CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE DIRECTOR'S OFFICE POST OFFICE BOX 944209 SACRAMENTO, CA 94244-2090



CALIFORNIA ENVIRONMENTAL QUALITY ACT STATUTORY EXEMPTION FOR RESTORATION PROJECTS CONCURRENCE NO. 21080.56-2024-049-R3

Project:	Pescadero Marsh Habitat Restoration and Resiliency Project North Marsh North Pond
Location:	San Mateo County
Lead Agency:	California Department of Parks and Recreation
Lead Agency Contact:	Ryan Diller; <u>Ryan.Diller@parks.ca.gov</u>

Background

<u>Project Location:</u> The Pescadero Marsh Habitat Restoration and Resiliency Project North Marsh North Pond (Project) is located within the 235-acre Pescadero Marsh Natural Preserve, owned and operated by California Department of Parks and Recreation (State Parks), in the town of Pescadero, State of California. The Project area is approximately 21 acres within the North Marsh North Pond (NMNP) which is comprised of modified tidal wetlands, seasonal wetlands, and uplands located north of Pescadero Creek and adjacent to Highway 1, approximately centered at coordinates 37.26707, -122.40745. The Project area includes approximately 4,440 feet of levee, the main drainage channel and associated culverts, and the north and south drainage ditches.

Project Description: State Parks proposes to conserve, restore, protect, or enhance, and assist in the recovery of California native fish and wildlife, and the habitat upon which they depend and to restore or provide habitat for California native fish and wildlife. The Pescadero Marsh Natural Preserve had undergone many anthropogenic changes since the late 1800s which have affected the hydrology and subsequent water guality conditions of the marsh. These changes include reduced stream flow due to upstream water diversions; land use modification and practices resulting in increased erosion, sedimentation, and incision; channel straightening resulting in disconnection to the floodplain; and topographic modifications to accommodate agricultural land uses. In the mid-1990s, modifications were made to recontour the marsh plain to support agriculture, including the construction of a new levee and drainage system to separate Pescadero Creek from the NMNP. In 1993, State Parks implemented a restoration project to construct a small levee with gated culverts to manage tidal connection between the main lagoon of Pescadero Creek and the NMNP complex. Soon after the restoration was completed, culvert tide gates failed, resulting in complete tidal connection during lagoon open phases and further scouring of the drainage channels. In the recent decade, large volumes of water from the NMNP continue to drain into the Pescadero Creek Lagoon during lagoon-breach events. Due to the altered hydrology of

the Pescadero Creek Lagoon and NMNP, significant volumes of anoxic water draining from the NMNP into Pescadero Creek Lagoon have caused fish-kills during periods when the lagoon surface water becomes disconnection with the ocean.

The Project is designed to restore the ecological, geomorphic, and hydraulic processes in the NMNP to improve habitat for native fish and wildlife in a variety of ways by reducing or eliminating conditions for development and transport of anoxic water into the Pescadero Creek Lagoon; increasing natural freshwater input into NMNP; removing anthropogenic infrastructure such as levees, culverts, and the drainage system that have impacted ecological function; improve natural lagoon freshening within the NMNP; improving sediment transport through the lagoon; and improving the Pescadero Creek Lagoon and NMNP dynamics to increase system resilience to sea level rise and climate change.

Project activities include lowering the levee, beneficially reusing material on site to fill the existing drainage system, and removing the existing dilapidated culvert system. With removal of these anthropogenic features, less frequent tidal exchange will occur between the lagoon and the NMNP and will result in increased freshening of the NMNP complex which flows into the lagoon. Increased freshening of the NMNP complex will improve water quality within the lagoon during periods when the lagoon surface water becomes disconnection with the ocean. The Project will also restore the adjacent marsh plain by installing wood structures intended to provide habitat complexity or grade control. Additionally, invasive vegetation management will occur along the main levee and on the adjacent dune system to improve native plant cover. Non-native vegetation such as ice plant (Carpobrotus edulis) and European beachgrass (Ammophila arenaria) will be removed and non-native blue gum eucalyptus (Eucalyptus globulus) trees will be removed and treated to prevent regrowth. The Project will restore natural processes within the Pescadero Creek Lagoon and NMNP complex, and as a result will improve habitat conditions for steelhead trout (Oncorhynchus mykiss), coho salmon (Oncorhynchus kisutch), tidewater goby (Eucyclogobius newberryi), California red-legged frog (Rana draytonii), western pond turtle (Actinemys marmorata), and San Francisco garter snake (Thamnophis sirtalis tetrataenia).

<u>Tribal Engagement:</u> On November 16, 2023, State Parks sent letters and emails to Tribal representatives from a list of tribal groups provided by the California Native American Heritage Commission, describing the Project and requesting tribal input. Further outreach occurred on December 6, 2023, through an email sent to all tribal representatives who did not respond to the initial letters and emails. On behalf of and in collaboration with State Parks, San Mateo Resource Conservation District (SMRCD) is consulting with a representative of one tribe, through regular Project meetings and a detailed discussion on December 20, 2023, in which tribal input was received. State Parks and SMRCD continue to consult with interested tribes and will respond to additional comments and recommendations as they arise.

Interested Party Coordination: On behalf of State Parks, SMRCD provided regular updates about Project development to the Pescadero Municipal Advisory Committee (PMAC) and Sustainable Pescadero, two community groups comprised of local landowners, community residents, local non-profit organizations, and businesses. Both PMAC and Sustainable Pescadero have continued to show support for the Project. The most recent Project update meeting was held with PMAC on January 10, 2024. State Parks and SMRCD have scheduled meetings on February 7, 2024, and in March 2024, to present further Project details to these groups and other interested parties. Additionally, State Parks has discussed the Project with members of the public and the local chapter of the Audubon Society about the impacts of Project construction on the existing and currently closed Sequoia-Audubon Trail located at the site.

The Project was also developed in coordination with the Integrated Watershed Restoration Program Technical Advisory Team and a Technical Advisory Committee composed of regulatory staff from local, state, and federal resources agencies including California Department of Fish and Wildlife (CDFW). Coordination meetings included development of restoration goals and objectives for the Project, oversight of technical planning and design work, and feedback to advance the Project's concept design to 100% design plans.

Anticipated Project Implementation Timeframes:

Start date: June 2024 Completion date: October 2026

Lead Agency Request for CDFW Concurrence: On January 18, 2024, the Director of the California Department of Fish and Wildlife (CDFW Director) received a concurrence request from California Department of Parks and Recreation (Lead Agency) pursuant to Public Resources Code section 21080.56, subdivision (e) (Request). The Request seeks the CDFW Director's concurrence with the Lead Agency's determination on January 17, 2024, that the Project meets certain qualifying criteria set forth in subdivisions (a) to (d), inclusive, of the same section of the Public Resources Code (Lead Agency Determination). The CDFW Director's concurrence is required for the Lead Agency to approve the Project relying on this section of the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.).

Concurrence Determination

The CDFW Director concurs with the Lead Agency Determination that the Project meets the qualifying criteria set forth in Public Resources Code section 21080.56, subdivisions (a) to (d), inclusive (Concurrence).

Specifically, the CDFW Director concurs with the Lead Agency that the Project meets all of the following conditions: (1) the Project is exclusively to conserve, restore, protect, or enhance, and assist in the recovery of California native fish and wildlife, and the habitat upon which they depend; or is exclusively to restore or provide habitat for California native fish and wildlife; (2) the Project may have public benefits incidental to the Project's fundamental purpose; (3) the Project will result in long-term net benefits to climate resiliency, biodiversity, and sensitive species recovery; and includes procedures and ongoing management for the protection of the environment; and (4) Project construction activities are solely related to habitat restoration. Pursuant to Public Resources Code section 21080.56, subdivision (g), CDFW will post this Concurrence on its CEQA Notices and Documents internet page: https://wildlife.ca.gov/Notices/CEQA.

This Concurrence is based on best available science and supported, as described below, by substantial evidence in CDFW's administrative record of proceedings for the Project.

This Concurrence is also based on a finding that the Project is consistent with and that its implementation will further CDFW's mandate as California's trustee agency for fish and wildlife, including the responsibility to hold and manage these resources in trust for all the people of California.

Discussion

A. Pursuant to Public Resources Code section 21080.56, subdivision (a), the CDFW Director concurs with the Lead Agency that the Project will exclusively conserve, restore, protect, or enhance, and assist in the recovery of California native fish and wildlife, and the habitat upon which they depend; or restore or provide habitat for California native fish and wildlife.

Prior to modifications of the NMNP and Pescadero Creek Lagoon in 1993, the wetlands and ditches in the NMNP provided high quality breeding and foraging habitat for California red-legged frog, western pond turtle, and San Francisco garter snake. The introduction of tidal action to NMNP diluted existing freshwater inputs, increased salinities year-round, and created inhospitable conditions for these freshwater and brackish species. The Project is designed to assist in the recovery of these native species in the Pescadero Creek Lagoon and NMNP complex by strategically filling the existing ditches and channels, removing the dilapidated culvert system, and lowering the levee to eliminate tidal influence to the NMNP. This will result in freshening of the entire NMNP complex and restoration of both habitat and water quality conditions that support multiple native species. Improved water guality conditions in the NMNP will also provide water quality benefits to the Pescadero Creek Lagoon by reducing the degree of hypoxia during breach events, further benefiting steelhead, coho salmon, and other native aquatic and terrestrial species present in the lagoon and NMNP complex. Additionally, the Project will remove non-native vegetation, improving conditions for native dune and riparian vegetation communities and terrestrial wildlife species.

B. Pursuant to Public Resources Code section 21080.56, subdivision (b), the CDFW Director concurs with the Lead Agency that the Project may have incidental public benefits, such as public access and recreation.

The Project does not include any public access measures, however it may restore the opportunity to access the seasonal Sequioa-Audubon Trail that exists along the levee and spans the existing drainage channel. Due to the levee and associated culvert system failure, the trail has remained inaccessible. The Project will fill the channel and naturalize the marsh topography such that the trail can be safely accessed.

C. Pursuant to Public Resources Code section 21080.56, subdivision (c), the CDFW Director concurs with the Lead Agency that the Project will result in long-term net

benefits to climate resiliency, biodiversity, and sensitive species recovery, and includes procedures and ongoing management for the protection of the environment.

Long-term Net Benefits to Climate Resiliency: By restoring natural processes to the NMNP complex and Pescadero Creek Lagoon through the removal of culverts and constructed drainage system, the NMNP complex will become more resilient to climate change fluctuations like drought, extreme flooding, and extreme tidal events. The Project will also facilitate the natural evolution of the tidal marsh by restoring natural sediment transport dynamics and freshwater and tidal hydrology. The Project will reduce hydrologic efficiency by lowering the levee to an appropriate elevation and removing the associated drainage system, to provide a hydraulic control for regulating tidal inundation to the NMNP while also enabling freshwater inflows and retention. Project efforts to remove invasive dune vegetation will also support the long-term evolution and function of a more naturalized NMNP complex. Sediment accretion will be driven by localized run-off and sediment inputs from the coastal-facing dune system adjacent to Highway 1. While sea level rise is projected to increase the rate of tidal inundation of the NMNP complex and Pescadero Creek Lagoon, restoring the NMNP and lagoon levee crest to an appropriate elevation and removing the drainage system will protect the freshwater marsh from high tide events and restore natural sediment transport dynamics that will reduce the rate at which the marsh and lagoon become inundated from future sea level rise.

Long-term Net Benefits to Biodiversity: The NMNP complex currently provides aquatic habitat for tidewater goby, western pond turtle, and California red-legged frog. Prior to modifications to the system in the 1990s, these species as well as San Francisco garter snake were often observed in the NMNP. Due to the current water quality conditions and lack of retained freshwater habitat these species are rarely observed today. The Pescadero Creek Lagoon currently provides critical rearing habitat for steelhead, coho salmon, and tidewater goby. The Project will increase freshwater input and residency time in the NMNP by increasing the quality and quantity of freshwater and brackish habitat needed to support western pond turtle, San Francisco garter snake and California red-legged frog. The Project will also reduce the likelihood of warm, hypersaline water known to create anoxic conditions in the NMNP that directly impact the lagoon water quality and habitat conditions for salmonids. Additionally, the Project will remove non-native vegetation, improving conditions for native dune and riparian vegetation communities and terrestrial wildlife species.

Long-term Net Benefits to Sensitive Species Recovery: The National Oceanic and Atmospheric Administration (NOAA) Fisheries Service 2012 "Recovery Plan for the Evolutionary Significant Unit of Central California Coast Coho Salmon" includes multiple management actions for Pescadero Creek that aim to address improved habitat conditions in Pescadero Creek and the NMNP complex to benefit endangered coho salmon recovery. Actions 1.1.1 and 1.1.4 of the 2012 Plan include rehabilitating inner estuarine hydrodynamics and natural river mouth dynamics in the Pescadero Creek watershed. These actions, to restore mouth and estuarine dynamics, are needed to improve water quality conditions in the lagoon, which was identified as a significant limiting factor to salmonid populations in Pescadero Creek. The Project will increase freshwater inputs and residency times in the NMNP, reducing the incidence of warm, hypersaline conditions. Improved water quality conditions will directly benefit native aquatic special-status species such as steelhead and coho salmon. Similarly, habitat conditions will improve rearing and breeding habitat for California red-legged frog and western pond turtle, increasing prey species and better foraging conditions for San Francisco garter snake and addressing management actions identified in the 1985 United States Fish and Wildlife Service (USFWS) "The Recovery Plan from San Francisco Garter Snake" and the 2002 "Final Recovery Plan for California Red-Legged Frog".

Procedures for the Protection of the Environment: Avoidance, minimization, and conservation measures will be implemented during construction of the Project to avoid and minimize impact to sensitive species and resources to the greatest extent possible. In addition, best management practices (BMPs) and protection measures from the USFWS Programmatic Biological and Conference Opinion California Statewide Programmatic Restoration Effort (USFWS 2022), Biological Opinion and Magnuson-Stevens Fishery Conservation and Management Act Essential Fish Habitat Response for the Program for Restoration Projects within the NOAA Restoration Center's Central Coastal California Office Jurisdictional Area in California (NMFS 2016b), and State Water Resources Control Board Order for Clean Water Act Section 401 Water Quality Certification and Waste Discharge Requirements for Restoration Projects Statewide (SWRCB 2022) will be implemented during construction of the Project. BMPs and protection measures include species-specific protection measures, water quality protection measures, in-water work protection measures, vegetation disturbance and herbicide use protection measures, cultural resource monitoring and protection measures, and hazardous material protection measures.

Project implementation activities will include isolation of the NMNP with combined aquatic species removal and relocation specifically in areas of disturbance where fill will be placed. Wildlife exclusion fencing may be used to isolate and protect terrestrial habitat and wildlife during excavation in upland areas. Restoration efforts will also take place between June and October when water levels are lowest to reduce impacts to tidewater goby, California red-legged frog, and salmonids.

Ongoing Management for the Protection of the Environment: State Parks will continue to adaptively manage the Project to ensure that natural processes have been restored within the NMNP complex and Pescadero Creek Lagoon. A long-standing water quality and sensitive species monitoring program, previously implemented by State Parks in collaboration with CDFW, will continue in coordination with SMRCD. An adaptive management plan will also be developed and implemented to identify any post-construction failures or issues and will include topographic and photo monitoring of the Project area. Adaptive management monitoring will focus on wood habitat features that provide grade control and the area along the levee and ditches where fill has been placed to ensure levee elevations are maintained. Future adaptive management actions may include additional placement of fill material and installation of fast rooting native plant species. Additionally, invasive plant management areas will be inspected annually to ensure that native plant cover and native plant species diversity goals are achieved or addressed with additional removal and herbicide treatment as necessary.

D. Pursuant to Public Resources Code section 21080.56, subdivision (d), the CDFW Director concurs with the Lead Agency that the Project does not include any construction activities, except those solely related to habitat restoration.

All Project related activities are solely related to the overall goal of the Project to restore fresh and brackish water habitat for native aquatic species in the NMNP and to significantly curtail the creation and transport of anoxic water from the NMNP into the Pescadero Creek Lagoon.

Scope and Reservation of Concurrence

This Concurrence is based on the proposed Project as described by the Lead Agency Determination and the Request. If there are any subsequent changes to the Project that affect or otherwise change the Lead Agency Determination, the Lead Agency, or any other public agency that proposes to carry out or approve the Project, shall submit a new lead agency determination and request for concurrence from CDFW pursuant to Public Resources Code section 21080.56. If any other public agency proposes to carry out or approve the Project subsequent to the effective date of this Concurrence, this Concurrence shall remain in effect and no separate concurrence from CDFW shall be required so long as the other public agency is carrying out or approving the Project as described by the Lead Agency Determination and the Request.

Other Legal Obligations

The Project shall remain subject to all other applicable federal, state, and local laws and regulations, and this Concurrence shall not weaken or violate any applicable environmental or public health standards. (Pub. Resources Code, § 21080.56, subd. (f).)

CDFW Director's Certification

Bv

Date: 2/11/24

Charlton H. Bonham, Director California Department of Fish and Wildlife