Proposition 1 Grant Program Cycle 4 Staff Recommendation

PROJECT OVERVIEW

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Paradise Cut Conservation and Flood Management Project, Phase 2</th>
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</thead>
<tbody>
<tr>
<td>Applicant</td>
<td>San Joaquin County Resource Conservation District</td>
</tr>
<tr>
<td>Project Number</td>
<td>Prop 1-1806</td>
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<tr>
<td>Project Type</td>
<td>Planning</td>
</tr>
<tr>
<td>Funding Request</td>
<td>$265,254</td>
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<tr>
<td>County</td>
<td>San Joaquin</td>
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<tr>
<td>Total Project Cost</td>
<td>$265,254</td>
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<tr>
<td>Score</td>
<td>80.1</td>
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<tr>
<td>Funding Recommended</td>
<td>$265,254</td>
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Recommended Motion

Conservancy staff recommends that the Board approve funding for the Paradise Cut Conservation and Flood Management Project, Phase 2 (#Prop 1-1806) proposed by San Joaquin County Resource Conservation District, conditional upon the applicant submitting and Conservancy staff approving by September 1, 2019:

1. A description of the applicant’s purchasing system as required in the Financial Management Systems Questionnaire and Cost Allocation Plan or a written statement waiving the applicant’s right to purchase equipment for this project;
2. A certification of the accuracy of the proposal; and
3. A work flow or other written material indicating how information from the phases of this project will inform later deliverables, and specifically explaining the relationship between the sedimentation study proposed for phase 3 and the mitigation report that is a deliverable for this project.

Staff prepared the text below based on staff’s best understanding of the information provided in the application. Conservancy staff and the Professional Review Panel (consisting of the following agencies: California Department of Fish and Wildlife, California Department of Food and Agriculture, Delta Protection Commission, National Oceanic and Atmospheric Administration – National Marine Fisheries Service, and United States Fish and Wildlife Service) have scored this proposal against the established criteria. Additional comments on the proposal have been provided by the Delta Stewardship Council, and any local governments and districts, water agencies, and tribes that responded to the local notification process. Prior to entering into a grant agreement, staff will work with the applicant to further refine the project’s scope of work.
PROJECT SUMMARY

The Paradise Cut Conservation and Flood Management Project, Phase 2 is proposed as part of a multi-phase project to reduce flood risk to farms and cities while improving habitat for native species by constructing a bypass and restoring floodplain along the lower San Joaquin River. The Conservancy funded the first phase of this project, which is on track to complete all deliverables by the end of June 2019. The applicant proposes with a second phase of the project to identify and design implementation strategies that avoid or mitigate impacts to downstream landowners. This project is located in San Joaquin County, immediately southwest of Paradise Cut and the San Joaquin River between the cities of Lathrop and Tracy (a map is included at the end of this document). The project site is privately owned and is currently in agricultural production.

The applicant has requested $265,254 from the Conservancy for this project. No cost share is provided. Conservancy funding will be used to develop and formalize a local engagement structure, to compile existing technical data and identify data gaps, and to develop strategies for mitigation, and monitoring and maintenance.

The San Joaquin County Resource Conservation District has demonstrated that the project team has sufficient expertise, capacity, and partnerships to successfully carry out this project.

This project has a proposed start date of January 1, 2020. This planning project will advance planning for a specific, on-the-ground project, the benefits of which align with Proposition 1 and State priorities. Acquisition of the property needed to construct this project will begin this year. Physical construction of the project could occur in 2028, but the exact timeline is unknown. The flood protection and habitat benefits of this project, once constructed, will be significant: staff recommends awarding funding to this project despite concerns about its readiness.

CONSISTENCY WITH STATE PRIORITIES

The project is consistent with, and directly and specifically links to, multiple actions and priorities identified in Proposition 1, the California Water Action Plan, the Conservancy's enabling legislation and strategic plan, the Delta Plan and other state and regional plans. The project’s consistency with State plans is listed below.

Proposition 1

- 79732(a)(2): Implement watershed adaptation projects in order to reduce the impacts of climate change on California’s communities and ecosystems.
- 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.
- 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.
- 79732(a)(13) Assist in water-related agricultural sustainability projects.
California Water Action Plan

- Action 3: Achieve the Co-equal Goals for the Delta.
- Action 4: Protect and Restore Important Ecosystems.
- Action 8: Increase Flood Protection.

Delta Conservancy’s enabling legislation

- Section 32301(i)(1): Protect and enhance habitat and habitat restoration.
- Section 32301(i)(2): Protect and preserve Delta agriculture and working landscape.
- Section 32301(i)(5): Increase the resilience of the Delta to the effects of natural disasters such as floods and earthquakes, in coordination with the Delta Protection Commission.

Delta Conservancy’s Strategic Plan

- Goal 1: Promote multi-benefit Delta working landscapes and a robust Delta tourism economy, in collaboration with local stakeholders and the Delta Protection Commission, to enhance the unique cultural, recreational, natural resource, and agricultural values of the Delta.
- Goal 2: Fund and implement high priority projects that increase Delta ecosystem viability through sustaining critical habitat, restoring ecological function, improving water quality, protecting listed species, increasing ecosystem diversity, and managing for climate change; and continue to work collaboratively to define multi-benefit restoration.

Delta Plan

- ER P3: Protect Opportunities to Restore Habitat.
- ER P4: Expand Floodplains and Riparian Habitats in Levee Projects.
- RR P4: Floodplain Protection.

LOCAL SUPPORT

The proposal demonstrates local support from the San Joaquin County Flood Control and Water Conservation District and the South Delta Water Agency. The proposal details an approach to inform and consult with all affected parties and to avoid/reduce/mitigate conflicts with existing and adjacent land uses. The proposal does not include a county resolution of support.

SCIENTIFIC MERIT

The proposal describes and references the scientific basis of the project and incorporates the best available science. The proposal demonstrates efforts to develop an adaptive management approach with sufficient capacity and resources to implement that approach. The proposal addresses climate impacts/benefits and provides a mechanism for incorporating climate change considerations into the project.

SUGGESTED MOTION LANGUAGE

Move the Board approve a grant not to exceed $265,254 to the San Joaquin County Resource Conservation District for the Paradise Cut Conservation and Flood Management Project, Phase 2, conditional upon the applicant submitting and Conservancy staff approving by September 1, 2019 the items noted in the staff recommendation.
Paradise Cut Conservation and Flood Management Project, Phase 2
Conceptual Site Plan from 2017 CVFPP