COASTAL CONSERVANCY

Staff Recommendation  
August 22, 2019

**Martin Slough Enhancement: Ponds F & G Improvements**

Project No. 01-156-04  
Project Manager: Julia Elkin

**RECOMMENDED ACTION:** Authorization to disburse up to \$1,086,982 of grant funds from the California Department of Fish and Wildlife to the Redwood Community Action Agency to implement the Martin Slough Enhancement Project in the Elk River watershed in Humboldt County.

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

**PROGRAM CATEGORY:** Resource Enhancement

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EXHIBITS

- Exhibit 1: [Project Maps](#)
  - Exhibit 2: [June 15, 2017 Staff Recommendation](#)
  - Exhibit 3: [CDFW Proposition 1 Grant Award Letter](#)
  - Exhibit 4: [Project Letters \(from CDFW grant application\)](#)
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**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 the disbursement of up to one million eighty six thousand nine hundred and eighty two dollars (\$1,086,982) to the Redwood Community Action Agency (RCAA), to be reimbursed by a grant from the California Department of Fish and Wildlife (CDFW), to implement the Ponds F & G Improvements of the Martin Slough Enhancement Project in the Elk River watershed in Humboldt County. This authorization is subject to the following conditions:

Prior to commencement of the project, the grantee shall submit for the review and written approval of the Executive Officer of the Conservancy (Executive Officer) the following:

1. A detailed work program, schedule, and budget.
  2. Names and qualifications of any contractors to be retained in carrying out the project.
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3. A plan for acknowledgement of Conservancy funding and California Department of Fish and Wildlife funding, noting Proposition 1 as the source of that funding.
4. Evidence that all permits and approvals required to implement the project have been obtained.
5. Prior to commencing the project, the grantee and the landowner shall enter into and record an agreement pursuant to Public Resources Code 31116(c) sufficient to protect the public interest in the improvements.
6. In implementing the project RCAA shall ensure compliance with:
  - a. All applicable mitigation measures and monitoring and reporting requirements for the project that are identified in the IS/MND and MMRP reviewed by the Conservancy at its June 15, 2017 meeting, or in any permits, approvals or additional environmental documentation required for the project.
  - b. All requirements of the CDFW grant.”

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. Disbursement of additional funds for the implementation of the project remains consistent with Chapter 6 of Division 21 of the Public Resources Code (Sections 31251-31270) and with the resolution, findings and discussion accompanying the Conservancy authorization of June 15, 2017 as detailed in the staff recommendation attached as Exhibit 2 to the accompanying staff recommendation.
2. The proposed authorization remains consistent with the current Conservancy Project Selection Criteria and Guidelines.
3. The RCAA is a nonprofit organization organized 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 that the Conservancy disburse up to \$1,086,982 to the Redwood Community Action Agency (RCAA) to implement the Ponds F & G Improvements of the Martin Slough Enhancement Project, with funds awarded to the Conservancy from the California Department of Fish and Wildlife (CDFW) specifically for this project. The Ponds F & G Improvements include constructing Pond F and enhancing Pond G on City of Eureka property to improve anadromous fish rearing habitat. These project elements are components of the multi-phase, multi-component Martin Slough Enhancement Project (project), which began construction in 2017 (see Project History section below). All project components, including Ponds F and G, are

accounted for in the project's 2015 Mitigated Negative Declaration and associated Mitigation Monitoring and Reporting Program. The project area identified for expenditure of the funds granted under this authorization consists entirely of lands within the Eureka Municipal Golf Course property, which is owned and managed by the City of Eureka in Humboldt County. (See Exhibit 1: Project Maps).

Activities funded under this authorization will include creating Pond F as a 1.7-acre site feature, expanding Pond G from 0.1 to 0.5 acres, and installing large woody debris and native vegetation plantings. These actions will help to achieve the Martin Slough Enhancement Project's objectives of restoring rearing habitat for Southern Oregon/Northern California Coast (SONCC) Coho salmon and other salmonids and native fish, while increasing conveyance capacity and flood storage capacity at the project site. The activities funded under this authorization will also include the construction of small golf course bridges and up to two emergency vehicle bridges necessary to facilitate continued playability of the golf course in harmony with the restoration elements, as well as necessary emergency access to the property.

**Site Description:** The Martin Slough Enhancement Project is located in and adjacent to the southeast portion of the City of Eureka (Exhibit 1). Martin Slough is the lowest tributary to Elk River via Swain Slough and is separated from Swain Slough by a levee and tide gate. The lower portion of the watershed flows through low gradient bottomland containing the golf course (i.e. current project area) and pastureland (i.e. completed project area). Many of the stream channels flow from gulches that contain mature second-growth redwood forests. The upper portions of the watershed consist of urban development and recently harvested timber lands slated for future residential and commercial development. The Martin Slough watershed includes both City and County jurisdictions, with the project area owned by the City of Eureka (approximately 120 acres) and the North Coast Regional Land Trust (NRLT) (39 acres). The project area for activities conducted under this authorization is outside of the coastal zone, though the adjacent reaches of Martin Slough to the southwest of the project site are within the coastal zone. For this reason, the full project area is covered under the Local Coastal Plan.

The project area for this authorization consists of the Eureka Municipal Golf Course, which is currently zoned Public Facility. Municipal infrastructure directly within the project area includes the City-maintained Fairway Drive and the City-owned Eureka Municipal Golf Course. The Humboldt Community Services District also has existing sewer infrastructure near Fairway Drive.

The golf course grassland is dominated by tall fescue (*Festuca arundinacea*), annual bluegrass, perennial ryegrass, and colonial bentgrass (*Agrostis capillaries*). Like the grazing land, much of the golf course grasslands are wetlands, with smaller areas of uplands dominated by Kentucky bluegrass (*Poa pratensis*), cow parsnip (*Heracleum lanatum*), white clover (*Trifolium repens*), soft brome (*Bromus hordeaceus*), hairy cat's ear, orchard grass (*Dactylis glomerata*), and sweet vernal grass.

**Grantee Qualifications:** RCAA has successfully championed and managed key aspects of the Martin Slough Enhancement Project for over a decade, from concept creation to planning,

permitting, and implementation success in downstream project areas. RCAA is committed to ensuring full delivery of the project and maintains experienced staff with the capacity to administer the ongoing management and operations necessary for project success. The grantee has worked extensively with state and federal funding partners on this project, successfully meeting grant terms and providing high quality deliverables.

**Project History:** 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 the Martin Slough Enhancement 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. In order to further the restoration project, North Coast Regional Land Trust (NRLT) acquired the Senestraro Property in 2011, funded by a \$315,000 Conservancy grant. RCAA approached the Conservancy for technical assistance with the IS-MND and funding for the restoration project in January 2012, and Conservancy staff has been working with RCAA on the implementation of the project since that time. The Conservancy provided \$30,000 to fund permitting for the tide gate replacement component of the project in 2013, with the tide gate fully funded by State Water Resources Control Board and installed in 2014. This action allowed reintroduction of a muted tidal prism into Martin Slough. The remaining project construction was delayed due to difficulties in raising ~\$3M in funding for the decommissioning and realignment of two of the three gas lines that cross the property. PG&E agreed to pay for costs associated with the gas lines in winter 2016, allowing the project to move forward.

The Conservancy applied to the USFWS for \$1,000,000 in funding for the project from the National Coastal Wetlands Conservation program in June 2016, and RCAA applied to the Conservancy for a Proposition 1 grant for the project in fall 2016. The USFWS awarded the NCWC grant to SCC in January 2017, and the County of Humboldt certified an IS-MND for the restoration project on June 2, 2017. The Conservancy made findings regarding the County's IS/MND and authorized disbursement of NCWC funds as well as awarding \$750,000 of Conservancy Prop 1E funds on June 15, 2017.

Grants from the California Department of Water Resources (DWR), the National Oceanic and Atmospheric Administration (NOAA), the United States Fish and Wildlife Service (USFWS), and the Conservancy funded full implementation of Phase I of the project in 2018, which completed project work on the NRLT property. This included restoration of over 3,000 feet of channel (2.6 acres), with 3.1 acres of adjacent salt marsh plains; a 1.7-acre salt marsh with a low elevation pond fed by a freshwater spring; the southeast tributary and associated freshwater pond (0.3 acres); and 3.4 acres of riparian area. Phase I also included revegetation, replacement of culverts, and installation of cattle exclusion fencing. Fencing is necessary because the portion of the NRLT property outside the restored wetlands will continue to be grazed.

Improvements to Ponds F & G are the subject of this authorization and will take place on the City of Eureka's property, upstream of Phase I. These activities will be implemented in 2020 and 2021. An additional, final phase of the project will drill a well and excavate an irrigation pond to allow for irrigation of the City property during the low-flow season without drawing water from the slough.

#### PROJECT FINANCING

**This authorization:**

**CDFW (via a Prop 1 grant to the Conservancy) \$1,086,982**

**Prior funding secured for Martin Slough Enhancement Project:**

**Coastal Conservancy \$750,000**

**USFWS (via a NCWC grant to the Conservancy) \$980,000**

**Natural Resource Conservation Service \$100,000**

**California Department of Water Resources \$210,000**

**National Oceanic and Atmospheric Administration \$1,091,045**

**Pacific Gas & Electric \$3,010,500**

**City of Eureka \$20,000**

**Project Total \$7,268,927**

The proposed disbursement under this authorization will derive entirely from the grant by California Department of Fish and Wildlife of Proposition 1 funds to the Conservancy for the project. These funds were awarded to the Conservancy through CDFW's Proposition 1 Fiscal Year 2019-2020 Program. The CDFW grant also provides \$20,000 to support Conservancy staff costs.

#### CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

As described in the June 15, 2017 staff recommendation (Exhibit 2), the proposed project is undertaken pursuant to Chapter 6, Sections 31251-31270, regarding resource enhancement. 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 RCAA will enhance and restore wetlands, water quality, and fish and wildlife habitat in and adjacent to Martin Slough, which suffers from channelization, loss of riparian vegetation, and restriction of fish passage by tide gates. The project area will be permanently

managed for the protection of the restored and enhanced habitats, and for the continuation of compatible recreational use.

Pursuant to Section 31251.2, the Conservancy may fund a project that is located outside the coastal zone if the project enhances a watershed resource that is located partially in the coastal zone for the benefit of coastal resources. The project will benefit anadromous fish, which utilize habitat both within and upstream of the coastal zone and thus are a watershed resource, the enhancement of which will benefit coastal resources. Thus, the proposed authorization is consistent with this section.

Pursuant to Section 31252, all areas proposed for resource enhancement are identified in a Local Coastal Plan/Program (LCP) as requiring public action to resolve existing or potential resource problems. Consistent with this section, the project facilitates the 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 [2018-2022 STRATEGIC PLAN](#)  
GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 6 Objective B**, of the Conservancy's 2018-2022 Strategic Plan, the project will enhance and restore 2.5 acres of coastal wetland habitat, and consistent with **Goal 6, Objective E**, the proposed project will enhance anadromous fish habitat in the Martin Slough system.

**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 project will help implement 2014 California Water Action Plan (CWAP) Priority Action 8: Increase Flood Protection.

The project will implement a Management Measure identified in the California Nonpoint Source Pollution Control Program prepared by the State Water Resources Control Board in 2000: MM6B- Restoration of Wetlands and Riparian Areas.

The project will further the following statewide goal of the California Wildlife Action Plan (Wildlife Plan), prepared by the California Department of Fish and Wildlife in 2015:

- Goal 3.3 (Hydrological Regime): Maintain or improve hydrological regimes vital for sustaining ecosystems (including riverine, lacustrine, and estuarine hydrodynamics). (pg.4-3)

The project will help implement the following conservation strategies identified by the Wildlife Action Plan for anadromous salmonids in coastal estuaries on the North Coast:

- Restore and enhance estuary habitat, connectivity, and ecological processes essential for anadromous species.
- Establish estuary function and structure that will allow anadromous migration and be responsive to climate change.

The project would help implement the following tasks identified in the Recovery Strategy for California Coho Salmon, prepared by CDFW in 2004:

- Eureka Plain Task 2: Work with agencies and landowners, to re-establish estuarine function.
- Eureka Plain Task 10: In cooperation with willing landowners, restore and maintain historical tidal areas, backwater channels and salt marsh.
- Rangewide-Estuaries Task 2: Restore estuarine and associated wetland ecosystems

4. **Support of the public:** Supporters of the project include the City of Eureka, State Senator Mike McGuire, and Assemblyman Jim Wood (see Exhibit 5 of the 2017 Coastal Conservancy staff recommendation). Supporters specific to the CDFW funding award are City of Eureka, California Department of Fish and Wildlife, and North Coast Regional Land Trust (see Exhibit 4 of this staff report).
5. **Location:** While the project area specific to this authorization is outside the coastal zone, the southwest end of the Martin Slough Enhancement Project is located within the coastal zone of Humboldt County. This project phase benefits ocean resources by creating critical habitat for listed anadromous species, including SONCC Coho.
6. **Need:** Grant funding from CDFW is critical to ensuring construction of the identified project components. If the Conservancy were to not accept and disburse these funds, the northern end of the Martin Slough Enhancement Project would be delayed by the pursuit of other possible funding opportunities and risk not being completed.

7. **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 the Martin Slough project area.
8. **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 were taken into consideration in the restoration planning design for Martin Slough and in the construction of downstream project phases.

#### **Additional Criteria**

9. **Urgency:** Coho salmon and other listed species in the project area are in urgent need of expanded and enhanced habitat to assist in their recovery. In addition, delays to project implementation will result in ongoing degradation of habitat in the project area as the channel continues to fill with sediment and invasive canary grass.
10. **Resolution of more than one issue:** Project implementation will both restore wetlands and riparian habitat and 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.
11. **Leverage:** See the “Project Financing” section above.
12. **Readiness:** Project construction has been underway since August 2017. RCAA is prepared to initiate construction of Ponds F & G improvements in the 2020 construction season.
13. **Realization of prior Conservancy goals:** “See “Project History” above.”
14. **Cooperation:** RCAA is working closely with the City of Eureka, NOAA, the Conservancy, and other partners to complete the project.
15. **Minimization of greenhouse gas emissions:** Restoration and management planning for the project area considered how the property can be most efficiently managed for ongoing recreational uses and how restoration activities can be conducted most efficiently, minimizing greenhouse gas emissions from those activities. Greenhouse gas emissions from project construction will be further minimized through best management practices to ensure that construction equipment is properly tuned and maintained.

#### **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 restore and enhance coastal wetlands and riparian habitat in and adjacent to Martin Slough.

**CEQA COMPLIANCE:**

As stated in the Conservancy resolution of June 15, 2017, the Initial Study/Mitigated Negative Declaration (IS/MND) for the project, which was adopted on June 2, 2017 by the County of Humboldt, identifies potentially significant effects from implementation of the project in the areas of air quality, biological resources, cultural resources, geology, hazards/hazardous materials, noise, water quality, and traffic. As modified by incorporation of the mitigation measures identified in the IS/MND, project implementation will avoid, reduce, or mitigate all of the possible significant environmental effects of the project to a level that is less than significant. Based on the record as a whole, there is no substantial evidence that the implementation of the Martin Slough Enhancement Project, as mitigated, will have a significant effect on the environment.

A Notice of Determination was filed by the Conservancy with the State Clearinghouse on June 15, 2017.

Since the project work which is the subject of this authorization, including potential environmental effects and conservation measures, is a component of the approved project, the proposed authorization remains consistent with the CEQA findings adopted by the Conservancy in connection with the June 15, 2017 authorization. There have been no changes in the project as described in the IS/MND or in the circumstances under which the project is being undertaken that would trigger the need for additional environmental review under CEQA. No further findings or actions are required under CEQA.