COASTAL CONSERVANCY

Staff Recommendation February 15, 2024

NORTH FORK MATTOLE CONSERVATION AND RESILIENCE ACQUISITION

Project No. 23-008-02
Project Manager: Su Corbaley (Lisa Ames)

RECOMMENDED ACTION: Authorization to disburse up to \$800,000 to the Mattole Restoration Council for the acquisition of the approximately 83-acre North Fork Mattole property on the North Fork of the Mattole River in Humboldt County, and preparation of baseline conditions and environmental assessment reports for the property. The property will be acquired for habitat conservation and restoration, California Native American tribal and public access and recreation, open space, and potentially a public-serving facility that will facilitate climate resilience, access to, and enjoyment of the natural resources of the property.

LOCATION: Petrolia, Humboldt County

EXHIBITS

Exhibit 1: Project Location Map

Exhibit 2: Humboldt County Assessor Parcel Numbers

Exhibit 3: <u>Project Photos</u>
Exhibit 4: <u>Project Letters</u>

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 eight hundred thousand dollars (\$800,000) to the Mattole Restoration Council ("the grantee") for the acquisition of the approximately 83-acre North Fork Mattole property (Humboldt County Assessor Parcels Numbers that are shown on Exhibit 2 to the accompanying staff recommendation) and preparation of baseline conditions and environmental assessment reports for the property, 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, deed, escrow instructions, environmental or hazardous materials assessment, and title report;
 - 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 property, as established in an appraisal approved by the Executive Officer.
- 3. The property acquired under this authorization shall be managed and operated for habitat conservation and restoration, California Native American tribal and public access and recreation, open space, and potentially a public-serving facility that will facilitate climate resilience, access to, and enjoyment of the natural resources of the property. 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 8 of Division 21 of the Public Resources Code, regarding reservation of significant coastal resource areas.
- 2. The proposed project is consistent with the current Conservancy Project Selection Criteria.
- 3. The Mattole Restoration Council is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code.

STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends the Conservancy authorize a grant of up to \$800,000 to the Mattole Restoration Council (MRC) to acquire the approximately 83-acre North Fork Mattole property on the North Fork of the Mattole River in Humboldt County and prepare a baseline conditions report and environmental assessment report for the property. The property will be acquired for habitat conservation and restoration, California Native American tribal and public access and recreation, open space, and potentially a public-serving facility that will facilitate climate resilience, access to, and enjoyment of the natural resources of the property.

The North Fork is a tributary in the Mattole River watershed located in coastal Humboldt and Mendocino counties and supports three independent populations of federally-listed threatened salmonids: California Coastal Chinook salmon ("Chinook"), Southern Oregon Northern California Coast ("SONCC") coho salmon ("coho"), and Northern California steelhead ("steelhead"). SONCC coho salmon are also listed at the state level. In 1960, the US Fish and Wildlife Service estimated populations for the three species in the Mattole River at 2,000, 5,000, and 12,000, respectively, according to the California Department of Fish and Wildlife's North Coast Watershed Assessment Plan (2003) for the Mattole River. Surveys of the Mattole River in recent years document significant declines in Chinook and coho, with live adult Chinook populations ranging from 75 to 150 and live adult coho in the teens. Distribution of coho and Chinook in the Mattole River is also significantly reduced from estimated historic ranges, which for coho included the entire main stem and 33 tributaries, and for Chinook included the main stem and 27 tributaries. All juvenile Chinook, coho, and steelhead use the estuary and low-gradient tributaries like the lower reach of the North Fork of the Mattole River for at least a brief time prior to ocean entry. Historically, this lower reach provided suitable spawning and rearing habitat for native salmonids such as riparian cover and deep pools to provide cool water habitat long into the summer season.

Currently, wetland rearing habitat in the Lower North Fork is severely lacking and often disconnected from flowing waters, and climate change has exacerbated this loss of critical habitat. The proposed acquisition site borders the Lower North Fork and includes riparian habitat with some invasive Eucalyptus trees and poor-quality wetlands, and off channel and instream salmonid habitat with significant restoration potential. The adjacent Mattole Road floods frequently when the county ditch overflows, resulting in reduced ability for residents and emergency service providers to pass through this area. In addition to the need to restore and enhance wetland and riparian habitats for the Mattole River's threatened salmonid species and reduce localized flooding, public access is largely unavailable in the 87% privately-owned Mattole Valley, especially in the rural disadvantaged community of Petrolia, which lacks any public parks or trails near the town center. The site also contains a historic cemetery which is of significance to the community and the Bear River Band of the Rohnerville Rancheria.

In April 2023, the Conservancy funded preacquisition activities for the proposed project including 1) legal assistance for a purchase Option Agreement while the parties completed due diligence during a lot line adjustment application process; 2) working with the Humboldt County Planning Department and landowners in securing a lot line adjustment; and 3) a property appraisal to establish the fair market value of the newly created parcel. MRC completed the lot line adjustment application and expects Humboldt County approval by March 2024. The final appraisal of the new parcel will follow the County's approval.

The proposed project will protect coho and Chinook salmon and steelhead trout habitat in a lower tributary to the Mattole River estuary and secure public access to open space in a severely disadvantaged community. Acquiring the property will link in-stream, riparian, and wetland habitat across already-conserved upstream reaches of the Lower North Fork, and future restoration would provide habitat connectivity between the mainstem Mattole and these conserved areas. The proposed project will facilitate planning for the following future activities:

- restoration of 1.07 miles of class 2 and 3 streams,
- reduced flooding of Mattole Road after stream restoration,
- restoration of up to 11.35 acres of wetland habitat,
- restoration of 22.8 acres of riparian forest,
- removal of over 17 acres of invasive plants, resulting in wildfire protection,
- development of up to 2.35 miles of public access trails,
- restoration of Tribal access to land, and
- increased Tribal engagement with stewardship of the site.

MRC also intends to explore developing a public-serving facility on the site that could provide opportunities for visitors to access and enjoy the coastal resources and provide a space for Tribal re-engagement with territorial land. The proposed facility may also serve as an education, research, and job training center focused on community resilience and to study climate change impacts and adaptation approaches in the southern Humboldt County region.

Site Description: The project site is in the center of the unincorporated community of Petrolia in southwestern Humboldt County. Current conditions include open pasture used primarily for livestock grazing since the 1850s, riparian forest, and wetland habitat. The site also contains some mature Douglas-fir, tanoak, madrone, bay laurel, California buckeye, native maples, and a variety of historically planted ornamental trees. The Lower North Fork of the Mattole River flows along the western edge of the property, with extensive riparian forests and wetlands (Exhibit 3). The entire reach of the Lower North Fork is a migration corridor for listed coho salmon, Chinook, and steelhead. The land includes significant habitat for fish and wildlife species sacred to the Mattole Tribe (currently the Bear River Band of the Rohnerville Rancheria). The condition of the existing riparian habitat on the site is good with the notable exception of some invasive Eucalyptus trees. The condition of existing wetland, off channel, and in-stream salmonid habitat is poor to fair with significant restoration potential, including 5,666 feet of restorable stream habitat, and 11.35 acres of restorable wetland habitat (Exhibit 1).

The 83 acres proposed for acquisition derive from a historic 130-acre ranch owned by Triple Junction Ranch LLC and North Fork Mattole Ranch LLC (Exhibit 1). Almost directly adjacent and upstream to the project location are two large, conserved ranches that straddle the Lower North Fork: the 2,113-acre North Fork Ranch protected under the Williamson Act, and the 1,532-acre Valley View Ranch, protected with a Conservancy-funded conservation easement. There is a small historic cemetery that includes areas of Tribal cultural significance to the Bear River Band.

Grant Applicant Qualifications: The Mattole Restoration Council is a nonprofit organization organized under U.S. Internal Revenue Code section 501(c)(3), working for more than 35 years toward the recovery of salmonid populations in the Mattole River. It is a member of the collaborative Mattole River and Range Partnership, an alliance of local nonprofit organizations working together to carry out enhancement activities in the Mattole watershed.

MRC has an experienced administrative and contract management team and is currently managing over five million dollars in secured grant contracts. These include grants for riparian habitat restoration, forest health, workforce development, invasive species removal, coastal prairie restoration, fire safety, landscape-level fuel break and wildlife corridor enhancement, ecological education, workforce development, and management of a native plant nursery and operations base. These represent nearly all aspects of the long term, multi-phase goals to be accomplished on the property they seek to acquire, conserve, and restore.

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 will protect 83 acres of riparian, wetland, and upland habitat to benefit endangered coho salmon, provide riparian transitional habitat for terrestrial species, and alleviate localized flooding during extreme weather events, as well as provide the opportunity to develop public access trails. The lower Mattole and its North Fork tributary have limited available backwater habitat for threatened salmonids to rear and overwinter before outmigrating to the Pacific Ocean. The acquisition will support 30x30 Goals.

3. Project includes a serious effort to engage tribes. Examples of tribal engagement include good faith, documented efforts to work with tribes traditionally and culturally affiliated to the project area.

MRC has engaged the Bear River Band Tribal Council members, Tribal Historic Preservation Office (THPO) staff, and Tribal members in face-to-face discussions, phone calls, and emails regarding the future of this property since before the initial attempt to acquire it in 2020. A longtime Bear River Band Tribal Council member who is of Indigenous Mattole descent sits on MRC's board of directors and was the first to point out the cultural significance of the site. Bear River Band's THPO director and staff work closely with MRC's existing Mattole Field Institute program.

MRC leadership has been cultivating a relationship with the Bear River Band to pursue:

- Opportunities for Tribal members to participate in workforce development trainings for fire and forest health-related careers;
- Opportunities for Tribal members, staff, and members of the California Indian Basketweavers' Association to manage willows for traditional basketry; and
- Opportunities for Tribal artists to create public storytelling installations near the site.

An MRC staff member participated as a student and guest presenter in the Tribe's Summer 2022 Archaeology field school held near the project site. During that 12-day field school, MRC staff had multiple conversations with Bear River Band THPO staff regarding this project, specifically discussing initial ideas about:

- Tribal capacity to co-manage the land;
- Tribal capacity to co-design programs for a potential education, research, and job training center; and
- Bear River Band THPO interests in the historic cemetery on the site.

Since then, MRC staff have followed up on conversations and provided timely updates and sought feedback from Tribal partners whenever there has been meaningful progress on this project. The MRC's Mattole Field Institute currently engages Bear River Band staff and members as guest presenters, and the concept for a potential public-serving facility is being developed with as much Bear River Band Tribal leadership as is available based on Tribal capacity limitations and boundaries.

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

The property will be protected in perpetuity. Future restoration and enhancement of wetlands, riparian areas, and stream channels, and removal of invasive plants, will improve resilience to climate change.

5. Project delivers multiple benefits and significant positive impact.

The project builds toward many benefits with positive impacts. Future wetland restoration and enhancement will increase carbon sequestration and will likely alleviate seasonal flooding on Mattole Road that occurs within 700 feet of the Petrolia Post Office and General Store, thereby protecting community resources. Alleviating potential flood impacts will improve emergency vehicle access during floods. Long-term, acquisition of the property will provide an opportunity for the only accessible trail in the Petrolia community, as well as public open space and recreational amenities that will improve public health and deepen social connections as well as connections with the environment.

6. Project planned with meaningful community engagement and broad community support.

MRC has been working with the local community towards conserving this land since 2020. Due to a delay in an appraisal that year, MRC was unable to purchase the intact historic 130-acre ranch and it was sold to a group that has developed a permitted cannabis grow at the very south end. During that permit process and since then, MRC has participated in multiple meetings with concerned community members and local community groups who wish to see the rest of this land conserved and a climate resilience center created. Despite the complex nature of this acquisition – which involves a lot line adjustment to separate the permitted cannabis grow from the portion to be acquired – MRC is committed to seeing the process through because of the broad community support.

In 2022, meetings were held in which 18 local business or coop owners/members, 4 nonprofit organizations, representatives from the local fire department and local schools, and 15

individuals were interviewed to discuss local resilience needs. This provided the initial broad community input to begin conceptualizing this project. Also in 2022, MRC participated in a small group of local leaders/residents who organized evening gatherings to strategize how the community could be revitalized. On January 10, 2023, a virtual meeting of the King Range Alliance (4 local conservation-oriented nonprofits, plus US Bureau of Land Management King Range National Conservation Area staff) was held specifically to discuss local resilience needs and the status of this project. In late January, MRC hosted a focus group to broaden participation and hear perspectives on local resilience needs from unhoused residents, English as Second Language residents, high school youth, residents with disabilities, elders, and additional Bear River Band members and staff. MRC provided Spanish translation, food, and arranged for childcare if needed. Additional meetings are planned with Bear River Band staff and members who could not attend the earlier focus group.

PROJECT FINANCING

Coastal Conservancy \$800,000
Project Total \$800,000

Conservancy funding is anticipated to come from a Fiscal Year 2022/23 appropriation from the General Fund to the Conservancy for the purpose of "urgent sea level rise adaptation and coastal resilience needs using nature-based solutions or other strategies" (Budget Act of 2022, SB 154 as amended by the Budget Act of 2023, SB 101). The coastal resilience funds are available for the purposes described in Section 52 of Chapter 258 of the Statutes of 2021. The proposed project is consistent with this funding because acquisition of the North Fork Mattole property will enable MRC to pursue a nature-based solution by protecting and restoring coastal habitat that will build resilience for coastal communities and endangered species to future sea level rise.

The expected source for the Conservancy funds for the potential public-serving facility component of the proposed project is the fiscal year 2018-2019 appropriation from Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resources Code (PRC) section 75001 et. seq) (Proposition 84) for Coastal Conservancy state-wide resource protection projects to protect and restore the natural habitat values of coastal waters and lands, and to promote access to and enjoyment of the coastal resources of the state, consistent with Division 21 of the Public Resources Code. Consistent with this funding source, the purchase of land for a potential public-serving facility will facilitate environmental education and other programming that will promote the enjoyment of coastal resources, such as the salmonids that utilize the North Fork Mattole. The project will be carried out in accordance with Chapter 8 of Division 21 regarding reservation of significant coastal resource areas (see "Consistency with Conservancy's Enabling Legislation" section below).

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The project will be undertaken pursuant to Chapter 8 of the Conservancy's enabling legislation, Public Resources Code Sections 31350-31356, regarding reservation of significant coastal resource areas. Chapter 8 authorizes the Conservancy to award grants to nonprofit organizations to acquire property for certain purposes, including public recreation and protection of fish and wildlife habitat, that further the policies and objectives of the California Coastal Act of 1976. (Pub. Res. Code §§ 31351, 31352(a)(1)).

The project is consistent with the legislative intent expressed in section 31350 because it will acquire and protect key coastal resource lands that would otherwise remain inaccessible to the public due to continued private ownership.

Consistent with Section 31351(a), this project is the result of Conservancy cooperation with MRC, a nonprofit organization, and will ensure the reservation of real property interests for wildlife habitat protection and potential recreational uses, both of which meet the policies and objectives of the Coastal Act.

The Humboldt County Local Coastal Plan, South Coast Area Plan (LCP) discusses land use for this region of Humboldt County; below are the sections relevant to the project.

Sections 3.41.A.1.b and 3.41.A.1.g of the LCP identify environmentally sensitive areas, respectively, as river and riparian habitat, and critical habitats for rare or endangered species on state or federal lists. The project will protect and further efforts toward enhancing the river and riparian habitat of the North Fork Mattole River to benefit the listed species Chinook, coho and steelhead trout that inhabit and spawn in the Mattole River.

CONSISTENCY WITH CONSERVANCY'S 2023-2027 STRATEGIC PLAN:

Consistent with **Goal 1.1, Commit Funding to Benefit Systemically Excluded Communities,** the proposed project would benefit the rural, disadvantaged community of Petrolia by incorporating the community's interests into the working concepts for the future uses of the property.

Consistent with **Goal 1.3, Support Meaningful Engagement by Systemically Excluded Communities**, the proposed project supports meaningful engagement by a systemically excluded community including the Bear River Band of the Rohnerville Rancheria, as described in Selection Criteria 3, above.

Consistent with **Goal 3.1, Conserve Land,** the proposed project will protect 83 acres of high-quality resource lands with public access opportunities. The project will increase habitat connectivity and support inland migration of habitat with sea level rise.

CEQA COMPLIANCE:

The proposed project is categorically exempt from review under 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 land to preserve fish and wildlife habitat; and Section

15325 because the project involves the transfer of ownership interests in land to preserve open space or enhance natural conditions, including plant or animal habitats. The proposed project will preserve the existing natural conditions and habitats of the property.

The project's environmental assessment and baseline conditions report component is also statutorily exempt from CEQA review pursuant to 14 California Code of Regulations Section 15262, which exempts planning and feasibility studies for possible future actions that have not yet been approved, adopted, or funded; and categorically exempt under Section 15306, which exempts data collection and resource evaluation activities that do not result in a serious or major disturbance to an environmental resource. Consistent with these sections, this component involves only data gathering, resource evaluation, planning, and feasibility analyses for possible future actions that have not yet been approved or funded. Consistent with Section 15262, the project will consider environmental factors. Consistent with Section 15306, the data collection and resource evaluation components of the project will not cause major or serious disturbance to the environment.

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