

COASTAL CONSERVANCY

Staff Recommendation

March 25, 2021

ELK RIVER ESTUARY RESTORATION- NFWF AND NCWC AUGMENTATION

Project No. 15-033-03

Project Manager: Julia Elkin

RECOMMENDED ACTION: Authorization to disburse up to \$979,000 received from the National Fish and Wildlife Foundation and \$980,000 received from the United States Fish and Wildlife Service to the City of Eureka to augment the Conservancy's prior authorizations of \$2,356,000 for implementation of the Elk River Estuary Restoration Project, a tidal wetland restoration project in Humboldt County.

LOCATION: Eureka, Humboldt County

PROGRAM CATEGORY: Integrated Coastal and Marine Resources Protection

EXHIBITS

Exhibit 1: [Project Location](#)

Exhibit 2: [Elk River Estuary Restoration staff recommendation dated September 6, 2018.](#)

Exhibit 3: [Elk River Estuary Restoration Augmentation staff recommendation dated December 10, 2018.](#)

Exhibit 4: [Elk River Estuary Restoration staff recommendation dated September 3, 2020.](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings:

Resolution:

The State Coastal Conservancy hereby authorizes the disbursement of up to nine hundred and seventy-nine thousand dollars (\$979,000) received from the National Fish and Wildlife Foundation (NFWF), and nine hundred and eighty thousand dollars (\$980,000) received from the United States Fish and Wildlife Service, to the City of Eureka (City) to augment the

Conservancy's prior authorizations of \$2,356,000 for implementation of the Elk River Estuary Restoration Project, within the City of Eureka in Humboldt County.

This authorization is subject to all of the conditions imposed upon the City through the September 6, 2018; December 10, 2018; and September 3, 2020 Conservancy authorizations for this project (Exhibits 2, 3, and 4).

Findings:

Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with the current Project Selection Criteria and Guidelines.
2. The proposed project is consistent with Chapter 5.5 of Division 21 of the Public Resources Code, regarding integrated coastal and marine resources protection projects.

PROJECT SUMMARY:

Staff recommends the Conservancy augment its existing grant to the City of Eureka for implementation of the Elk River Estuary Restoration Project by authorizing the disbursement of up to an additional \$1,959,000, with \$979,000 of funds received from the National Fish and Wildlife Foundation (NFWF) and \$980,000 of funds received from the United States Fish and Wildlife Service (USFWS).

The Conservancy previously granted the City \$980,000 in US Fish and Wildlife Service grant funds and \$979,000 of Conservancy Proposition 1 funds for implementation of the restoration project, as well as \$397,000 of Conservancy Proposition 84 funds for public accessway construction. After the recommended augmentation, the total amount of the grant, including the previously authorized USFWS funds and Conservancy access funds, would be \$4,315,000. The additional funding is needed to implement the restoration actions.

The Conservancy has provided funding throughout this project's development, from funding project design to securing the first project implementation grant (USFWS National Coastal Wetland Conservation grant funds in 2018, see Project Financing section). With the evolution of project designs over the past two years and rising construction costs in the region, it has been a challenge to secure full and timely implementation funding. These grant funding awards from the National Fish and Wildlife Foundation (NFWF) National Coastal Resilience Fund and the USFWS National Coastal Wetland Conservation Grant Program (NCWC) present a major step toward securing final funding needed for full project construction. The NFWF grant award to the Conservancy was made possible by directly leveraging the Conservancy's Proposition 1 funding award of \$979,000 to meet the NFWF funding program's 1:1 non-federal match requirement (see Project Financing section). The USFWS NCWC grant award was made possible by leveraging Ocean Protection Council funding already committed to the City of Eureka for the

project. The 2021 USFWS NCWC award specifically funds project activities for Area 2 North of the project site, acreage which was excluded from the 2018 USFWS NCWC award.

The restoration project components and design details are thoroughly described in the September 2020 staff recommendation and associated exhibits (Exhibit 4). Public accessway amenities are described in detail in the December 10, 2018 staff recommendation (Exhibit 3).

Site Description: The project area remains as described in the September 3, 2020 staff recommendation (Exhibit 4).

Project History: The project history is described in the September 6, 2018 staff recommendation (Exhibit 2), including the project’s relationship to other Conservancy projects in the Elk River watershed. These include the Martin Slough Enhancement Project, located less than three miles upstream of the Elk River Estuary. Together, these discrete restoration projects are increasing habitat values for salmonids and other listed species in the Elk River watershed. For the Elk River Estuary Restoration Project, the Conservancy authorized a \$980,000 grant of USFWS funds to the City on September 6, 2018. On December 10, 2018 the Conservancy authorized \$379,000 of Prop 84 funds to City of Eureka for access amenities that are part of the project. On September 3, 2020, the Conservancy authorized \$979,000 of Prop 1 funds to the City of Eureka for project implementation.

The project is planned to go to construction in summer 2021; the City of Eureka will provide any additional funds necessary to complete the project.

PROJECT FINANCING

Proposed Grant Augmentation

Coastal Conservancy (National Fish and Wildlife Foundation National Coastal Resilience Fund grant)

\$979,000

Coastal Conservancy (United States Fish and Wildlife Service National Coastal Wetland Conservation Grant 2021)

\$980,000

Previous Conservancy Authorizations

Coastal Conservancy (Prop 1) **provided as non-federal match to National Fish and Wildlife Foundation funding award***

\$979,000

Coastal Conservancy (Prop 84)

\$397,000

Coastal Conservancy (USFWS National Coastal Wetlands Conservation Grant 2018)

\$980,000

Other Funds

Humboldt Baykeeper

\$27,000

Ocean Protection Council

\$1,038,853

Project Total

\$5,380,853

The proposed authorization consists of two funding sources. The first is a National Fish and Wildlife Foundation (NFWF) National Coastal Resilience Fund grant awarded to the Conservancy for the project. The NFWF has awarded \$979,000 to the Conservancy for project implementation. All of the NFWF funding award will be granted by the Conservancy to the City of Eureka for project implementation. The second funding source is a USFWS National Coastal Wetland Conservation (NCWC) grant awarded to the Conservancy for the project. USFWS has awarded \$1,000,000 to the Conservancy for the project, with \$20,000 of the grant award for Conservancy project management costs and \$980,000 of the grant to be granted by the Conservancy to the City of Eureka for project implementation.

Per prior Conservancy authorizations, the 2018 USFWS funds are discussed in the September 6, 2018 staff recommendation (Exhibit 2), Coastal Conservancy Proposition 84 funds are discussed in the December 10, 2018 staff recommendation (Exhibit 3), and Coastal Conservancy Proposition 1 funds are discussed in the September 3, 2020 staff recommendation (Exhibit 4). Of note, the NFWF funding award directly leverages the September 3, 2020 Conservancy authorization of \$979,000 of Proposition 1 funding as required non-federal match.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed project is undertaken pursuant to Chapter 5.5 of Division 21 of the Public Resources Code (Section 31220), as well as Section 31113 regarding climate change impacts. The project’s consistency with these sections of the Public Resources Code is discussed in the September 6, 2018 staff recommendation (Exhibit 2).

CONSISTENCY WITH CONSERVANCY’S 2018-2022 STRATEGIC PLAN GOALS & OBJECTIVES:

The project is consistent with the Conservancy’s 2018-2022 Strategic Plan Goals and Objectives, as discussed in the September 6, 2018 staff recommendation (Exhibit 2).

CONSISTENCY WITH CONSERVANCY’S PROJECT SELECTION CRITERIA & GUIDELINES:

The project remains consistent with the Conservancy project selection criteria and guidelines, as discussed in the September 6, 2018 staff recommendation (Exhibit 2).

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The project is consistent with Local Coastal Program policies, as discussed in the September 6, 2018 staff recommendation (Exhibit 2).

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

The project is consistent with the local watershed management program, as discussed in the September 6, 2018 authorization (Exhibit 2).

COMPLIANCE WITH CEQA:

The City of Eureka, as lead agency for the project under the California Environmental Quality Act (CEQA), adopted the “Initial Study/Mitigated Negative Declaration - Elk River Estuary/Intertidal Wetlands Enhancement and Coastal Access Project” (“IS/MND”) and a Mitigation Monitoring and Reporting Plan (“MMRP”) on November 13, 2017. At its November 30, 2017 meeting, the Conservancy reviewed the IS/MND and MMRP, and found that the project, as modified by incorporation of the mitigation measures identified in the IS/MND, will avoid, reduce, or mitigate all of the possible significant environmental effects of the project to a level that is less than significant (as referenced in Exhibit 2). The Conservancy found that, based on the record as a whole, there is no substantial evidence that the project, as mitigated, will have a significant effect on the environment. Conservancy staff filed a Notice of Determination on December 1, 2017. Since November 30, 2017, there have been no project changes, new information, or changed circumstances that trigger the need for additional CEQA review of the project pursuant to 14 Cal. Code Regs. Section 15162. Accordingly, no further environmental review is required.