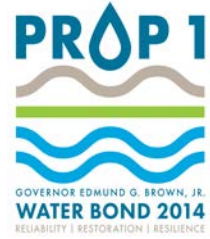




SACRAMENTO - SAN JOAQUIN

**DELTA CONSERVANCY**

A California State Agency



# Proposition 1 Grant Program

## 2015-16 Staff Recommendation

### I. Project Overview

<b>Project Title</b>	Lower Marsh Creek and Sand Creek Watershed Riparian Restoration Planning		
<b>Applicant</b>	American Rivers		
<b>Project Number</b>	Prop 1-Y1-2015-019	<b>Category</b>	1
<b>County</b>	Contra Costa	<b>Funding Request</b>	\$78,014
<b>Score</b>	86.1	<b>Total Project Cost</b>	\$116,568
<b>Staff Recommendation:</b> Make Public Resources Code Section 32360.5 findings required for funding activities outside of the legal Delta, and approve part of the requested of funding.		<b>Funding Recommended</b>	\$73,493

### II. Staff Recommendations

Delta Conservancy staff recommends that the Board make findings required for funding activities outside of the legal Delta, and approve funding for the Lower Marsh Creek and Sand Creek Watershed Riparian Restoration Planning project (#Prop 1-Y1-2015-019) proposed by American Rivers for a reduced sum of \$73,493. The applicant requested \$78,014; from this amount \$4,521 of costs for trail planning related tasks were deemed ineligible for Prop. 1 funding. The project to which this category 1 planning project relates is eligible for category 2 funding, should it make it to the category 2 stage. The awarding of a category 1 grant for a project does not guarantee that a category 2 grant will be awarded for the same project.

This project will take place, in part, outside of the legal Delta. Public Resources Code section 32360.5 requires the Board make certain findings if it approves funding for activities outside the Delta. Staff recommends making the following findings: (1) the project implements the ecosystem goals of the Delta Plan by improving important habitats and water quality in the Delta; (2) the project is a category 1 planning project and therefore does not require any state or federal permits at this time; (3) the Conservancy has given notice to affected local jurisdictions and the Delta Protection Commission, and has received

no comments; (4) the Conservancy has given notice to and reviewed comments from the Coastal Conservancy; and (5) the project will provide significant ecosystem restoration and water quality benefits in the Delta because it will expedite planning and permitting for floodplain restoration projects along Delta waterbodies.

For this project, American Rivers and their partners will draft a Programmatic CEQA document that will cover restoration-related activities in the Marsh and Sand Creek watersheds, parts of which are located outside of the legal Delta, and will also develop a stormwater management plan that will be used to guide future developments in the area. This programmatic CEQA will allow for swifter action to be taken on developing and implementing restoration projects that will restore floodplain, attenuate flood flows, help improve water quality, and provide an increasingly contiguous habitat corridor for a wide range of species in a rapidly expanding urban area.

The project is ready for implementation; it is well-supported locally and is being advanced by an effective, cross-sector partnership with a history of working together and extensive applicable expertise. The applicant draws on literature to provide a sound scientific foundation for the projects that will result from this planning proposal. The habitat restoration, habitat connectivity, and flood protection benefits of the types of projects that will be designed and developed under this programmatic CEQA will specifically address the resource demands of a changing climate. This programmatic CEQA document will lead to projects that advance innovative, non-structural means of integrating habitat restoration, flood protection, and adaptive management. These characteristics make this project a standard-bearer for area-wide permitting for multibenefit riparian and floodplain habitat restoration in the Delta. By approving this project, the Conservancy will be funding a project that has a high likelihood of yielding important ecosystem benefits.

Staff has prepared the text and tables below based on staff's best understanding of the information provided in the application. The Conservancy has received comments on the proposal from the Delta Stewardship Council and the Delta Protection Commission. If approved, staff will work with the applicant to further refine the project's scope of work and performance measures, and to address comments prior to entering into a grant agreement.

### **III. Project Summary**

#### **Project Description:**

The purpose of this project is to create a Programmatic CEQA document for future restoration activities conducted by American Rivers and their partners (Friends of Marsh Creek Watershed (FOMCW), the Contra Costa County Flood Control and Water Conservation District (District), and the City of Brentwood) in the Marsh Creek and Sand Creek watersheds. The pace and scale of restoration and conservation within the watershed are not keeping up with urban development. A programmatic CEQA will alleviate a significant bottleneck to advancing restoration activities, providing for a comprehensive, area-wide approach to planning and permitting that will facilitate more expeditious implementation.

In the next few years, a confluence of significant opportunities could allow the applicant to restore Marsh and Sand Creeks. However, under status quo conditions, these opportunities will likely be buried under the next wave of urbanization that is rolling over the watershed. This programmatic CEQA document will reduce the amount of time and resources needed to acquire needed permits and will also encourage further participation in restoration projects by developers by establishing in-place CEQA coverage. This rapid urbanization will also cause significant changes in water flow in the region due to increased stormwater runoff events. By developing a stormwater management plan for the region, these flows can be incorporated into the creek and the restoration projects there on.

**Location (Site Description):**

The planning area includes the Marsh and Sand creeks watershed, but will focus on the lower portions of Marsh and Sand creeks, downstream of Balfour Avenue on Marsh Creek and the Hwy. 4 bypass on Sand Creek, and includes the cities of Brentwood, Oakley, and Antioch. Marsh Creek flows from Mt. Diablo to the Delta through protected park land in the upper watershed and the rapidly growing cities of Brentwood, Antioch, and Oakley in the lower watershed. The creek channel was straightened in the 1950s and is currently managed as a trapezoidal flood control channel that is chemically mowed to prevent riparian vegetation from decreasing flood capacity. There are several undeveloped parcels along the creek suitable for expanding the channel to allow enough room for riparian vegetation and flood conveyance.

**IV. Implementation of California Water Action Plan and Consistency with Prop 1 and Conservancy Enabling Legislation**

<b>State Priority/Plan</b>	<b>Action</b>	<b>Project Benefits</b>
Proposition 1	Ch. 6 79732(a)(2) Implement watershed adaptation projects in order to reduce the impacts of climate change on California’s communities and ecosystem.	Contributes to corridors of habitat for fish and wildlife that run from the Delta to the Diablo Range. This habitat connectivity will allow species to move along an elevational gradient in order to accommodate climate change. Further, these opportunities will allow for greater flood protection.
	Ch. 6 79732(a)(4) Protect and restore aquatic, wetland, and migratory bird ecosystems, including fish and wildlife corridors and the acquisition of water rights for instream flow.	Contributes to corridors of habitat for fish and wildlife that runs from the Delta to the Diablo Range. This habitat and its connectivity between the Diablo Range and the Delta will benefit many Delta species.

<b>State Priority/Plan</b>	<b>Action</b>	<b>Project Benefits</b>
Proposition 1	Ch. 6 79732(a)(11) Reduce pollution or contamination of rivers, lakes, streams, or coastal waters, prevent and remediate mercury contamination from legacy mines, and protect or restore natural system functions that contribute to water supply, water quality, or flood management instream flow.	Restores vegetation that will help to remove urban and agricultural pollutants from the waterway.
	Ch. 6 79732(a)(12) 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.	Restores habitat that will benefit a range of state and federally listed species including Chinook salmon, steelhead, and Swainson's hawk.
California Water Action Plan	Action 2. Increase regional self-reliance and integrated water management across all levels of government.	Integrates water management at the level of individual developments, cities, counties and the state.
	Action 3. Achieve the co-equal goals for the Delta.	Protects and restores Delta ecosystems.
	Action 4. Protect and restore important ecosystems.	Protects and restores floodplain and riparian habitats that support several listed species.
	Action 8. Increase flood protection.	Creates floodplains that will better accommodate flood events.
Delta Conservancy Enabling Legislation	§32301(i)(1) Protect and enhance habitat and restoration.	Protects and restores Delta habitat and ecosystems.
	§32301(i)(2) Provide increased opportunities for tourism and recreation.	Creates shaded wildlife corridors that will incorporate local trail systems and will encourage community to visit the site.
	§32301(i)(3) Increase the resilience to floods.	Creates and maintains floodplains that will better accommodate flood events.
	§32301(i)(4) Protect and improve water quality.	Restores vegetation that will help to remove urban and agricultural pollutants from the waterway.

<b>State Priority/Plan</b>	<b>Action</b>	<b>Project Benefits</b>
Delta Conservancy Enabling Legislation	§32301(i)(6) Restore the region's physical and living resources.	Restores two creeks to more natural states both physically and biologically.
	§32301(i)(7) Assist locals with NCCPs.	Creates opportunities for project sites to be incorporated with the local HCP/NCCP efforts. While this property is consistent with the Yolo HCP, it is not serving as mitigation and therefore is eligible for Prop. 1 funds.
	§32301(i)(8) Promote environmental education.	Provides locations where communities and nearby schools can engage in environmental education in the area.
Delta Conservancy Strategic Plan	<p>Objective 3.2: Lead Delta ecosystem restoration activities consistent with Conservancy authorities, the Delta Plan and other regional plans and guidance, through a voluntary Delta Restoration Network, and based on adaptive management.</p> <p>Strategy 3.2.2: Establish, enhance and maintain migratory corridors for fish, birds and other animals.</p> <p>Strategy 3.2.3: Protect and enhance wetland and upland habitats on subsided lands, as consistent with agricultural operations.</p>	<p>Creates native habitat corridors that will connect protected lands and allow fish and wildlife to move across the landscape.</p> <p>Creates floodplain habitat that will benefit wetland and aquatic species.</p>
Delta Plan	ER R2. Prioritize and implement projects that restore Delta habitat	Restores riparian and floodplain Delta habitat.
	DP R11. Provide new and protect existing recreation opportunities	Creates native habitat that will be incorporated into existing trail systems and that will provide increasing opportunities for recreation.
	DP R14. Enhance nature-based recreation.	Restores native vegetation that will create natural habitat that will encourage nature-based recreation.
	RR P4. Floodplain protection.	Creates opportunities for projects to create and maintain floodplain habitat.

## V. Outcomes/Outputs

Project Goals	Desired Project Outcomes	Output Indicators
Goal 1. Restore floodplain and riparian habitats in Marsh and Sand Creek flood control channel to improve water quality, flood management and ecosystem resilience to climate change in the Marsh Creek watershed.	<p>Permitting is streamlined for multi-benefit projects that will improve water quality, enhance flood protection and restore habitat.</p> <p>Multiple on-the-ground projects are shovel-ready, increasing the pace of restoration in the watershed.</p>	Programmatic CEQA document is complete for the lower Marsh and Sand Creek watersheds.
Goal 2. Reduce discharge of polluted urban run-off to Marsh Creek	Integrate stormwater treatment requirements required under provision C3 (new development) of the recently revised Municipal Regional Permit with channel restoration projects	Design criteria is complete that integrates new stormwater treatment rules and wetland restoration on creek-side parcels

## VI. Budget

The total cost for this project is \$116,568. Staff recommends approving \$73,493 for a programmatic CEQA and stormwater management plan. Project proponents are requesting \$78,014 from the Conservancy. This request includes \$4,521 of funding for trail planning tasks that were deemed ineligible by Conservancy legal staff and have been removed from the budget. The remaining project funding will come from American Rivers and Pulte Homes (from the Marsh Creek Funding Agreement) who are providing a cost share of \$28,554 (cash), Friends of Marsh Creek Watershed who are providing a cost share of \$2,500 (in-kind), and Contra Costa Flood Control District who are providing a cost share of \$7,500 (in-kind).

## VII. Consistency with Grant Program Guidelines

### Readiness (Including CEQA Status if Applicable):

The applicant effectively demonstrates that this category 1 planning project is set to begin in the summer of 2016 and will be completed by the end of 2018. Because much of the project is identified as a priority restoration area in the East Contra Costa County Habitat Conservation Plan (HCP), and due to the very poor quality of existing habitat at the project site, project proponents may be able to file a programmatic mitigated negative declaration. While this property is consistent with the Contra Costa HCP, it is not advancing any mitigation and therefore is eligible for Prop. 1 funds. Because this is a planning grant to prepare a CEQA document, award of the grant is not a “project” for purposes of CEQA.

**Local Support:**

This project has strong local support from the community and will integrate planning by local jurisdictions in a manner that helps restore habitat, improve water quality, and enhance recreational opportunities. Four letters of support accompanied this proposal. They came from one state senator, one state assemblyperson, one city government, and one local NGO. The application also included a resolution of support from the Contra Costa Flood Control District. No County resolution was included, nor was the Delta Protection Commission (DPC) consulted, however the DPC indicated support for the project in its subsequent review.

This project will create benefits to the developing lands surrounding the project site. Local property owners have agreed that there will be value added to their properties if this project is completed. FOMCW is a community group whose mission is to protect and restore the watershed. Since 2004, FOMCW has restored vacant land adjacent to the creeks one parcel at a time. Local residents that make up the FOMCW are supportive of a planning effort that will create a programmatic CEQA document for restoration along the entire creek, building and expanding on their past efforts.

**Scientific Merit:**

The scientific merit of this proposal is well supported. This planning proposal advances innovative non-structural approaches to flood management and habitat restoration. Instead of trying to control the creeks in narrow zones with levees and floodwalls, this proposal will cover projects that will focus on giving the creeks more room to safely convey flood waters while also providing habitat for aquatic and terrestrial species. The programmatic CEQA document would facilitate projects to expand the channel. The main function of expanding the channel is to create enough conveyance capacity to allow for the planting of woody riparian vegetation (trees) while also safely conveying large flood flows.

**Long Term Management & Adaptive Management Plan:**

The programmatic CEQA document will provide guidance on how to plan and permit future projects in a manner that includes well supported long-term management plans, and will include adaptive management in future projects.

**Monitoring and Assessment:**

As this is a planning proposal, with no physical modifications being made, no specific monitoring or assessment plans were included for the planning project. However, the applicant provided a robust monitoring and assessment plan to be used once on-the-ground projects are identified and approved. This plan focuses on monitoring creek restoration projects to insure that projects meet ecological goals. A primary goal is to increase the area of frequently inundated floodplain and native vegetation along Marsh and Sand Creeks. A secondary goal will be for projects to provide native habitat for a diversity of native avian, fish, herp, and mammal species covered by the East Contra Costa habitat Conservation Plan. These monitoring and assessment plans will provide data on short-and long-term success of these future projects.

**Climate Change Considerations:**

Climate change is effectively considered from several angles. The planning project will increase adaptability to climate change by enabling managers to more easily widen Marsh and Sand Creek to accommodate larger runoff events, provide shade along the creeks, create a wildlife corridor, and establish native plants in lieu of traditional landscape plants that require irrigation. There are currently no trees at all along Marsh Creek and the adjacent regional trail. The project will strive to create a nearly continuous shade and habitat corridor from Mt. Diablo to the Delta, sequestering atmospheric carbon dioxide and helping species adapt to climate change. The project will also enable the creek channel to convey larger flood events that are expected to occur as a result of climate change.