

COASTAL CONSERVANCY

Staff Recommendation  
March 24, 2022

**WEGER RANCH CONSERVATION EASEMENT**

Project No. 21-075  
Project Manager: Lisa Ames

**RECOMMENDED ACTION:** Authorization to disburse up to \$3,420,000 to Save the Redwoods League to acquire conservation easements on 3,862-acres of the Weger Ranch property within the Big River watershed in Mendocino County, for the purposes of natural resource and water quality protection, sustainable forest management and open space preservation.

**LOCATION:** 10 miles west of Ukiah, Mendocino County

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EXHIBITS

- Exhibit 1: [Project Location and Site Maps](#)
  - Exhibit 2: [Mendocino County Assessor Parcel Numbers](#)
  - Exhibit 3: [Project Photos](#)
  - Exhibit 4: [Project Letters](#)
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**RESOLUTION AND FINDINGS**

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

Resolution:

The State Coastal Conservancy hereby authorizes a grant of an amount not to exceed three million four hundred twenty thousand dollars (\$3,420,000) to Save the Redwoods League (“the grantee”) to acquire three conservation easements on approximately 3,862 acres of the Weger Ranch property, Mendocino County Assessor Parcels Numbers that are shown on Exhibit 2 to the accompanying staff recommendation, subject to the following conditions:

1. Prior to the disbursement of funds for the acquisition, the grantee shall submit for the review and approval of the Executive Officer of the Conservancy (“Executive Officer”):
    - a. All relevant acquisition documents for the acquisition including, without limitation, the appraisal, purchase and sale agreement, conservation easements, escrow instructions, environmental or hazardous materials assessment, and title report;
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- b. A baseline conditions report; and
  - c. Evidence that sufficient funds are available to complete the acquisition.
2. The grantee shall pay no more than fair market value for the easement interests, as established in an appraisal approved by the Executive Officer.
  3. The conservation easements acquired under this authorization shall be consistent with the Conservancy's Easement Standards (adopted May 24, 2007). The conservation easements shall be managed and operated in a manner consistent with the purposes of natural resource and water quality protection, sustainable forest management, and open space preservation. The property shall be permanently dedicated to those purposes by an appropriate instrument approved by the Executive Officer.
  4. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property or in a nearby publicly viewable area, the design and location of which are to be approved by the Executive Officer.

Findings:

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

1. The proposed authorization is consistent with Chapter 5.5 of Division 21 of the Public Resources Code, regarding integrated coastal and marine resources protection.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria.
3. Save the Redwoods League is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code.

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## **STAFF RECOMMENDATION**

### **PROJECT SUMMARY:**

Staff recommends the Conservancy authorize a \$3,420,000 grant to Save the Redwoods League (SRL) to acquire conservation easements over 3,862 acres of the Weger Ranch (the property) located within the Big River watershed in Mendocino County (Exhibits 1 and 2). The proposed project will protect and maintain in perpetuity the conservation values of the property, including late seral coastal redwood and Douglas fir tree stands, native fish and wildlife habitat, and watershed riparian resources and water quality. The project will enable the landowners to operate the property as an ecologically sustainable working forest and protect the capacity of the property for agriculturally productive farmland and rangeland to avoid conversion to residential or nonagricultural commercial uses. If protected, the property will also provide a critical buffer for the old growth redwoods located on the adjacent Montgomery Woods State Natural Reserve (Montgomery Woods) and enhance habitat connectivity for over 11,500 acres of contiguous protected lands to facilitate plant and wildlife species climate adaptation.

The Big River watershed drains an area of approximately 181 square miles; most of its land is used for timber production with smaller areas used for ranching. The Big River estuary, encompassing the lower 8.2 miles of the river, is protected in the Big River State Park, which the Conservancy helped establish in 2002. Because its cold freshwater fishery supports threatened salmonid species, the Big River is designated as a Critical Coastal Area, a specially designated land area of the California coast where state, federal and local government agencies and other stakeholders have agreed to improve water quality or protect exceptional coastal water quality from the impact or threat of nonpoint source pollution by coordinating expertise and resources. The primary water quality concerns for the Big River are sedimentation and high water temperatures detrimental to sensitive aquatic species. Non-sustainable timber harvest practices such as clear-cutting and valley logging have been the major source of sedimentation since logging began in the watershed in 1852.

Weger Ranch is the largest non-industrial private ownership in the Big River watershed. The property has 3,181 acres of unfragmented redwood/Douglas-fir forest including nearly 400 rare old growth redwoods. (See Exhibit 3 - Project Photos.) The site includes 2.75 miles of streams and habitat for five federally listed and special status species: coho and Chinook salmon, steelhead trout, foothill yellow-legged frog, and northern spotted owl. Sensitive species found on the property include golden eagle, American peregrine falcon, and red tree vole. The property is adjacent to the protected 2,743-acre Montgomery Woods, over 1,000 acres of scattered Bureau of Land Management (BLM) lands, and an existing conservation easement (the 4,000-acre Leonard Lake Reserve). (See Exhibit 1.)

Though the landowner has practiced sustainable forest management for over 20 years and is dedicated to continuing the sustainable timber operations, it is uncertain what will occur when the property passes to the next generation. If the heirs decide to sell the property, the likely buyer would be an industrial timber company, posing a risk of aggressive harvest and increased erosion potential. It is rare to find an intact, high-quality working forest and ranch of this size remaining in Mendocino County. The Weger Ranch is also under threat from development. It is zoned a mix of Timberland Production and Rangeland with 37 legal parcels, all with certificates of compliance. If sold to a developer, it could be converted to 37 estate homes and/or vineyard or cannabis operations. Over the past few decades, nearby 4,000- and 5,000-acre ranches have been subdivided into 160-acre or smaller parcels; in 2020, a 16-acre vacant parcel to the west of the Ranch sold for \$525,000.

Substantial portions of California's coast redwood forests have been lost over the past two centuries due to deforestation and conversion, resulting in just 5% of the original old growth remaining. Thus, the protection of residual old growth redwoods, like those found on the Weger Ranch, as well as protecting the larger redwood forest footprint from conversion or fragmentation, is ecologically important. Sustainable forest products generated from family-owned working forests such as this are also an important part of California's economy. Mendocino County is the fourth largest timber producing county in the State, according to the 2019 Mendocino County Crop Report. An additional benefit of coast redwood forests, like those found on the property, is the storage of more carbon above ground than any other forest type on Earth. Coast redwoods continue to sequester carbon rapidly even as our climate changes. Second-growth trees improve their carbon sequestration capabilities as they mature toward

late seral conditions. (Sillett and Burns, 2018 and Van Pelt et al., 2016). Finally, sustainable timber operations as practiced on the Weger property minimize the risk of catastrophic wildfires caused by overly dense, single age tree stands.

The project entails acquisition of three conservation easements – Weger North, Weger South, and Orr Springs on 3,862 acres of the entire 3,942-acre Weger property. To facilitate property divisions for future generations, SRL will use separate easements to cover three distinct areas of the ranch. SRL will acquire fee title to the remaining 80 acres of the property, which will be directly deeded to State Parks to add to Montgomery Woods. Additionally, in a separate transaction, SRL will acquire an adjacent parcel to the Weger Ranch that will be donated to Montgomery Woods. SRL will use separate funding to acquire the fee title to these parcels. (See Exhibit 1.)

The property covered by the easements will continue to be managed as one working forest. The project will ensure that a single tree selection program endures, no clear cutting is allowed, annual harvest is less than growth with additional restrictions in the riparian zones, all residual old growth is protected, and 101 acres of late seral areas will be established (26 acres of reserves and a 75-acre road corridor managed toward late-seral conditions). Best practices to be followed that support forest health include retaining snags and wildlife trees, using each harvest entry to adjust the size, spacing, and quality of the stand, and employing individual tree marking to remove low quality trees and retain high quality vigorous trees in all sizes and age classes, resulting in a diverse forest structure. Light touch harvest will be permitted in the riparian areas, requiring the largest trees and at least 85% canopy cover be retained, allowing the forest to mature and water temperatures to remain favorable to salmonid species, while also considering the risk of wildfire if left unmanaged. The goal for the late-seral areas is to maintain, protect, and enhance the older forest so that it can develop late successional characteristics, support old growth dependent wildlife species, and minimize the amount of sediment that is entering the Big River and its tributaries. The easements will remove the development potential and subdivision of the property's 37 legal lots. California Department of Forestry and Fire (CalFire) has committed \$9.5 million to the project from the State Forest Legacy Program and SRL has committed \$1 million of private funds, in addition to in-kind costs detailed in the Project Financing section below.

**Site Description:** The property contains 3,181 acres of redwood/Douglas-fir forest and 681 acres of grasslands. The forest on the site includes nearly 400 rare old growth redwoods and 101 acres of mature second growth trees. The site contains critical habitat for five federally listed and special status species: Central California Coast coho salmon, California Coastal Chinook salmon, Central California Coast steelhead, foothill yellow-legged frog, and northern spotted owl. According to the Weger Forest Management Plan and the California Natural Diversity Database, sensitive species known to occur on the Ranch are golden eagle, American peregrine falcon, and red tree vole. The bald eagle and the Northern goshawk have a moderate to high potential of occurring on the property.

The Ranch has 2.75 miles of Class I creeks, spawning habitat for the federally listed salmonids (coho, Chinook, and steelhead). It includes seven stream headwaters: Valentine Creek, Russell Brook Creek, Ramon Creek, Johnson Creek, Dark Gulch, Soda Creek, and Gates Creek. In addition, one mile of the South Fork Big River flows through the Ranch. The National Oceanic and Atmospheric Administration (NOAA) recovery plans rank the Big River watershed as core, high-priority habitat for the recovery of coho and as essential for Chinook (NMFS, Recovery Plans, 2012, 2016). The owners have consulted with the Fish Friendly Ranching environmental certification program through the California Land Stewardship Institute to ensure that cattle operations do not erode or pollute the creeks.

The landowner has practiced sustainable forest management for over 20 years, resulting in a highly stocked, diverse forest structure. Per the April 2021 timber inventory, the forest contains more than 60 million board feet, which equates to 19,431 net board feet per acre. The property is also maintained as a working ranch with a small, low-impact cattle operation. Structures on the property include a family residence and several barns and outbuildings (Exhibit 1).

The Big River watershed is located within the historic territory of the Northern Pomo. The people called Pomo lived in small bands linked by lineage and marriage. When Europeans arrived in the early 19<sup>th</sup> century, they encountered an area rich in natural resources. For example, the Big River (Arroyo Grande) was named for the giant redwoods that once lined its banks. A splash dam site is found on the property in the Soda Creek drainage. Built in 1892, it is a historic remnant of Mendocino County's timber industry history. In the late 1800's and early 1900's at least 27 splash dams were built along the Big River and its tributaries to facilitate transportation of logs to the mouth of the river where the first sawmill in Mendocino County was located (*Big River Was Dammed*, Jackson, 1991).

**Grant Applicant Qualifications:** Since 1918, Save the Redwoods League has been dedicated to the long-term preservation of a healthy redwood ecosystem through redwood restoration and stewardship and the support of scientific research to expand knowledge of the forest's ecosystem. SRL has protected more than 200,000 acres of land (worth more than \$4 billion in today's dollars) and helped create 66 parks and reserves. SRL has the fiscal capacity and expertise to conduct the proposed project.

SRL has a long history of work in the region, including a significant role in the expansion of Montgomery Woods into the 2,743 acres it is today. Since 1947, SRL has completed multiple transactions that have contributed 2,368 acres to this state reserve. In 2005, the Conservancy supported SRL's acquisition of the Ross and Cook Properties as part of that expansion.

The Conservancy and SRL have collaborated on numerous north coast projects over the last 20 years including acquisition of the 25,000-acre Mill Creek property in Del Norte County and acquisitions at Humboldt Lagoons State Park, Montgomery Woods State Park Reserve, and the Usal-Shady Dell Creek area in Mendocino County. With Conservancy funding, SRL completed a segment of the coastal trail on the Shady Dell property. Recently, the Conservancy helped fund the Greater Mill Creek Watershed Restoration project in Del Norte County and the Greater

Prairie Creek Watershed Forest Health and Wildfire Resiliency project in Humboldt County as part of the Redwoods Rising Initiative.

**CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA:**

The proposed project is consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, in the following respects:

**Selection Criteria**

**1. Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.**

See the "Consistency with Conservancy's Strategic Plan" section below.

**2. Project is a good investment of state resources.**

The proposed project to acquire easement interests over the 3,862 acre property in the Big River watershed is a good investment of state resources because (1) it will contribute to meeting the state's natural and working lands conservation goals as required by the Governor's 30 x 30 Executive Order; (2) it will advance state and regional water quality improvement goals; (3) it will help protect state and federal threatened and sensitive species; and (4) it will protect and enhance the biodiversity of coastal old growth redwood habitats, a significant and imperiled California natural resource.

**3. Project benefits will be sustainable or resilient over the project lifespan.**

Acquisition of the conservation easements will permanently protect the largest non-industrially owned coastal redwood forest property within the Big River watershed to maintain sustainable forestry operations and protect habitat connectivity, habitat values, water quality, and carbon sequestration potential.

**4. Project delivers multiple benefits and a significant positive impact.**

The proposed project will (1) permanently protect the headwaters of seven streams and 2.75 miles of salmonid streams in the Big River watershed which NOAA has designated a high priority, core area for coho recovery and essential Chinook habitat; (2) protect a sustainably managed working forest that generates high-quality forest products and contributes to the stability of both the state and regional economy; (3) prevent habitat fragmentation and preserve connectivity to over 11,500 acres of contiguous protected lands to facilitate plant and wildlife species climate adaptation; (4) reduce fire risk by avoiding development and associated infrastructure in the wildland urban interface in a particularly fire-prone landscape, and (5) enhance climate resilience by protecting the carbon sequestration potential of the forest. Finally, (6) the project builds off previous Conservancy investments in protecting the resources of the Big River watershed, including acquisitions of the 7,200-acre Big River Estuary State Park, the 16,363-acre Big River Forest, a working forest now sustainably managed by The Conservation Fund, and the 1,240-acre Ross and Cook Properties with SRL and now added to Montgomery Woods State Reserve.

**PROJECT FINANCING**

<b>Coastal Conservancy</b>	<b>\$3,420,000</b>
CALFIRE State Forest Legacy Program (secured)	\$9,500,000
SRL Philanthropy and Organizational Funds	<u>\$1,000,000</u>
<b>Project Total</b>	<b>\$13,920,000</b>

Conservancy funds for this project are expected to come from an appropriation to the Conservancy from the California Drought, Water, Climate, Coastal Protection, and Outdoors Access for All Act of 2018 (Proposition 68, California Public Resources Code Sections 80000-80173). Pursuant to Section 80120(e), the Conservancy may provide grants for the protection, restoration and improvement of coastal forest watersheds including managed forest lands, forest reserve areas, redwood forests and other forest types. This project is an eligible project type pursuant to Section 80120(e) because it will improve water quality, increase coastal watershed storage capacity, reduce fire risk, provide habitat for fish and wildlife and improve coastal forest health within the Big River watershed.

SRL was awarded a CALFIRE State Forest Legacy Program grant of \$9,500,000 for this project.

In-kind services total \$176,200. This includes:

- SRL Staff time - \$109,200
- Due diligence expenses (including timber cruise, appraisal, site assessments and closing fee) - \$67,000

The values of in-kind services listed above are provided as estimates. The Conservancy does not typically require in-kind services, nor does it require documentation of in-kind services.

The total appraised fair market value of the three conservation easements is \$14,905,000 and the landowner has agreed to sell for \$13,920,000, a land value donation of \$985,000.

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

The proposed authorization is consistent with the purposes and objectives of Chapter 5.5 of Division 21 of the Public Resources Code, regarding improving and protecting coastal and marine habitats (Section 31220). Section 31220(a) permits the Conservancy to provide grants for coastal watershed resources protection projects, if the projects meet one or more of the objectives detailed in Section 31220(b). Pursuant to Section 31220(b)(2), the Conservancy is authorized to undertake a project or award a grant for a project that protects fish and wildlife habitat within a coastal watershed. The Weger project will acquire easement interests that will protect 3,862 acres of coastal watershed lands containing critical habitat for northern spotted owl, foothill yellow legged frog, Chinook and coho salmon, and steelhead trout.

As required by Section 31220(a), staff has consulted with the State Water Resources Control Board for consistency with Public Resources Code Division 20.4, Chapter 3 (the Clean Beaches Program).

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

Consistent with **Goal 5, Objective 5A** of the Conservancy's 2018-2022 Strategic Plan, the proposed project protects 3,862 acres of a significant watershed resource property within the Big River watershed in Mendocino County.

Consistent with **Goal 5, Objective 5B**: The Project protects 3,862 acres of working lands, including rangeland and timber forest, in Mendocino County.

Consistent with **Goal 7, Objective 7B**: The Project fosters the long-term viability of coastal working lands and makes it economically viable for the owners to continue to ranch and harvest timber in a sustainable manner, reducing impacts of their operations on wildlife habitat and water quality.

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

The proposed project is consistent with the Big River Watershed Management Plan. The project would specifically further the Plan's Water Quality Goal 2 to "protect and enhance beneficial uses associated with anadromous fishes" - Cold freshwater habitat (COLD), Migration of aquatic organisms (MIGR), and Spawning, reproduction, and early development (SPWN). The project would also help further the Plan's Goal 1 to "protect surface and ground water" from sedimentation associated with timber harvest activities.

Conservation of this significant property, including sustainable timber harvest practices and protection of the site's significant old growth and late seral stage coastal redwood areas will help decrease erosive sediment inputs into the river, as called for by the Plan, resulting in benefits to the Big River's cold water salmonid fisheries and water quality (See Project Summary).

The proposed project is consistent with the North Coast Integrated Regional Water Management Plan because it will help protect native salmonid habitat in the Big River watershed.

The proposed project is consistent with the Water Quality Control Plan for the North Coast Region because it will prevent an increase in sediment discharge in the Big River watershed that would result from conversion of the Weger property to industrial timber or residential uses.

**CEQA COMPLIANCE:**

The proposed funding authorization is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of



Regulations Section 15313 because this project is an acquisition of conservation easements to preserve fish and wildlife habitat. The proposed project is also exempt under Section 15325 because it is an acquisition to preserve open space and natural habitat and to allow continued agriculture in the form of sustainable timber harvesting.

Upon approval of the project, Conservancy staff will file a Notice of Exemption.