COASTAL CONSERVANCY

Staff Recommendation
February 6, 2020

NAPA RIVER OAKVILLE TO OAK KNOLL RESTORATION PROJECT: GROUP D

Project No. 16-053-03
Project Manager: Linda Tong

RECOMMENDED ACTION: Authorization to disburse up to $1,700,000 to the County of Napa to restore a two-mile reach of the Napa River and a one-mile secondary channel to enhance long-term river and floodplain function, improve water quality and riparian habitats, and attenuate flood damage to adjacent properties.

LOCATION: Napa River, Napa County

PROGRAM CATEGORY: San Francisco Bay Area Conservancy Program

EXHIBITS

Exhibit 1: Project Location Maps and Photos

Exhibit 2: February 2, 2017 Staff Recommendation

Exhibit 3: Project Support Letters

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160-31165 of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed one million seven hundred thousand dollars ($1,700,000) to the County of Napa ("the grantee") to restore Group D of the Oakville to Oak Knoll Restoration Project along the Napa River, subject to the following condition:

1. Prior to commencement of the project, the grantee shall submit the following for review and written approval by the Executive Officer of the Conservancy (Executive Officer):
   a. A detailed work program, schedule, and budget.
   b. Names and qualifications of any contractors to be retained in carrying out the project.

c. A plan for acknowledgement of Conservancy funding and Proposition 1 as the source of that funding.

d. Evidence that all permits and approvals required to implement the project have been obtained.

e. Evidence that the grantee has entered into agreements sufficient to enable the grantee to implement, operate, and maintain 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 4.5 of Division 21 of the Public Resources Code, regarding the San Francisco Bay Area Conservancy Program.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines."

PROJECT SUMMARY:

Staff recommends that the Conservancy authorize disbursement of one million seven hundred thousand dollars ($1,700,000) to the County of Napa to restore Group D of the Oakville to Oak Knoll (OVOK) Restoration Project. The project will restore floodplain function and riparian habitat along the Napa River through grading floodplains, installing in-channel habitat structures, implementing bank stabilization and erosion control, and planting native vegetation.

The OVOK Project recently won the 2019 State of the Estuary Environmental Award for its role in coordinating vital partnerships to restore significant riparian and floodplain function in the Napa River watershed. The project exhibits a strong public-private partnership between the County of Napa, Napa County Flood Control and Water Conservation District, Napa County Resources Conservation District, and private landowners. This collaboration meets multiple objectives: protect properties from flood damage and reduce sediment delivery associated with ongoing bank erosion processes; restore long-term river and floodplain functions; and enhance the resiliency of aquatic and terrestrial riparian habitats, especially for the recovery of salmonids.

The OVOK Project Reach has been divided into four Construction Groups A-D that make up the restoration effort along a nine-mile stretch of the Napa River between the Oakville Cross Road Bridge and the Oak Knoll Avenue Bridge. Construction of Groups A, B and C is underway and will be completed in 2019. Group D is comprised of 11 individual restoration sites along two miles of the Napa River and a mile-long secondary channel (Exhibit 1). This project will support implementation of OVOK Group D restoration and post-construction biological monitoring of

salmonids to assess restoration effectiveness. Phased construction of the Group D sites is anticipated to begin in spring 2020, and revegetation and monitoring is anticipated to be completed by 2023.

The project will create up to six floodplain features through mass excavation and grading. Channel widening and floodplain restoration at existing riffles will support velocity reversals which maintain riffle pool morphology. Areas near the low-flow channel will be graded to reset floodplain connections that activate at biologically significant flows. These features can store water during winter flows, initiate sediment deposition, and create complex aquatic habitats including winter rearing habitat.

Up to 38 in-channel habitat enhancements such as aquatic large woody debris habitat structures will be installed along the channel banks and on floodplain benches, to create and maintain riffle-pool morphology and overall channel complexity that will benefit salmonids. Biotechnical stabilization features – consisting of willow brush mattresses, vegetated soil lifts, erosion control blankets with native seeding, and willow pole planting – will be integrated with all floodplain restoration elements and installed along actively eroding streambanks.

The riparian corridor will be expanded by removal of existing vineyard and revegetation with up to 18.5 acres of native riparian plantings. The removal of non-native invasive species such as Arundo donax, Ailanthus altissima (tree of heaven), and Rubus armeniacus (Himalayan blackberry) will be managed through the project reach during initial implementation and through the long-term maintenance program which will ensure establishment of desired native plant communities.

Site Description:

Historically, the Napa River was a broad and shallow river system with a complex network of riparian, floodplain, and upland habitats. Due to significant land use changes in the watershed, the Napa River is now 12-20 feet deeper and much narrower, with 20-25 feet vertical eroding banks. The Napa River now flows as a straightened channel and the riparian corridor is degraded or non-existent in areas where streambank erosion is occurring. Many of the basic features needed to support salmonids—pools, riffles, floodplains, and complex channel habitats—are gone from many reaches of the Napa River and its tributaries.

At Group D sites, most channel sections are heavily incised and lack effective floodplain connectivity. The riparian corridor is defined by a single row of trees, except for a wooded upland area at one site. Many of the sites have minimal riparian canopy cover and suffer from active bank erosion. The channel and corridor are constrained by a series of berms which limit floodplain connections. Construction at Group D sites would restore and expand up to 31 acres of riparian corridor and existing wetland including up to four acres of freshwater wetlands. Up to 1.7 acres of instream habitat refugia and up to 800 feet of biotechnical stabilization elements would be installed along the stretch of the project area.

The nine-mile-long OVOK Project provides continuity with upstream restoration efforts – it follows immediately downstream from the five-mile-long Rutherford Dust Restoration Team (RDRT) Project, which restored 4.5 miles of riparian habitat along the Napa River. The entire OVOK Project will restore up to 83 acres of transitional riparian and aquatic habitat and reduce fine sediment loading from channel erosion.

4.6 acres of vineyard properties will be rededicated to riparian corridor restoration. Group D landowners participating in the project include Miller Vineyards, the Michael Clark Frank J. and Adra V. Massa Trust, Constellation Brands Robert Mondavi Properties, Victor Cheung, Neverbend, and Silverado Premium Brands.

Grantee Qualifications:

The County of Napa is highly qualified to administer the management and operation of the project. The County has an extensive record of successfully implementing similar projects along the Napa River. Since 2009, Napa County has invested $25 million in the Napa River Restoration Project to restore fish passage and improve spawning and rearing habitat for Chinook salmon and steelhead trout along 14 miles of the Napa River between the Zinfandel Lane Bridge in St. Helena, extending downstream through the five-mile Rutherford Reach, and the nine-mile OVOK River Reaches.

Napa County has received multiple Coastal Conservancy grants to support these restoration efforts. The Conservancy has been a steady partner by supporting the Zinfandel Bridge Fish Passage Project, the RDRT and OVOK Projects, and more. The County's staff have been excellent at managing state grants and have worked with contractors to carry out project activities very effectively.

Project History:

The Conservancy has had a long history of involvement in the restoration of the Napa River. In 1996, the Conservancy funded technical studies for the lower reach (between the City of Napa and the river mouth), which resulted in development of a multi-objective flood management plan that follows the "living river" principle. The Conservancy has since funded two property acquisitions to implement flood management and habitat improvements recommended in the plan, as well as several watershed assessments within the Napa River watershed that have led to projects on private lands to reduce erosion and sedimentation and improve instream and adjacent habitat. The Conservancy has also funded a study of high-priority fish passage barriers in the Napa River basin and a historical ecology assessment of the Napa Valley. Additionally, since the 1990s, the Conservancy has been involved with the acquisition and large-scale restoration of the Napa-Sonoma marshes at the mouth of the river.

The Conservancy has also been a steady partner in funding implementation of Napa River restoration projects. In addition to the Zinfandel Bridge Fish Passage Project, the Rutherford

Restoration Project, the Greenwood Avenue Culvert and Fish Passage Project, the Conservancy has funded prior phases of the OVOK Project. The Coastal Conservancy provided funding to support implementation of OVOK Group C-Site 13 in February 2017 (Exhibit 2) and Group B in May 2018. This project would implement restoration of Group D. This is part of a watershed-wide restoration objective and long-term restoration strategy that has evolved out of the unique public-private partnerships within the Napa River watershed.

PROJECT FINANCING

Coastal Conservancy	**$1,700,000**
U.S. Environmental Protection Agency	$740,000
Wildlife Conservation Board	$1,500,000
Napa County Measure A	$2,300,000
California Department of Fish and Wildlife (pending)	$2,235,000
California Water Board (pending)	$750,000
To Be Determined	$125,000
Estimated Project Total	**$9,350,000**

The expected source of Conservancy funds for this project is the fiscal year 2019/20 appropriation to the Conservancy from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1, Water Code Section 79700 et seq.). Funds appropriated to the Conservancy derive from Chapter 6 (commencing with Section 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).

The proposed project helps achieve the following Chapter 6 purposes as set forth in Section 79732: protect and restore aquatic, wetland, and migratory bird ecosystems (79732(a)(4)); protect and restore coastal watersheds (79732(a)(10)); and protect or restore natural system functions that contribute to water supply, water quality, or flood management (79732(a)(11)). By restoring floodplain and channel form and function, the project will restore historic access to spawning and rearing habitat and improve water quality by reducing erosion. The proposed project was selected through a competitive grant process under the Conservancy's Proposition 1 Grant Program Guidelines adopted in June 2015. As required by Proposition 1 Section 79734, the California Conservation Corps will be contracted to assist with restoration efforts.

The County of Napa is providing $2,300,000 in matching funds through its Measure A Watershed Improvement Tax Fund. The U.S. Environmental Protection Agency is contributing $740,000 through its San Francisco Bay Water Quality Improvement Fund, and the Wildlife Conservation Board is providing $1,500,000 from its Habitat Enhancement and Restoration

Program. Pending sources include $2,235,000 from the California Department of Fish and Wildlife, and $750,000 from the California Water Board's 319h grant program.

OVOK landowners are voluntarily dedicating agricultural land, valued at $1,840,000, for conversion to riparian habitat to allow the project to be constructed. Landowners are also providing funds to support the long-term monitoring and maintenance of the project through the OVOK Community Facilities District. In-kind contributions from Napa County include $60,000 of staff labor for this project.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project is consistent with Chapter 4.5 of Division 21 of the Public Resources Code, Sections 31160-31165, which authorizes the Conservancy to award grants in the nine-county San Francisco Bay Area to help achieve stated goals.

Consistent with Section 31162(b), the proposed project will help "to protect, restore, and enhance natural habitats and connecting corridors, watersheds, scenic areas, and other open-space resources of regional importance." The project will restore natural habitat of the Napa River, including spawning and rearing habitat for Chinook salmon and steelhead trout.

Consistent with Section 31163(c), the project is 1) supported by adopted regional plans, including the Regional Water Quality Control Board's Napa River Sediment TMDL and the San Francisco Estuary Watershed Evaluation: Identifying Promising Locations for Steelhead Restoration in Tributaries of the San Francisco Estuary (CEMAR, 2007); 2) is regionally significant in terms of the riparian and riverine habitat restoration potential; 3) can be implemented in a timely way, as most of the funding for the restoration has been secured or applied for; 4) provides an opportunity to restore a significant property that could be lost if grant funding is not used; and 5) includes local matching funds from County of Napa's Measure A sales tax.

CONSISTENCY WITH CONSERVANCY'S 2018-2022 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with Goal 12, Objective 12F of the Conservancy's 2018-2022 Strategic Plan, the project will enhance riparian and riverine habitat and other watershed functions and processes for the benefit of wildlife and water quality.

Consistent with Goal 14, Objective B, the project will support farmers and ranchers to steward the natural resources on their lands. Implementation of the project at the OVOK Group D sites will convert 4.6 acres of vineyard to riparian habitat, creating an expanded riparian buffer that will create and improve habitat, stabilize eroding streambanks, and protect water quality.

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:**
    a. California Water Action Plan (California Natural Resources Agency, California Department of Food and Agriculture, and California Environmental Protection Agency, 2016). The OVOK Project is consistent with the action to protect and restore important ecosystems, including efforts to implement large-scale habitat projects along the California coast in strategic coastal estuaries to restore ecological health and natural system connectivity.
    b. Safeguarding California: Reducing Climate Risk Plan (California Natural Resources Agency, California Department of Food and Agriculture, and California Environmental Protection Agency, 2016). The project is consistent with the Biodiversity and Habitat priority of improving habitat connectivity and protecting climate refugia (B2). The project is also consistent with the Water priority of protecting and restoring water resources for important ecosystems (W-10).
    c. California State Wildlife Action Plan (California Department of Fish and Wildlife, 2015). The project is consistent with the goal to enhance ecosystem conditions (Goal 2), and the goal to enhance ecosystem functions and processes (Goal 3).
    d. A Strategy for California @ 50 Million: The Governor's Environmental Goals and Policy Report (Governor's Office of Planning and Research, 2015). The project is consistent with the report's strategy to steward and protect natural and working landscapes.
    e. Steelhead Restoration and Management Plan for California (California Department of Fish and Game, 1996). The project is consistent with the plan's strategy to restore degraded habitat for steelhead.
4. **Support of the public:** The project is a collaborative effort among Napa County, Napa County Flood Control and Water Conservation District, Napa County Resource

Conservation District, ESA PWA and Group D landowners, including Miller Vineyards, Michael Clark Frank J. and Adra V. Massa Trust, Constellation Brands Robert Mondavi Properties, Victor Cheung, Neverbend, and Silverado Premium Brands. Collaborating public agencies included in the design review and development process are the Regional Water Quality Control Board, California Department of Fish and Wildlife, US Army Corps of Engineers, National Oceanographic and Atmospheric Administration - National Marine Fisheries Service, and US Environmental Protection Agency. Additional supporters of the project include Napa County Supervisor Diane Dillion and the Watershed Information and Conservation Council (Exhibit 3).

5. **Location:** The project is in the County of Napa, within the jurisdiction of the nine-county San Francisco Bay Area Conservancy Program. The project would benefit the riparian and aquatic habitat along the Napa River.
6. **Need:** Conservancy funds are needed to supplement dwindling local funds generated by the Measure A sales tax.
7. **Greater-than-local interest:** The Napa River has been identified by the Center for Ecosystem Management and Restoration as one of eight "anchor watersheds" with the highest restoration potential for steelhead trout in the San Francisco Bay Area.
8. **Sea level rise vulnerability:** This project is not vulnerable to sea level rise because it is located far above the range of current and projected future tidal influence.

Additional Criteria

9. **Resolution of more than one issue**: In addition to restoring important floodplain function to benefit steelhead and salmon, the project will stabilize riverbanks, thus preventing additional erosion and associated water quality and property damage.
10. **Leverage**: See the "Project Financing" section above.
11. **Innovation**: The project utilizes a range of innovative technical analyses and the latest developments in geomorphic science to reinstate physical and hydraulic processes linked to aquatic habitat complexity. The design approach is intended to work within the confines of the existing hydrology and stream flow and strategically integrate restoration actions that will jump-start and maintain geomorphic processes that can create native species habitat.
12. **Readiness**: Implementation of Groups A, B, and C of the OVOK Project have set the stage for construction of Group D. Project partners are ready to contribute their resources and land to implement the last stretch of the OVOK restoration. The project will have final designs completed in early 2020, and already has local, state, and federal matching funds to start the first year of construction.
13. **Realization of prior Conservancy goals**: "See "Project History" above."

14. **Cooperation**: This is a collaborative effort among private landowners, the County of Napa, Napa County Flood Control and Water Conservation District, Napa County Resource Conservation District, and others. As described above, OVOK landowners are providing funds to support the long-term monitoring and maintenance of the project through the OVOK Community Facilities District.
15. **Vulnerability from climate change impacts other than sea level rise:** The implementation of OVOK Group D will expand the river's riparian corridor and enhance native species diversity (grasses, sedges, shrubs and trees), creating more resilience to a range of future hydrologic and temperature conditions for both riparian and aquatic species.
16. **Minimization of greenhouse gas emissions:** Through the installation of native riparian vegetation, the project will have the potential to sequester carbon at a higher rate than current site conditions allow. The expansion of the riparian forest and restoration of wetland features will enhance the ability of the restoration area to function as a greenhouse gas sink and make the riparian corridor more resilient to hydrological and temperature variations.

CEQA COMPLIANCE:

Pursuant to the California Environmental Quality Act (CEQA), the County of Napa, as lead agency, prepared the "Napa River Restoration: Oakville to Oak Knoll Project Initial Study/Mitigated Negative Declaration" (IS/MND) (SCH # 2014012057). On April 16, 2015, the County of Napa adopted the IS/MND. The IS/MND identified potentially significant impacts of the project in the areas of aesthetics, air quality, biological resources, cultural resources, transportation and traffic, and cumulative impacts. The IS/MND also identified mitigation measures that would avoid impacts, or reduce them below the level of significance, such that the project would not result in significant adverse impacts on the environment. At its February 2, 2017 meeting, the Conservancy made findings pursuant to CEQA regarding the entire OVOK Project (Exhibit 4). The Group D project now proposed for funding remains consistent with the 2015 IS/MND and the 2017 Conservancy CEQA findings. No further analysis or findings are required under CEQA.