COASTAL CONSERVANCY

Staff Recommendation
NOVEMBER 19, 2020

ROSE VALLEY CREEK RESTORATION PROJECT
Project No. 19-057-01
Project Manager: Sam Jenniches

RECOMMENDED ACTION: Authorization to disburse up to $445,990 to California Trout, Inc. to plan and prepare designs, technical analysis, and reports for a riparian habitat restoration project at Rose Valley Creek in Los Padres National Forest in unincorporated Ventura County.

LOCATION: Rose Valley Creek, southeastern Los Padres National Forest, Ventura County

PROGRAM CATEGORY: Integrated Coastal and Marine Resource Protection

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EXHIBITS

Exhibit 1: Project Location Map

Exhibit 2: Project Photos

Exhibit 3: Project Letters

RESOLUTION AND FINDINGS:

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

"The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed four hundred and forty-five thousand, nine hundred and ninety dollars ($445,990) to California Trout, Inc. ("the grantee") to plan and prepare designs, technical analysis, and reports for a riparian habitat restoration project at Rose Valley Creek in Los Padres National Forest in unincorporated Ventura County."

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 for the project.
3. A plan for acknowledgement of the Conservancy and the Water Quality, Supply, and Infrastructure Improvement Act of 2014 as the source of that funding.

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 3 of Division 21 of the Public Resources Code regarding funding feasibility studies and plans (Section 31111) and Chapter 5.5 regarding restoration of fish and wildlife habitat in coastal watersheds (Section 31220).
2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
3. California Trout, Inc. is a nonprofit organization existing under section 501(c)(3) of the U.S. Internal Revenue Code.

PROJECT SUMMARY:

Staff recommends that the Conservancy authorize disbursement of up to $445,990 to California Trout, Inc ("CalTrout") to plan and prepare designs, technical analysis, and reports for a riparian habitat restoration project, the Rose Valley Creek Restoration Project, in Los Padres National Forest in unincorporated Ventura County. The Rose Valley Creek Restoration Project will restore a portion of Rose Valley Creek, a tributary creek of Sespe Creek to enhance riparian habitat and restore fluvial processes for the federally endangered Southern California Steelhead (*Onchorhynchus mykiss*, O. mykiss).

Rose Valley Creek is a tributary of Sespe Creek that has experienced significant environmental degradation through historical military and recreational uses. The project area historically served as a training facility for the United States Naval Construction Battalions (Navy Seabees.) The Seabees created artificial lakes as part of its combat-construction training program during the 1950s and 60s. The area also has a helipad for National Forest Service wildland fire operations and the artificial lakes were periodically stocked by the California Department of Fish and Wildlife with a variety of sport fish species to support a local, seasonal fishery. The lakes are also subject to unauthorized stocking with a variety of non-native fishes and amphibians that are harmful to native and listed species. Today, the area includes three artificial lakes and four fish passage barriers which currently disconnect migration corridors for listed species, disrupt fluvial processes, and provide habitat for Aquatic Invasive Species (AIS) in the greater Sespe Creek watershed.

Sespe Creek is a federally-designated Wild and Scenic River and provides critical spawning, rearing and foraging habitat for native rainbow trout – the freshwater life-history form of endangered Southern California Steelhead. Sespe Creek sustains the highest relative abundance of wild O. mykiss of all of the Santa Clara River's tributaries, contains 123 miles of habitat historically accessible to anadromous steelhead, and exists free of mainstem Santa Clara River migration barriers. Sespe Creek offers the greatest potential for steelhead recovery in the Santa Clara River watershed.

Rose Valley Creek above the artificial lakes and fish passage barriers, is a cool perennial stream with known observations of native rainbow trout. Biological surveys below the man-made lakes indicate habitat for California Red-legged Frog and Arroyo toad suggesting that restoration will

provide for the immediate expansion of critical habitats for these species as well. The long-term goal of this project is to restore riparian, fluvial and floodplain ecosystem processes in Rose Valley Creek by removing four barriers to aquatic passage; removing the warm water habitat source for aquatic invasive species (AIS); and preventing further planting of AIS.

The project consists of data collection and geotechnical analysis, preparing 60 percent design plans and specifications, a design report, and meetings and coordination for project stakeholders. CalTrout has secured a matching grant from the National Fish and Wildlife Foundation to conduct environmental analysis, permitting and final design as a subsequent phase of the project. Data collection will include biological and natural resource studies documenting the natural plant and species community present in Rose Valley Creek. Surveys will establish the current aquatic invasive species demographics of the lakes, identify opportunities to expand or support native plant and species presence, and provide a baseline for monitoring project success following implementation.

CalTrout's engagement with the local communities and National Forest Service (NFS) district rangers indicates that the lower lake is frequently used for illicit and/or illegal activity. The proposed project will enable CalTrout, in partnership with NFS, to modernize the infrastructure, improve the recreation opportunities and provide educational outreach on site focused on listed species conservation and Native American historic use. The proposed project will engage Native American tribal communities as preliminary cultural assessments suggest this location in near known historical trading routes.

Site Description: The Rose Valley Lakes area of Rose Valley Creek is situated in the southeastern portion of the Los Padres National Forest in Ventura County, California. Access to Rose Valley is from Highway 33 north of Ojai and Rose Valley Road. The road serves as access to the existing Rose Valley Campground and Recreation Area which is within the project area. The project area extends from approximately 1000 feet downstream of Lower Rose Valley Lake to the upstream end of the Rose Valley Campground and includes the three lakes and four fish passage barriers. The project area is located within National Forest Service recreation lands. Vegetation in the upper watershed is generally classified as mixed chaparral with areas of riparian vegetation along the channels and areas of mixed conifer on the slopes. Lower Rose Valley has large areas of annual non-native grassland in the western portion and an area of sagebrush along the eastern portion. Riparian vegetation is located along Rose Valley Creek and around the Lower Lake. Middle Rose Lake and Upper Lake also have areas of riparian vegetation around their margins. As discussed in the "Project Summary" above, the three man-made lakes on Rose Valley Creek are a source of Aquatic Invasive Species.

Grantee Qualifications: Founded in 1971, CalTrout is a nonprofit organization working to protect and restore wild trout, steelhead, salmon and their waters throughout California. CalTrout has planned and implemented multiple restoration projects throughout California and has successfully partnered with the Conservancy in the past.

Project History: The project was proposed by CalTrout on April 30, 2019 to the Conservancy during the Winter 2019 grant round of Proposition 1 (i.e. the Water Quality, Supply, and

Infrastructure Improvement Act of 2014) funding. The project builds upon a long time Conservancy goal of supporting the recovery of the endangered Southern California Steelhead.

PROJECT FINANCING

Coastal Conservancy	**$445,990**
Project Total	**$445,990**

The anticipated source of funding for the proposed project is the fiscal year 2020 appropriation 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 of the Act (commencing with Water Code § 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). More specifically, the proposed project will help achieve three of the thirteen Chapter 6 purposes outlined in Section 79732(a), including:

- "Protect and restore aquatic, wetland, and migratory bird ecosystems, including fish and wildlife corridors and the acquisition of water rights for instream flow" by planning for restoration of riparian wetland habitat and fish passage (subsection (a)(4));
- "Remove barriers to fish passage" by planning for the removal of four fish passage barriers on Rose Valley Creek (subsection (a)(6));
- "Assist in the recovery of endangered, threatened, or migratory species by improving watershed health, instream flows, fish passage, coastal or inland wetland restoration, or other means, such as natural community conservation plan and habitat conservation plan implementation," by planning for restoration of riparian wetland habitat and fish passage (subsection (a)(12)).

The proposed 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 each of the evaluation criteria in the Prop 1 Guidelines as described in further detail in the following sections of this staff recommendation: "Project Financing" and "Project Summary" (sections above) and "Consistency with Conservancy's Project Selection Criteria & Guidelines" (section below).

CalTrout has also secured a grant of $445,992 from the National Fish and Wildlife Foundation for the subsequent environmental analysis, permitting and final design specifications.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project will be undertaken pursuant to Chapter 3 of the Conservancy's enabling legislation (Public Resource Code Section 31111), and Chapter 5.5, integrated coastal and marine resources protection (Public Resources Code Sections 31220).

Section 31111 permits the Conservancy to award grants to public agencies and nonprofit organizations for the purpose of funding and undertaking plans and feasibility studies. Consistent with this section, the proposed project is a grant to CalTrout, a nonprofit, to plan and design a habitat restoration project in Ventura County.

Section 31220 permits the Conservancy to provide grants for coastal watershed and coastal and marine habitat water quality, sediment management, and living marine resources protection and restoration projects. Staff consulted with the State Water Resources Control Board, which confirmed that the project is consistent with the Chapter 3 (commencing with Section 30915) [Clean Beaches Program] of Division 20.4 of the Public Resources Code [Watershed, Clean Beaches, and Water Quality Act]. Pursuant to Sections 31220(b)(2)(3) and (6), the Conservancy is authorized to undertake a project or award a grant for a project that protects or restores fish and wildlife habitat within coastal and marine waters and coastal watersheds, that reduces threats to coastal and marine fish and wildlife, and that restores coastal wetlands, riparian areas, floodplains, and other sensitive watershed lands, including watershed lands draining to sensitive coastal or marine areas. By preparing the pre-implementation plans, designs, and documentation necessary to implement a riparian habitat restoration project, the proposed project will restore fish habitat, reduce threats to coastal and marine fish and wildlife and restore coastal riparian areas.

Consistent with Section 31220(c) the proposed project includes preparation of a monitoring and evaluation component and is consistent with regional, local or State watershed management and water quality plans or programs, as described in the "Consistency with Local Watershed Management Plan/State Water Quality Control Plan" section, below.

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

Consistent with **Goal 6, Objective C** of the Conservancy's 2018-2022 Strategic Plan, the proposed project will develop a plan to enhance coastal watersheds and improve fish passage.

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 the following state plans and policies promoting global climate change resilience and adaptation in watershed management:

a. The proposed project will implement the *Southern California Steelhead Recovery Plan* (National Marine Fisheries Service, 2016) by restoring habitat, removing barriers to fish passage, and removing invasive species in a high priority recovery watershed.

b. The proposed project will implement the *Safeguarding California Plan - 2018 Update* (CA Natural Resources Agency, January 2018*)* by prioritizing restoration or enhancement of areas with highly or moderately vulnerable ecosystems and with appropriate species and genetic stock to increase the likelihood of population persistence into the future (Next Step B-3.2).

c. The proposed project is consistent with multiple Conservation Strategies of the *State Wildlife Action Plan* (CA Department of Fish and Wildlife, 2015) including Native Fish Assemblage (Strategies 3, 6, 7 and 9), South Coast Native Aquatic Herp Assemblage (Strategies 4, 5 and 7) and American Southwest Riparian Forest and Woodland (Strategies 5 and 6).

4. **Support of the public:** The restoration of Rose Valley Creek is a key component and objective of the CalTrout-led Santa Clara River Steelhead Coalition's Strategic Plan. This work is supported by all active members and organizations including California Department of Fish and Wildlife, National Marine Fisheries Service, National Oceanic and Atmospheric Association – Restoration Center, United States Forest Service, United States Fish and Wildlife Service, The Nature Conservancy, the UC Santa Barbara Riparian Invasion Research Laboratory, Friends of the Santa Clara River, Wishtoyo Foundation, The Ventura Coastkeeper Chapter, Keep Sespe Wild, and Stoecker Ecological. (See Exhibit 3).

5. **Location:** The proposed project is located in the southeastern portion of Los Padres National Forest in Ventura County. Rose Valley Creek is a headwaters stream of Sespe Creek, a national Wild and Scenic River, and the Santa Clara River. The Santa Clara River watershed is a tier 1 foundational (i.e., high priority) watershed in the Southern California Steelhead Recovery Plan.

6. **Need:** Conservancy funding will leverage National Fish and Wildlife Foundation funding for subsequent environmental analysis, permitting and final design. Without Conservancy funding, the project will be delayed indefinitely.

7. **Greater-than-local interest:** Rose Valley Creek is a headwaters stream of Sespe Creek, a national Wild and Scenic River, and the Santa Clara River. The Santa Clara River watershed is a tier 1 foundational watershed in the Southern California Steelhead Recovery Plan. Additionally, Rose Valley Creek Campground and Recreation Area is a heavily used recreation site serving Ventura County and the Greater Los Angeles area.

8. **Sea level rise vulnerability:** The proposed project area is not vulnerable to sea level rise.

Additional Criteria

9. **Leverage**: See the "Project Financing" section above.

10. **Readiness**: The grantee is ready to begin work on the project with all funding in place.
11. **Realization of prior Conservancy goals**: See "Project History" above.
12. **Cooperation**: The project will be a partnership of federal and state agencies with local nonprofit partners.
13. **Vulnerability from climate change impacts other than sea level rise:** The project is designed to increase the resilience of the Southern California Steelhead as climate changes. The project will provide perennial cool water habitat.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The proposed project is not located within the coastal zone. However, the proposed Project does align with the Santa Clara River Enhancement and Management Plan (see below).

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

The proposed project aligns with the Santa Clara River Enhancement and Management Plan by meeting the primary goal for Conservation, Preservation and Enhancement of Species Habitat: To manage the resources of the river for the net benefit of native wildlife and plant species through the preservation, enhancement, and restoration of native plant communities, and aquatic and wetland habitats; protection, maintenance, and improvement of water quality parameters of the aquatic habitats; and management of water supplies to enhance prolonged seasonal flow regimes for support of anadromous and other native fish and aquatic wildlife species. The proposed project does so by planning for the restoration of habitat and removal of fish barriers for multiple species.

CEQA COMPLIANCE:

The proposed project is statutorily and categorically exempt from the California Environmental Quality Act pursuant to 14 Cal. Code Regs. Sections 15262 and 15306, respectively. Section 15262 provides that feasibility and planning studies for possible future actions that have not yet been approved or funded are exempt from the requirement to prepare an environmental document although environmental factors must be considered. Section 15306 provides a categorical exemption for basic data collection and resource evaluation activities that do not result in serious disturbance to an environmental resource. The proposed project qualifies for these exemptions because it consists of planning, resource evaluation, and information collection for a subsequent project, which has not yet been approved or funded.

Upon approval, staff will file a Notice of Exemption.